



Extraordinary Together

ZEE ENTERTAINMENT ENTERPRISES LIMITED

CIN No : L92132MH1982PLC028767

Regd. Off. 18th Floor, A Wing, Marathon Futurex, N.M.Joshi Marg, Lower Parel, Mumbai - 400013

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Standalone Balance Sheet

(₹ in Lakhs)

Particulars	As at 30-Sep-2021 Unaudited	As at 31-Mar-2021 Audited
A) Assets		
I) Non-current assets		
(a) Property, plant and equipment	30,414	31,560
(b) Capital work-in-progress	1,691	1,201
(c) Investment property	5,154	5,202
(d) Goodwill	12,607	16,156
(e) Other Intangible assets	1,732	2,402
(f) Intangible assets under development	4,374	1,983
(g) Financial Assets		
(i) Investments		
a) Investments in subsidiaries	61,791	61,791
b) Other investments	5,321	6,572
(ii) Other financial assets	1,051	1,145
(h) Income-tax assets (net)	13,892	13,804
(i) Deferred tax assets (net)	23,807	24,094
(j) Other non-current assets	798	386
Total non-current assets	162,632	166,296
II) Current assets		
(a) Inventories	522,560	494,396
(b) Financial assets		
(i) Other investments	53,739	76,670
(ii) Trade receivables	183,593	177,206
(iii) Cash and cash equivalents	47,502	58,111
(iv) Bank balances other than (iii) above	14,852	4,221
(v) Loans	16,558	-
(vi) Other financial assets	36,230	42,121
(c) Other current assets	113,325	103,385
Total current assets	988,359	956,110
III) Non-current asset classified as held for sale (net) (Refer note 6)	13,206	5,872
Total Assets (I + II + III)	1,164,197	1,128,278
EQUITY AND LIABILITIES		
A) Equity		
(a) Equity Share capital	9,606	9,606
(b) Other equity	904,672	865,157
Total equity	914,278	874,763
B) Liabilities		
I) Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings		
Others	193	130
(ii) Lease liabilities	1,685	1,163
(b) Provisions	9,180	14,125
Total non-current liabilities	11,058	15,418
II) Current liabilities		
(a) Financial liabilities		
(i) Borrowings		
Redeemable preference shares	41,347	38,322
Others	102	87
(ii) Lease liabilities	1,274	1,086
(iii) Trade payables		
total outstanding dues of micro enterprises and small enterprises	26	46
total outstanding dues of creditors other than micro enterprises and small enterprises	136,556	129,218
(iv) Other financial liabilities	24,722	31,122
(b) Other current liabilities	22,947	26,629
(c) Provisions	3,304	949
(d) Income-tax liabilities (net)	8,583	10,638
Total current liabilities	238,861	238,097
Total liabilities (I + II)	249,919	253,515
Total Equity and Liabilities (A + B)	1,164,197	1,128,278

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Standalone financial results for the quarter and half year ended 30 September 2021.

(₹ in Lakhs)

Particulars	Quarter ended on			Half year ended on		Year ended on
	30-Sep-21	30-Jun-21	30-Sep-20	30-Sep-21	30-Sep-20	31-Mar-21
	Unaudited	Unaudited	Unaudited Restated (Refer note 4)	Unaudited	Unaudited Restated (Refer note 4)	Audited
1 Revenue from operations	182,367	160,939	158,021	343,306	274,576	666,535
2 Other income	3,375	3,290	3,642	6,665	4,922	26,235
Total income [1 + 2]	185,742	164,229	161,663	349,971	279,498	692,770
3 Expenses						
(a) Operational cost	83,724	79,813	72,959	163,537	130,700	296,133
(b) Employee benefits expense	16,312	17,977	16,090	34,289	32,409	68,555
(c) Finance costs	134	75	209	209	361	5,255
(d) Depreciation and amortisation expenses	2,786	2,832	3,709	5,618	8,183	14,575
(e) Fair value loss/(gain) on financial instruments at fair value through profit and loss	2,833	(5,569)	586	(2,736)	9,809	21,612
(f) Advertisement and publicity expenses	20,797	14,640	15,693	35,437	24,301	53,001
(g) Other expenses	13,989	12,342	19,554	26,331	30,177	60,753
Total expenses [3(a) to 3(g)]	140,575	122,110	128,800	262,685	235,940	519,884
4 Profit before tax and exceptional item [1 + 2 - 3]	45,167	42,119	32,863	87,286	43,558	172,886
5 Exceptional item (Refer note 6 and 8)	(1,400)	(370)	(9,710)	(1,770)	(9,710)	(12,664)
6 Profit before Tax [4 + 5]	43,767	41,749	23,153	85,516	33,848	160,222
7 Tax expense :						
(a) Current tax	10,874	10,415	7,723	21,289	10,752	51,041
(b) Current tax - earlier years	-	-	-	-	-	(998)
(c) Deferred tax	265	145	(758)	410	(873)	(1,895)
Total tax expense [7(a) + 7(b) + 7(c)]	11,139	10,560	6,965	21,699	9,879	48,148
8 Profit for the period / year [6 - 7]	32,628	31,189	16,188	63,817	23,969	112,074
9 Other comprehensive income / (loss)						
Items that will not be reclassified to profit or loss						
(a) (i) Re-measurement of defined benefit obligation	73	(470)	(32)	(397)	79	6
(ii) Fair value changes of equity instruments through other comprehensive income	(9)	16	63	7	60	59
(b) Income-tax relating to items that will not be reclassified to profit or loss	(18)	118	8	100	(20)	(1)
Total other comprehensive income / (loss) [9(a) to 9(b)]	46	(336)	39	(290)	119	64
10 Total comprehensive income [8 + 9]	32,674	30,853	16,227	63,527	24,088	112,138
11 Paid-up Equity share capital of ₹ 1/- each	9,606	9,606	9,605	9,606	9,605	9,606
12 Other equity						865,157
13 Earnings per share (not annualised) :						
Basic (₹)	3.40	3.25	1.69	6.64	2.50	11.67
Diluted (₹)	3.40	3.25	1.69	6.64	2.50	11.67

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Standalone Statement of Cash Flow half year ended 30 September 2021

(₹ in Lakhs)

Particulars	30-Sep-21	30-Sep-20
	Unaudited	Unaudited Restated (Refer note 4)
A. Cash flow from operating activities		
Profit before tax	85,516	33,848
Adjustments for:		
Depreciation and amortisation expense	5,618	8,183
Allowances for doubtful debts and advances	2,679	6,231
Exceptional item	1,770	9,710
Share based payment expense	2	14
Liabilities and excess provision written back	(362)	(258)
Adjustment on account of restatement due to common control acquisition (refer note 4)	-	(1,560)
Unrealised gain on exchange adjustments (net)	(34)	(94)
Profit on sale of property, plant and equipment (net)	(5)	(287)
Interest expenses	209	360
Fair value (gain)/loss on financial instruments at fair value through profit and loss	(2,736)	9,809
Dividend income	(2)	(824)
Net gain on sale of investments classified as fair value through profit and loss	(1,780)	(1,544)
Interest income	(1,939)	(860)
Operating profit before working capital changes	88,936	62,728
Adjustments for:		
(Increase) / Decrease in inventories	(28,164)	28,559
(Increase) / Decrease in trade and other receivables	(14,993)	18,398
(Decrease) in trade and other payables	(2,440)	(41,122)
Cash generated from operations	43,339	68,563
Direct taxes paid (net)	(23,442)	(22,638)
Net cash flow from operating activities (A)	19,897	45,925
B. Cash flow from investing activities		
Purchase of property, plant and equipment / capital work-in-progress	(4,475)	(3,112)
Purchase of intangible assets	(5,112)	(842)
Sale of property, plant and equipment / intangible assets	495	2,365
Loans given	(16,100)	-
Fixed deposit invested	(13,940)	(4,369)
Fixed deposit matured	3,750	9,625
Purchase of non-current investments	(134)	(3)
Proceeds from sale/redemption of non-current investments	604	1,555
Purchase of current investments	-	(79,533)
Proceeds from Sale / redemption of current investments	30,106	30,220
Dividend received from subsidiary company	-	820
Dividend received from others	2	4
Interest received	1,413	960
Net cash flow from / (used in) investing activities (B)	(3,391)	(42,310)
C. Cash flow from financing activities		
Payment of lease liability	(890)	(827)
Proceeds from borrowings	155	30
Repayment of borrowings	(77)	(53)
Dividend paid on equity shares	(24,013)	(2,897)
Dividend paid on Redeemable Non-Convertible Preference Shares	(2,232)	(5,823)
Interest paid	(58)	(90)
Net cash flow (used in) financing activities (C)	(27,115)	(9,660)
Net cash flow during the period (A+B+C)	(10,609)	(6,045)
Cash and cash equivalents at the beginning of the period	58,111	38,264
Cash and cash equivalents at the end of the period	47,502	32,219

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Notes to standalone financial results

1. The unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 11 November 2021. These results have been subjected to limited review carried out by the Statutory Auditors.
2. The unaudited standalone financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.
3. In relation to the listed 6% Cumulative Redeemable Non-convertible Preference Shares (ISIN : INE256A04022) of the Company, the following information is disclosed as per Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

(₹ in lakhs)

Particulars	30 September 2021	31 March 2021
Outstanding listed redeemable preference shares 2,016,942,312 of Rs. 2 each (Paid-up value) (31 March 2021 : 2,016,942,312 of Rs. 2 each)#	40,339	40,339
Net worth** as at	955,625	913,085
Cumulative profit for the six months/year ended*	63,817	112,074
Free reserves as at	729,940	690,432
Securities premium account balance as at	-	-
Dividend payment on Preference Shares for the financial year 2021-22 and 2020-21 paid before the due date	-	4,668
Breach of any covenants under the terms of non-convertible preference shares for the year ended	Nil	Nil
Credit rating by Brickworks rating for the period/year ended	'BWR A' Credit watch with negative implications	
Next due date for the payment of dividend	5 March 2022	
Previous due date for the payment of dividend	15 April 2021	
Amount of dividend and principal payable	As per terms of issue dividend @6% p.a. is payable on preference shares and the 20% of the principal value i.e. Rs. 2 per preference share is due for redemption in March 2022	

*Excludes other comprehensive income

** Includes 6% Cumulative Redeemable Non-convertible preference share capital of Rs. 41,347 Lakhs as at 30 September 2021 and Rs. 38,322 Lakhs as at 31 March 2021.

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Total Borrowing of the Company as at 30 September 2021 was Rs 40,634 lakhs including Redeemable Bonus preference shares of Rs 40,339 lakhs as Redeemable preference shares forms part of the borrowings as per Ind AS. Accordingly, actual outstanding borrowing of the Company as at 30 September 2021 was Rs 295 lakhs i.e less than Rs 10,000 lakhs. Hence, Mandatory borrowing to be done through issuance of debt securities was not required.

Ratios:

Particulars	Sep-21	Mar-21
Debt Equity	0.05	0.04
Debt Service coverage Ratio	1,187	4
Interest Service Coverage Ratio	8,553	31
Capital Redemption Reseve / Debenture Redemption Reserve	161,970	161,970
Current Ratio	4.14	4.02
Long term Debt to Working Capital	0.00	0.00
Bad debts to Accounts Receivable	-	-
Current liability Ratio	0.96	0.94
Total Debts to Total Assets	0.04	0.03
Debtors turnover (annualised)	96	105
Inventory turnover (annualised)	567	576
Operating Margin %	24%	28%
Net profit Margin %	25%	24%

4. During the previous year, the Board of Directors of the Company had approved acquisition of film production and distribution business from Zee Studios Limited (ZSL) (a wholly owned subsidiary of the Company) (formerly known as Essel Vision Productions Limited) on a slump sale basis. During the year ended 31 March 2021, the business transfer agreement was executed and is effective from close of business hours as at 28 February 2021.

As per the business transfer agreement the Film business undertaking of ZSL comprising of film production and distribution business and related assets and liabilities was acquired, on a going concern basis, for a consideration of Rs 26,949 lakhs (after working capital adjustments).

Consequently, the effect of the aforesaid acquisition has been given in the financial results for the quarter and year ended 31 March 2021 in accordance with Appendix C of the Indian Accounting Standard (Ind AS) 103 on 'Business Combinations' relating to accounting for common control business combinations. The Ind AS requires the comparative accounting period(s) presented in the financial results be restated for the accounting impact of acquisition of the film production and distribution business, as if the transfer had occurred from the beginning of the comparative period(s) presented in the financial results. Accordingly, figures for quarter and half year ended 30 September 2020 have been restated.

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



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6. During the year ended 31 March 2021, the Board of Directors of the Company had approved the sale of digital publishing business to Rapidcube Technologies Private Limited, a related party, subject to regulatory and other approvals. Based on the binding quote received for this sale, the Company had assessed the carrying value of Goodwill relating to the aforesaid business and accordingly, accounted for an impairment charge of Rs 2,654 lakhs in the quarter and year ended 31 March 2021 and disclosed the same as 'Exceptional item'. During the quarter, the Company has received the aforesaid approvals and accordingly, has classified and disclosed the assets relating to said business aggregating Rs 7,471 lakhs under 'Non-current asset classified as held for sale'. The Company is in the process of executing the business transfer agreement.
7. The outbreak of the Corona virus (COVID-19) pandemic has spread globally and in India, which has affected economic activities. The impact on the results for the quarter and half year ended 30 September 2021 is primarily due to restrictions caused by the COVID-19 on the business activities. Hence, the results for the quarter and half year ended 30 September 2021 are not strictly comparable with the results of the earlier periods presented.

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

During the period, on account of the ongoing COVID-19 pandemic, the Company has incurred additional costs aggregating Rs 364 lakhs and Rs 3,070 lakhs for quarter and half year ended 30 September 2021 respectively relating to shifting of shooting locations to ensure uninterrupted operations.

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

Based on the assessment and steps being taken, the Company expects no further adjustments to the carrying amounts of the property plant and equipment, intangible assets (including goodwill), investments, receivables, inventory and other current assets, as at 30 September 2021.

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

8. During earlier years, the Company had provided commitments for funding shortfalls in Debt Service Reserve Account (DSRA guarantee) in relation to certain financial facilities availed from banks by Siti Networks Limited (SNL), a related party, including certain facilities availed when the cable business undertaking was part of the Company before its demerger into SNL. The loan outstanding of SNL as at 30 September 2021 which is backed by DSRA guarantee is Rs 20,090 lakhs. On account of defaults made in repayments by SNL, during the year

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ended 31 March 2021, the Company has received demand notices/communications from the banks/representatives calling upon the Company to honor the obligations under the DSRA guarantee.

The Company has also been informed that SNL is in active discussions with the banks for renegotiating the repayment terms and also restructuring/rescheduling of its' facilities. The Company has also obtained legal advice about its obligations under the terms of the DSRA guarantee and for the demand raised by IndusInd Bank in respect of the DSRA guarantee which is sub-judice before the Hon'ble Delhi High Court. Additionally, the Company has undertaken credit risk evaluation of SNL, including future cash flow assessments.

Based on the aforesaid, as a matter of abundant caution, the Company had estimated and accounted the liability aggregating Rs. 10,010 lakhs during the year ended 31 March 2021 (Rs 9,710 Lakhs for quarter and half year ended 30 September 2020). Further, during the half year ended 30 September 2021, the Company has estimated and accounted additional liability of Rs. 1,770 lakhs (Rs 1,400 lakhs for the quarter ended 30 September 2021 and Rs 370 lakhs for the quarter ended 30 June 2021). Further, the Company has provided for the receivable from SNL of the aforesaid amount and disclosed the same as 'Exceptional item'.

The Company has collected the receivables relating to the revenue accounted during the current quarter and half year ended 30 September 2021. As a matter of abundant caution the Company had, in the quarter ended 30 September 2020, also provided for the overdue trade receivables from SNL aggregating Rs. 8,120 lakhs.

9. ATL Media Limited (ATL), an overseas wholly owned subsidiary of the Company is engaged in broadcasting business. Living Entertainment Limited, Mauritius (LEL), a related party of the Company, is a content provider. During the financial year ended 31 March 2016, ATL had entered into a Put Option agreement with LEL to purchase the issued share capital held by LEL to the extent of 64.38% in Veria International Limited (VIL) (another related party of the Company) at an exercise price of \$ 105 million, the exercise period of the Put Option was from the agreement date till the expiry date, i.e. 30 July 2019. In order to secure a borrowing from Axis Bank Limited and Yes Bank Limited (Bank), LEL had assigned all its right, title, benefit and interest under the said Put Option agreement in favour of Axis Bank, DIFC Branch, the security trustee for the benefit of Axis Bank Limited and Yes Bank Limited. Based on certain representations made by LEL, the Put Option agreement was renewed and amended by the parties (ATL and LEL) on 29 July 2019 and extended till 30 December 2026, and the exercise price was set at \$52.50 million (Rs 38,960 lakhs as at 30 September 2021, Rs 38,997 lakhs as at 30 June 2021, Rs. 38,483 lakhs as at 31 March 2021) for the same quantum of shares and LEL extended the assignment of the Put Option to the security trustee.

During the financial year ended 31 March 2020, the Bank invoked the Put Option pursuant to the assignment and demanded ATL to pay the exercise price. Subsequently, upon inquiry, ATL became aware of certain misrepresentations by LEL at the time of renewal of the Put Option agreement and consequently, ATL has rescinded the Put Option from the renewal date of the Put Option agreement and also filed a suit against LEL and the security trustee of the said Bank (security trustee subsequently excluded in the amended plaint filed during the quarter ended 30 September 2021) in the Hon'ble Supreme Court of Mauritius for inter-alia declaration that the amended Put Option agreement has been properly rescinded and no longer binding and enforceable. The matter is now sub-judice in Mauritius.

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

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

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

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10. During the current quarter, the Company has sold 51% Equity shares of one of its subsidiary, Fly-By-Wire International Private Limited.
11. During the half year ended 30 September 2021, the Company has issued and allotted 11,240 Equity shares upon conversion of Stock Options granted under the Company's ESOP Scheme. Consequent to this allotment the Paid-up Equity share capital of the Company stands increased to 960,515,715 Equity Shares of Rs. 1/- each i.e. Rs. 9,606 Lakhs.

For and on behalf of the Board

Zee Entertainment Enterprises Limited

Punit Goenka
Managing Director & CEO

Place: London

Date: 11 November 2021

ASHISH
RAMESH
AGARWAL

Digitally signed by ASHISH RAMESH AGARWAL
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l=MUMBAI, o=Personal,
serialNumber=2448453395e6004b8529e3k759f2413e1a
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email=ASHISHAGARWAL@ZEE.COM, cn=ASHISH RAMESH
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**INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM
STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
ZEE ENTERTAINMENT ENTERPRISES LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Zee Entertainment Enterprises Limited (the Company), for the quarter and half year ended 30 September 2021 (the Statement), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 on 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended,

**Deloitte
Haskins & Sells LLP**

including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. The Company acquired the film production and distribution business from Zee Studios Limited (a wholly owned subsidiary of the Company) with effect from 1 March 2021, as explained in note 4 to the financial results. The financial information of the said film production and distribution business for the quarter and half year ended 30 September 2020, prepared in accordance with Ind AS and generally accepted accounting principles in India, have been reviewed by the statutory auditors of Zee Studios Limited. The adjustments made to the previously issued financial results of the Company for the quarter and half year ended 30 September 2020, giving effect to the above mentioned acquisition, in accordance with Appendix C of Ind AS 103 which deals with Business Combinations of entities under common control, have been reviewed by us.

Our report on the Statement is not modified in respect of this matter.

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

A. B. Jani
Partner
Membership No. 46488
UDIN: 21046488AAA AES2501

Mumbai, 11 November 2021

Consolidated Balance Sheet

(₹ in Lakhs)

Particulars	As at 30-Sep-2021	As at 31-Mar-2021
	Unaudited	Audited
ASSETS		
I) Non-current assets		
(a) Property, plant and equipment	55,389	58,090
(b) Capital work-in-progress	1,789	1,294
(c) Investment property	5,149	5,199
(d) Goodwill	34,483	38,038
(e) Other Intangible assets	17,784	17,794
(f) Intangible assets under development	7,895	6,252
(g) Financial Assets		
(i) Investments		
(a) Investments in associates	45	38
(b) Investments in joint ventures	156	157
(c) Other investments	2,615	2,962
(ii) Other financial assets	3,214	3,473
(h) Income-tax assets (net)	38,124	42,293
(i) Deferred tax assets (net)	34,356	31,509
(j) Other non-current assets	3,109	2,272
Total non-current assets	204,108	209,371
II) Current assets		
(a) Inventories	562,993	540,304
(b) Financial assets		
(i) Other Investments	48,240	76,672
(ii) Trade receivables	193,104	194,515
(iii) Cash and cash equivalents	97,025	104,846
(iv) Bank balances other than (iii) above	14,976	4,221
(v) Other financial assets	36,560	34,178
(c) Other current assets	125,311	110,346
Total current assets	1,078,209	1,065,082
III) Non-current assets classified as held for sale (net) (Refer note 3)	13,474	7,419
Total Assets (I + II+III)	1,295,791	1,281,872
EQUITY AND LIABILITIES		
A) Equity		
(a) Equity Share capital	9,606	9,606
(b) Other equity	1,025,359	999,845
Equity attributable to shareholders (a) + (b)	1,034,965	1,009,451
Non controlling interests	(102)	1,292
Total equity	1,034,863	1,010,743
B) Liabilities		
I) Non current liabilities		
(a) Financial Liabilities		
(i) Borrowings		
Others	231	140
(ii) Lease liabilities	2,611	1,813
(b) Provisions	10,467	15,459
Total non-current liabilities	13,309	17,412
II) Current liabilities		
(a) Financial liabilities		
(i) Borrowings		
Redeemable preference shares	41,347	38,322
Others	116	100
(ii) Lease liabilities	1,627	1,937
(iii) Trade payables	140,186	139,818
(iv) Other financial liabilities	26,913	32,948
(b) Other current liabilities	25,031	28,113
(c) Provisions	4,016	1,629
(d) Income-tax liabilities (net)	8,383	10,850
Total current liabilities	247,619	253,717
Total liabilities (I + II)	260,928	271,129
Total Equity and Liabilities (A + B)	1,295,791	1,281,872



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CIN No : L92132MH1982PLC028767

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Consolidated financial results for the quarter and half year ended 30 September 2021

(₹ in Lakhs)

Particulars	Quarter ended on			Half year ended on		Year ended on
	30-Sep-21	30-Jun-21	30-Sep-20	30-Sep-21	30-Sep-20	31-Mar-21
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from operations						
(a) Advertisement revenue	108,929	92,661	90,279	201,590	132,385	374,884
(b) Subscription revenue	78,851	81,305	80,029	160,156	159,772	324,298
(c) Other sales and services	10,099	3,532	1,962	13,631	11,316	73,810
2 Other income	3,168	3,358	3,791	6,526	6,429	11,043
Total income [1(a) to 1(c) + 2]	201,047	180,856	176,061	381,903	309,902	784,035
3 Expenses						
(a) Operational cost	90,368	86,636	83,419	177,004	149,198	375,047
(b) Employee benefits expense	20,381	22,804	19,667	43,185	39,679	81,831
(c) Finance costs	219	193	131	412	583	5,708
(d) Depreciation and amortisation expense	5,982	5,896	6,514	11,878	13,699	26,492
(e) Fair value loss on financial instruments at fair value through profit and loss	887	974	2,073	1,861	13,306	19,622
(f) Advertisement and publicity expenses	24,492	17,814	17,603	42,306	28,712	61,665
(g) Other expenses	21,418	15,845	20,214	37,263	32,524	75,439
Total expenses [3(a) to 3(g)]	163,747	150,162	149,621	313,909	277,701	645,804
4 Profit before share of profit/(loss) of associates and joint ventures, exceptional item and taxes [1 + 2 - 3]	37,300	30,694	26,440	67,994	32,201	138,231
5 Share of profit/(loss) of associates/joint ventures	4	1	8	5	12	(10)
6 Profit before exceptional items and tax [4 + 5]	37,304	30,695	26,448	67,999	32,213	138,221
7 Exceptional items (Refer note 3 and 5)	(1,400)	(370)	(9,710)	(1,770)	(9,710)	(12,664)
8 Profit before tax [6 + 7]	35,904	30,325	16,738	66,229	22,503	125,557
9 Tax expense :						
(a) Current tax - current year	11,176	10,433	8,223	21,609	11,130	51,621
(b) Current tax - earlier years	-	-	-	-	-	(1,005)
(c) Deferred tax	(1,880)	(986)	(826)	(2,866)	(896)	(4,363)
Total tax expense [9(a) + 9(b) + 9(c)]	9,296	9,447	7,397	18,743	10,234	46,253
10 Profit for the period/year [8 - 9]	26,608	20,878	9,341	47,486	12,269	79,304
11 Other comprehensive income/(loss)						
(A) Items that will not be reclassified to profit or loss						
(a) (i) Re-measurement of defined benefit obligation	67	(478)	(28)	(411)	82	(24)
(ii) Fair value changes of equity instruments through other comprehensive income	(9)	16	63	7	60	62
(b) Income-tax relating to items that will not be reclassified to profit or loss	(17)	120	7	103	(21)	5
(B) Items that will be reclassified to profit or loss						
(a) Exchange differences on translation of financial statements of foreign operations	(550)	1,903	(2,825)	1,353	(1,833)	(2,142)
Total other comprehensive (loss) / income [11(A) + 11(B)]	(509)	1,561	(2,783)	1,052	(1,712)	(2,099)
12 Total comprehensive income [10 + 11]	26,099	22,439	6,558	48,538	10,557	77,205
13 Profit for the year attributable to :						
Shareholders of the Company	27,016	21,374	9,407	48,390	12,444	80,005
Non-controlling interests	(408)	(496)	(66)	(904)	(175)	(701)
14 Total comprehensive income attributable to						
Shareholders of the Company	26,507	22,935	6,624	49,442	10,732	77,906
Non-controlling interests	(408)	(496)	(66)	(904)	(175)	(701)
15 Paid-up Equity share capital of ₹ 1/- each	9,606	9,606	9,605	9,606	9,605	9,606
16 Other equity						999,845
17 Earnings per Share (not annualised) :						
Basic (₹)	2.81	2.23	0.98	5.04	1.30	8.33
Diluted (₹)	2.81	2.23	0.98	5.04	1.30	8.33



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Consolidated Statement of Cash Flow for half year ended 30 September 2021

(` in Lakhs)

Particulars	30-Sep-21	30-Sep-20
	Unaudited	Unaudited
A. Cash flow from operating activities		
Profit before tax	66,229	22,503
Adjustments for:		
Depreciation and amortisation expense	11,878	13,699
Allowances for doubtful debts and advances	6,918	4,820
Exceptional item	1,770	9,710
Share based payment expense	2	14
Liabilities and excess provision written back	(367)	(821)
Unrealised gain on exchange adjustments (net)	(34)	(94)
Loss/(Profit) on sale of property, plant and equipment (net)	34	(313)
Interest expenses	412	583
Profit on sale of investments	(1,400)	(656)
Fair value loss on financial instruments at fair value through profit and loss	1,861	13,306
Share of profit in associates and joint ventures	(5)	(12)
Dividend income	-	(4)
Interest income	(1,152)	(1,101)
Operating profit before working capital changes	86,146	61,634
Adjustments for:		
(Increase) / Decrease in inventories	(22,568)	13,727
(Increase) / Decrease in trade and other receivables	(24,198)	32,757
(Decrease) in trade and other payables	(8,219)	(29,160)
Cash generated from operations	31,161	78,958
Direct taxes paid (net)	(19,902)	(23,349)
Net cash flow from operating activities (A)	11,259	55,609
B. Cash flow from investing activities		
Purchase of property, plant and equipment / capital work-in-progress	(5,108)	(3,615)
Purchase of intangible assets	(8,705)	(4,218)
Sale of property, plant and equipment / intangible assets	584	3,302
Fixed deposit invested	(13,944)	(8,739)
Fixed deposit matured	3,754	14,734
Purchase of non-current investments	(130)	(270)
Proceeds from sale of non-current investments	601	-
Purchase of current investments	-	(79,533)
Proceeds from sale / redemption of current investments	30,108	30,460
Dividend received	-	1,763
Interest received	1,083	1,085
Net cash flow from / (used in) investing activities (B)	8,243	(45,031)
C. Cash flow from financing activities		
Proceeds from borrowings	155	30
Repayment of lease liabilities	(985)	(1,762)
Repayment of borrowings	(48)	(53)
Dividend paid on equity shares and tax thereon	(24,010)	(2,897)
Dividend paid on Redeemable Non-Convertible Preference Shares	(2,232)	(5,823)
Interest paid	(412)	(583)
Net cash flow (used in) financing activities (C)	(27,532)	(11,088)
Net cash flow during the period (A+B+C)	(8,030)	(510)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	209	(450)
Cash and cash equivalents at the beginning of the period	104,846	55,290
Cash and cash equivalents at the end of the period	97,025	54,330

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Notes to consolidated financial results

1. The unaudited consolidated financial results of Zee Entertainment Enterprises Limited (Parent/Company) and its subsidiaries (collectively referred as the Group) and its share of the profit/(loss) of its joint venture and associate have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 11 November 2021. These results have been subjected to limited review carried out by the Statutory Auditors.
2. The unaudited consolidated financial results have been prepared in accordance with the recognition and measurement principles provided in Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.
3. During the year ended 31 March 2021, the Board of Directors of the Company had approved the sale of digital publishing business to Rapidcube Technologies Private Limited, a related party, subject to regulatory and other approvals. Based on the binding quote received for this sale, the Company had assessed the carrying value of Goodwill relating to the aforesaid business and accordingly, accounted for an impairment charge of Rs 2,654 lakhs in the quarter and year ended 31 March 2021 and disclosed the same as 'Exceptional item'. During the quarter, the Company has received the aforesaid approvals and accordingly, has classified and disclosed the assets relating to said business aggregating Rs 7,471 lakhs under 'Non-current asset classified as held for sale'. The Company is in the process of executing the business transfer agreement.
4. The outbreak of the Corona virus (COVID-19) pandemic has spread globally and in India, which has affected economic activities. The impact on the results for the quarter and half year ended 30 September 2021 is primarily due to restrictions caused by the COVID-19 on the business activities. Hence, the results for the quarter and half year ended 30 September 2021 are not strictly comparable with the results of the earlier periods presented.

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

During the period, on account of the ongoing COVID-19 pandemic, the Group has incurred additional costs aggregating Rs 539 lakhs and Rs 3,245 lakhs for quarter and half year ended 30 September 2021 respectively relating to shifting of shooting locations to ensure uninterrupted operations.

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

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Based on the assessment and steps being taken, the Group expects no further adjustments to the carrying amounts of the property plant and equipment, intangible assets (including goodwill), investments, receivables, inventory and other current assets, as at 30 September 2021.

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

5. During earlier years, the Company had provided commitments for funding shortfalls in Debt Service Reserve Account (DSRA guarantee) in relation to certain financial facilities availed from banks by Siti Networks Limited (SNL), a related party, including certain facilities availed when the cable business undertaking was part of the Company before its demerger into SNL. The loan outstanding of SNL as at 30 September 2021 which is backed by DSRA guarantee is Rs 20,090 lakhs. On account of defaults made in repayments by SNL, during the year ended 31 March 2021, the Company has received demand notices/communications from the banks/representatives calling upon the Company to honor the obligations under the DSRA guarantee.

The Company has also been informed that SNL is in active discussions with the banks for renegotiating the repayment terms and also restructuring/rescheduling of its' facilities. The Company has also obtained legal advice about its obligations under the terms of the DSRA guarantee and for the demand raised by IndusInd Bank in respect of the DSRA guarantee which is sub-judice before the Hon'ble Delhi High Court.

Additionally, the Company has undertaken credit risk evaluation of SNL, including future cash flow assessments.

Based on the aforesaid, as a matter of abundant caution, the Company had estimated and accounted the liability aggregating Rs. 10,010 lakhs during the year ended 31 March 2021 (Rs 9,710 Lakhs for quarter and half year ended 30 September 2020). Further, during the half year ended 30 September 2021, the Company has estimated and accounted additional liability of Rs. 1,770 lakhs (Rs 1,400 lakhs for the quarter ended 30 September 2021 and Rs 370 lakhs for the quarter ended 30 June 2021). Further, the Company has provided for the receivable from SNL of the aforesaid amount and disclosed the same as 'Exceptional item'.

The Company has collected the receivables relating to the revenue accounted during the current quarter and for the half year ended 30 September 2021. As a matter of abundant caution the Company had, in the quarter ended 30 September 2020, also provided for the overdue trade receivables from SNL aggregating Rs. 8,120 lakhs.

6. ATL Media Limited (ATL), an overseas wholly owned subsidiary of the Company incorporated in Mauritius, is engaged in broadcasting business. Living Entertainment Limited, Mauritius (LEL), a related party of the Company, is a content provider. During the financial year ended 31 March 2016, ATL had entered into a Put Option agreement with LEL to acquire the issued share capital to the extent of 64.38% held by LEL in Veria International Limited (VIL) (another related party of the Group) at an exercise price of \$ 105 million.

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The exercise period of the Put Option was from the agreement date till the expiry date, i.e. 30 July 2019. In order to secure a borrowing, from Axis Bank Limited and Yes Bank Limited (Bank), LEL had assigned all its right, title, benefit and interest under the said Put Option agreement in favour of Axis Bank DIFC branch, the security trustee for the benefit of Axis Bank Limited and Yes Bank Limited. The Put Option agreement was amended and renewed by the parties (ATL and LEL) on 29 July 2019 and extended till 30 December 2026 based on certain representations made by LEL and the exercise price was set at \$52.50 million (Rs 38,960 lakhs as at 30 September 2021, Rs 38,997 lakhs as at 30 June 2021, Rs. 38,483 lakhs as at 31 March 2021) for the same quantum of shares as per the earlier Put Option agreement and LEL extended the assignment of the Put Option to the security trustee.

During the financial year ended 31 March 2020, the Bank invoked the Put Option pursuant to the assignment and demanded ATL to pay the exercise price. Subsequently, upon inquiry, ATL became aware of certain misrepresentations by LEL at the time of renewal of the Put Option agreement and consequently, ATL has rescinded the Put Option from the renewal date of the Put Option agreement and also filed a suit against LEL and the security trustee of the said Bank (security trustee subsequently excluded in the amended plaint filed during the quarter ended 30 September 2021) in the Hon'ble Supreme Court of Mauritius for inter-alia declaration that the amended Put Option agreement has been properly rescinded and no longer binding and enforceable. The matter is now sub-judice in Mauritius.

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

The statutory auditors of the Group have qualified this matter in their report on the financial results for the quarter ended 30 June 2021, for the quarter and half year ended 30 September 2020 and for the year ended 31 March 2021 based on a similar qualification by the auditors of ATL in Mauritius.

7. During the half year ended 30 September 2021, the Company has issued and allotted 11,240 Equity shares upon conversion of Stock Options granted under the Company's ESOP Scheme. Consequent to this allotment the Paid-up Equity share capital of the Company stands increased to 960,515,715 Equity Shares of Rs. 1/- each i.e. Rs. 9,606 Lakhs.

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

For and on behalf of the Board
Zee Entertainment Enterprises Limited

Punit Goenka
Managing Director & CEO

m Place: London
Date : 11 November 2021

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
ZEE ENTERTAINMENT ENTERPRISES LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Zee Entertainment Enterprises Limited (the Parent) and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), and its share of the net profit after tax and total comprehensive income of its associate and joint venture for the quarter and half year ended 30 September 2021 (the Statement) being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 on 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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4. The Statement includes the results of the following entities:

Sr. No.	Particulars
	Parent
	Zee Entertainment Enterprises Limited
	Subsidiaries
1	Zee Studios Limited
2	Zee Digital Convergence Limited
3	Pantheon Productions Limited
4	Zee Unimedia Limited
5	Zee Network Distribution Limited
6	Margo Networks Private Limited
7	Asia Multimedia Distribution Inc.
8	Asia Today Limited
9	Asia Today Singapore Pte Limited
10	Asia TV Gmbh
11	Asia TV Limited (UK)
12	Asia TV USA Limited
13	ATL Media FZ-LLC
14	ATL Media Limited
15	Expand Fast Holdings (Singapore) Pte Limited
16	OOO Zee CIS LLC
17	Taj TV Limited
18	Z5X Global FZ – LLC
19	Zee Entertainment Middle East FZ-LLC
20	Zee Multimedia Worldwide (Mauritius) Limited
21	Zee Studio International Limited
22	Zee TV South Africa (Proprietary) Limited
23	India Webportal Private Limited
24	Idea Shop Web Private Limited
25	Fly by Wire International Private Limited
26	OOO Zee CIS Holding LLC
	Joint Venture
1	Media Pro Enterprise India Private Limited
	Associate
1	Asia Today Thailand Limited

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5. We draw attention to Note 6 to the Statement, where the Management has explained reasons for not accounting for the Put Option. As explained in the said Note, the Put Option agreement was initially entered into by ATL Media Limited (ATL), a wholly owned subsidiary of the Parent on 20 January 2016 and renewed on 29 July 2019 to be valid until 30 December 2026. The Put Option agreement requires ATL to purchase the issued share capital of Veria International Limited (VIL), a related party of the Parent to the extent of 64.38% held by Living Entertainment Limited (LEL), another related party of the Parent (total exercise price of the Put Option \$52.50 million (Rs. 38,960 lakhs as at 30 September 2021, Rs. 38,997 lakhs as at 30 June 2021, Rs. 38,483 lakhs as at 31 March 2021)). In order to secure a borrowing from Yes Bank Limited (Bank), LEL had assigned all its right, title, benefit and interest under the said Put Option agreement in favour of the Bank. As explained in the note, ATL has rescinded the renewal of the Put Option from the date of its renewal and the validity of the Put Option agreement is sub-judice in the Hon'ble Supreme Court of Mauritius. In view of the above, the auditors of ATL have been unable to determine whether any adjustments are required to be made in respect of the fair value of the Put Option (including any impact in the prior periods) in the interim financial information of ATL that have been reviewed and provided for inclusion in the Statement and have modified their reviewed report on the said interim financial information of ATL on the said matter. Consequently, we are unable to comment if any adjustments are required to these consolidated financial results under Ind AS 109 on 'Financial Instruments' in respect of the said Put Option (including any impact in the prior periods).

This matter was also qualified in our report on the consolidated financial results for the quarter ended 30 June 2021, quarter and half year ended 30 September 2020, and for the year ended 31 March 2021.

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, except for the possible effect of the matter described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, has not been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. We did not review the interim financial results of 9 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total assets of Rs. 480,920 lakhs as at 30 September 2021, total revenues of Rs. 21,015 lakhs and Rs. 40,898 lakhs for the quarter and half year ended 30 September 2021 respectively, total net loss after tax of Rs. 5,893 lakhs and Rs. 8,562 lakhs for the quarter and half year ended 30 September 2021 respectively and total comprehensive loss of Rs. 5,898 lakhs and Rs. 8,571 lakhs for the quarter and half year ended 30 September 2021 respectively and net cash outflows

**Deloitte
Haskins & Sells LLP**

of Rs. 120 lakhs for the half year ended 30 September 2021, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

8. The consolidated unaudited financial results includes the interim financial results of 16 subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total assets of Rs. 35,525 lakhs as at 30 September 2021, total revenue of Rs. 5,255 lakhs and Rs. 10,149 lakhs for the quarter and half year ended 30 September 2021 respectively, total (loss) / profit after tax of Rs. (60) lakhs and Rs. 539 lakhs for the quarter and half year ended 30 September 2021 respectively and total comprehensive (loss) / income of Rs. (60) lakhs and Rs. 539 lakhs for the quarter and half year ended 30 September 2021 respectively and net cash inflows of Rs. 2,695 lakhs for the half year ended 30 September 2021, as considered in the Statement. The consolidated unaudited financial results also include the Group's share of profit after tax of Rs. 4 lakhs and Rs. 5 lakhs for the quarter and half year ended 30 September 2021 respectively and total comprehensive income of Rs. 4 lakhs and Rs. 5 lakhs for the quarter and half year ended 30 September 2021 respectively, as considered in the Statement, in respect of an associate and a joint venture, based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial results certified by the Management.

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



A. B. Jani
Partner

Membership No. 46488
UDIN: 21046488AAAAER4186

Mumbai, 11 November 2021

A close-up photograph of a dandelion seed head against a clear blue sky. One seed is captured mid-air, having just blown away from the head. The seed head is in the foreground, and the sky is a vibrant, uniform blue.

A NEW VISION IS BLOOMING

ZEE 4.0 - ANNUAL REPORT 2020-21

Zee Entertainment
Enterprises Limited

Transformation stems from the natural evolution of every living being. Inside each of us lies a distinctive desire to do something more than the norm, out of the ordinary. This nature of existence flows from people to businesses, leading them from old path to new, creating opportunities for themselves and for the rest of the world.

Media and Entertainment landscape is not untouched by this phenomenon. From consumer behaviour to consumer experiences, the industry has evolved in all shapes and forms over the last few decades. Today, we are seeing a paradigm shift in the consumption and delivery of entertainment. In this new realm, the alchemy of the consumer experience is one that blends content creation, delivery, and monetization in a seamless manner. This hyper-competitive, digitally accelerated environment demands a unique strategic vision. We at ZEE are preparing to step into this future with a sharper and synergised version, transforming into ZEE 4.0 - a future-ready organisation to gain competitive advantage. ZEE 4.0 is designed around enhanced customer centricity with levers for capitalizing on immense growth opportunities and driving higher profitability.

The 5G pillars - **Governance, Granularity, Growth, Goodwill and Gusto**, form the cornerstone of ZEE 4.0, sharpening our abilities to capture the emerging opportunities across markets, to transform ZEE into South Asia's leading Media & Entertainment Company. The strategic vision is woven around the 5G pillars with an aim to redefine entertainment for consumers, maximize value for shareholders, enhance opportunities for employees, deliver innovation to our partners and take purposeful steps for the society at large.

With ZEE 4.0, we are transforming our creative potential into meaningful action, building a strong foundation of business growth and positive societal change.



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CONSOLIDATED

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Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.

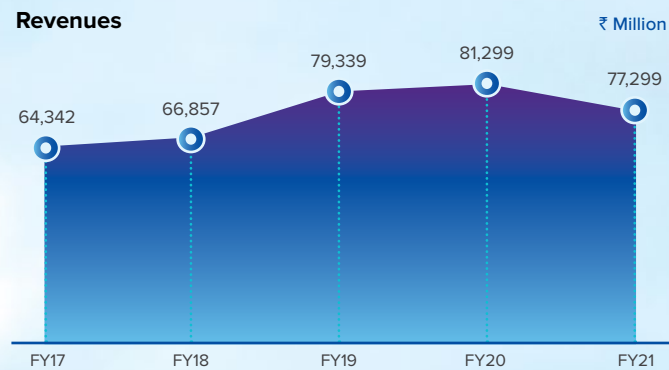


View Annual and Quarterly financials:

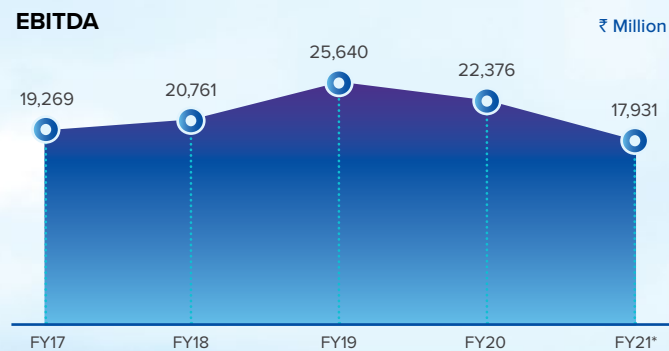
<https://www.zee.com/investors/investor-financials/>



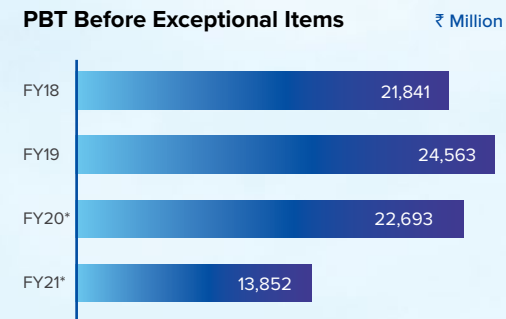
KEY PERFORMANCE INDICATORS GROWING STEADILY



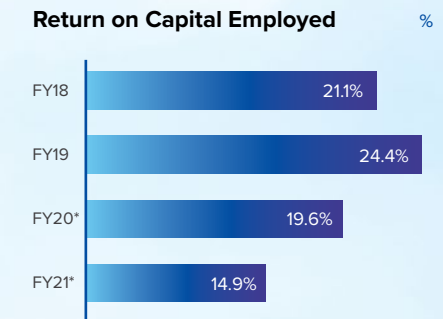
During FY21, ZEEL's revenues declined by 4.9% YoY. On a like to like basis (excluding revenue on account of one-time content syndication deal of ₹ 5,512 mn) revenues declined by 11.7%. The outbreak of COVID-19 severely impacted the advertising revenues in the first half of FY21 leading to a 19.9% YoY decline. Subscription revenues on the other hand grew modestly by 5.2% YoY, after seeing a strong growth in FY20.



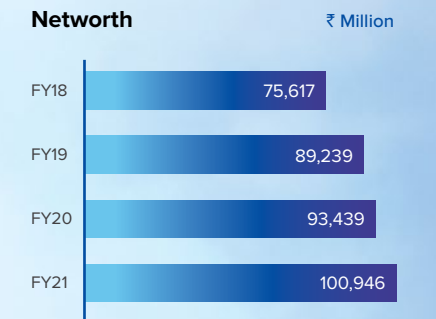
The COVID-19 impact on revenue resulted in a 19.9% decline in EBITDA for the year. As a result, normalized EBITDA margin for the year was at 25.0%. Programming cost for the year declined by 8.2% on a like to like basis as shooting of original programming was halted for few months at the beginning of the year. However, this decline was not able to compensate for the 20% decline in advertising revenue.



During FY21, Profit before tax declined by 37.9% due to lower EBITDA.

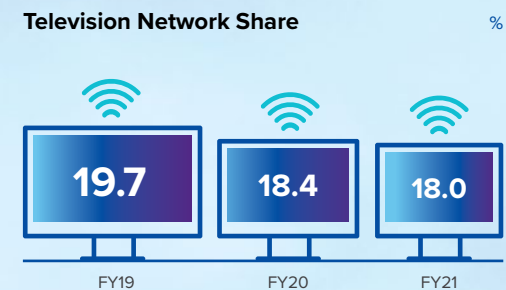


ZEEL's return on capital employed (ROCE) declined by 470bps YoY to 14.9% during FY21. The decline is largely due to lower EBIT margins which declined from 24.2% in FY20 to 21.3% in FY21.



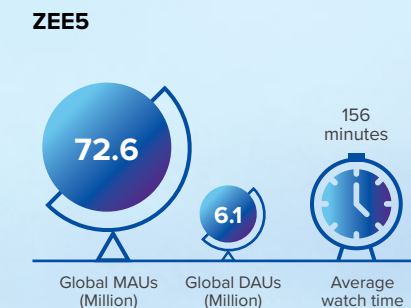
In FY21, ZEEL's network increased by 8%. This is primarily due to profit from operations.

*Note: FY20 excludes one offs in Operating cost (₹ 2,598 mn), Other costs (₹ 3,433 mn) and loss on sale of Investments (₹ 3,835 mn in FVTPL). FY21 excludes one offs for content syndication deal (Revenue of ₹ 5,512mn and operating cost of ₹ 4,730 mn), and Other costs (₹ 812 mn)

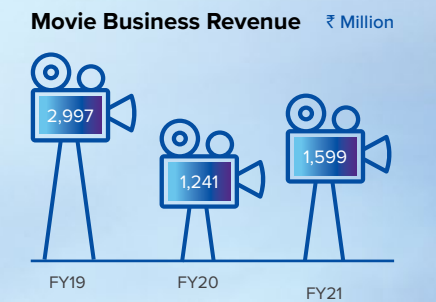


ZEEL was the #2 non-sports entertainment television network during the year with an all-India viewership share of 18.0%. The network share declined by 40bps during the year due to non-availability of fresh content in the first quarter and weak performance of some of the channels especially in Hindi, Tamil and Marathi markets.

Source: BARC, All India 2+ U+R

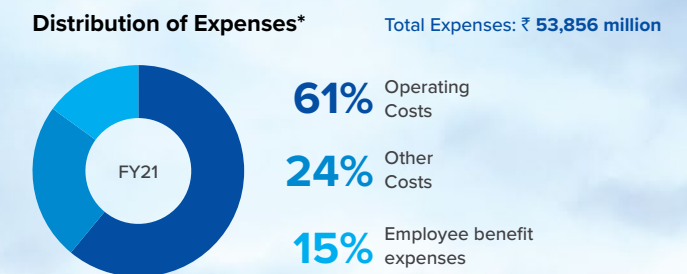
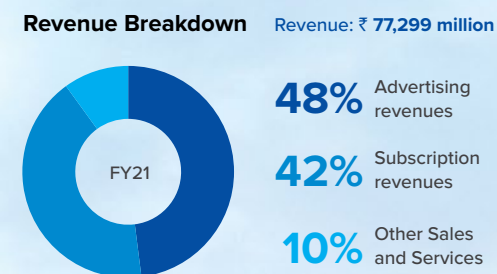


ZEE5 saw strong growth across all operating metrics on YoY basis. The MAU on the platform was at 72.6 mn at FY21 exit with an average watch time of 156 minutes per viewer per month. ZEE5 released 75+ original shows and movies during the year and continued to be the biggest publisher of digital original content in India.



COVID-19 severely impacted the movie business revenue of the company as theatres were shut for most part of the year. Zee Studios produced/acquired/distributed 8 movies during the year, some of which were released in theatres while the rest were launched on digital/PPV platforms.

Note: Revenue of the Movie business is before inter-company elimination





MESSAGE FROM THE MD & CEO



Dear Shareholders,

The last financial year has been a dynamic one for us. A year where we started afresh, penning a brand new chapter in our book. This new chapter, ZEE 4.0, encompasses a new pattern of thoughts, a new wave of emotions, a new connection with our consumers and partners, and a new strategic vision for growth. The Company has been on a transformative journey, and I am glad to share that we have implemented several key steps in line with our 4.0 vision, propelling us on a stronger path to greater success.

The year was also an unpredictable one, challenging the resilience of not only the businesses, but also of us as human beings. It is indeed astonishing to note the amount of resilience that exists in human nature. I can say with conviction that both are bouncing back strongly from the effects of the pandemic. The Media & Entertainment Industry continues to display immense potential, and as an industry leader, ZEE is well-poised to capture these opportunities in India and across the globe.

Turning the ZEE 4.0 vision into reality

I previously shared my vision for ZEE 4.0 with all of you through an Open Letter, and the last year has been spent turning this vision into reality across all aspects of our business. I firmly believe that growth doesn't come from a single action. It is a consequence of persistence, courage and hard work. Having taken a long-term view of the technological and societal changes infringing the Media & Entertainment ecosystem, we embarked on the ZEE 4.0 transformative journey to unveil a new organisation design and a clear-cut growth strategy for the Company.

In line with the 5G approach focusing on Governance, Granularity, Growth, Goodwill and Gusto, we have set the wheels in motion of our 5-year strategy in consultation with a global strategy advisor. For ZEE 4.0, the sky is the limit. The aim is to transform into the largest and most profitable Media & Entertainment company in South Asia. We have set our eyes to become the world's leading global content company from the emerging markets, driven by content leadership based on innovation and creativity.

Our journey to achieve these targets and go beyond, has already begun. Unparalleled efforts have been taken to transform the organization into the ZEE 4.0 version across the 5Gs. We took key steps in the previous year to reconstitute our Board with diverse members and introduced new policies that strengthened our Governance, mitigated the risks and safeguarded our business interests. Additionally, we also took proactive steps to add a deeper layer of Granularity in our reporting and in our communication to shareholders, thereby maintaining a stronger focus on transparency.

A key aspect of our future strategy sprang into action during the year as we unveiled a redesigned organisation structure - an integrated and synergised engine to drive higher Growth and profitability. With customer centricity at the fore, we broke down the vertical walls to create integrated teams for Content, Digital, Revenue, International and Movies. This new structure will enable us to enhance our content creation capabilities across screens, simultaneously ensuring a seamless delivery and monetization mechanism. Content continues to be the core of our business, and

a 'Content First, Cluster Centric' framework will further enhance our cultural connect and deep-rooted storytelling that is a mirror to our consumers' lives across platforms. We are also witnessing exponential growth in the digital ecosystem, led by state of the art technology, immersive viewing experiences and data-backed innovations. To succeed in this environment, we have integrated our digital assets under one roof as we endeavor to strike the right balance between technology, data and talent to capture these growth opportunities. Similarly, becoming a leading global Company requires us to relook at our strategy in the international markets. The global Media & Entertainment landscape is evolving at a faster clip, and we need to not only keep pace with this change, but move faster.

ZEE is amongst the few Indian companies to establish a strong foothold in the global Media & Entertainment space, and we believe our deep learnings and insights from India will also help us devise a strong local strategy to cater to the audiences across the globe. Amidst this, with all our revenue engines firing together, it is bound to create music to our partners' ears as we enhance the solutions offered to them while parallelly focusing on wallet monetization and user acquisition. The Movies & Music business continues to post a strong performance, and a streamlined operation will certainly lead to a faster decision making process, sharper visibility on the long-term growth of the movie business and capitalising on the monetisation opportunities available across platforms and markets.

The goal for us at ZEE is to not only be widely acknowledged for our business acumen, but also our ability to create positive impact in the community through our noble work. We rolled out our new Corporate Social Responsibility (CSR) Policy with Women Empowerment, Protection and preservation of our Arts, Crafts, Culture, National Heritage & Monuments, Disaster Relief & Recovery, Integrated Rural Development and Initiatives to improve Public Health through food quality as the core focus areas. Like our business, our values are extremely critical to us and significant interventions have already been taken in each of these areas for the overall betterment of the society under the pillar of Goodwill.

Even as we formulate our strategies for the future, ZEE 4.0 is incomplete without its People. At the end of the day, one bets on people more than strategies. In this new phase of ZEE, driving the business with Gusto requires us to foster a stimulating working environment that encourages our people to ideate, collaborate and innovate. Keeping this in mind, we unveiled a transformed team structure with strong leaders at the helm whose collective experience and expertise will be instrumental in achieving our set goals for the future. We also continue to build a strong employee value proposition to attract the best talent and build an equitable workplace for all.

This is just the beginning, the best of ZEE 4.0 is yet to come. The future belongs to us. We are on a firm footing and committed to maximizing our business potential and delivering exceptional value to the viewers, partners and shareholders going forward.

Business continuity in an ambiguous year

The disruption caused by Covid-19 continued to hamper lives, livelihoods and businesses across the globe. While there did emerge a ray of sunshine as we beat the first wave to attain a sense of normalcy, we donned the battle gear once again to fight a more ruthless second wave of infections. Amidst this sentiment, it was commendable to see the relentless passion and agility displayed by our teams. This enabled us to not only maintain business continuity and deliver the best entertainment across our platforms, but it also provided a conducive environment to explore new opportunities.

The COVID-19 pandemic continues to have a calamitous impact on the healthcare infrastructure of the Nation as well, and we remain committed to fighting this pandemic together. In addition to providing essential medical equipment and daily meals for the affected families across states, we also stepped up our efforts to build and donate a Dedicated Covid Health Centre (DCHC) to the Thane Municipal Corporation in Maharashtra.

Amidst this, the safety and well-being of our most valuable asset, our Human Capital continued to be a priority for the Company.

Several measures have been rolled out to support our employees and their families affected by the pandemic. These include a Covid Home Care Support covering various aspects of medical care including

doctor consultations, diagnostic tests and reimbursement for vaccination costs, along with a 24x7 dedicated helpline number and ambulance support.

Out of destruction and chaos rises hope, like a phoenix from the ashes, to soar triumphantly through the air and we are positive that the Nation will emerge out of these grim times very soon.

GOODWILL

Creating Goodwill is important in every human endeavour, but for a business its importance cannot be overemphasised. Given the symbiotic relationship and inextricable connections with society, a business' Goodwill determines its long term success and value creation.

ZEEL has used its massive reach to take up social issues through its stories and reaching out to the audiences with an aim to make a difference in their lives. ZEEL has been at the forefront in the fight against COVID by collaborating with various state governments across the country.

[Read more ▶](#)

GRANULARITY

Granularity in disclosures of business outcomes is crucial to enable a fair assessment of performance with respect to values enshrined and strategy pursued.

ZEEL has always been persistent in communicating objectives, strategy, and progress to all its stakeholders. The Company endeavours to align with best global practises by enhancing disclosure of business KPIs, ESG initiatives and CSR activities.

[Read more ▶](#)

GOVERNANCE

Governance in essence is protecting interests of varied stakeholders of the business with a focus on long-term value creation. Trusteeship, responsibility, and transparency would be the cornerstones of our governance framework. ZEEL would endeavour to imbibe these principles in every decision and action.

Over the last year, we have strengthened our Board with induction of eminent names in the field of advertising, digital business, finance, and human resources. The Board has designed various policies to strengthen the decision making process, manage risks and balance interests of different stakeholders.

[Read more ▶](#)

GUSTO

ZEEL owes its tremendous success over the past couple of decades to the zeal, passion, and commitment of its people. Without Gusto it would be impossible to relentlessly pursue the ambitious goals we have set for our organisation.

With a right mix of entrepreneurial spirit, cultural diversity, and an energising organisation culture, ZEEL has continuously strived to make it an attractive place to work for top talent. Last year, we redesigned the organisation structure to achieve the aspirations set in the ZEE 4.0 approach.

[Read more ▶](#)

GROWTH

Growth is the driving force for any business to succeed and achieve its objectives - from satisfying consumers' needs to delivering long-term shareholder value.

Over the past three decades, ZEEL has delivered exemplary growth, expanding from a single channel TV network to India's leading multi-platform content Company. As we speak, ZEEL is increasing investments to lay the foundation for strong growth with a focus on long-term profitability.

[Read more ▶](#)



The Year gone by

FY21 was an unprecedented year on all counts, and it challenged us at several levels. While we tried our best to ensure normal operations amidst the disruption caused by the pandemic, we couldn't insulate the business from the economic slowdown. During the year, our revenues declined by 4.9%, primarily due to a 19.9% degrowth in advertising revenues. After a massive disruption in the first half which saw our advertising revenues reduce by almost half, there was a sharp rebound in the later part of the year leading to a 6.8% growth in the second half. This shows the resilience of our business and our ability to navigate temporary setbacks created by external factors. The subscription revenue saw a comparable growth of 5.2% during the year, primarily driven by ZEE5. Due to the embargo on change in channel pricing imposed by the court, television subscription revenue growth was impeded. We took measures to reduce discretionary spends to soften the impact of revenue degrowth, however, as the competition in all the segments we operate in remained intense, we did not reduce our investments in content. As a result, EBITDA margin of the Company declined to 25.0% for the year. As stated in our earlier communications, we are entering a phase of focused investments in television, digital and movie production businesses, which will help us to strengthen our positions in each of these verticals. Given the impact of second wave of COVID in the first quarter of FY22, our endeavour is to strike a fine balance between growth and profitability in the current fiscal.

During the year, our television network lost its leadership position, both as a result of lack of original content in the first quarter, as well as weak performance of our channels in Hindi, Marathi and Tamil markets. Our teams are working round the clock to revamp the programming line-ups which should help us bounce back in each of these markets. We continued to expand our broadcast portfolio with the launch of two new channels during the year. The pandemic gave an opportunity to all emerging digital businesses to get a wider audience sampling. Our digital offering, ZEE5, also leveraged this opportunity to grow its user base during the year. As India's biggest producer of digital

exclusive content in the country, ZEE5 scaled up its content library, along with enhancing the consumer experience on the platform. It also continued to expand its presence outside India, which will help us remain relevant in markets which are transitioning to digital. As a result of cinema halls being closed for most of the year, plans of Zee Studios and Zee Music Company, both of which primarily depend on new movie releases, were impacted during the year. Zee Studios launched ZeePlex, a multi-platform pay per view offering, enabling audiences to watch latest movies from the comfort of their homes. Zee Live also launched several digital entertainment IPs while on ground events remained restricted. Despite the challenges faced by us during the year, it is innovations like these that give me the confidence that we will be able to achieve the audacious goals that we have set for ourselves in the near and long-term.

Vote of Thanks

My heart swells with pride to see the support we have received from our teams in this unprecedented year. I would like to thank each member of our ZEE family for their resilient spirit displayed in making ZEE a more agile and responsive institution. This success is yours to rejoice and revel in!

I am also immensely grateful to our consumers, partners and shareholders who walked this new path with us, as we transformed into ZEE 4.0. Our new journey has begun and the direction is upwards, with exponential growth for

the Company. The aim is to enhance our profitability and continue to grow ahead of the industry, capturing all the new opportunities that emerge in an ever-evolving business landscape.

With ZEE 4.0, we are predicting the future by creating it ourselves. Because, the future belongs to those who believe in their dreams and dare to take risks.

Yours truly,

Punit Goenka





STRATEGY & BUSINESS MODEL

STRATEGY



Strengthen linear business

- Strengthen competitive position in existing markets
- Expand the portfolio to fill white spaces and exploit new opportunities
- Strong focus on advertiser needs with integrated linear and digital ad solutions
- Scale up viewership in international markets with similar social milieu as the Indian market



Scale up digital business

- Build a scaled play by investing in content across all major language markets
- Focus on hybrid SVOD-AVOD model with smart windowing and content monetization strategy
- Leverage TV network strength to propel OTT in international markets



Scale synergistic businesses

- **Movies** - Scale up to become India's leading movie studio; Drive synergy with linear TV and OTT business to counter rising content acquisition costs
- **Music** - Continue expanding music catalogue as a pan-India player through smart acquisitions
- **Live** - Create multi-platform event IPs and drive synergistic benefits of TV and OTT reach

Consumer focus | Diversified content offering | Partnerships | Capability building

STRATEGIC ASSETS



Library

270,000+ hours of library content



Strong brand

Built over 28+ years



Strong regional play

Presence in 10+ languages



People

Extraordinary Together

COMPETITIVE ADVANTAGES

01 Content creation capabilities

Our in-house expertise along with strong partnerships in the content creation, aggregation and distribution eco-system enable us to create and deliver engaging content at a competitive cost. This helps ZEEL to expand and strengthen its presence across media verticals.

We produce ~500 hours of content every week

We produce original content in 12 languages

We own the IP rights of all the content we produce

02 Synergies across businesses

We realize significant synergies, in both cost and revenue, due to our presence across markets and platforms. Content created for a market or a platform travels to another with little or no efforts, increasing its economic value. Our diverse presence not only allows us to manage the content creation and acquisition costs better but also enables cross-platform marketing.

All 35 channels in International markets run on content produced for our Indian channels

Digital platform hosts content from TV, Movies, Music and Live Businesses

03 Reach

Our businesses cover the entire spectrum of consumers' entertainment needs across formats, geographies and platforms. This enables us to reach almost every consumer of entertainment content in India and one in ten in rest of the world. This strong reach makes us the default partner for brand building as well as the preferred partner for content creators.

600mn+ individuals reached in India every week

Presence in over 190 countries

3,000+ brands connect with their consumers through our network in India

REVENUE STREAMS

01 Advertising

It is an important revenue stream for our linear and digital businesses. Advertising revenue is primarily driven by reach and viewership of our content. Consumer staples, consumer durables, telecom, auto and e-commerce are our key advertisers.

02 Subscription

Domestic broadcast, international and digital businesses generate subscription revenue. Our content reaches through distribution partners such as DTH and cable companies in case of our linear broadcast business. In digital, subscription revenue comes directly from consumers or through our partnerships with telecom operators and other players in the digital eco-system.

03 Syndication

This primarily relates to licensing of our content (shows, movies etc.) in the international markets or to other broadcasters in India.

04 Theatrical

Revenue from the theatrical release of the movies produced by us.

05 Music licensing

Revenue from the licensing of our music catalogue to music streaming platforms and from any other events/platforms where our music titles are utilized.

06 Others

Movie distribution:

Revenues earned from distribution of movies.

Ticketing and Sponsorships:

Revenues from on-ground events, live shows and theatre.

CREATING VALUE



For audiences

By providing engaging, inspirational and uplifting content to audience's satisfaction.



For advertisers

We offer brand building solutions for our advertisers to reach their consumers through multiple touch-points.



For distribution partners

Our content is an integral part of offering of our distribution partners – cable, DTH and telecom operators.



For talent

Our network provides unparalleled reach to our content partners. We are also instrumental in continuously bringing new talent to the industry.



For shareholders

Through a track record of consistent financial performance and delivering significant shareholder value.



For our people

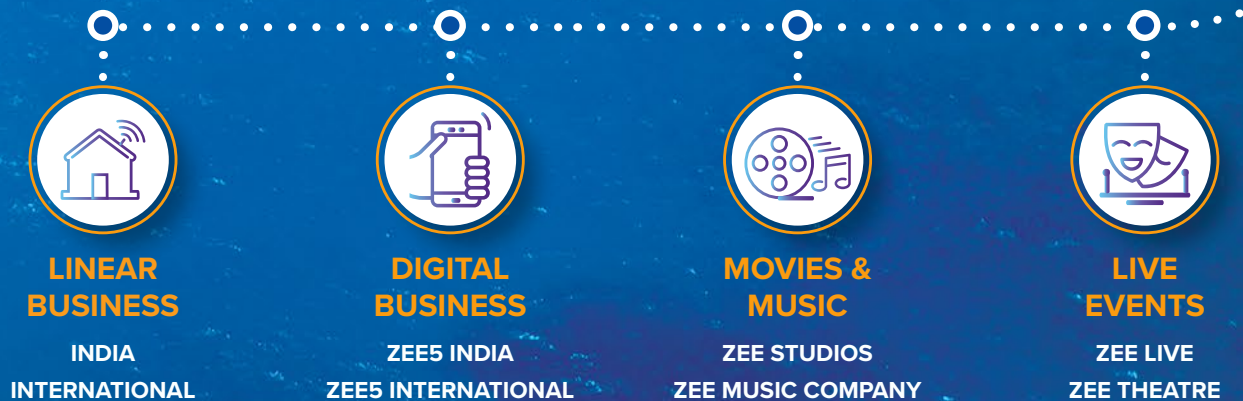
By providing enriching experience at the work place, work life balance, adequate learning and growth opportunities.

BUSINESS OVERVIEW

With a history of almost three-decades of entertaining consumers in India and around the world, ZEE has crossed several milestones. In this journey, the Company has experienced distinct phases of growth, success, and expansion interspersed with periods of failure and learnings. This journey can be broadly broken into 3 distinct phases – the first phase where ZEE emerged as a brand synonymous to entertainment in India with the world acknowledging its pioneering spirit; the second phase, which began at the start of this century, saw the Company being complacent and playing catch up amidst fierce competition; the third phase lasting till FY20 was the one in which the Company witnessed industry leading growth, expanding its presence across the country and abroad, truly establishing its position as India's leading entertainment content Company.



In its fourth phase now, termed as ZEE 4.0, the Company has redefined its strategic vision which will help it deliver the next phase of growth. This approach leverages the strong position the Company has established over the years in broadcast segment to help strengthen its position in new businesses. While consumer has always been at the centre of decision making as far as content creation, delivery and monetisation are concerned, the ZEE 4.0 approach will further sharpen this focus. ZEE has continuously endeavoured to enhance its understanding of consumers to create quality content that engages them. The Company has been on a constant transformation journey, expanding its presence across multiple media verticals to serve a continuously evolving audience base.



DOMESTIC BROADCAST BUSINESS

Zee's broadcast portfolio of 49 channels caters to the diverse Indian audience across the country. As India's widest language footprint network, Zee connects with its consumers with a high-quality programming mix of engaging fiction shows, innovative reality show formats, popular movies, and curated licensed content. Zee has continuously expanded its presence, leveraging insights from existing markets and customising it for new language markets. This continuous growth enables Zee to reach more than 600mn people on a weekly basis, making it one of the biggest reach platforms in India today. Along with expansion into new markets, Zee has also broadened its content offering, adding new genres to its portfolio. With daily drama shows, non-fiction shows with celebrity judges and exciting talent, blockbuster movies, music channels, lifestyle content, the network offers a wide range of content for its consumers.

This expansion across depth and breadth has led to a diversified portfolio which is not dependent on any one language or genre for viewership share. Zee's success in South markets and movie genre are examples of how the investments Zee has made over a period of time have yielded results. Despite being a late entrant to the South market, the network has grown organically to reach 20% viewership share, becoming a strong player in the region. Zee has become the leader in the movie genre with 25% of the total television movie consumption in India happening on its network. These success stories are reflection of Zee's long-term growth strategy in action.

49 Channels
11 Languages

600mn+ Weekly reach
160bn+ Minutes of weekly time spent

Detailed business review on page 33

INTERNATIONAL BROADCAST BUSINESS

ZEEL's international broadcast portfolio of 35 channels reaches more than 170 countries, taking Indian content across the globe. The business leverages the content library of the parent network to serve Indian and South Asian diaspora around the world. ZEEL was the first Indian M&E company to start overseas operations and over the years has expanded its linear operations in the Americas, Europe, MENA, APAC and Africa regions. With a mix of channels that carry India feed as well as channels that curate local language content in some markets, it is one of the leading global networks in the world today. While Indian content gets traction from South Asian diaspora, foreign language channels with dubbed content helps taking popular Indian shows and movies to audiences in their native languages.

10 Dedicated non-Indian language channels offering content to our audiences in their local languages



Content available in **8** non-Indian languages

Detailed business review on page 37

AMERICA
16 Channels

EUROPE
3 Channels

MENA
5 Channels

APAC
6 Channels

AFRICA
5 Channels

DIGITAL BUSINESS OVERVIEW

ZEE5, our video-on-demand platform, is one of India's leading OTT platforms. It leverages the content creation expertise and the content library of all our businesses, offering one of the most exhaustive Indian content catalogues to the digital consumers. ZEE5 is focussed on creating a strong value proposition for Indian consumers and delivering outstanding user experience. ZEE5 offers original content across multiple Indian languages and genres, one of the biggest Indian movie libraries, catch-up

and live TV, international content, music videos and much more. It aims to serve the diverse content needs of various audience segments in the country and be the go-to destination for digital audience. The platform has a hybrid revenue model offering exclusive digital original content, premium movies, and much more at an affordable price of ₹ 499 per year. TV catch-up content, select movie library, music videos are available for free and are monetised through

advertising. We are also focussed on continually improving user experience through use of technology and product enhancements. ZEE5 also partners extensively with major players in the digital ecosystem to facilitate access to a wider audience base and making it easier for consumers to pay. ZEE5 has been expanding its presence outside India over the past year, and it was recently launched in the US, the largest market for South Asian diaspora.



ZEE5 SVOD Premium content destination

ZEE5 premium, the SVOD offering of the platform, provides a wide range of digital original shows, blockbuster movies, direct-to-digital movie premieres across multiple Indian languages. The platform has been curated keeping in mind the taste and preferences of the Indian audiences. As the largest publisher of Indian language digital exclusive content, it aims to become the first choice of entertainment for Indian consumers seeking quality content.

150+ web series | **2800+** movies | **Direct-to-digital** premieres



ZEE5 AVOD Anytime, Anywhere Entertainment

ZEE5 offers consumers a vast catalogue of TV shows - 500+ hours of fresh content every week and some of the most popular shows of the past. A 1,000+ movie library means that consumers have plenty of options to choose from. ZEE5 is also a top destination for live news with more than 70+ channels. All this content is available in more than 10 languages, making ZEE5 a pan-India platform.

1,000+ shows and movies | **75 live** TV news channels | **12** languages



ZEE5 now available in US

In June this year, ZEE5 was launched in the US, the biggest market for South Asian diaspora. Zee has been present in this market for over two decades, bringing the best of Indian entertainment content through its TV channels. With ZEE5, we now look to offer audiences access to a much wider choice of TV and digital exclusive content.



MOVIES & MUSIC



LAUNCHED ZEEPLEX,
a pay per view movie platform,
during the year

RELEASED 8 MOVIES
across **3 languages**

Zee Studios, the integrated movies vertical of Zee, has emerged as a one-stop destination for production, promotions, advertising & distribution of films across India and the overseas markets. The studio has been focused on films aimed at pairing content with powerful performers and developing concept driven films. It has also established a strong presence in the Marathi, Punjabi, Kannada, Telugu and other regional markets with a string of successful movies over the last few years. The studio leverages the cross-platform strengths and institutional learnings of the parent network which help in achieving better monetisation of its assets.

Zee Studios is an important ally for the broadcast, digital and music businesses, all of which depend on acquisition of various movie rights. The studio aims to scale up its yearly movie output to 35-40 releases across languages and budgets.

During the year, Zee Studios launched ZeePlex, India's first multi-Platform PPV service, which enables audience to watch some of the latest movies from the comfort of their homes through their DTH connection or on ZEE5. With theatres closed due to the pandemic, the studio released Radhe, one of the biggest movies of the year, on ZeePlex.

Detailed business review on page 41

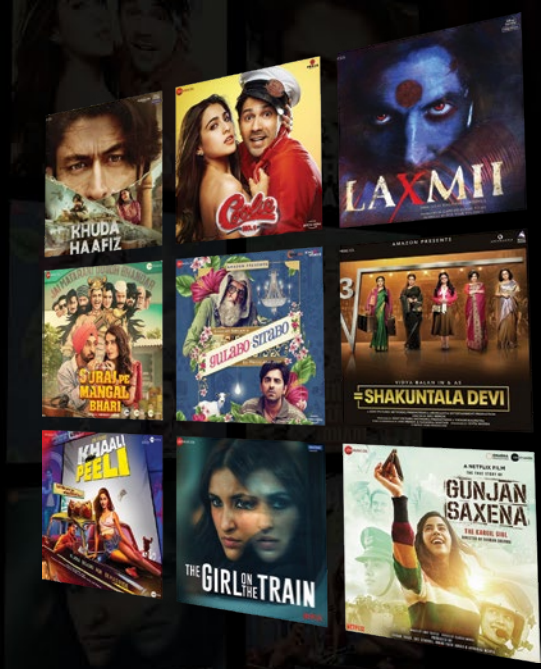


2ND MOST SUBSCRIBED
Indian music channel on YouTube

PAN-INDIA MUSIC LABEL
with presence across **10+ language**

41 BILLION VIDEO VIEWS
on YouTube, **growth of ~45% YoY**

Zee Music Company (ZMC) is India's fastest growing music label and the only one with a pan-India reach. It has acquired an expansive catalogue of music rights, across languages, to become the second most 'listened to' Indian music label in a short period of time. The label's catalogue now consists of over 7,500 songs across 11 languages and has an unparalleled reach. With over 75mn subscribers, ZMC is the second most subscribed Indian music channel on YouTube, generating over 4bn video views a month. ZMC's growth has been driven by its aggressive acquisition strategy with a 50% plus market share in all new Hindi film releases.



Detailed business review on page 42



LIVE BUSINESS



ARTH - A CULTURAL FEST,
Online event featuring
20+ speakers



SUPERMOON LIVE TO HOME
a virtual version of its Supermoon event,
featuring 50+ artists

Zee LIVE is ZEEL's entertainment offering for the consumers in the live events space with a focus on creating IP for music, stand up comic, theatre, culture, food, and education events. It aims to be the gateway to the world for Indian live experiences, while simultaneously bringing the best concepts from around the globe to India. Live events help the Company and its advertising clients reach out directly to the consumers. Zee LIVE has already created 3 properties – Supermoon, Arth and ZEE Educare, and it is experimenting with different formats to establish a competitive position in the live events space, which has significant headroom for growth in India. Zee LIVE plans to create a host of properties targeted at audience of diverse interests and age groups. With restrictions on on-ground live events during the year, Zee LIVE launched virtual live events leveraging network's digital and satellite footprint.

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BOARD OF DIRECTORS



Subhash Chandra
Chairman Emeritus

Dr. Subhash Chandra is a Member of Parliament - Rajya Sabha. He is the founder of India's leading Global Content Company ZEE and the multifaceted conglomerate Essel Group. Referred to as 'The Father of Indian Television', Dr. Chandra's pioneering vision and entrepreneurial mindset revolutionized the television industry by launching India's first satellite television channel - Zee TV in 1992 and later the first private news channel, Zee News. For his contributions to the industry, Dr. Chandra received the 2011 International Emmy Directorate Award at the 39th International Emmy Awards in New York, as the first Indian to receive a Directorate Award recognizing excellence in television programming outside US. With an aim to share, contribute and collaborate for a prosperous society, he founded the Subhash Chandra Foundation in 2017.

Mr. R. Gopalan has a Masters degree in Public administration and management from Harvard University and Masters degree in Economics from Boston University. He had rich experience in Govt. of India in Finance and Commerce ministries. Mr. Gopalan is from the Indian Administrative Service. He served as Secretary DEA and DFS in the Ministry of Finance and Additional/Joint Secretary in the Ministry of Commerce. He helped in negotiations at the WTO and served as DG, Anti Dumping and Subsidies. He served on the boards of LIC, MMTC and New India Assurance Limited. In Tamilnadu, he headed TIDCO and Tamilnadu Newsprints and Papers Limited. Mr. Gopalan has wide experience in venture capital funding, managing industrial undertakings, infrastructure financing and negotiations for the country in multilateral fora. He is currently on the boards of eminent companies.



R. Gopalan
Chairman C1 C4



Adesh Kumar Gupta
Independent Director C1 C4

Mr. Adesh Kumar Gupta, Chartered Accountant, Company Secretary and AMP from Harvard is a professional with rich experience of over 40 years in Corporate Strategy, M&A, Business restructuring, Fund raising, Taxation etc. During his distinguished career of over 3 decades in Aditya Birla Group, Mr. Gupta held various senior positions including board positions in various companies of the group including Indian Rayon, Birla Global Finance, Aditya Birla Nuvo Limited and Grasim Industries Limited. Currently, he is working as insolvency professional and serving on the board of various eminent companies including Grasim Industries Limited, Care Ratings Limited, Vinati Organics Limited. He was awarded with Best CFO award by ICAI, IMA and Business Today. He had also represented FICCI as a Member of NACAS which was instrumental in setting up Accounting Standards in India.

Ms. Alicia Yi is B.A. in Economics from the Northwestern University, Illinois and has completed her Executive Education, YPO Presidents Program, from Harvard Business School. Ms. Alicia Yi has held a series of leadership roles working with top tier industry executives across consumer goods, retail, hospitality, travel, leisure, consumer health, media and entertainment. Currently, she is the Vice Chair of Korn Ferry's Global Consumer Market based in Singapore. She is also a member of the Board & CEO Services Practice, HR Practice and PE Practice. With a strong human capital consultancy background, she has conducted high profile C-suite search assignments for global MNCs as well as high growth Asian companies. She regularly serves as a trusted advisor to boards in building and developing high performing leadership teams and CEO succession. She is on the Advisory Board for Women's Forum for the Economy & Society, a frequent speaker on leadership, human capital strategy and diversity & inclusion and an active member of the YPO, Singapore Chapter Learning Officer among other eminent organizations.



Alicia Yi
Independent Director C2



Ashok Kurien
Non-Executive Director C3 C5

Mr. Ashok Kurien has been in the business of building brands for over 35 years now, particularly in the fields of Media, Marketing and Communications. He is associated with Livinguard Technologies manufacturing Face Masks, Water Filters (without electricity) and Menstrual Hygiene. He has co-invented 'Saafkins', the ideal solution for the billion women who can't afford sanitary napkins, making it affordable and reusable, all this for the poor and the marginalised. Mr. Kurien is one of the founder-promoters of the Company. He is also founder and promoter of various business ventures including Ambience Advertising, Hanmer & Partners, HearSight Audio Vision and Director at Livinguard AG, Switzerland.



Manish Chokhani
Non-Executive Director C2 C4

Mr. Manish Chokhani, a Chartered Accountant and MBA from the London Business School is one of India's most respected financial experts and investors. From 2006 to 2011, he was CEO of Enam Securities, India's leading investment bank. He led its \$400 million merger in 2011 with Axis Bank to create Axis Capital Limited, which he led as MD & CEO until the end of 2013. From 2014 to 2016, he served as Chairman of TPG Growth in India and from 2017 to 2019 as Senior Advisor to TPG Group, one of the world's largest PE firms. He currently serves as an independent director on boards that include Westlife Development (McDonalds), Shoppers Stop among other eminent companies. He has served as a member of SEBI's Alternative Investment Promotion Advisory Committee and also as Co-Chairman of the Capital Markets Committee at the IMC. He has been a visiting faculty member at IIM-Kozhikode and scholarship panels of the London Business School.

Mr. Piyush Pandey, MA from St. Stephens College, Delhi and a Post Graduate in History from University of Delhi has a rich experience of over 39 years in the field of advertising. Besides his current role as Executive Chairman of Ogilvy India, he is also the Chief Creative Officer of Ogilvy Worldwide. He is the only Indian to have won three Grand Prizes at the London International Advertising Awards. He was awarded the Clio Lifetime Achievement Award in 2012 and the Lion of St. Mark at the Cannes International Festival of Creativity in 2018. In 2016, he became the first Advertising and Communication professional to be awarded the Padma Shri in recognition of his distinguished service. Mr. Pandey has been a brand ambassador for Indian advertising at many international forums and was also a mentor at the Berlin School of Creative Leadership. His work has won over 1,000 awards nationally and internationally. Mr. Pandey serves on the Board of Pidilite Industries Limited among other eminent companies.



Piyush Pandey
Independent Director C2 C3 C5



Sasha Mirchandani
Independent Director C2 C4

Mr. Sasha Mirchandani completed his Business Administration from Strayer University, Washington and MMDP at IIM Ahmedabad. He has over 25 years of experience at the intersection of finance, technology and digital commerce. He has funded, mentored and advised some of the largest unicorns in India and brings deep insights about leveraging technology in shaping new business models and bringing competitive advantage in products and markets. Mr. Mirchandani has worked with a wide spectrum of tech and digital commerce companies during their 0-1 phase and brings a detailed understanding of digital products. His marquee successes have been Fractal Analytics, InMobi, Myntra, 1mg, Healthkart, Zetwerk and he has worked with these companies to help them to compete successfully in global markets. Mr. Mirchandani has successfully raised and deployed multiple funds and was inducted into the TiE Hall of Fame, 2019 as an Outstanding Angel Investor. He co-founded Mumbai Angels and is also Past President of Entrepreneurs Organisation (EO) Mumbai. He serves on the Boards of Hathway Cable and Datacom, Nazara Technologies, Healthkart, Kae Capital among others.

Mr. Vivek Mehra, is a well-respected senior Chartered Accountant with an illustrious professional career spanning over 40 years and experience spanning across sectors in Taxation, accounting, risk management and Regulatory domains of Merger & Acquisition specializing in Cross-border Investment and Transaction Structuring. He has held various leadership roles till April 2017 in PwC as Partner/ Executive Director. He was the founder and national leader for PwC Regulatory and M&A Practices and has been elected on PwC Governance Oversight Board for two consecutive terms. Mr. Mehra is extending his expertise as an Independent Director and esteemed Board Member for Havells India Limited, DLF Limited, HT Media Limited, Chambal Fertilizers and Chemicals Limited among other prominent companies. He is also on the Board of Governors of 'Grassroot Trading Network for Women'- a SEWA venture and 'The Asthma, Bronchitis and Cancer Lung Foundation of India'. After serving on the Board of The Lawrence School, Sanawar, he is presently the Chairman of its Fund-Raising Committee. Mr. Mehra had given his valuable contribution as a member of the Federation of Indian Chambers of Commerce and Industry (FICCI) Steering Committee and National Executive Committee.



Vivek Mehra
Independent Director C1



Punit Goenka
Managing Director & CEO C1 C3 C5

As the MD & CEO of ZEE, Punit has been extremely successful in enhancing the company's performance and driving the Company towards its set goals. His futuristic vision and sharp acumen in the new media domain has led ZEE to a global stature today, expanding the Company's international presence across 190 countries and its reach to over 1.3 billion viewers. Mr. Goenka has received several honours, being listed amongst the top industry leaders and being awarded the esteemed Medaille d'Honneur at MIPTV. He plays an active role in shaping the future of the M&E industry as the Chairman of BARC India and as a Board of Director for the Indian Broadcasting Foundation (IBF).

ROHIT GUPTA CFO

How would you summarise ZEEL's financial performance in FY21?

The financial year gone by was probably the most economically challenging year in our history. The pandemic, consequent lockdowns and reduced economic activity for an extended period of time, impacted our revenues as well as operations. Despite these challenges I am satisfied with the performance of our businesses across verticals. While our domestic broadcast business continues to enjoy strong viewership share, digital business registered progress on all parameters. Movie production and live businesses were significantly disrupted due to prohibition on gatherings but music business continued to deliver a stable performance. As far as financial performance is concerned,

FY21 was a tale of two halves.

Our advertising revenues dipped sharply in H1 due to the nationwide lockdown announced by the government. As things returned to normalcy, production of original content went back to pre-pandemic levels and recovery in ad revenues ensued. Television subscription revenues were unscathed by the pandemic and remained stable, while ZEE5 saw growth in subscription revenue driven by an increase in the paid subscriber base. In the second half, business largely returned back to normalcy, which also reflected in our H2 growth numbers as well as profitability. This gives us confidence that once the impact of pandemic is completely behind us, we should be back to the growth levels we have delivered over the past several years.

Could you please explain the impact of the pandemic on advertising revenues for the year? What is the outlook for FY22?

The pandemic had a significant impact on ad spends for the entire industry. It was a peculiar situation where overall viewership went through the roof, but ad revenues fell steeply. During the lockdown, consumption was restricted largely to necessities, which meant that advertising for discretionary products, that make up a large part of our revenues, went down to negligible levels. The collapse of economic activity during this period led to fears of lingering effects on growth. As a result, even as restrictions began to ease, recovery in revenues took some time. Ad spends reached normalised levels in the festive season and during the last quarter we inched back towards double digit growth. However, due to the perishable nature of ad inventory, despite a strong end to the fiscal, ad revenue declined by 20% for the year.

At the beginning of the year, ad spends outlook for FY22 was quite strong. However, onset of the second wave of the pandemic and lockdowns have disrupted the growth momentum. The second wave would have an impact on ad revenues in H1 but much lesser than what we had seen last year. From last year's experience we know that once lockdowns are lifted, consumption recovers almost instantaneously. Also, the product launch cycle, an important growth driver for ad spends had been disrupted last year and we could see a flurry of new launches once the fear of pandemic subsides, giving a fillip to ad spends. In a nutshell, demand for advertising is strong and would reflect in our growth as soon as we return to normalcy.

What led to deceleration in subscription revenue growth? What is the outlook for subscription revenue growth for FY22, especially for television post NTO 2.0 implementation?

We get subscription revenues from four businesses - domestic broadcast, digital, international broadcast and music. Growth drivers for each of these are different. For domestic broadcast business, channel bouquets contribute a substantial portion of total subscription revenues. Domestic revenues remained largely flat as there was an embargo imposed on pricing and redesigning of bouquets as a result of the litigation against implementation of the revised tariff order, also known as NTO 2.0. That said, ZEE5 saw a step jump in subscription revenues, albeit on a small base. Music business continues to see growth on the back of surge in digital streaming of music. Our international subscription revenues have been under pressure for the last couple of years as the newer generations of Indian diaspora have lesser affinity for Indian TV content. The drop is also partially on account of change in accounting method where we have started to net-off some of the expenses from revenues.

Our subscription revenue growth for the domestic broadcast business would remain impacted in FY22 also due to the delay in implementation of the tariff order. As the order is currently being contested in the Supreme Court there is still no clarity on execution timelines. Additionally, the switch to a new regime would not be without some hiccups and it could take a quarter or two for it to settle down. We are confident that once NTO 2.0 settles, our strong viewership across markets would help us return to our guided long-term growth trajectory. On the other hand, we should continue to see strong growth in digital subscription revenues, driven by the strong content line-up and roll out in key international markets. Music business revenues are in a secular growth phase, and we foresee a healthy growth in coming years. International television subscription revenues are likely to be under pressure due to challenges of cord-cutting in some of the markets we are present in.

ZEEL has guided for an increase in investments over the next couple of years. Could you please elaborate the thought behind the same?

In India, content consumption has been in a secular growth phase across platforms and the same is likely to continue. The spike in viewership witnessed during the lockdown highlighted the indispensable role of content in our daily lives. We firmly believe that the current digital consumption has only scratched the tip of the iceberg and there is an immense potential for the total addressable market to grow multi-fold. While television continues to be the biggest entertainment medium, the sheer fact that over 100 million Indian households are yet to buy their first television sets speaks a lot about the potential and growth prospects of this industry. We would like to achieve a dominant share in this opportunity which is going to unfold over the next decade or so. 'Growth' is one of the cornerstones of our ZEE 4.0 strategic approach and after a rigorous exercise and internal deliberations, we have set targets in terms of the time and wallet share of consumer entertainment spends, that we as a Company must garner over the next 5 years. We are aiming to achieve leading position in digital business, not only in India but also for South Asian diaspora across the globe. We want to be India's #1 television network with leadership across language markets. We also plan to release 35-40 movies across 6 languages every year, which will help us to bolster our content slate for both television and digital platforms. Accordingly, our investments would go up in these businesses over next couple of years till they start yielding commensurate monetisation.

ZEEL would be ramping up movie production sharply. What would be the impact of same on financials and risks profile of the business?

The primary objective of scaling up this business is to realise synergies across television, digital, movie distribution and music publishing businesses. All these businesses are dependent on acquisition of different rights of movies. Considering our presence across multiple formats and geographies, we acquire most of the rights of a movie. Our strategy of co-producing movies with renowned film makers allows us to build a strong movie catalogue, that can be monetised across the different businesses which I just mentioned. In the recent years, the cost of movie rights for

OTT platforms has seen a substantial inflation due to hyper competition. This strategy also allows us to refrain from entering a bidding war on several fronts. While our investments in movie production are going up, the incremental investments, after adjusting for the various rights that we would have bought in any case for our other businesses, is not really that large. We would also continue with our portfolio approach of a mix of high and low budget movies across languages. Accordingly, it does not alter risk profile of the company in any meaningful way. I would also like to point out, that the scale-up of movie production business might lag our guidance for FY22, due to the impact of the pandemic.

How do you expect the increase in investments to impact company's financials?

The investment phase, which is in line with our ZEE 4.0 approach, we believe would last for a period of around two years. We would be ramping up our content and marketing spends, primarily in television and digital businesses. As the revenues would start flowing in with a lag post these investments, we would see a temporary margin compression. Additionally, our working capital would see an increase as some of the content investments will pass through profit and loss account over a period, depending on the type of content. I would like to highlight that there is no change in the underlying profitability or return profile of the company. The increase in investments is to lay a strong foundation for capitalising on the immense growth potential which exists in the media space and will also help us grow better than industry in the future.

Could you please elaborate on cash generation and working capital movement during FY21 and outlook for the future?

We have seen a very credible balance sheet during FY21 despite the challenges posed by the pandemic. During the year we generated operating cash of Rs. 15.5bn and free cash of Rs 13.4bn. This was achieved by restricting our total content investments to the levels of what is charged to our profit and loss statement. Good progress on recovery of some sticky receivables also helped cash generation. We expect our cash generation in the coming years to remain healthy but would be lesser than the current year on account of our decision to increase investments. Impact of the second wave on ad revenues in the first half would also affect cash generation for FY22.



LEADING WITH PEOPLE

ZEE 4.0 ORGANIZATION TRANSFORMATION - ALIGNING FOR THE FUTURE

The explosive growth in content consumption across genres is reshaping the Media and Entertainment (M&E) landscape in India and across the South Asian countries. This emerging ecosystem is witnessing a rapid shift to content personalization, integrated advertising solutions, technology led innovations and increased competition. Winning in this new context requires rewiring the organization and realigning resources around the emerging opportunities. In line with ZEE 4.0 approach, the organisation design was restructured to prepare the Company for next leg of growth. Following are the key pillars of the new design:



AGGREGATING CONTENT CREATION

We have been telling stories and creating cutting edge content for close to 30 years in various markets in South Asia and for South Asians globally. Integrating content creation will ensure that we extend our deep expertise and long-term relationships to digital content creation allowing us to leverage our existing strengths across all markets. It will help deliver better production efficiencies, cross pollination of ideas, sharper consumer insights and cost-effective content for all platforms.

FOCUS ON DIGITAL PLATFORMS

We have been investing substantively in building our digital ecosystem over the past couple of years and will continue to do so given its strategic importance for the Company. In the new organization architecture the digital teams will be focussed on building high-quality platforms that deliver exceptional viewer experience through enhanced personalization and frictionless viewing. Enabling this scale-up is the new Development Centre that is being built in Bangalore to house Product, Engineering, Design and Data talent. This framework of the front-end business team deeply integrated with the development team will significantly improve our time to market and our ability to deliver the promised experience to all our viewers.

MARKET ALIGNED INTERNATIONAL TEAM

Our international business serves viewers in over 190 countries across five markets – APAC, MENA, Africa, Europe and North America. In the new organisation design, the linear and digital teams in each market are merged into a single, integrated team led by a market leader responsible for maximizing revenues in that market. This integration will enable each team to craft a local-market aligned approach that will improve the monetization of our content assets across all formats and revenue streams.

MOVIES & MUSIC

Different parts of our Movies & Music business that were earlier embedded in multiple domains have been combined into an integrated team which will be responsible for both movie acquisition/production and monetization, across domestic and international markets. The revised framework will drive better line of sight for the entire value chain and ultimately enhance the efficiency of our Movies business.

UNIFIED REVENUE & MONETIZATION FUNCTION

There are two emerging trends in the revenue and monetization framework in the M&E sector - an increasing propensity for integrated ad buying across linear and digital assets and a growing convergence in the content distribution space. To respond effectively to this change, we have created an integrated Revenue & Monetization team that will combine Linear Ad Sales, Digital Ad Sales, Distribution and B2B SVOD Partnerships into a unified ecosystem. The revised framework will result in a more synergized monetization engine that will provide better client solutions, improve wallet monetization, extend coverage to small and medium enterprises (SMEs) and increase subscriber penetration across linear and digital formats.



Apart from the structural re-design, the success of ZEE 4.0 is also dependent on realignment of the internal ecosystem of the organization and its people processes to adapt to the new ways of working. The people strategy for Zee 4.0 has been crafted using the bedrock of the 4 fountain-heads of Exponential Thinking, Relentless Focused Execution, Seamless Collaboration, and Hunger for Impact. From these anchors a series of initiatives have been orchestrated which encompass the entire spectrum of employee interface with the organization and are focused towards developing a work culture that is tech-enabled, collaborative and dynamic. The ideas which people bring to the table are priceless and we over-invest in ensuring that our workplace offers the most conducive environment to enhance this process of transforming ideas into extraordinary stories.

STRENGTHENING THE TALENT ECOSYSTEM

At ZEE, we are cognizant of the evolving landscape and the inherent need to realign the resources to foster a higher level of agility, innovation and collaboration, which will be critical to succeeding in this competitive environment. During the year, we have strengthened the leadership team by inducting experienced professionals from diverse backgrounds and domain experts across different functions. The strategic organisation restructuring, implemented in line with the ZEE 4.0 approach, is focussed on leveraging the collective experience and expertise of the leadership team, which will help us in achieving our goals.

Along with strengthening the leadership team, we have also fortified our talent pipeline at the entry level by inducting management trainees from top institutes across the country. These trainees undergo a robust induction and training program which equips them with necessary skills for developing into future leadership roles. Talent will be a critical determinant of our success and we will continue to invest significantly in talent development initiatives to ensure that we stay ahead of the curve.



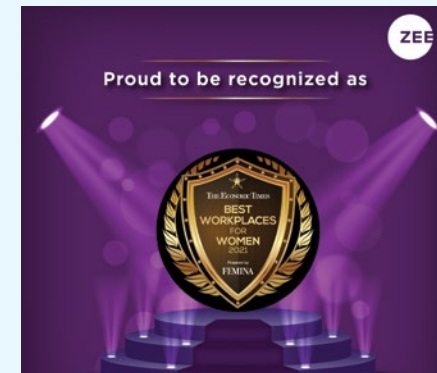
CAPABILITY BUILDING

Cognizant of the need to continuously upgrade and upskill our people, we have invested heavily in enhancing the learning and development needs of each employee. We're committed to their growth and development to ensure they can be better than yesterday. Even as work shifted to a digitally enabled work-from-home format, we launched a number of initiatives to continue providing learning and development opportunities for our employees.

We have partnered with EdCast, an AI-based knowledge cloud that specialises in creating and curating content from diverse platforms, providing best-in-industry learning modules. We're helping our employees upgrade their skills through courses from world renowned universities through Coursera, an online training management platform which provides access to over 3,000 courses from top

tier universities like Princeton, Harvard and INSEAD. More than 2,400 people across functions clocked around 18,000 hours of learning since the launch of the program. In its new phase of growth, ZEE is focused on being the front-runner in building a multi-generational, multi-functional workforce

which is ready to capture the opportunities in this shape shifting environment. The success of these programs was recognised when ZEE was awarded the 1st Runner up for Excellence in Learning & Development by Business World in its HR Excellence Summit & Awards, 2021.



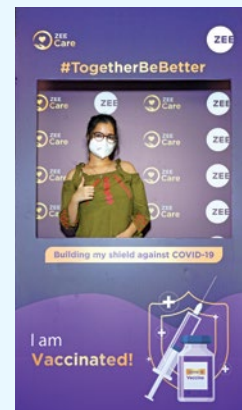
COVID RESPONSE

As safety of people is paramount, ZEEL responded with a swift plan that ensured business continuity along with employee safety. Setting up crisis management teams, work from home plans, improved sanitization measures at offices highlighted company's proactive approach to fighting the pandemic. Roles that required employees to work from office premises were identified and a back-up was created to ensure uninterrupted

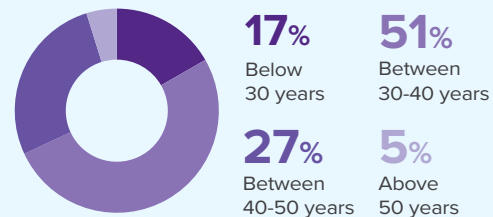
business operations. Access to all critical business applications ensured 24X7 WFH with zero compromise on data and content security. The second wave of the pandemic saw prompt action from the team in supporting employees for hospitalisation, arranging oxygen cylinders and medicines. Zee partnered with various companies for providing services like doctor-on-call, testing kits, isolation facilities,

ambulance, and food delivery services for employees and their families. Emotional wellness webinars, active call-out by counsellors to employees and daily connect with each employee was institutionalized, ensuring support for mental well-being of the employees. These steps were commensurate to the importance laid on personal safety and well-being of the employees.

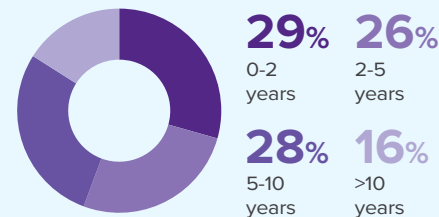
A disruptive year like this is what truly enables the HR team to straddle the multiple ends of the people spectrum in its various roles— as an HR partner, as a change manager and as an employee champion. The incredible efforts put in by the team was also recognized when Zee bagged the prestigious title of "Best HR Team of the Year" at the 6th edition of the Business World HR Excellence Summit & Awards, 2021.



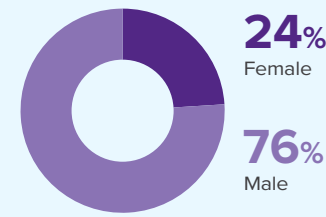
AGE PROFILE



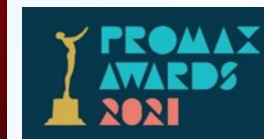
TENURE



DIVERSITY RATIO



AWARDS AND MILESTONES



AWARDS

- ZEE5 became the only Entertainment Brand to feature in Kantar's BrandZ top 75 Indian Brands 2020
- Won multiple awards in Promax 2020 across channels – Zee Cinema, Zee Marathi, Zee, Keralam and Zee Tamil
- Zee Cinema won multiple accolades across prestigious awards for its consumer driven campaigns
- ZEE5 won the excellence awards for streaming platform and multiple other awards in Exchange4Media Play Awards
- ZEE5's original shows The Final Call and Kaafir won most popular web series award in SPOTT Awards 2020
- ZEE5 won multiple awards in different categories at SCREENXX awards
- Won 'Best HR Team of the Year' and 1st Runner-up for 'Excellence in Learning & Development' at Businessworld HR Excellence Awards 2021
- Won 'Best Treasury Transformation' award at the Treasury Management International Awards



COMMUNITY OUTREACH

#ZEEFIGHTSCOVID19 WITH INDIA

The COVID-19 pandemic has deeply impacted the country and its citizens since its outbreak. ZEEL stood strong with India and joined forces with various NGOs and governing bodies in the nation's fight against the pandemic. Under the ambit of its CSR Focus Area of Disaster Relief and Recovery, ZEEL promptly roped in resources to help various state governments and its citizens affected by the pandemic. The Company provided 12 states with healthcare infrastructure support by donating 247 Ambulances, 95 oxygen humidifiers, 46,500 PPE kits and 5,000 sanitizers, face masks, plastic face shields each. The Company also built a 300+ bed Dedicated Covid Health Care Centre (DCHC) for frontline workers and donated the same to the Maharashtra Government.

Due to the nationwide lockdowns, daily wage earners were adversely affected. ZEEL took on the responsibility of providing financial assistance to ~5,000 daily wage workers who were associated with the Company directly or indirectly. ZEEL partnered with the Akshaya Patra Foundation to provide daily meals to 10,000 migrants across the nation, serving 6,00,000 meals. ZEEL's employees also joined the fight and donated to the PM Cares Fund. The Company matched the donation, and an equal contribution was transferred to the Fund. The Company also leveraged the reach and influence of its television channels and digital platforms to spread awareness pertaining to safety measures. Creative campaigns - #HumAndarCoronaBahar and #PhirSeHogaSavera created a ray of hope

for audiences to overcome the pandemic-induced fear. Through 40+ channels, the Company reached its viewers with the #BreakTheCoronaOutbreak initiative by encouraging them to maintain proper hygiene during a special 30-second break.



BIG GANGA'S KAAMPWAPASI CAMPAIGN

Pandemic affected people not only in terms of their health, but it also had a catastrophic impact on India's workforce. India's migrant workforce, a big part of which comes from Bhojpuri speaking regions of Bihar, Jharkhand and Eastern UP, returned back to their homes amidst the lockdown as economic activity came to a halt. Big Ganga's KaamWapasi initiative, in partnership with Lowe Lintas, was designed to resolve the unemployment issue amongst the migrant workers. The campaign played an instrumental role in bringing workers closer to the employers who are looking for a new pool of talent



through a one of its kind tech platform. The initiative focused on building 3 C's - Connect, Confidence and Credibility by leveraging the channel's massive reach in the region and its deep understanding of the consumers. The platform enabled more than 35,000 workers to find employment through this initiative. The initiative was backed with 3600 awareness campaign and the channel roped in Dinesh Lal Yadav, one of the most authentic faces of the region, as the brand ambassador.

ZEE CINEMA'S #DABANGG BANO MASK PEHNO

In Oct'20, as the country gradually moved into Unlock phase and people started moving around on roads, it was observed that many were not following the safety guidelines of wearing masks, putting themselves as well as others at risk. There was a need to continuously remind the people about the importance of masks and reinforcing the message of wearing it in public places all the time. Around the same time, Zee Cinema had the World TV Premiere of the third movie of the highly successful Dabangg franchise. The channel built a contextual campaign - *Jo Mask Pehenkar Ghar Se Nikale, Wahi Hai Asli Dabangg*, #DabangBanoMaskPheno - communicating the message that the real Dabangg (fearless and bold) people wear masks while stepping out of home. Areas in key cities where people had started moving out in large numbers were identified and free Dabangg masks were given to anyone who was seen roaming around without a mask. The campaign not only promoted the movie but also spread the social message to audience, in an entertaining and engaging way.



THOUGHT LEADERSHIP

EXPLORING OPPORTUNITIES IN THE DIGITAL WORLD WITH 'ZEE MELT 2020'



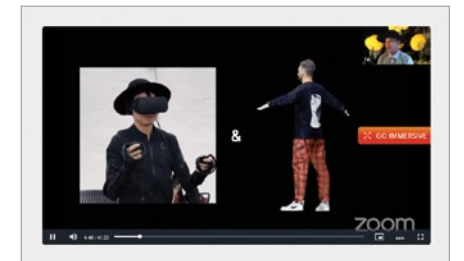
ZEE Melt brings together Marcom & Tech experts from around the world on a common platform to exchange thoughts and ideas. Revolving around the theme of 'What does MarComm look like post Covid?', the virtual event hosted 81 keynote speakers with over 73 sessions. Speakers included Sir Martin Sorrell (Founder & Executive Chairman, S4 Capital), Fernando Machado (ex-Global CMO, Burger King), Piyush Pandey (Chairman Global Creative, Ogilvy), Laura Jordan Bambach (CCO, Grey London), and Jonathan Macdonald (Author). ZEEL associated with the event by reinforcing the fact that Television continues to maintain its position as the most effective medium to connect with consumers during uncertain times.

BRAND ASSOCIATIONS

ENABLING CREATIVE EXPRESSION THROUGH ART WITH 'KYOORIUS DESIGNYATRA 2020'



ZEEL renewed its brand association with Kyoorius Designyatra 2020- the world's largest annual conference on design. Over the years, Designyatra has seen ~18,000 delegates attend from across Asia and has featured some of the biggest names in the global creative and communications industry. In its 15th edition, the virtual event hosted 20 speakers viz. Paula Scher (Graphic Designer, Painter, Art Educator/Pentagram), Karim Rashid (Industrial Designer), Sameer Kulavoor (Visual Artist, Bombay Duck Designs), Michael Wolff (Grand Panjandrum, Michael Wolff & Company), Anita Fontaine (Creative Director) among others.



REWARDING THE BEST WITH 'KYOORIUS CREATIVE AWARDS 2020'

Presented by ZEE, 'Kyoorius Creative Awards' is a platform designed to appreciate and reward the best in Indian advertising, media, and digital creativity. The Awards evaluate the performance through a broad perspective keeping in mind the campaigns and effectiveness across different platforms. 2,612 entries were judged bias-free by a 28-member specialist jury consisting of the top creative leaders from across the world. Jurors included Josy Paul (Chairman, BBDO India), Gigi Lee (CCO, TBWA Group, Malaysia), Swati Bhattacharya (CCO, FCB Ulka), Kunal Jeswani (CEO, Ogilvy India), and Melanie Clancy (Creative Director, Creative X, Facebook).

HELPING BRANDS OPTIMIZE COSTS VIA 'THE SHORTLIST 2021'

The year 2020 brought challenges that had adverse global effects. Businesses and industries faced tremendous obstacles in continuing with their operations. Similarly, the marketing communications industry had to brace itself and resort to innovative methods of production. Agencies tried to maintain high-quality outputs while cutting costs across various departments as ROI on award spends became critical. ZEEL partnered with 'The Shortlist', a solution to help creative agencies optimize costs in awards entries.



Creative auditors included Bobby Pawar (Chairman & CCO, Havas Group India), Azazul Haque (CCO, Mullen Lintas), Manoj Mansukhani (CTO, South Asia, Wunderman Thompson), PG Aditya (NCD, Dentsu Webchutney), and T Gangadhar (CEO-APAC, Essence).



CORPORATE INFORMATION

BOARD OF DIRECTORS

Subhash Chandra Chairman Emeritus	Manish Chokhani Non-Executive Director
R. Gopalan Chairman	Piyush Pandey Independent Director
Adesh Kumar Gupta Independent Director	Sasha Mirchandani Independent Director
Alicia Yi Independent Director	Vivek Mehra Independent Director
Ashok Kurien Non-Executive Director	Punit Goenka Managing Director & CEO

COMPANY SECRETARY

Ashish Agarwal

AUDITORS

M/s Deloitte Haskins & Sells, LLP

BANKERS

BNP Paribas
HDFC Bank Ltd.
Kotak Mahindra Bank Ltd.

REGISTERED OFFICE

18th Floor, A-wing, Marathon Futurex,
N. M.Joshi Marg, Lower Parel,
Mumbai – 400 013

SENIOR MANAGEMENT

Amit Goenka President – Digital Businesses & Platforms	Punit Misra President – Content & International Markets
Animesh Kumar President – Human Resources & Transformation	Rahul Johri President – Business, South Asia
Anurag Bedi Chief Business Officer - Zee Music Company	Rohit Gupta President – Finance & Investor Relations
Nitin Mittal President – Technology & Data	Shariq Patel Chief Business Officer- Zee Studios
	Swaroop Banerjee COO – Zee Live

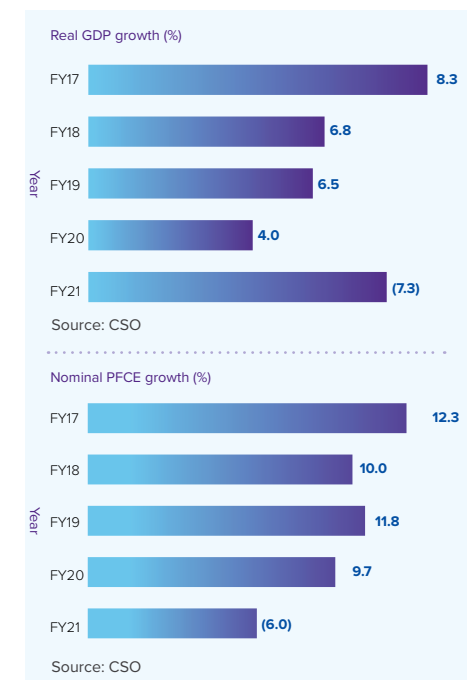
MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN MACROECONOMIC OUTLOOK

The Indian economy contracted sharply in FY21, for the first time since 1980 due to the global pandemic. GDP of the country contracted by 7.3% in FY21, facing a higher impact than some of the developed and developing nations. India has been the growth leader amongst major economies for past several years, however, India saw a sharper decline in output during the pandemic due to imposition of an early and strict lockdown to prevent the spread of pandemic. This led to a collapse of economic activity in the first quarter, resulting in GDP degrowth of 24%. However, towards the end of the quarter, India began to gradually open-up and economy started to recover. The Government and the Reserve Bank of India (RBI) announced a slew of measures to hasten the recovery of economy reeling from the impact of lockdown. This pushed GDP back into positive growth territory, with Q3 registering growth of 0.5%, which further accelerated to 1.6% in the next quarter. We saw an improvement across various macro-economic indicators in the following months - GST collections, electricity consumption, sale of consumer durables and passenger vehicles amongst others. As life was getting back to normalcy, the country was hit hard by the second and much stronger wave of the pandemic starting mid-March. This led

to another round of widespread lockdowns across the country and unsettled the economic momentum. That said, this round of lockdown was less severe compared to the previous one and hence the economic cost of the same was significantly lower. After a sharp spike in the months of April and May this year, COVID cases came down significantly. The pace of vaccination has also gone up decisively in past few months, especially in the large cities. There remains a possibility of third wave, however, its impact might be lower on account of large-scale vaccination drives, and lockdowns are likely to be more localised. In the past, India's consumption growth was, to a large extent, insulated from the impact of any economic slowdown. However, the lockdowns have led to a direct impact on the income and consumption levels of a large section of the population. Media industry is a play on domestic consumption growth and the sharp drop in private final consumption expenditure (PFCE) has had a negative impact on the sector. That said, consumption saw a 'V' shaped recovery as soon as cases started its downward journey and accordingly, the impact of COVID on the industry is likely to be transient. From a longer-term perspective, Indian consumption story is driven by strong secular trends of a growing middle

class, rising disposable incomes and increasing discretionary spends. Once the impact of the pandemic fully subsides, we should return to a strong double-digit growth in PFCE.



INDIAN MEDIA AND ENTERTAINMENT INDUSTRY

The pandemic and the consequent lockdowns impacted the media industry in a peculiar way. It gave a boost to content consumption, on both television and digital platforms, as people were confined to their homes, but it had a negative impact on revenues. The lockdown disrupted consumer demand, especially for discretionary products. The advertisers pulled back on ad spends across mediums. There was also an impact on subscription revenues, though to a lesser degree, helped to some extent by growth in digital revenues. Social distancing norms also had a devastating impact on movie exhibition and live events segments. Accordingly, Media and Entertainment (M&E) sector revenues fell by

24% in CY2020 to ₹ 1,383bn. The industry saw a sharp fall in revenues in the first half of the year followed by a 'V' shaped recovery, with growth almost reaching pre-pandemic levels by the fourth quarter of the fiscal.

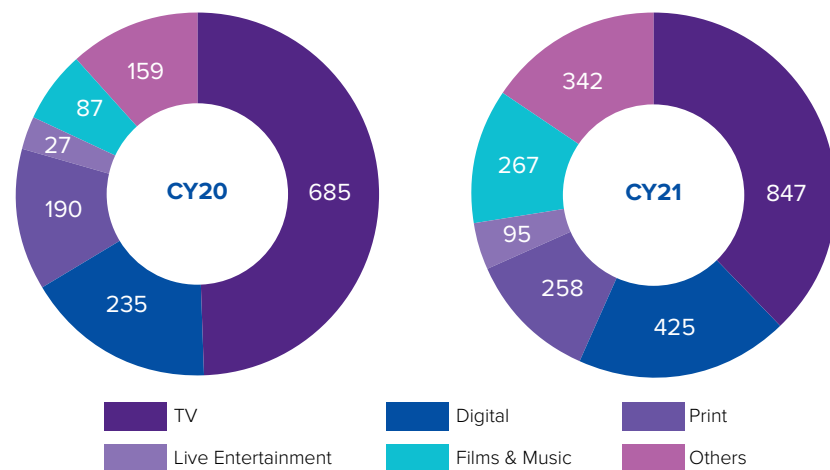
During the year, television's viewership saw a step jump, driven by both increase in reach and time spent, highlighting the importance of live television in the country. Television segment saw a 13% decline in revenues, primarily driven by 22% fall in ad revenues. The print segment saw a 36% dip in revenues, ceding its number two position in the space to Digital. Consumption of video on digital devices continued to gain

traction on the back of rising 4G penetration and increasing content availability across languages. Buoyed by increase in subscription of OTT services, digital media revenues increased by 6% even as digital ad revenues stayed flat. Movies industry bore the maximum brunt of the pandemic as theatrical revenues fell by three fourths due to lockdowns. Several movies skipped theatrical releases and were directly released on digital platforms. The revenues from direct to digital releases were far short of the theatrical revenues and were unable to compensate for the loss. Live events was another segment hit hard due to implementation

of social distancing protocols. Organisers took several events directly to digital platforms, however, revenues dropped more than two-thirds.

The fall in revenues across segments should not have a lasting impact on the sector's growth. Even during the pandemic, media consumption remained strong and industry witnessed a sharp rebound in revenue as the number of cases subsided. Structural drivers, such as low per capita entertainment consumption and spends, rising disposable incomes, increasing device penetration and content availability bode well for the long-term growth of the industry. As per the FICCI-EY report on the sector (the Report), Indian M&E industry is poised to grow at a CAGR of 17% over the next 3 years to ₹ 2,234bn, with growth expected in each of the segments.

Media Industry composition (₹ bn)



TELEVISION

The year gone by was a challenging one for the Indian television industry. It began with the unprecedented 3-month nationwide lockdown, which meant that production of original content was halted across the country, for the first time in the history of the industry. As people were confined to their homes during the lockdown and even after it was lifted, television viewership saw an increase during the year, highlighting the reach and engagement of the platform. However, there was a sharp dip in the advertising revenue in the first half as a result of the economic slowdown which followed the lockdown. While the ad revenue saw a sharp recovery in the second half, lingering fear of resurgence of the pandemic and economic slowdown continued to hold back growth. Television industry revenue declined by 13% to ₹ 685bn in CY2020 as per the Report. Advertising and subscription revenue for the industry declined by 21.5% and 7% during the year 2020, respectively. The decline in advertising revenue was mainly driven by the pull back in advertising spends as consumption of discretionary goods and services slowed down as a result of the lockdown. As economic activity resumed with full vigour in the second half of the fiscal, advertising revenues saw a sharp recovery starting the festive period.

However, by the end of the fiscal, a sharp rise in number of COVID-19 cases had again started pulling brakes on the growth engine. Subscription revenue decline was caused by decrease in subscriber numbers due to reverse migration of working population from urban centres to villages and smaller cities. Another factor hindering the growth of subscription revenue was the embargo on any change in channel or bouquet pricing by the broadcasters. As per the Report, India will have 230mn+ TV sets (70% penetration) by 2025, consisting of pay TV, DD FreeDish homes, and internet connected TV sets. Due to its massive reach and high engagement levels, it is expected that television advertising will grow at a CAGR of 11%



till CY23 to ₹ 345bn, retaining the biggest share of the advertising pie. For the current calendar year, it is expected to grow by 21% on a lower base, largely recovering back to 2019 levels. The second wave of COVID-19 has already affected the growth in the first quarter of the fiscal, although the impact is much lower than last year. While the underlying demand for advertising continues to be robust, driven by India's secular consumption growth story, economic recovery is key to realising this potential. Volume growth of staple consumer categories, the dominant advertising segment, remains strong with multiple organised players competing for share of voice. In the past, periods of slow advertising growth have been followed by strong growth phase, with companies vying for an increased share in the growing consumption pie. At a \$4 ARPU, television subscription revenue continues to be a long-term growth potential, with increasing television penetration, growing adoption of HD channels and the continued reduction in the under declared subscriber base as the accompanying drivers. Over the next 3 years, television industry is expected to grow at a CAGR of 7%.

NTO 2.0 continues to be embroiled in legal battle

Implementation of NTO (New Tariff Order) in Mar'19 brought a complete new paradigm to the distribution eco-system, setting up a foundation for the long-term growth of the industry.

However, the industry regulator proposed a slew of changes to this regulation during the year, including reduction in channel price as a condition to be included in a broadcaster's

bouquet as well discount caps on bouquet pricing. The amendment was challenged by several stakeholders in the broadcasting and distribution value chain. Pending the

outcome of the hearing, the court ordered that a status quo be maintained on the channel and bouquet pricing, thereby limiting the ability of the broadcasters to grow their subscription revenues. The court delivered the verdict in

Jun'21 upholding TRAI's proposal, other than one of the conditions which was deemed arbitrary. Following this, the IBF (Indian Broadcasting Federation) and some broadcasters have challenged it in the Supreme Court, and the

decision of the same is awaited. In absence of a clear verdict on NTO, the near-term outlook for subscription growth remains subdued, however, the longer-term growth outlook continues to be strong.

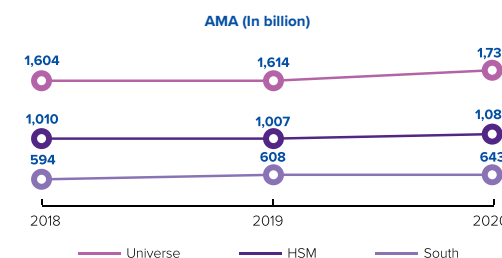
Television viewership spiked during the lockdown

During the first phase of lockdown, TV viewership saw a spike across all metrics as consumers were confined to their homes. Weekly viewership saw a peak growth of 43% compared to the pre-COVID period. Average

daily reach grew to 627mn (12% growth) and number of viewers tuning in on all seven days of the week jumped up by 52% to 363mn. While most of these metrics came back to normalised levels by the end of the fiscal, overall

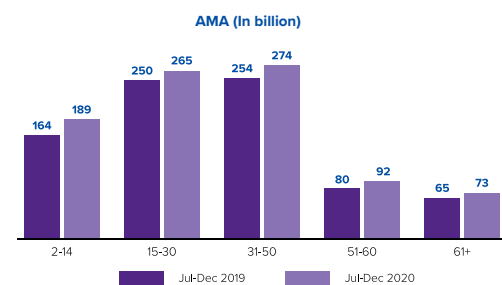
TV viewership grew 7% YoY in terms of total impressions. This increase was witnessed across all age groups and most mainstream Indian languages.

Overall TV viewership increased 7% over 2019



All India, Wk1 to Wk 52 (Wk53 for 2019)

TV viewership increased across all age groups



All India, Wk26 to Wk 52 2019 and 2020

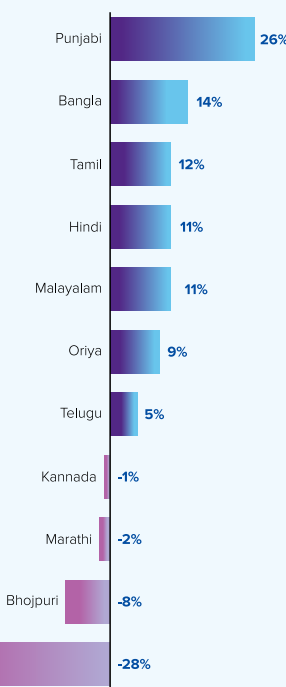
Domestic Broadcast Business – The year in review

ZEE was the #2 entertainment network in India with a viewership share of 18.9% in the fourth quarter of the fiscal. During the first quarter, the network witnessed a drop in viewership share due to non-availability of original content on entertainment channels. However, as content production resumed, the network quickly went back to pre-COVID levels. While the first half saw a significant decline in advertising revenues, with normalcy returning in the second half, the network bounced back into a growth trajectory.

The business continues to expand its presence in India, and with a bouquet of 49 channels spanning 11 languages, it is the first choice of entertainment for consumers across the country. During the year, 2 new channels were launched – Zee Vajwa (Marathi music) and Zee Zest (Lifestyle). Over the years, Zee's viewership share growth has been driven by a strong performance across genres as well as a result of its decision to expand in regional markets. With regional viewership contributing to 55% of

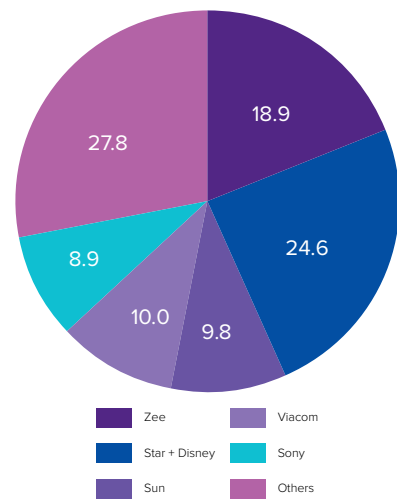
the overall pie, these investments are likely to help Zee continue on its growth path. Launch of these regional channels has not only helped the network grow, it has also led to the growth of the local language markets as a result of higher availability of quality content drawing more viewers. Since Q4'FY20, Zee has launched 7 new channels, each of which has established a formidable position within a short time of launch.

Viewship change by language



Based on weekly average viewing minutes
All India, Wk1 to Wk 52 2019 and 2020, change in AMA

Market Share (Q4FY21)



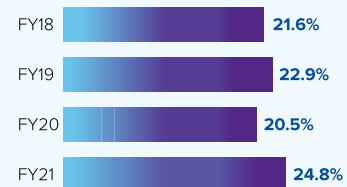
Network shares do not include news share of Viacom and Sun, and sports share of Star, Sony

India's #1 movie network

With presence in 7 languages through 18 channels, Zee has one of the biggest portfolios of movie channels in the country. The portfolio

is backed by an expansive multi-lingual movie library, built gradually with acquisition of a mix of latest blockbusters and evergreen hit movies. The network has leadership in Hindi, Marathi, and Bhojpuri markets, while in the Bengali, Telugu and Kannada speaking markets, its channels are ranked second. Channels in Tamil, Kannada and Bhojpuri, the most recent markets where the Company has expanded its presence in, have already started contributing to the network share.

Zee's share in the movie genre growing over last 4 years



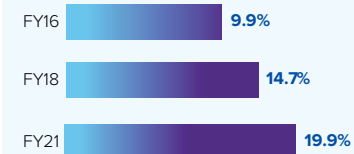
Source: BARC, All India share in movie channels

Winning in South India

With a combined viewership share of ~20% in the 4 southern states of India, Zee has firmly

established its position as a pan-India network. Zee has grown organically in each of these markets, challenging the incumbents. Expansion into Kerala market and addition of 2 movie channels recently has enabled the network to successfully establish a strong offering in all the 4 states. The network currently has leadership in Karnataka market, highlighting the significant headroom for growth in the region. The strength in South India not only enables Zee to provide national advertisers reach in these markets, it also helps to onboard retail clients based out of the region. In addition to being a significant contributor to Zee's advertising pie, these channels have also started contributing meaningfully to the subscription revenue.

Zee's share in South markets growing steadily



Source: BARC, Share of Zee's South channels amongst all local language channels

Regional Entertainment Channels

Zee Marathi was a close #2 channel in the markets of Maharashtra/Goa in FY21. The channel lost viewership share and leadership position during the year and is working on refreshing its line-up of shows to win back the lost share. Zee Yuva saw an increase in share as more people sampled the channel's content during the lockdown period.



Zee Bangla was the #2 channel in the West Bengal market with leadership in prime-time band. The channel started on a weaker footing post the resumption of original content production, however, it gradually strengthened its position during the year with the help of new shows which it had launched.

Zee Tamil was the #3 channel in the Tamil Nadu market, maintaining its share despite the 3-month lockdown period.

Zee Kannada continued to be the #1 channel with more than a third of market share in the Kannada speaking market. With a mix of engaging fiction shows and innovative reality show formats, the channel has continuously pushed the creative boundaries to establish a strong leadership in the market.

Zee Telugu exited the year with more than 400bps gain in market share and was the #2 channel in AP/Telangana during the year. The channel, driven by a string of successful new launches, has gradually reduced the gap with the market leader and continues to be the #1 player in Hyderabad market.

Zee Keralam continued to deliver impressive performance, highlighted by the fact that it exited the year as the #2 channel on engagement metrics in urban markets. In a crowded market with a dominant leader, Zee Keralam has established itself as a strong player.

Zee Sarthak was the #2 channel in Orissa market but ended the year on a strong footing with leadership in urban markets in primetime bands. The channel has continued the strong performance in current fiscal, achieving the leadership position.

Zee Punjabi is the highest reach channel in the market and has captured a third of entertainment viewership in the Punjabi market within the first full year of operations. As the first channel from a national broadcaster in Punjab, it is not only adding to Zee's network strength, it is also helping the local content creation eco-system to become stronger.



Zee Ganga was one of the leading Bhojpuri entertainment channels during the year. Channel's mix of dubbed fiction shows and religious events helped engage the audience throughout the year.

Hindi General Entertainment

Zee's bouquet of 6 general entertainment channels caters to the varied entertainment needs of consumers in the Hindi speaking markets (HSM). Over a period, Zee has added new channels to its Hindi portfolio and currently has two offerings - Pay and FTA, catering to different audience segments.

Zee TV was the #3 channel in the Hindi GEC category during the year. The channel lost its weekday primetime leadership as the new shows launched during the year did not perform as per the expectations. The channel is focussed on revamping its programming line-up which will help establish a stronger brand connect with its audience and win back viewership share.

&TV continued to engage viewers of the Hindi heartland with content specifically curated for the audience of these markets. The shows launched by the channel helped improve the viewership share and engagement in these markets.

Zee Anmol, re-launched on the DD FreeDish FTA platform in Jun'20, continued to curate the

best of library content from the network and was the #3 channel in the rural HSM markets during the year.

Big Magic is an FTA channel offering kids centric content. The viewership of the channel dipped during the year after the re-launch of 4 leading FTA channels on DD FreeDish.



Hindi Movie Cluster

Hindi Movie cluster of the company has 9 channels – Zee Cinema, &pictures, Zee Bollywood, Zee Action, Zee Classic, Zee Anmol Cinema, Zee Cinema HD, &pictures HD, and &explor HD. The widest bouquet of Hindi movie channels in the country offers diverse genres of movies across its different channels. ZEE's pay Hindi movie portfolio has consistently been the market leader and it further strengthened its position during the year.



Regional Movie Entertainment Channels

Zee Talkies was the #1 Marathi movie channel in FY21 with highest reach across all genres. Buoyed by the spike in movie genre viewership during the lockdown, the channel delivered its highest ever viewership. With a combination of popular movie premieres, daily religious shows, and ground connect events, Zee Talkies is an integral part of the lives of Marathi speaking audience.

Zee Bangla Cinema was the #2 movie channel in West Bengal market, increasing its viewership by 14% during the year.

Zee Cinemalu was the #2 movie channel in the Urban Telugu speaking markets.



Zee Biskope, launched in Dec'19, became the #2 channel within a few months of launch and has consistently been amongst the top 2 channels in the Bhojpuri market. The channel is driving growth in the overall market and continues to delight audience with its collection of superhit Bhojpuri movies.

Zee Thirai, launched in Jan'20, quickly established itself as one of the leading Tamil movie channels and has helped strengthen Zee's bouquet in Southern markets.

Zee Picchar, launched in Mar'20, has become a consistent #2 movie channel in the Karnataka market.

Niche cluster

Zee Café, &flix and &privé continued to bring the best of English language content to the audience with movies and shows from US, UK and other international geographies.



Zee Zest, the latest addition to Zee's portfolio, is a Food & Lifestyle channel, has become the leading channel in the genre with its innovative mix of culinary and travel shows.



INTERNATIONAL BROADCAST BUSINESS

Zee's International Broadcast Business reaches more than 170 countries with content in 18 languages, including 8 foreign languages. The company has a two-pronged strategy for international markets – reaching the Indian and South Asian diaspora with channels in Indian languages and serving the non-Indian audience in their native languages. With digital becoming a mainstream option in many developed markets and gradually gaining traction in others, ZEEEL is adopting a synergistic linear-plus-digital strategy across these markets. In other markets which are socially relevant, but have under-developed content eco-systems, ZEEEL is focusing on leveraging content synergies and localizing the content for native audiences.

Europe & Americas

- Zee Cinema UK bagged the Movie Channel of the year award organized by the British Asian Media Awards
- Zee Cinema was the number 1 Hindi movie channel in the UK in FY21
- Zee One, dubbed German language movie channel, was shut down in May'20

MENA:

- Zee's Pan-Arab co-production series *SER (Secret)*, a remake of the Zee Marathi show *100 Days*, won the Regional award for the Best Foreign Language adaption for an Arabic series at the ABSU BroadcastPro Awards 2020
- Viewership of Arabic channels, Zee Aflam and Zee Alwan, grew during the year
- The network strengthened its presence in the Middle East with the first season of *The Cook Book Keralam* and new seasons of Zee *Connect Bil Arabi* and *Baytak Wa Matbakhak*

Africa:

- Zee Alem, an Amharic language channel for the Ethiopian market was launched in June'20
- The network strengthened its presence in East African markets with launch on new distribution platforms

APAC:

- Cinta Bolly, an FTA movie channel, was launched in Indonesia
- Zee Tamil and Zee Thirai were launched on leading distribution platforms in APAC markets



Hindi General Entertainment



Hindi Movie



Regional Entertainment



Regional Movies



Niche Cluster



DIGITAL VIDEO

India's digital media revenues grew by 6% YoY in 2020, a year which saw revenue of the M&E industry shrink by 24%. According to the Report, digital media revenues are expected to grow at a CAGR of 22% over the next three years.

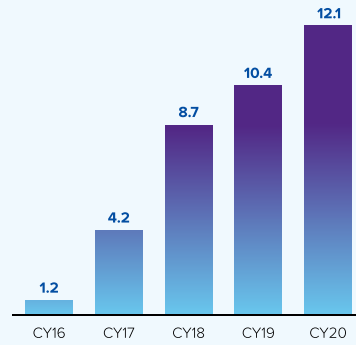
As more than 95% of households in India have single TV, digital platforms provide an alternate medium for consuming content of choice. This, coupled with unique features of anytime and anywhere entertainment consumption, is driving increase in overall consumption for digital media. As per the Report, time spent on online entertainment increased 1.5x to 400bn+ minutes

during CY20. Online video viewers on the other hand crossed 450mn in CY20 and it is expected that another 200mn will be added over the next three years. Ubiquitous mobile internet coverage at affordable prices and increasing device penetration are the other major factors which will drive the growth in this segment. Large part of online video consumption is currently happening on mobile devices which is also visible from growth in mobile broadband users(3G+4G) and monthly data consumption on mobile. Monthly data consumption has grown 3x, from ~4GB per user in 2017 to 12GB in 2020. The consumption on smart TVs/connected devices is also seeing

an increase as the penetration of these devices is growing as a result of fall in prices and rising income level of Indians. India has over 20mn smart/connected TVs and its adoption will continue to outpace the growth in standard TV sets.

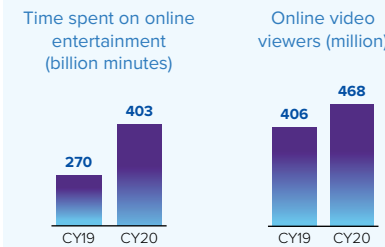
All these factors bode well for online video consumption and the potential opportunity for OTT platforms has never been better. This opportunity will be further amplified with the gradual increase in wired broadband offerings across the country, a critical component for the next phase of growth.

Average mobile data consumption per user per month



Source: TRAI

Digital video reach and engagement



Source: FICCI EY Industry Report

Digital becomes the second largest advertising segment

With digital consumption growing last year, it was the best performing advertising category. Though the revenues remained flattish at Rs. 192bn due to major macro-economic headwinds, it became the second largest advertising segment as all other mediums experienced a decline. With people spending more time on their phones, brands turned to digital advertising to reach consumers. Media, auto, BFSI, durables and telecom sectors increased their spends as they implemented or widened digital sales channels during the pandemic. In addition to the organized sector spending, digital also attracts SME and long tail advertisers. As per the Report, spends by these advertisers could be around Rs. 91bn and the advertiser base is expected to grow to ~500,000 over next 3 years. The pandemic also spurred the growth of hyper local entrepreneurs who targeted audiences in specific localities within cities through digital platforms.

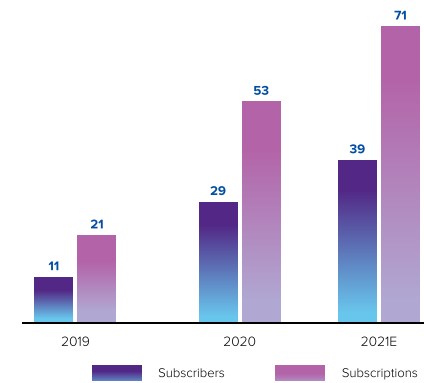
Digital advertising gives unique proposition of targeted ads with CTA (call to action) and provides valuable data and consumer insights which encourage advertisers to spend more on the medium. Digital video consumption has been the driver of increased time spent on digital platforms, leading to growth in the overall ad inventory. While majority of digital spends today are on search and display advertising, increasing video content availability and consumption has been the key contributor to growth of digital ad revenues. As per the report, Digital advertising is expected to grow at a CAGR of 21% over the next three years to reach Rs. 34bn.

Subscription revenues continue to maintain the growth momentum

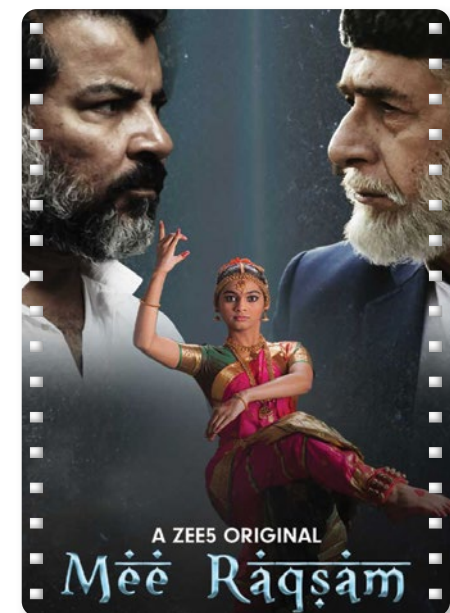
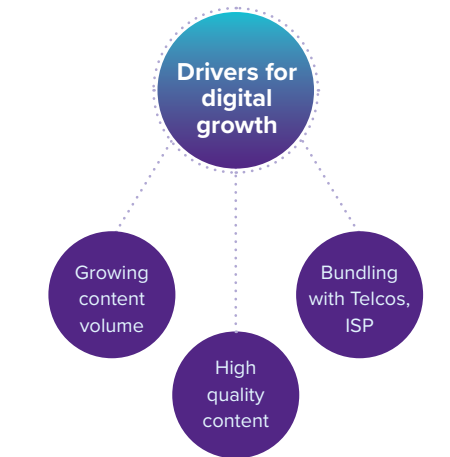
Digital subscription revenue grew 50% to ₹ 42 billion in CY20 and now contributes 18% of total digital revenues. During the year, the industry saw more than 2.5x growth in both paid subscription revenue and subscribers and is further expected to grow by over 30% in 2021. This growth was largely due to country-wide lockdowns which suddenly led to an increase in demand for indoor entertainment. This led to first time sampling on digital platforms by audience looking for new content as TV ran out of fresh content. While new content releases for OTTs were also impacted but their library of originals provided fresh content for first time consumers. The year also saw a lot of big budget movies getting released directly on digital platforms as theatres were closed for most part of the year, generating good traction for OTTs.

Despite a sharp growth in 2020, number of paying subscribers are still less than 10% of total digital video viewers. This is understandable as digital platforms compete for subscribers with television, which offers content at a very competitive price. Moreover, there is a lot of free content available on digital platforms, including user generated and TV re-run content. OTT platforms are investing heavily in digital content creation to make the pay model an attractive offering for their consumers. While the propensity to pay for digital subscription remains a challenge, bundling of OTT platforms with telecom services and other partners in the digital eco-system is proving to be a good opportunity to reach a wider audience. Platforms are also experimenting with new use cases to attract the end consumer. As per the Report, digital video subscription opportunity will grow at a CAGR of 25% to Rs. 83bn by 2023.

OTT paid subscribers and subscriptions



Source: FICCI EY Industry Report



ZEE5 ZEE5 – All-round growth

Over the first three years of its operations, ZEE5 has made major inroads into various consumer segments, expanding its national, regional, and hyper-local reach enabled by its consumer-centric approach to content creation. The platform exited the year with a strong user base of 72.6 million global MAUs and 6.1 million global DAUs. This large user base highlights ZEE5's massive reach and the consumer affinity towards the platform's content. The engagement on platform is high with an average watch time of 156 minutes per viewer per month in Mar'21.



During the year, ZEE5 continued to work on improving its value offering to the consumers with its three-pronged approach of expanding content catalogue with focus on quality, improving consumer experience and increasing the reach of the platform by effective marketing, improving brand perception and scaling partnerships. On all the three fronts, the platforms took significant steps towards improving consumer sampling, adoption and stickiness. Along with these initiatives, ZEE5 also revised the pricing of its annual subscription pack to ₹ 499 which will improve the value proposition of the platform. This approach will also help in reducing the customer churn and is in line with the long-term strategy of increasing share of B2C subscribers. ZEE5 continues to

expand its partnerships with multiple players across the entire digital eco-system to widen its reach. It has tie ups with Telecom operators, ISPs, smart TV OEMs, e-commerce players, BFSI, travel and hospitality majors and payment wallets. Along with driving higher reach and convenience, these partnerships also help in joint marketing campaigns.

Strong content offering

In line with company's legacy of around 3 decades, ZEE5 is offering varied content across genres and entertaining Indians across all the age groups, demographics, and ethnicity. The premium content catalogue of the platform contains ZEE5 Originals - shows and movies created exclusively for digital audience, and vast library of over 2,800 movies across 12 languages in India. The platform is also seeded with ~500 hours of television content from network across 10 languages on a weekly basis and has 100+ live channels across news and entertainment genres in multiple languages.

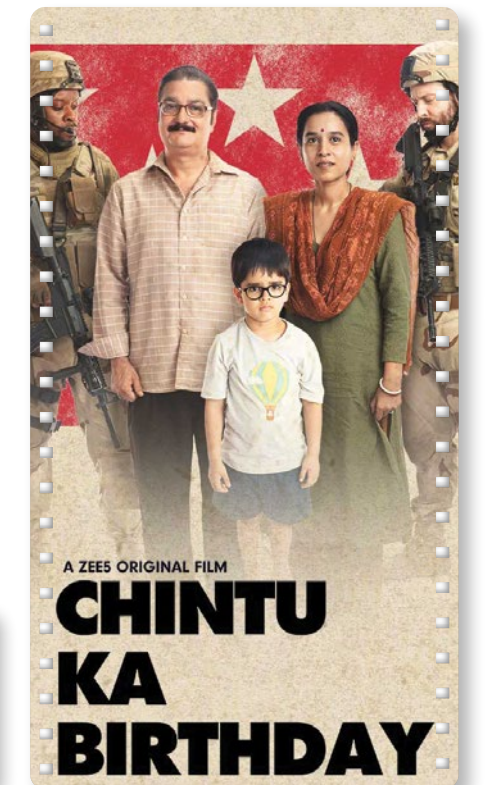
ZEE5 is the largest producer of original shows and movies in Indian languages. ZEE5 has produced and released close to 200 original shows plus movies across 6 languages since its launch. During FY21, 75+ originals were released across different genres. The platform has been experimenting with unique ideas and is innovating in terms of content formats. ZEE5 has also been creating content IPs with option of producing successive seasons for shows which do well. Second season of *Abhay* is one such example which was released during the year and got rave reviews. Release of a new season of the same franchise also helps increase the consumption of earlier seasons. *Black Widows*, an adaptation of popular Finnish series was another series released during the year which was critically acclaimed. ZEE5's partnerships with leading production houses have also helped in creating a strong library of content at a very competitive cost. ZEE5 also launched gamification of the Hindi reality show *Indian Pro Music League* with digital Avtaar to increase user-content engagement.

ZeePlex, the TVOD (Transactional Video On Demand) platform, was launched on ZEE5 during the year. TVOD model allows viewers the



flexibility to pay only for content that they want to watch. ZEE5 is the first OTT platform in the country to launch TVOD option for the consumer. As theatres were closed in the country, ZEE5 released more than 15 movies on ZeePlex during FY21. *Khaali Peeli*, *Suraj Pe Mangal Bhari* and *The Power* were few big movies to be released on ZEE5 via ZeePlex. In May 2021, ZEE5 released Salman Khan starrer blockbuster movie *Radhe* on ZeePlex which got unprecedented response and created new benchmarks. Premium subscribers with annual subscription plans were also given access to watch this movie simultaneously.

During the year ZEE5 further improved its news offering and with 100+ live, VOD and text news channels across languages, it has now become India's top news destination. ZEE5 also has a dedicated section for music videos from Zee Music Company, India's second largest music label, with curated playlists and artist recommendations. ZEE5 has partnered with Eduauraa, a premium digital learning platform, to democratise education in the country by improving access and affordability. Along with 300+ hours of kids-centric content, ZEE5 offers parents a unified platform for learning as well as entertainment for children.



Investing heavily behind technology to enhance the user experience

Along with expanding its content offering, ZEE5 has also been mindful of developing a world class platform customized for Indian needs. During the year, the platform revamped its UI/UX

across both its app and Progressive Web App versions. The design and content thumbnails on the platform were completely refreshed to give a new and appealing look. Apart from the UI/

UX, regular tech and product interventions are undertaken based on the data insights on the platform. We are working with 30+ technology companies with expertise in the OTT space from across the globe. In the year gone by, ZEE5 onboarded a technology partner to improve its VoD hyper-personalisation and social media offerings. The tool will enable multiple content discovery, recommendations, and personalized use cases for its users, thus, improving the overall user experience for the platform further.

The company is in the process of setting up a cutting-edge technology hub in Bengaluru to drive innovation and exponential growth for all its digital platforms including ZEE5. Taking strategic steps towards the digital transformation journey of ZEE 4.0, the innovation centre in Bengaluru will onboard 500+ experts having a strong expertise in the field of design, technology, data & cyber security.

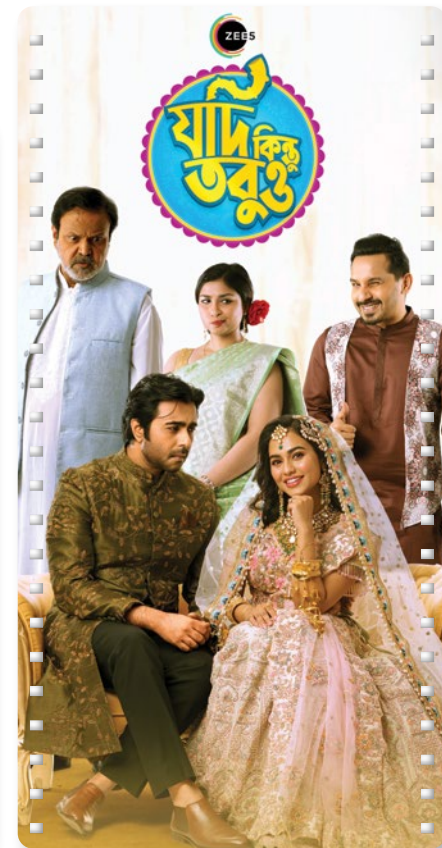
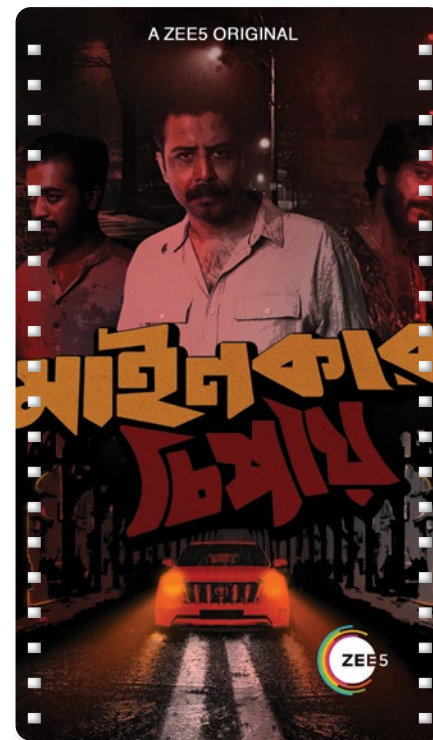


ZEE5 GLOBAL

Since its soft launch in more than 190 countries in Oct'18, ZEE5 Global has been gradually building its presence in international markets to become the primary choice OTT platform for South Asian content. In June this year, ZEE5 also launched its services in the USA, which has historically been a very important market for the company. ZEE has had a long association of over two decades with viewers in this market, primarily the older viewers, bringing the best of Indian entertainment to them. With ZEE5, we are now offering them as well as the younger audiences, access to a much wider choice of premium content with our TV content, originals, digital premieres and more, on any screen of their choice and with a completely personalized viewing experience. In markets facing threat of chord cutting, ZEE5 will offer a cheaper alternative to South Asian consumers for Indian content.

destination for South Asian content and woo both TV and streaming loyalist across all age groups.

Along with leveraging the Indian content library, ZEE5 Global is selectively producing original content in some of the markets like Bangladesh. ZEE5 is among the fastest growing platforms for South Asian content in the Middle East. Some of the shows released during the year such as *Churails* and *Ek Jhoothi Love Story* have made waves across markets. We see ZEE5 as a powerful bridge between the Indian and South Asian diaspora and their culture, language and entertainment. We aim to become the preferred



MOVIES

Movie production and exhibition were the hardest hit on account of lockdown and social distancing norms. The pandemic completely disrupted movie production and theatrical release schedule. Cinema halls were the first to be shut down but last to reopen, that too with restrictions on capacity. Consequently, the number of movies releases fell drastically to 441 in 2020 as compared to 1,883 in the previous year. Within the movie segment, exhibition business was the most impacted which accelerated the pace of shutdown of single screen cinemas. As per the Report, during the year 1,000-1,500 single screen cinemas closed down, further reducing screen count in the country to 8,000.

Due to the extended lockdowns and delayed opening up of theatres, several movies that were ready for release skipped theatrical and released directly on various OTT platforms. As content production was halted, online players paid a premium to acquire digital rights of these movies. Movie producers were therefore able to partially offset the loss of theatrical revenues

with sale of digital rights. This trend has given a rise to the debate whether even after the pandemic we would see more content skip theatres and release directly on OTT platforms. Cinema audiences across the world look for a large screen experience, especially for big budget movies, which is generally not possible on OTT platforms. Also, a visit to theatre is not just about watching movies but also presents an opportunity for families to step out for an experience. It might also not be possible for OTT platforms to compensate entirely for the theatrical revenues in case large number of movies were to skip theatrical release. Therefore, theatres would continue to be an important medium for audience, although some of the movies might be released directly on digital platforms. That said, with a higher risk of transmission in closed air-conditioned environment, return to theatre would be gradual and the ramp up of cinema occupancy to pre-pandemic levels might take a while.

As per the Report, Indian movie industries revenues declined by 62% in 2020 to ₹ 72.2bn.

As the second wave of pandemic has largely subsided and the pace of vaccination has picked up, movie production and exhibition industry will see recovery in 2021 but it will reach to pre-pandemic levels only in 2022. As per the estimates, the movie industry revenues would reach ₹ 243bn in 2023 as compared to Rs. 191bn in the year 2019.



Zee Studios

Zee Studios, ZEEL's movie production and distribution business, met the same fate during the year as the movie production industry. However, during the year Zee Studios has charted out ambitious plans for movie production and distribution. After a couple of unsuccessful attempts, ZEEL re-entered into movie production business about 6 years back. This was driven by improvement in business dynamics for the organized players, driven by digitization of content delivery, increase in multiplex



penetration and monetization of digital rights along with satellite. Over the past five years Zee Studios has produced 25+ movies across 5 languages and the hit ratio is significantly better than the industry. The Company plans to scale up release from current run-rate of 8-10 movies per year to 35-40 across 6 languages. This will consist of a mix of a few high budget movies and remaining small to mid-budget movies.



Zee Studios has already built a very strong line-up of content but the complete ramp-up is only expected in the next fiscal due to the impact of pandemic. The scale up of our movie production business would also benefit our broadcast, digital and music businesses which are buyers of various rights of movies. Strong movie catalogue of Zee Studios can be monetised across the different businesses and it also allows us to refrain from entering into bidding wars for movie rights on several fronts.

Zee Studios' release schedule as well as the shoots of ongoing movies got delayed and it managed to release only 8 movies across 3 languages during the last year. As theatres were

shut, Zee Studios launched ZeePlex, India's first multi-Platform PPV service, which enables audience to watch some of the latest movies at their homes through their DTH connection or on ZEE5. The Studio took some of its films like *Khaali Peeli* and *Ka Pae Ranasingham* directly on the ZeePlex platform. However, as lockdowns were lifted, Zee Studios was the first to release major movies in theatres. *Solo Brathuke So Better* was the first Telugu movie released in South India and *Sooraj Pe Mangal Bhari* was the first big banner Hindi movie to be released.



MUSIC

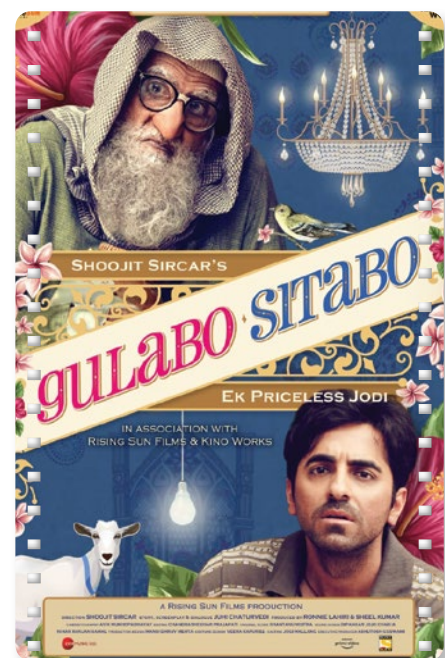
In a year where most of the media segments were significantly disrupted, music segment remained stable from revenue point of view. However, a significant drop in the number of movies released impacted the content slate of music labels. As per the Report, the Indian music industry is set to grow at a CAGR of 15% over the next 3 years to reach ₹ 23.2bn. Average time spent listening to music went up by more than 2 hours to 21.5 hours, signalling an increasing consumer engagement.

Emergence of digital music streaming has revived the music industry globally. Digital streaming has now become the dominant medium for music consumption with traditional

mediums losing their relevance. Rising smartphone penetration, low data cost, plethora of free and paid streaming apps along with a large catalogue of songs across languages provide visibility for sustained growth. The industry revenues today are largely driven by streaming and digital now accounts for over 60% of the revenues of music labels in India. Despite the exponential growth over the past few years, monthly active users of all streaming apps is still low at 200mn. Compared to this, there are over 468mn online video viewers in the country and the smart phone base is 450mn+. Though the music streaming is finding acceptance, the penetration of paid service is still very low at 1% of the monthly active base.

Zee Music Company

Zee Music Company (ZMC), our music publishing label, is the fastest growing music label in the country. It has acquired an expansive catalogue of music rights, across languages, to become the second most 'listened to' Indian music label in a short period of time. ZMC has been acquiring music rights at a rapid pace in 11 languages making it a truly pan-India Music label. The label's catalogue now consists of over 7,500 songs across Hindi and regional languages. ZMC has emerged as a partner of choice for large music producers in the country. Partnership with small-to-mid sized movies



is also mutually beneficial, enabling them to leverage ZMC's vast distribution network and giving ZMC an access to diverse talent. It is also providing a platform to new talent and emerging artists through its production of non-film music under the brand name of 'Zee Music Originals'. Strong understanding of listeners' taste has enabled ZMC to identify music that would resonate with the customers. ZMC, despite a very short operating history compared to some of the other music labels, is the second largest in terms of listenership with a double-digit market share. ZMC has also been continuously adding subscribers on its YouTube channels. With 75mn+ subscribers, it is the third most subscribed channel in India and the second most subscribed music channel in the world, and generates 4bn+ video views every month. In India, music produced for movies dominates the listenership. As movie production and release was impacted during the year, there was a consequent impact on music release also. That said, ZMC retained its market share in acquisition of new Hindi music at approximately 50% and it added more than 700 songs to its catalogue during the year.



LIVE EVENTS

In the media space, the pandemic had its maximum impact on Live Events industry. Social distancing and embargo on gathering amidst pandemic promoted most of the event organisers to move to digital platform. That said, it is difficult to replicate live event experience on digital platform which led to

a 68% decline in revenues of organised live events to Rs27bn. The second wave in 2021 and continued restriction on mass gathering would impact live events industry in 2021 as well. However, the industry is further innovating and working towards bringing best experience through virtual formats.

Zee LIVE

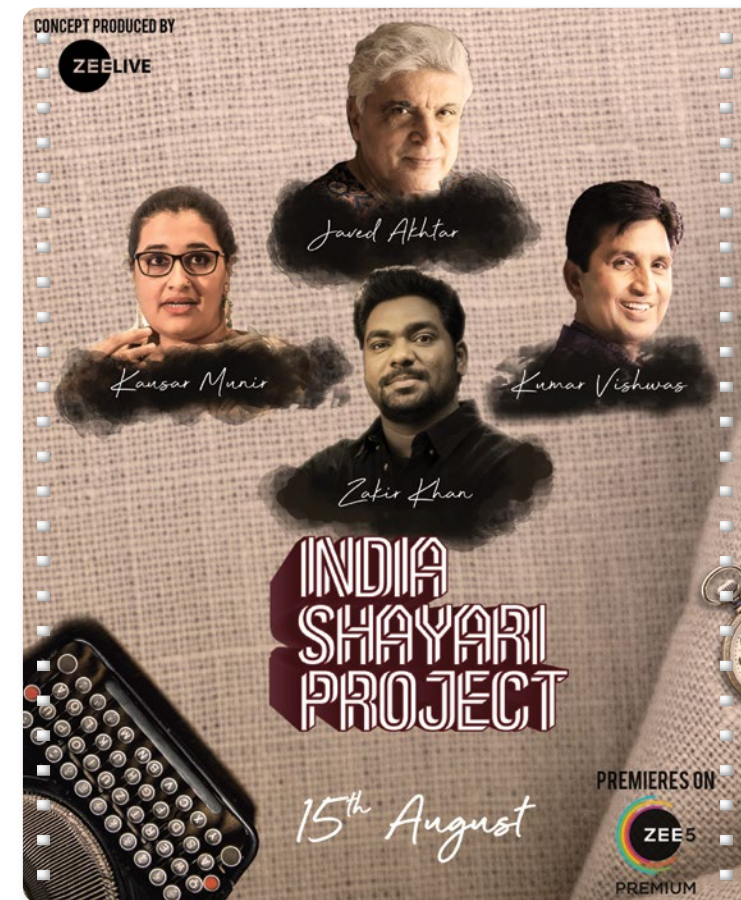
Zee LIVE is the live events arm of the company. Zee LIVE is focused on creating memorable on-ground experiences for the audiences. It aims to become the gateway to the world for Indian live experiences, while simultaneously bringing the best concepts from around the globe to India. Zee LIVE aims to conceptualize IPs for entertainment, lifestyle, and education events through differentiated concepts and execution. ZEE LIVE hosted multiple live events virtually leveraging the reach of ZEE5 and satellite



channels during the year. ZEE LIVE launched live to home version of its flagship IP Supermoon during the year which hosted more than 50 artists and had more than 25 hours of original content. Supermoon hosted events across comedy, music, food, and fitness genres. Arth,



a culture fest, was also launched virtually across social media platforms and news channels. This season of Arth had 22 speakers and had 26 sessions on various topics like history & mythology, wellness, governance & information, arts & movies etc. ZEE LIVE also experimented on concept of drive-in movie during the year. Khaali Peeli movie was released in the cities of Bangalore and Gurugram in this format.



FINANCIAL REVIEW

Consolidated Financials

(INR million)	FY21	FY20	Growth
Operating revenue	77,299	81,299	-4.9%
Expenditure	-59,398	-64,953	-8.6%
EBITDA	17,901	16,346	9.5%
EBITDA excluding one-offs	17,931	22,376	-19.9%
Add: Other income	1,104	2,836	-61.1%
Less: Depreciation	-2,649	-2,706	-2.1%
Less: Finance cost	-571	-1,449	-60.6%
Less: Fair value through P&L	-1,962	-2,597	
Exceptional items	-1,266	-2,843	
Add: Share of Profit of Associates	-1	-24	
Profit Before Tax (PBT)	12,556	9,563	31.3%
PBT excl. exceptional and one-offs	13,852	22,273	-37.8%
Less: Provision for Tax	-4,625	-4,317	7.1%
Less: Minority interest	70	19	
Profit after Tax (PAT)	8,001	5,265	51.9%

The Company's consolidated revenues for the year ended 31st March 2021 stood at ₹77,299 million, compared to ₹81,299 mn in the previous year, a decline of 4.9%. The revenue for the current financial year includes revenue of ₹5,512 mn on account of content syndication deal, excluding which revenues for the year declined by 11.7%. This is largely due to degrowth of 19.9% in advertising revenues for the year. Outbreak of COVID-19 at the end of FY20 impacted the advertising revenue severely in the first half of FY21. Domestic advertising revenues for the year ended 31st March 2021 declined by

19.7%. Subscription revenues grew by 12.3% YoY to ₹32,430 mn (including reclassification of ₹2,064 million on account of music revenues to subscription). After seeing a strong growth in FY20, domestic subscription revenues grew modestly at 5.8% on a like to like basis to ₹27,117 mn. Subscription revenues of domestic broadcast business saw a decline in growth as there was a freeze on pricing of channels on account of litigations pertaining to NTO 2.0.

The Company's operating expenses for the year ended 31st March 2021 (excluding one-offs)

declined by 8.6% to ₹53,856 mn, compared to ₹58,921 mn in the previous year. Programming related costs declined by 8.2% YoY to ₹32,775 mn (excluding one-off costs of ₹4,730 mn in FY21 related to content syndication deal and write-off of ₹2,598 mn in FY20). The programming cost declined as original programming was stopped in the initial

few months of the fiscal due to the nationwide lockdown. Advertising, publicity and other expenses for the year declined by 16.4% YoY to ₹12,898 mn (excluding one-offs in other expenses of ₹812 mn in FY21 and ₹3,433 mn in FY20). EBITDA for the year excluding one-offs stood at ₹17,931 mn, a decline of 19.9% on a normalized basis. The decline in EBITDA is largely due to decline in advertising revenues in the first half of the financial year which was not completely compensated by lower costs. Adjusted EBITDA margins for the year ended 31st March 2021 stood at 25.0%, as compared to 27.5% for the year ended 31st March 2020.

Depreciation and Amortization expense declined by 2.1% YoY to ₹2,649 mn. During the year, the company reported an exceptional loss of ₹1,266 mn which includes provision for DSRA guarantee given by Company and impairment of goodwill. During the previous year ended 31st March 2020, the Company had recorded an exceptional loss of ₹2,843 mn relating to impairment of goodwill in its online media business and provision for inter-corporate deposits (ICDs). Consolidated income tax expense at ₹4,625 mn witnessed a decline of 7.1% over the previous year. Consolidated profits after taxes including exceptional items stood at ₹8,001 mn.

Liquidity and Funding

As on 31st March 2021, the Company had cash and cash equivalents of ₹10,907 mn and treasury investments of ₹7,667 mn. During the year ended 31st March 2021, the Company's consolidated long-term debt reduced to ₹195 mn from ₹3,501 mn during 31st March 2020. Part redemption of preference shares led to the decline in the overall debt position of the Company.

Consolidated cash flow from operations stood at ₹15,477 mn for the year ended 31st March 2021 as compared to ₹2,499 mn during the previous year. The increase in cashflow from operations is largely due to release of working capital in the current fiscal whereas there were inflated investments in working capitals during previous financial year.

RISK FACTORS

Industry Risks

Ever-changing trends in media sector

Entertainment needs of the audience are constantly evolving, and it is difficult to predict the consumer behaviour with accuracy. It is also influenced by new trends and the environment around consumers. As the Company makes substantial investments in content, non-performance of the shows/movies would have an adverse impact on the revenue and profitability of the Company.

Competition – domestic and international

The Company operates in a highly competitive environment and faces competition from both domestic as well as international players in all its businesses. While the competitive intensity in the broadcasting space is largely stable with no new major entrants, most of the markets have multiple players competing for a higher share of the viewership pie. In the digital space, there are over two dozen players vying for consumers' time. Similarly, in the other business also the Company competes with established and new players. Any new competition in the space can have an impact on the Company's revenues.

Faster than expected shift to digital platforms

Increasing smartphone penetration and affordable data tariffs have led to an increase in digital content consumption. While this trend is expected to continue, digital consumption so far has been largely supplementing television viewing. If there is a faster than expected migration to digital platforms from television, it may have an impact on the television business revenue of the Company.

External Risks

Macro-economic environment

The advertising revenue of the media industry are inextricably linked to the economic growth of the country. Poor macro-economic environment can adversely impact advertising revenues of the Company, which is the largest component of revenues.

Global/Local Pandemic

Fallout of COVID-19 not only created an extremely volatile macro-economic environment, it also impacted the normal business operations. It led to disruption in content production and had a significant impact on the ways of working. Any pandemic breakout in the future could have an impact on the Company's ability to produce content and monetise it.

Exchange rate fluctuations

The Company has operations outside India, and a portion of its revenues and expenses are in foreign currencies. Thus, the Company is exposed to fluctuations in the exchange rates. Any extreme fluctuations of foreign currencies with Indian Rupee could have an impact on its revenues and expenses.

IT Security Threats

COVID-19 has forced organisations to embrace remote working and new technologies. This has created an ideal situation for cyber criminals to attack IT infrastructure and launch a range of hacking strategies. A security breach or disruption to IT infrastructure could lead to loss of sensitive data or information, legal and regulatory non-compliance, reputational damage as well as revenue loss.

Regulatory Risk

Uncertainties in rules and regulations

The M&E industry is governed by the rules and regulations framed by the authorities and regulatory bodies of the different countries the Company operates in. Further, COVID-19 has forced governments to bring new regulations which companies need to adopt swiftly and effectively. Any changes in laws and regulations could have a material impact on the revenues and cost of doing business for the Company.

Internal Risks

Increase in content costs

The Company spends a significant amount for acquisition of rights to movies and music across its broadcast, digital and international business. With increasing competition, content creation and content acquisition costs could rise to a level not commensurate with the monetization potential and estimated cost recovery.

Failure to hire and retain best talent

The Company's ability to attract, develop and retain a diverse range of skilled people is critical if to compete and grow effectively. The loss of management or other key personnel or the inability to identify, attract and retain qualified personnel could make it difficult to manage the business and could adversely affect operations and financial results.

HUMAN RESOURCE DEVELOPMENT

Human Capital is the most precious asset for us. In our business, where creative boundaries are pushed every day, we over-invest in ensuring

that our workplace offers the most conducive environment to enhance the process of transforming ideas into extraordinary stories. In FY21, the Company initiated a series of initiatives to deliver superior employee experience, build employee capabilities and enhance employee engagement. The launch of our gamified digital induction module and Zeecademy which is our AI-based learning platform providing the best-in-industry knowledge modules, apart from providing access to a wide variety of online learning courses and libraries are clear testament to this. During the year, The organization also embarked on a strategic roadmap for Zee 4.0 which was fortified through a rigorous internal HR transformation based on the 4 fountainheads - Exponential thinking, Relentless Focused execution, Seamless collaboration and Hunger for impact. The concerted efforts put in by the HR teams, in a year hugely impacted by the global pandemic, has been recognized industry wide with the team bagging the prestigious title of "Best HR Team of the Year" and the 1st Runner up award for "Excellence in Learning & Development" at the 6th edition of Business World People' HR Excellence Summit & Awards, 2021.

INTERNAL CONTROL

Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested by Statutory as well as Internal Auditors and cover key business areas. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control processes and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems. Further the Company has taken steps to enhance governance and internal control environment including implementation of policies and guidelines which are available on the Company's website.





NOTICE

Notice is hereby given that 39th Annual General Meeting of the Equity Shareholders ('AGM') of Zee Entertainment Enterprises Limited ('the Company') will be held on Tuesday, September 14, 2021, at 4.30 p.m. (IST) through Video Conference ('VC')/Other Audio Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements of the Company prepared on a standalone and consolidated basis, for the financial year ended March 31, 2021 including the Balance Sheet as at March 31, 2021, the Statement of Profit & Loss for the financial year ended on that date, and the Reports of the Auditors and Directors thereon.
- To confirm Dividend paid on the Preference Shares by the Company during, and for, the financial year ended March 31, 2021.
- To declare Dividend of ₹ 2.50 per Equity Share for the financial year ended March 31, 2021.
- To appoint a Director in place of Mr. Ashok Kurien (DIN 00034035), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. Ratification of Cost Auditors' Remuneration

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), the Cost Audit Fees of ₹ 3,00,000 (Rupees Three Lakhs only) plus applicable taxes and out of pocket expenses, payable to M/s. Vaibhav P. Joshi & Associates, Cost Accountants (Firm Registration No. 101329) towards Cost Audit of the cost accounting records of the Company for the financial year 2020-21, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, matters, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. Appointment of Mr. Sasha Mirchandani (DIN 01179921) as an Independent Director of the Company

To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), Mr. Sasha Mirchandani (DIN 01179921) who was appointed as an Additional Director of the Company by the Board of Directors, based on the recommendation of Nomination & Remuneration Committee with effect from December 24, 2020 and who holds office up to the date of this Annual General Meeting in terms of Section 161 (1) of the Act and in respect of whom

the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for the period up to December 23, 2023."

7. Appointment of Mr. Vivek Mehra (DIN 00101328) as an Independent Director of the Company

To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), Mr. Vivek Mehra (DIN 00101328) who was appointed as an Additional Director of the Company by the Board of Directors, based on the recommendation of Nomination & Remuneration Committee with effect from December 24, 2020 and who holds office up to the date of this Annual General Meeting in terms of Section 161 (1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for the period up to December 23, 2023."

8. Appointment of Mr. Manish Chokhani (DIN 00204011) as a Director of the Company

To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), Mr. Manish Chokhani (DIN 00204011) who was appointed as an Additional Director of the Company by the Board of Directors, based on the recommendation of Nomination & Remuneration Committee with effect from April 1, 2021 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By Order of the Board

Ashish Agarwal
Chief Compliance Officer & Company Secretary
Membership No. F6669

Place: Mumbai

Date: August 6, 2021

Registered Office:

18th floor, A Wing, Marathon Futorex
N M Joshi Marg, Lower Parel
Mumbai 400 013
CIN: L92132MH1982PLC028767
Email: shareservice@zee.com

NOTES:

- In view of the continuing COVID-19 pandemic, social distancing is a norm to be followed and the Ministry of Corporate Affairs ('MCA') vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular Nos. 02/2021, 17/2020 & 14/2020 dated January 13, 2021, April 13, 2020 and April 8, 2020 respectively (collectively referred to as 'MCA Circulars') and Securities and Exchange Board of India ('SEBI') vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 ('SEBI Circular') have permitted the holding of the Annual General Meeting by companies through VC / OAVM during the calendar year 2021, without the physical presence of the Members. Accordingly, in compliance with the provisions of the Companies Act, 2013 ('Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), MCA Circulars and SEBI Circular, 39th AGM will be held through VC / OAVM only.

National Security Depository Limited ('NSDL') shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at note no. 21.

- Pursuant to the above-mentioned MCA Circulars, physical attendance of the Members is not required at the AGM and attendance of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- An Explanatory Statement pursuant to Section 102(1) of the Act, in respect of the business to be transacted at the AGM and set out under Item Nos. 5 to 8 and relevant details of the Directors as mentioned under Item Nos. 6 to 8 as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ('ICSI') are annexed hereto.

The Board of Directors have considered and decided to include the item Nos. 5 to 8 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.

- Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA and SEBI Circulars through VC / OAVM, the requirement of physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members shall not be available for AGM or any adjournment thereof, if any, and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- Pursuant to Section 113 of the Act, Institutional / Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) intending to participate in the AGM are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to scrutinizer.vkco@gmail.com with a copy marked to evoting@nsdl.co.in.
- The Company has fixed Friday, September 3, 2021 as the 'Record Date' for determining entitlement of Members for dividend for the financial year ended March 31, 2021, if approved at the AGM.

- Equity Dividend for the financial year ended March 31, 2021, as recommended by the Board of Directors, if approved by Members at the AGM, will be paid, subject to deduction of tax at source ('TDS') on or after

Tuesday, September 14, 2021 (within the statutory timelimit), to those Members whose names appear in the Register of Members as on the Record Date i.e. Friday, September 3, 2021.

- Members may note that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by the Company after April 01, 2020, shall be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source ('TDS') at the prescribed rates from the dividend to be paid to shareholders, subject to approval of shareholders in the ensuing AGM. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. For the prescribed rates for various categories, the shareholders are requested to refer to the Income Tax Act, 1961 and amendments thereof. The shareholders are requested to update their Residential Status, PAN, Category, Email Address, Residential Address with the Company / Company's Registrars and Transfer Agents, Link Intime India Private Limited ('Link Intime') (in case of shares held in physical mode) and Depository Participant ('DPs') (in case of shares held in demat mode).

- A resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to rnt.helpdesk@linkintime.co.in and shareservice@zee.com latest by Friday, September 3, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to rnt.helpdesk@linkintime.co.in and shareservice@zee.com. The aforesaid declarations and documents need to be submitted by the shareholders by September 3, 2021.

- As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their physical holdings of securities to dematerialized form.

Members can contact the Company or Link Intime for assistance in this regard. Members may also refer to Frequently Asked Questions ('FAQs') on Company's website www.zee.com.

- To support the 'Green Initiative', the Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held in electronic form and with Link Intime in case the shares are held in physical form.

- Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc. to their DPs in case the shares are held in electronic form and to Link Intime in case the shares are held in physical form.

- As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be

downloaded from the Company's website www.zee.com. Members are requested to submit the said details to their DPs in case the shares are held by them in electronic form and to Link Intime in case the shares are held in physical form.

14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM provided the votes are not already cast through remote e-voting.

15. Members who wish to obtain information on the Financial Statements for the year ended March 31, 2021, may send their queries at least seven days before the AGM to the Chief Compliance Officer & Company Secretary at the Registered Office of the Company or by e-mail to shareservice@zee.com. The same will be replied by the Company suitably.

16. Equity Dividend for the financial year ended March 31, 2014, which remains unpaid and unclaimed, will be due for transfer to the Investor Education and Protection Fund (IEPF) of the Central Government in September 2021. Members who have not encashed their dividend warrant(s) for Dividend issued by the Company for the financial year ended March 31, 2014 or any subsequent financial years, are requested to lodge their claims immediately with Link Intime.

Members may further note that, pursuant to Section 124 of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all shares on which dividend remains unclaimed for 7 (seven) consecutive years or more have been, and shall be liable to be transferred to IEPF Authority. Members are further advised that in terms of applicable provisions of the Act and IEPF Rules, Unclaimed Dividends and shares transferred to IEPF Authority can be claimed from the IEPF Authority after following the process prescribed in the said Rules.

17. In compliance with the MCA Circulars and SEBI Circular, the Annual Report which includes AGM Notice for the financial year 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the said Annual Report will also be available on the Company's website at www.zee.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL at www.evoting.nsdl.com.

18. At the 35th AGM held on July 12, 2017, the Members had approved appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 40th AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018.

Accordingly, no resolution is being proposed for ratification of appointment of Statutory Auditors at the AGM.

19. Statutory Registers and all the documents referred to in the accompanying notice and the statement pursuant to Section 102(1) of the Act shall be available for inspection through electronic mode on the website of the Company.

20. In accordance with the Secretarial Standard-2 on General Meetings issued by ICSI read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

21. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

A. Voting Through Electronic Means

i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

ii. The remote e-voting period begins on Friday, September 10, 2021 at 9:00 a.m. (IST) and ends on Monday, September 13, 2021 at 5:00 p.m. (IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Tuesday, September 7, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, September 7, 2021. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

iii. The Board of Directors has appointed Ms. Vinita Nair (Membership No. F10559), Senior Partner, M/s Vinod Kothari & Co., Company Secretaries as Scrutiniser to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

iv. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

v. The voting rights of the Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

vi. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

How do I vote electronically using NSDL e-voting system?


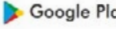


The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-voting system

A) Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on  App Store  Google Play</p> <div style="display: flex; justify-content: center; gap: 20px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the e-voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

How to cast your vote electronically and join General Meeting on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company i.e. 116799, for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer.vkco@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Pallavi Mhatre and Amit Vishal at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to shareservice@zee.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to shareservice@zee.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

C. THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

D. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Members who need assistance before or during the AGM, can contact NSDL officials Pallavi Mhatre and Amit Vishal at evoting@nsdl.co.in and 1800-222-990 and 1800 22 44 30.

7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at shareservice@zee.com from September 3, 2021 (9:00 a.m. IST) to September 7, 2021 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Other Instructions

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.zee.com and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 5

The Board of Directors of the Company, at its meeting held on August 18, 2020, based on the recommendations of the Audit Committee, approved the appointment of M/s. Vaibhav P Joshi & Associates, Cost Accountant (Firm registration No. 101329), as Cost Auditor of the Company ('Cost Auditor') for conducting the audit of cost records of the Company, for FY 2020-21 at a remuneration of ₹ 3,00,000 (Rupees Three Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, consent of the Members is sought for the ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the financial year 2020-21.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution as set out at Item No. 5 of the Notice for approval of the Members.

ITEM NO. 6&7

Proposal:

The Board of Directors of the Company, pursuant to the recommendation of the Nomination & Remuneration Committee ('NRC') is proposing to the Members of the Company, the appointment of Mr. Sasha Mirchandani (DIN 01179921) and Mr. Vivek Mehra (DIN 00101328) as Independent Directors on the Board of the Company, not liable to retire by rotation, who shall hold office for a term of 3 (three) consecutive years commencing from December 24, 2020 to December 23, 2023.

Skills & Capabilities required for the Independent Directorship, Process & Basis of Appointment:

The NRC evaluated profiles of various candidates as certain Independent Directors were reaching to the end of their tenure. The NRC had identified skills, expertise and competencies required by the Board for the effective

functioning of the Company. The Company was on lookout for the highly skilled professionals from various fields who would be eminently qualified for being on the Board of the Company on the back of their credentials as Board members in their earlier and current organizations and will also bring a deeper understanding and expertise in their respective fields. The NRC with a view to further strengthen the competencies of the Board and after considering criteria such as qualifications, skillsets, experience, independence, knowledge, ability to devote sufficient time and attention to the professional obligations of an Independent Director, shortlisted profiles of selected candidates from a range of backgrounds including Corporate Professionals, Consultants and Industrialist. The process of shortlisting and selection of the new Independent Directors was carried out and concluded by NRC members.

The NRC had specified that the new Board member should be one who has deeper understanding and expertise in:

- how technology is shaping business models and how does one leverage emerging technology to get competitive advantage in products and markets;
- building scale in the technology and digital organization;
- the emergence of digital commerce in India and how home-grown Indian companies can compete effectively in international markets;
- the ability to understand and advise in developing the funding strategies for our digital platforms and deep knowledge and expertise in fund raising from private equity platforms; and
- networks in the technology and digital ecosystems to bring new developments and related conversations into the Board and for the management team.

Accordingly, from the shortlisted candidates, the NRC selected and recommended to the Board, the appointment of Mr. Sasha Mirchandani as an Independent Director of the Company.

Mr. Sasha Mirchandani has more than 25 years of experience in the digital and technology ecosystem in India having worked in technology companies and invested/mentored some of the most successful tech and digital commerce start-ups in India. He has successfully raised two rounds of funding in Kae Capital an early stage investing company and now in the midst of raising its third round of funding of over \$100 million.

Further, the NRC had specified that the second prospective Board member should be one who brings with him immersive experience, understanding and expertise in:

- Cross border transaction covering all aspects of tax and regulatory frameworks for such transactions as well as deal structuring;
- Deep expertise and understanding of the regulatory frameworks covering SEBI, MCA, CBDT and other central ministries. Advise the MD&CEO and the Board on all aspects related to strengthening the Governance frameworks within the organization;
- Expertise across all aspects of strategic finance including tax, mergers and acquisitions ('M&A'), divestments, strategic restructuring, systems and processes and risk management;
- Networks in the various industry associations and bodies to advise the MD&CEO and the Board on effectively representing the Company core issue and interests; and
- Understanding of CSR and related issues would be an added advantage for a new Board member given the criticality of CSR deployments in the emerging landscape.

Accordingly, from the shortlisted candidates, the NRC selected and recommended to the Board, the appointment of Mr. Vivek Mehra as an Independent Director of the Company.

Mr. Vivek Mehra has over 40 years of professional consulting experience in tax & regulatory aspects of M&A and focuses on cross border investment and transaction structuring.

Detailed profiles of Mr. Sasha Mirchandani and Mr. Vivek Mehra form part of the Annexure to the Notice.

The skillsets possessed by Mr. Sasha Mirchandani and Mr. Vivek Mehra are mentioned in the Corporate Governance section of the Annual Report of the Company for the financial year ended March 31, 2021.

Mr. Sasha Mirchandani (DIN 01179921)

Based on the recommendation of the Nomination & Remuneration Committee of the Board and after reviewing confirmation of independence received, the Board of Directors of the Company had appointed Mr. Sasha Mirchandani (DIN 01179921) as an Additional Director of the Company, in the category of Independent Director with effect from December 24, 2020. Pursuant to Section 161(f) of the Companies Act, 2013 ('Act'), Mr. Sasha Mirchandani holds office till the date of this Annual General Meeting. Appropriate notice has been received from a Member proposing appointment of Mr. Sasha Mirchandani as a Director of the Company and requisite consent has been received from him pursuant to the provisions of Section 152 of the Act along with confirmation that he is not disqualified from being appointed as a director in terms of Section 164 of the Act.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the Members.

The Company has also received declaration from Mr. Sasha Mirchandani that he meets the criteria of Independence as prescribed both under Section 149(6) of the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

In the opinion of the Board, Mr. Sasha Mirchandani, who is proposed to be appointed as an Independent Director of the Company for a period of 3 consecutive years up to December 23, 2023, fulfils the conditions specified under Section 149(6) and Schedule IV of the Act and is independent of the management.

Details of Mr. Sasha Mirchandani are provided in the Annexure to the Notice pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on the General Meeting issued by the Institute of Company Secretaries of India.

He shall be paid remuneration by way of sitting fees for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.

Copy of the letter of appointment of Mr. Sasha Mirchandani setting out the terms and conditions of appointment is available for inspection by the Members on the website of the Company.

None of the other Directors, Key Managerial Personnel of the Company and their relatives except Mr. Sasha Mirchandani (whose appointment is proposed in this resolution) are, in any way, concerned or interested financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

Brief Profile and other details of Mr. Sasha Mirchandani form part of the Annexure to the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the Members.

Mr. Vivek Mehra (DIN 00101328)

Based on the recommendation of the Nomination & Remuneration Committee of the Board and after reviewing confirmation of independence received, the Board of Directors of the Company had appointed Mr. Vivek Mehra (DIN 00101328) as an Additional Director of the Company, in the category of Independent Director with effect from December 24, 2020. Pursuant to Section 161(f) of the Companies Act, 2013 ('Act'), Mr. Vivek Mehra holds office till the date of this Annual General Meeting. Appropriate notice has been received from a Member proposing appointment of Mr. Vivek Mehra as a Director of the Company and requisite consent has been received from Mr. Vivek Mehra pursuant to the provisions of Section 152 of the Act, along with a confirmation that he is not disqualified from being appointed as a director in terms of Section 164 of the Act.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the Members.

The Company has also received a declaration from Mr. Vivek Mehra that he meets the criteria of Independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

In the opinion of the Board, Mr. Vivek Mehra who is proposed to be appointed as an Independent Director of the Company for the period of 3 consecutive years up to December 24, 2023, fulfils the conditions specified under Section 149(6) and Schedule IV of the Act and is independent of the management.

Details of Mr. Vivek Mehra provided in the Annexure to the Notice pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on the General Meeting issued by the Institute of Company Secretaries of India.

He shall be paid remuneration by way of sitting fees for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.

Copy of the letter of appointment of Mr. Vivek Mehra setting out the terms and conditions of appointment is available for inspection by the Members on the website of the Company.

None of the other Directors, Key Managerial Personnel of the Company and their relatives except Mr. Vivek Mehra (whose appointment is proposed in this resolution) are, in any way, concerned or interested financially or otherwise in the resolution set out at Item No. 7 of the Notice.

Brief Profile and other details of Mr. Vivek Mehra form part of the Annexure to the Notice.

The Board recommends the Ordinary Resolution set out at Item No.7 of the Notice for approval of the Members.

ITEM NO. 8

Mr. Manish Chokhani was appointed as an Independent Director of the Company on April 1, 2015 for a period of three years. At the Annual General Meeting held in July 2017, the shareholders by way of a special resolution further re-appointed him for a second term of three years which expired on March 31, 2021.

Considering the valuable insights brought in as an Independent Director on account of his expertise in accounting and financial management, taking into account his business knowledge, acumen, experience and the substantial contribution made by him during his tenure and based on the recommendation of the Nomination & Remuneration Committee, the Board had approved the appointment of Mr. Manish Chokhani (DIN 00204011) as an Additional Director of the Company, in the category of Non- Executive Non-Independent

Director with effect from April 1, 2021. Pursuant to Section 161(1) of the Companies Act, 2013 ('Act'), Mr. Manish Chokhani holds office till the date of this Annual General Meeting. Appropriate notice has been received from a Member proposing the appointment of Mr. Manish Chokhani as Director of the Company and requisite consent has been received from him pursuant to the provisions of Section 152 of the Act along with a confirmation that he is not disqualified from being appointed as a director in terms of Section 164 of the Act.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Non-Executive Non-Independent Directors requires approval of the Members.

Details of Mr. Manish Chokhani are provided in the Annexure to the Notice pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India.

He shall be paid remuneration by way of sitting fees for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.

None of the other Directors, Key Managerial Personnel of the Company and their relatives except Mr. Manish Chokhani (whose appointment is proposed in this resolution) are, in any way, concerned or interested financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

Brief Profile and other details of Mr. Manish Chokhani form part of the Annexure to the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval of the Members.

Annexure to the Notice dated August 6, 2021

Details of Directors seeking appointment/re-appointment at the 39th AGM to be held on September 14, 2021 (pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings)

Mr. Ashok Kurien (DIN 00034035)	
Age	71 Years
Qualifications	Bachelor of Arts
Experience (including expertise in specific functional areas)	Mr. Ashok Kurien has been in the business of building brands for over 35 years now, particularly in the fields of Media, Marketing and Communications. An early bird, he has a keen eye of driving start-ups in emerging businesses, helping in guiding them to size and scale.

	He is associated with a startup manufacturing Face Masks, Water Filters (without electricity) and Menstrual Hygiene - he has co-invented 'Saafkins', the ideal solution for the billion women who can't afford sanitary napkins, making it affordable and reusable, all this for the poor and the marginalized.
	Mr. Kurien is one of the founder-promoters of the Company. He is also founder and promoter of various business ventures including Ambience Advertising (now Publicis India), Hanmer & Partners - one of India's top-3 PR agencies.
Terms and conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Ashok Kurien who was appointed as a Non-Executive Director at the Annual General Meeting held in 1993, is liable to retire by rotation.
Remuneration last drawn (including sitting fees if any)	₹ 6.18 million (for details of remuneration please refer Corporate Governance Report).
Remuneration proposed to be paid	Sitting fees and Commission in accordance with provisions of applicable laws.
Date of first appointment on the Board	November 17, 1992
Shareholding in the Company as on March 31, 2021	Nil
Relationship with other directors / Key Managerial Personnel	Nil
Number of meetings of the Board attended during financial Year (2020-21)	9 meetings out of 9 meetings held.
Directorship held in other Public Companies (excluding Private and Section 8 Companies) as on August 6, 2021	Dish TV India Limited
Membership/ Chairmanship of Committees held in other Companies (excluding Private and Section 8 Companies) as on August 6, 2021	Dish TV India Limited <ul style="list-style-type: none"> Audit Committee - Member Stakeholders Relationship Committee – Chairman Nomination & Remuneration Committee – Member Corporate Social Responsibility Committee – Member

Mr. Sasha Mirchandani (DIN 01179921)	
Age	49 Years
Qualifications	<ul style="list-style-type: none"> Bachelor's in Business Administration from Strayer University, Washington, D.C. Master's in Management from Indian Institute of Management, Ahmedabad.
Experience (including expertise in specific functional areas)	<p>Mr. Sasha Mirchandani (DIN 01179921) has over 25 years of experience at the intersection of finance, technology and digital commerce in India. He has seed/venture funded, and mentored/ advised some of the largest unicorns in India and brings deep insights about how technology is shaping new business models and how companies can leverage emerging technologies to get competitive advantage in products and markets.</p> <p>Mr. Mirchandani has worked with a wide spectrum of tech and digital commerce companies during their 0-1 phase and brings a detailed understanding of technology/digital products, their monetization approaches and scaling up companies to achieve global competitiveness. His marquee successes have been Fractal Analytics, InMobi, Myntra, 1Mg, Healthkart, Zetwerk (to name a few) and he has worked with these companies to help them to build a strong international presence and compete successfully in global markets.</p> <p>Mr. Mirchandani has successfully raised and deployed multiple funds and was inducted in to the TiE Hall of Fame, 2019 as an Outstanding Angel Investor. He co-founded Mumbai Angels and is also Past President of Entrepreneurs Organisation (EO) Mumbai. He serves on the boards of Hathway Cable and Datacom Limited, Nazara Technologies Limited, Healthkart, Kae Capital Management Private Limited, Algorhythm Tech Private Limited among others. Previously, he served on the boards of Myntra, 1Mg, Fractal Analytics, Ador Welding Limited among others.</p>
Remuneration last drawn (including sitting fees if any)	₹ 1.50 million (for details of remuneration please refer Corporate Governance Report)
Remuneration proposed to be paid	Sitting fees and Commission in accordance with provisions of applicable laws
Date of first appointment on the Board	December 24, 2020
Shareholding in the Company as on March 31, 2021	Nil
Relationship with other directors / Key Managerial Personnel	Nil
Number of meetings of the Board attended during financial Year (2020-21)	2 (appointed w.e.f. December 24, 2020) out of 2 meetings held since he was appointed.
Directorship held in other Public Companies (excluding Private and Section 8 Companies) as on August 6, 2021	<ul style="list-style-type: none"> Hathway Cable and Datacom Limited Nazara Technologies Limited
Membership/ Chairmanship of Committees held in other Public Companies (excluding Private and Section 8 Companies) as on August 6, 2021	<p>Hathway Cable and Datacom Limited</p> <ul style="list-style-type: none"> - Audit Committee – Member <p>Nazara Technologies Limited</p> <ul style="list-style-type: none"> - Audit Committee – Chairman



Mr. Vivek Mehra (DIN : 00101328)	
Age	65 Years
Qualifications	<ul style="list-style-type: none"> Bachelor of Commerce Chartered Accountants
Experience (including expertise in specific functional areas)	<p>Mr. Vivek Mehra (DIN: 00101328), is a well-respected senior Chartered Accountant with an illustrious professional career spanning over 40 years and experience spanning across sectors in Tax and Regulatory domains of Merger & Acquisition specializing in cross-border Investment and Transaction Structuring.</p> <p>He has held various leadership roles till April 2017 in Price Waterhouse Coopers Private Limited ('PWC') as Partner/ Executive Director. He was the founder and national leader for PwC Regulatory and M&A Practices and has been elected on PwC Governance Oversight Board for two consecutive terms. His area of expertise includes taxation, accounting and financial systems and processes, risk management, structuring transactions including merger & acquisition and cross-border transactions.</p> <p>Mr. Mehra is extending his expertise as an Independent Director and esteemed Board Member for some prominent Indian Companies such as Jubilant Pharmova Limited, Havells India Limited, DLF Limited, HT Media Limited, Digicontent Limited, Chambal Fertilizers and Chemicals Limited, Hero Future Energies Private Limited, Embassy Office Parks Management Services Private Limited [Manager of Embassy Office Park REIT (listed)], DLF Asset Limited.</p> <p>He is also on the Board of Governors of 'Grassroot Trading Network for Women'- a SEWA venture and 'The Asthma, Bronchitis and Cancer Lung Foundation of India'.</p> <p>After serving on the Board of The Lawrence School, Sanawar, he is presently the Chairman of its Fund-Raising Committee.</p> <p>Mr. Mehra graduated in 1975 with a Bachelor of Commerce (Hons) Degree from Sri Ram College of Commerce, Delhi University. He has been a fellow member of the Institute of Chartered Accountants of India since 1979 and had also given his valuable contribution as a member of the Federation of Indian Chambers of Commerce and Industry (FICCI) Steering Committee and National Executive Committee.</p>
Remuneration last drawn (including sitting fees if any)	₹ 1.50 million (for details of remuneration please refer Corporate Governance Report)
Remuneration proposed to be paid	Sitting fees and Commission in accordance with provisions of applicable laws
Date of first appointment on the Board	December 24, 2020
Shareholding in the Company as on March 31, 2021	Nil
Relationship with other directors / Key Managerial Personnel	Nil
Number of meetings of the Board attended during financial Year (2020-21)	2 (appointed w.e.f. December 24, 2020) out of 2 meetings held since he was appointed.
Directorship held in other Public Companies (excluding Private and Section 8 Companies) as on August 6, 2021	<ul style="list-style-type: none"> Jubilant Pharmova Limited Bharat Hotels Limited DLF Limited Chambal Fertilizers and Chemicals Limited HT Media Limited Digicontent Limited Havells India Limited
Membership/ Chairmanship of Committees held in other Public Companies (excluding Private and Section 8 Companies) as on August 6, 2021	<ul style="list-style-type: none"> Jubilant Pharmova Limited - Audit Committee – Member Chambal Fertilisers and Chemicals Limited - Audit Committee – Member DLF Limited - Audit Committee – Member Bharat Hotels Limited - Audit Committee – Member HT Media Limited - Audit Committee – Chairman Digicontent Limited - Audit Committee – Chairman

Mr. Manish Chokhani (DIN 00204011)	
Age	54 years
Qualifications	<ul style="list-style-type: none"> Chartered Accountant MBA from London Business School.
Experience (including expertise in specific functional areas)	<p>Mr. Manish Chokhani Chartered Accountant and MBA from the London Business School, is one of India's most respected financial experts and investors.</p> <p>From 2006 to 2011, he was CEO of Enam Securities, India's leading investment bank. He led its \$400 million merger in 2011 with Axis Bank to create Axis Capital Ltd., which he led as MD & CEO until the end of 2013. Under his leadership, Enam/Axis mobilized ~ 25% of all equity funds raised in India and were the house banker to several leading Indian business groups.</p> <p>From 2014 to 2016, he served as Chairman of TPG Growth in India and from 2017 to 2019 as Senior Advisor to TPG Group, one of the world's largest PE firms.</p> <p>He currently serves as Independent Director on boards that include Westlife Development Limited (McDonalds), Shoppers Stop Limited, Auxilo Finserve Private Limited among others. He also serves on the Governing Board of Flame University.</p> <p>He is a Board Member of Livinguard AG, a healthcare technology company based in Switzerland.</p> <p>Mr. Chokhani is a member of the Young Presidents' Organization. He has served as a member of SEBI's Alternative Investment Promotion Advisory Committee and also as Co-Chairman of the Capital Markets Committee at the IMC. He has been a visiting faculty member at IIM-Kozhikode and has served on the International Alumni Board and scholarship panels of the London Business School.</p>
Terms and conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Manish Chokhani as a Non Executive Director will be liable to retire by rotation
Remuneration last drawn (including sitting fees if any)	₹ 6.06 million (for details of remuneration please refer Corporate Governance Report)
Remuneration proposed to be paid	Sitting fees and Commission in accordance with provisions of applicable laws
Date of first appointment on the Board	He was appointed as an Independent Director of the Company on April 1, 2015.
Shareholding in the Company as on March 31, 2021	2,00,000 Equity shares (held through Partnership firm Quadrillion Advisors)
Relationship with other directors / Key Managerial Personnel	Nil
Number of meetings of the Board attended during financial Year (2020-21)	8 meetings out of 9 meetings held.
Directorship held in other Public companies (excluding Private and Section 8 Companies) as on August 6, 2021	<ul style="list-style-type: none"> Westlife Development Limited Shoppers Stop Limited Laxmi Organic Industries Limited
Membership/ Chairmanship of Committees held in other Public Companies (excluding Private and Section 8 Companies) as on August 6, 2021	<p>Westlife Development Limited</p> <ul style="list-style-type: none"> Stakeholders Relationship Committee – Chairman Nomination & Remuneration Committee – Member Risk Management Committee – Member <p>Laxmi Organic Industries Limited</p> <ul style="list-style-type: none"> Stakeholders Relationship Committee – Chairman Nomination & Remuneration Committee – Member Audit Committee – Member Nomination & Remuneration Committee – Member <p>Shoppers Stop Limited</p> <ul style="list-style-type: none"> Corporate Social Responsibility Committee - Member

By Order of the Board

Ashish Agarwal
Chief Compliance Officer & Company Secretary
Membership No. F6669

Place: Mumbai

Date: August 6, 2021

Registered Office:

18th floor, A Wing, Marathon Futurex
N M Joshi Marg, Lower Parel
Mumbai 400 013
CIN: L92132MH1982PLC028767
Email: shareservice@zee.com



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present the 39th Annual Report of your Company's business and operations along with the Audited Financial Statements (standalone and consolidated) for the financial year ended March 31, 2021.

1. FINANCIAL RESULTS

The financial performance of your Company for the financial year ended March 31, 2021 is summarized below: (₹ million)

Particulars	Standalone Year Ended		Consolidated Year Ended	
	31.03.2021	31.03.2020 (Restated)*	31.03.2021	31.03.2020
Revenue from Operations	66,654	72,935	77,299	81,299
Other Income	2,624	2,309	1,104	2,836
Total Income	69,278	75,244	78,403	84,135
Total Expenses	51,988	60,269	64,580	71,705
Share of Associates / Joint Ventures	-	-	(1)	(24)
Exceptional Items	(1,266)	(2,843)	(1,266)	(2,843)
Profit Before Tax	16,024	12,132	12,556	9,563
Provision for Taxation (net)	4,814	4,614	4,625	4,317
Profit after Tax	11,210	7,518	7,931	5,246

*refer note 50 of Standalone financial statements for details.

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report, which affect the financial position of Zee Entertainment Enterprises Limited ('the Company' or 'ZEE'). Based on the internal financial control framework and compliance systems established in the Company, the work performed by Statutory, Internal, Secretarial Auditors and reviews performed by the management and/or the Audit Committee of the Board, your Board of Directors ('Board') is of the opinion that the Company's internal financial controls are adequate and working effectively during the financial year 2020-21.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the provisions of the Companies Act, 2013 ('Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and applicable Accounting Standards, the consolidated audited financial statements of the Company for the financial year 2020-21 together with the Auditors' Report form part of this Annual Report.

2. COVID-19

The outbreak of Coronavirus (COVID-19) pandemic has caused significant disturbance to the economic activity across the globe. Businesses have been forced to temporarily cease or limit their operations since Mar-20 in India. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services triggered significant disruptions across businesses, resulting in one of the worst economic slowdowns that the country has seen.

As an industry leader, your Company ensured that audiences continued to receive entertainment content through their television sets or mobile phones as they stayed indoors during the lockdown. The Company was quick to embrace and utilize technological solutions to create as much fresh content as possible for its consumers despite the restrictions imposed during the lockdown. From shooting at home, to shifting shoot locations outside containment zones, to acquiring licensed content, the Company tried to keep the consumers engaged with unique solutions. It also leveraged technology solutions across its key functions, to create a bedrock for creative innovations in content

offering. The Company enabled remote content production on mobile phones and professional cameras by using AV production technologies to support broadcast, digital and social platforms. These initiatives ensured that your Company stayed connected with its audience through the period of disruption.

The health and safety of all employees has always been the top priority of your Company. In line with the guidelines issued by the Government, the Company implemented key measures across every touchpoint to ensure the safety of its people. The Company has always been agile in adapting to change, which made the transition to 'Work from Home' operations swift and smooth, ensuring business continuity and minimal disruption to viewers. The teams were quick to adapt to the new way of working with all the meetings across business verticals and functions being conducted online. For critical operations which needed people to be present onsite, proactive steps were taken in transforming the workspace keeping social distancing norms at the fore. Safety and hygiene protocols, including alternate seating arrangements, a clean desk policy and temperature screening at all entry points ensured safety of the employees. Your Company also set up a 24-hour emergency helpline with doctors and counsellors to address medical queries and the emotional well-being of its people. The Company also partnered with various companies for providing services like testing kits, isolation facilities, ambulance and food delivery services for employees and their families. Your Company continued to take critical steps in ensuring the safety of its people by initiating a vaccination program for all its employees and their families as soon as the government allowed private sector's participation.

3. DIVIDEND

Equity Shares: Your Directors has recommended payment of ₹ 2.50 per equity share of the face value of ₹ 1 each as final dividend for the financial year ended March 31, 2021, subject to the approval of the Members of the Company at the ensuing Annual General Meeting ('AGM'). This final dividend shall be payable on the outstanding Equity Share Capital of the Company as on Record Date i.e. September 3, 2021. The expected outflow on account of equity dividend, based on current Paid-up Equity Share Capital of the Company, would aggregate to ₹ 2401 million.

In view of the changes made under the Income-tax Act, 1961, by amending the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Accordingly, the company shall make the payment of the final dividend after deduction of tax at source.

The dividend recommended is in accordance with the Dividend Distribution Policy of the Company which is available on the Company's website at www.zee.com.

Preference Shares: In accordance with the terms of Listed 6% Cumulative Redeemable Non-Convertible Preference Shares issued as Bonus Shares in 2014 ('Bonus Preference Shares'), the Company had remitted an aggregate Preference Dividend of ₹ 466.8 million, comprising of:

- Pro-rata Preference Dividend of ₹ 0.11145 on the redemption value of ₹ 2 per Bonus Preference Share for the period from April 1, 2020 till the Redemption date of March 5, 2021; and
- Preference Dividend of ₹ 0.12 per share for FY 2020-21 on the Bonus Preference Shares of ₹ 2 per share post redemption.

Transfer to Reserves

The closing balance of the retained earnings of the Company for financial year 2020-21, after all appropriation and adjustments was ₹ 65,047 million.

4. BUSINESS OVERVIEW

During the year under review, your Company, like almost every other company, faced disruption due to COVID-19. The nationwide lockdown implemented in the first quarter and the economic slowdown which followed created massive headwinds in the first half of the fiscal. There was an impact on both operations as well as financial performance during the year due to the pandemic. Original content production came to a complete halt for a period of around 3 months leading to a drop in viewership and revenue. As per the FICCI EY Report, Indian M&E industry declined by 13% YoY in CY20. The decline was led mainly by advertising which saw a degrowth of 25%.

Television industry advertising revenues saw a degrowth of 22% in CY20 and your Company performed slightly better with 20% decline in its advertising revenues. The subscription revenues of the Company were resilient and registered a 5.2% like-to-like growth during the year. In January 2020, TRAI, the industry regulatory body had issued a set of amendments to the tariff order which had been implemented earlier that year. These changes were legally challenged by various broadcasters, distributors and industry bodies. As the court had mandated that a status quo be maintained on the subscription pricing till the verdict is announced, the ability of your Company to grow broadcast subscription revenue was limited during the year. Digital content consumption got a boost in the last fiscal due to absence of fresh content on television for around 3 months. ZEE5 capitalized on this trend by releasing over 75 shows and original movies on the platform last year which led to a growth in its paid subscriber base. ZEE5 has firmly established itself as the biggest publisher of original digital content in India, catering to audiences across the country. During the year, movie production and distribution calendar was impacted due to cinema halls being completely or partially shut for most of the year. Zee Music Company's plans were also hampered due to lack of new movies released during the year, however, the music label continued to expand its music library through acquisition of music titles across languages. As per the

FICCI-EY report, the Indian M&E industry is expected to grow at a CAGR of 17% to reach ₹ 2,234 billion by 2023.

In the Domestic Broadcast Business, your Company exited the year with an all-India viewership share of 18.9% in the last quarter. The Company launched 2 new channels, further strengthening its position as a pan-India network with the widest language footprint.

In the Hindi General Entertainment segment, Zee TV was the #3 channel during the year and &TV continued to focus on the viewers from the states of the Hindi heartland with its programming line-up. Zee Anmol was relaunched on the DD FreeDish platform in June 2020 which led to a sharp jump in its viewership.

In the Hindi movie segment, your Company's portfolio of movie channels further strengthened its #1 position, driven by a strong catalogue of movies across genres.

In the Regional markets, Zee Kannada continued to be the #1 channel and Zee Telugu showed strong improvement in market share as the #2 player. Zee Bangla and Zee Marathi lost their #1 positions during the year and are working on a content revamp plan to help win back leadership. Zee Keralam became the fastest GEC to reach #2 position in April 2021 in less than 2.5 years of launch. The new entrants in the portfolio - Zee Biskope, Zee Punjabi, Zee Thirai and Zee Pichhar, exhibited strong performance in the first year.

In the International Broadcast Business, your Company continued to expand the reach of its channels across geographies with new distribution partnerships. Company's content in 18 languages, including 8 foreign languages, is available in more than 170 countries.

ZEE5, your Company's OTT platform, witnessed significant growth across all user parameters. The platform had 72.6mn and 6.1mn global MAUs and DAUs, respectively in March 2021, with an average watch-time of 156 minutes per viewer during the month. Along with releasing a strong slate of original shows and movies, the platform also entered into partnerships with key players across the digital eco-system to make its content available to a wider audience. ZEE5 continued with its global expansion with launch in key international markets, including USA in June 2021.

Zee Studios launched ZeePlex during the year, a pay-per-view platform which enabled consumers to watch new movies from the comfort of their homes while cinema halls continued to remain shut for most of the year. Zee Studios produced/distributed 8 movies during the year, with a mix of theatrical, ZeePlex and direct to digital (ZEE5) releases. Zee Music Company, your Company's music publishing arm, continued to expand its music catalogue across languages and maintained its position as the second most subscribed music channel on YouTube. Zee Live, the live entertainment vertical, launched digital entertainment IPs across various entertainment genres due to restrictions on large physical gatherings.

5. CHANGES IN CAPITAL STRUCTURE

During the year under review, your Company had:

- Redeemed 20% of Nominal value of Bonus Preference Shares, on the 7th anniversary and as per the terms of its issuance, resulting in outflow of ₹ 4034 million towards the said redemption at the rate of ₹ 2 per Preference Share. Consequent to this redemption, the face value of Preference Share was changed to ₹ 2 each. As required under Section 55 of the Act, an amount equivalent to such Redemption value was credited to Capital Redemption Reserve Account of the Company. Further, pursuant to the provisions of the Income-tax Act, 1961, the said redemption amount was treated as dividend and necessary taxes were deducted thereon;
- Issued and allotted 21,240 Equity Shares of ₹ 1 each upon exercise of stock options granted under the Company's ESOP Scheme.

Consequent to the above redemption and issuance of securities, the Paid-up Share Capital of the Company as on March 31, 2021 stood at ₹ 4,994,389,099 comprising of 960,504,475 equity shares of ₹ 1 each and 2,016,942,312 Bonus Preference Shares of ₹ 2 each. Subsequent to closure of the financial year, your Company had issued and allotted 11,240 equity shares upon exercise of stock options granted under the ESOP Scheme.

As on March 31, 2021, promoters' shareholding in the Company was 3.99%.

6. CREDIT RATING

During the year under review, Brickwork Ratings India Private Limited had revised the rating assigned to the Company as the issuer of the Listed Bonus Preference Shares to 'BWR AA-' denoting Credit Watch with Negative Implications due to decline in profitability and margin for the year ended FY20. Subsequently, the rating was revised to 'BWR A'.

7. SUBSIDIARIES, ASSOCIATES & JOINT VENTURES

As on March 31, 2021, your Company had 26 (twenty-six) subsidiaries comprising of 8 (eight) domestic subsidiaries and 18 (eighteen) overseas direct and step-down subsidiaries, one Associate and one Joint Venture Company.

During the year under review:

- Zee TV USA, Inc, an overseas subsidiary of the Company was dissolved with effect from May 1, 2020.
- Zee Technologies (Guangzhou) Limited, an overseas subsidiary of the Company was dissolved with effect from December 9, 2020.
- 49% equity stake in Fly-By-Wire International Private Limited, subsidiary of the Company was sold with effect from July 31, 2020.
- The Company sold 100% equity stake in its four wholly owned subsidiaries namely Zee Unimedia Limited, Zee Digital Convergence Limited, India Webportal Private Limited and Zee Network Distribution Limited to another wholly owned subsidiary Company namely Zee Studios Limited (earlier known as Essel Vision Productions Limited). Accordingly, Zee Unimedia Limited, Zee Digital Convergence Limited, India Webportal Private Limited ceased to be direct wholly owned subsidiaries of the Company and became step-down subsidiaries of the Company with effect from September 30, 2020. Likewise, Zee Network Distribution Limited ceased to be direct wholly owned subsidiary of the Company and became step-down subsidiary of the Company with effect from October 22, 2020.
- The Board of Directors of the Company had, at its meeting held on December 17, 2020, subject to requisite approvals, considered and approved to transfer its Digital Publishing Business Division to Rapidcube Technologies Private Limited ('Rapidcube') through a Business Transfer Agreement at a consideration of ₹ 638 million. The Company is in process of obtaining requisite Regulatory approvals for the said transaction.
- The Company has acquired film production and distribution business as a going concern, on a slump sale basis from Zee Studios Limited (formerly known as Essel Vision Productions Limited), a wholly owned subsidiary of the Company, for a cash consideration of ₹ 2695 million and on such terms and conditions as contained in the Business Transfer Agreement ('BTA') with effect from close of the business hours on February 28, 2021.

Apart from the above, there was no change in the number of Subsidiary/ Associate/Joint Venture of the Company either by way of acquisition or divestment or otherwise during the year under review.

Your Company has obtained a certificate from its Statutory Auditors certifying that the Company is in compliance with the FEMA regulations with respect to the downstream investments.

In accordance with the provisions of Regulation 16(1)(C) of the Listing Regulations pertaining to the threshold for determining Material Subsidiary of the Company, ATL Media Limited, a wholly owned overseas subsidiary was a Material Subsidiary of the Company during the financial year 2020-21.

The policy for determining material subsidiaries of the Company is available on the website of the Company at www.zee.com.

In compliance with Section 129 of the Act, a statement containing the salient features of the financial statements of all subsidiary, associate and joint venture companies of the Company in the prescribed Form AOC-1 forms part of this Annual Report as **Annexure A**.

In accordance with Section 136 of the Act, the Audited Financial Statements including the Consolidated Financial Statements and related information of the Company and the financial statements of each of subsidiary companies are available on the website of the Company at www.zee.com.

8. EMPLOYEE STOCK OPTION SCHEME

An aggregate of 36,185 Stock Options, issued by the Company in pursuance of ZEE ESOP Scheme 2009 to Mr. Punit Misra, President – Content and International Markets, were outstanding as on April 1, 2020. Upon exercise of vested Stock Options by Mr. Punit Misra, 21,240 Equity Shares were issued and allotted to him during FY 20-21 and 14,945 unvested Stock Options were outstanding as on March 31, 2021.

Requisite disclosures as required under Regulation 14 of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 is annexed to this Annual Report as **Annexure B**. The Statutory Auditors of the Company M/s. Deloitte Haskins & Sells LLP, Chartered Accountants have certified that the Company's Employee Stock Option Scheme has been implemented in accordance with Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the resolution passed by the shareholders.

Subsequent to closure of the financial year, 11,240 Equity Shares were issued and allotted to Mr. Punit Misra upon exercise of options vested in April 2021.

9. CORPORATE SOCIAL RESPONSIBILITY

During the year under review, total CSR obligation of the Company was ₹ 499.18 million.

The Company had contributed an aggregate of ₹ 500.04 million towards various CSR Projects detailed in the Annual Report on CSR annexed to this report which includes the CSR expenditure of ₹ 96.90 million, allocated for the ongoing project and transferred to 'the Unspent CSR Account for FY 2020-21' of the Company on April 29, 2021 as per provision of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('CSR Rules') as amended from time to time.

Your Company has obtained a certificate from its Statutory Auditors certifying that Company's CSR expenditures towards ex-gratia payments to Daily Wage Earners, incurred during the financial year ended March 31, 2021, are in accordance with the General Circular No. 15 /2020 dated April 10, 2020 of Ministry of Corporate Affairs and provisions of Section 135 of the Act and CSR Rules.

In compliance with the provisions of Section 135 of the Act and CSR Rules as amended from time to time, Annual report on CSR activities for the financial year ended March 31, 2021 is annexed to this Annual Report as **Annexure C**.

10. CORPORATE GOVERNANCE AND POLICIES

In order to maximize shareholders value on a sustained basis, your Company has been constantly reassessing and benchmarking itself with well-established Corporate Governance practices besides strictly complying with the requirements of Listing Regulations, applicable provisions of the Act and

applicable Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI').

In terms of Schedule V of the Listing Regulations, a detailed report on Corporate Governance along with Compliance Certificate issued by the Statutory Auditors of the Company form part of this Annual Report. Management Discussion and Analysis Report and Business Responsibility Report as per Listing Regulations are presented in separate sections form part of this Annual Report.

In compliance with the requirements of the Act and the Listing Regulations, your Board had approved various Policies including Code of Conduct for Directors and Senior Management, Policy for Determining Material Subsidiary, Document Preservation Policy, Policy for Determination of Materiality of Events and Information, Fair Disclosure Policy, CSR Policy, Whistle Blower & Vigil Mechanism Policy, Policy on Dealing with Materiality of Related Party Transaction, Remuneration Policy, Insider Trading Code and Dividend Distribution Policy. These policies & codes along with the Directors Familiarization Program and terms and conditions for appointment of Independent Directors are available on Company's website at www.zee.com.

In compliance with the requirements of Section 178 of the Act, the Nomination & Remuneration Committee of your Board had fixed various criteria for nominating a person on the Board which *inter alia* includes the requirement of desired size and composition of the Board, age limits, qualification, experience, areas of expertise and independence of individual. The Committee had also approved in-principle that the term of an Independent Director shall not exceed 3 years.

11. DIRECTORS & KEY MANAGERIAL PERSONNEL

I. Board of Directors

The Company has a balanced Board with combination of Executive and Non-Executive Directors. The Board currently comprises of 9 (nine) Directors including 1 (one) Executive Director, 2 (two) Non-Executive Directors and 6 (six) Independent Directors which includes one Independent Woman Director.

During the year under review:

- Mr. Punit Goenka was re-appointed as Managing Director & CEO of the Company at last AGM for a period of 5 (five) years with effect from January 01, 2020.
- Ms. Alicia Yi was appointed as an Additional Director in the category of Independent Director of the Company with effect from April 24, 2020.
- Mr. Subhash Chandra resigned as a Non-Executive Director of the Company with effect from August 18, 2020 and was appointed as Chairman Emeritus with effect from August 19, 2020.
- Mr. R Gopalan was appointed as Chairman of the Board of Directors of the Company with effect from August 18, 2020.
- Mr. Sasha Mirchandani and Mr. Vivek Mehra were appointed as Additional Directors in the category of Independent Directors of the Company with effect from December 24, 2020.
- Mr. Manish Chokhani, upon completion of his second term as an Independent Director, ceased to be a Director of the Company on close of business hours on March 31, 2021. However, considering his contribution as an Independent Director, he was appointed as an Additional Director in the category of Non-Executive Non-Independent Director of the Company with effect from April 1, 2021.

Requisite intimations with respect to the changes in Directors during the year had been made to and approved by the Ministry of Information and Broadcasting.

In terms of Section 161 of the Act, Mr. Sasha Mirchandani, Mr. Vivek Mehra and Mr. Manish Chokhani shall hold office as Directors of the Company till the ensuing AGM. Your Company has received notices from Member(s) proposing their appointment and requisite proposals seeking your approval for the appointment of these Directors form part of the Notice of the ensuing AGM. Your Board recommends these proposals for approval of the Shareholders.

Declaration of independence from Independent Directors

In terms of Section 149 of the Act and Regulation 16 (1) (b) of the Listing Regulations, Mr. R Gopalan, Mr. Adesh Kumar Gupta, Mr. Piyush Pandey, Mrs. Alicia Yi, Mr. Sasha Mirchandani and Mr. Vivek Mehra are Independent Directors of the Company.

The Company has received the following declarations from all the Independent Directors confirming that:

- they meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedules and Rules issued thereunder, as well as of Regulation 16 (1) (b) of the Listing Regulations.
- in terms of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, they have registered themselves with the Independent Director's database maintained by the Indian Institute of Corporate Affairs.
- in terms of Regulation 25(8) of the Listing Regulations, they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

In terms of Regulation 25(9) of the Listing Regulations, based on the declarations from Independent Directors, the Board of Directors has ensured the veracity of the disclosures made under Regulation 25(8) of the Listing Regulations by the Independent Directors of the Company.

Number of meetings of the Board

During the financial year 2020-21, the Board of Directors met 9 (Nine) times. The details of the meetings of the Board of Directors of the Company convened and attended by the Directors during the financial year 2020-21 are given in the Corporate Governance Report which forms part of this Annual Report.

Retirement by rotation

In accordance with the provisions of Section 152 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, Mr. Ashok Kurien, Non-Executive Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible has offered himself for re-appointment. Your Board recommends his re-appointment. A resolution seeking shareholders' approval for his re-appointment along with other required details form part of the AGM Notice.

The Managing Director & CEO and Independent Directors of the Company are not liable to retire by rotation.

II. Key Managerial Personnel

Key Managerial Personnel of the Company as on March 31, 2021 comprised of Mr. Punit Goenka, Managing Director & CEO, Mr. Rohit Kumar Gupta, Chief Financial Officer and Mr. Ashish Agarwal, Chief Compliance Officer & Company Secretary.

12. PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and Listing Regulations, the evaluation of annual performance of the Directors, Board and Board Committees was carried out for the financial year 2020-21. The details of the evaluation process are set out in the Corporate Governance Report is annexed to this Annual Report.

Performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated in a separate meeting of Independent Directors.

Further, at the board meeting, followed by the meeting of the independent directors, the performance of the Board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

13. BOARD COMMITTEES

In compliance with the requirements of Act and Listing Regulations, your Board has constituted various Board Committees including Audit Committee, Risk Management Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. Details of the constitution of these Committees are available on the website of the Company at www.zee.com. Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members therein form part of the Corporate Governance Report annexed to this report.

14. AUDITORS

Statutory Audit

At the 35th Annual General Meeting held on July 12, 2017, the Shareholders had approved the appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountants having Firm Registration No. 117366W/W-100018 as Statutory Auditors of the Company until the conclusion of 40th AGM to be held in the year 2022 subject to ratification by the Shareholders every year. Pursuant to the amendment to Section 139 of the Act, with effect from May 7, 2018, the requirement of seeking Shareholders' ratification for continuance of Statutory Auditor at every AGM is no longer applicable and accordingly, the Notice of ensuing AGM does not include the proposal for seeking Shareholders' ratification for continuance of Statutory Auditors.

The Statutory Audit Report of M/s Deloitte Haskins & Sells LLP, Chartered Accountants do not contain any qualification, reservation or adverse remarks on Standalone Audited Financial Results of the Company for the financial year 20-21.

Further, the Auditors' qualification in respect of modified opinion on Consolidated Audited Financial Results has been dealt with in Note no. 36 of the Notes to the consolidated audited financial statements. The matter is subjudice relating to a dispute in an overseas subsidiary of the Company. The Auditors' Report is enclosed with the financial statements in the Annual Report.

Secretarial Audit

During the year under review, M/s. Vinod Kothari & Co., Company Secretaries (Firm Registration No. P1996WB042300) were appointed as Secretarial Auditors to conduct the Secretarial Audit of your Company for the financial year ended March 31, 2021. The unqualified Secretarial Audit report is annexed to this Annual Report as **Annexure E**.

Further, pursuant to the provisions of Regulation 24A read with SEBI Circular no. CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Secretarial Compliance Report, issued by Secretarial Auditors of the Company, confirming that the Company had complied with all applicable SEBI Regulations/circulars/guidelines during the financial year ended March 31, 2021, was filed with the stock exchanges and is annexed to this report as **Annexure F**. The remarks provided in these reports are self-explanatory.

Cost Audit

In compliance with the provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, M/s. Vaibhav P Joshi & Associates, Cost

Accountant, (Firm Registration No. 101329) was appointed as Cost Auditor to conduct the Audit of Cost Records of the Company for financial year 2020-21. Requisite proposal for ratification of remuneration payable to the Cost Auditor for FY 2020-21 by the Members as required under the Rule 14 of Companies (Audit and Auditors) Rules, 2014, forms part of the Notice of ensuing AGM.

The Company has maintained cost accounts and records in accordance with the provisions of Section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

15. HUMAN RESOURCES & PARTICULARS OF EMPLOYEES

Human Capital is the most precious asset for us. In a business of entertainment, where our creative boundaries are pushed every day, balanced teams have allowed us to continue to spot new opportunities, engage with our employees who we consider as our partners in a value-creating manner. The ideas which people bring to the table are priceless and we over-invest in ensuring that our workplace offers the most conducive environment to enhance this process of transforming ideas into extraordinary stories.

The organization has embarked on a journey to win in the new evolved market construct through a strategic roadmap for Zee 4.0. This has created a new version of the Company through restructuring of organization by Aggregating Content Creation, Integrating Digital assets, Streamlining International business, Integrating Revenue & Monetization Teams, A new platform for movies, the Music business. These businesses will be supported by corporate teams covering HR, Finance, Investor Relations, Procurement, Legal, Secretarial, Regulatory, Technology, Data and Corporate Communications that will be organized horizontally. The strategic restructuring will leverage the collective experience and expertise of the leadership team from diverse consumer segments, helping us immensely in achieving our set goals for the future. Furthermore, Success of ZEE 4.0 also requires realignment of the internal ecosystem through a series of initiatives under organization transformation built on the bedrock of 4 fountainheads viz. - Exponential thinking, Relentless Focused execution, Seamless collaboration, Hunger for impact. The incredible efforts put in by the HR team has also been recognized industry wide with Zee bagging the prestigious title of "Best HR Team of the Year" and also being awarded the 1st Runner up position for "Excellence in Learning & Development" at the 6th edition of Business World People' HR Excellence Summit & Awards, 2021.

Our focus will be on reinventing our existing business models, with a sharp focus on maximizing our core, expanding into adjacent spaces and exploring new areas of business. We will furthermore strengthen this by focusing on the 9 key anchors viz. Culture, Collaboration, Capability, Leadership, Performance & Rewards, Communication, Employee Experience, Diversity & Employer Brand which will help align to the goals of Zee 4.0. As on March 31, 2021, your Company had 3,338 employees.

Requisite disclosures in terms of the provisions of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with statement showing names and other particulars of employees drawing remuneration in excess of the limits prescribed under the said rules is annexed to this report as **Annexure D**.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company is into the business of Broadcasting of General Entertainment Television Channels and extensively uses world class technology in its Broadcast Operations. However, since this business does not involve any manufacturing activity, most of the Information required to be provided under Section 134(3) (m) of the Act read with the Companies (Accounts) Rules, 2014, are Nil / Not applicable. The information, as applicable, are given hereunder:

Conservation of Energy: Your Company, being a service provider, requires minimal energy consumption and every endeavor is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible.

Technology Absorption: Your Company has now evolved into a globally dispersed media engine which revolves around use of most advanced technologies. The developments during the last year have completely transformed the media architecture which now revolves around the use of cloud-based interfaces and use of remote access to manage content, channels and delivery networks. The architecture now uses massively redundant storage and access architectures to make the entire operations highly resilient and assure continuity of services, customer interaction and revenues. A major addition to the Man Machine Interface has been to add analytics and customer interfaces to the media machine, assuring deliveries of curated customer preferred content based on well proven models. The new technology model has been well validated during the continuing COVID-19 crisis with serious impairments in physical access as well as constraining of content inputs without affecting the deliverables globally. Your organization achieved end to end digital transformation and automation of content supply chain and operations which empowered linear and digital platform business continuity and access to entertaining content by consumers during lockdown. Your organization adopted next generation modern cloud based creative collaboration, editing, content review solutions to create entertaining content remotely.

Foreign Exchange Earnings & Outgo: During the financial year 2020-21, the Company had Foreign Exchange earnings of ₹ 4,828 million and outgo of ₹ 1,584 million.

17. DISCLOSURES

- i. **Particulars of loans, guarantees and investments:** Particulars of loans, guarantees and investments made by the Company as required under Section 186 (4) of the Act and the Listing Regulations are contained in Note No. 38 to the Standalone Financial Statements.
- ii. **Transactions with Related Parties:** All contracts/arrangements/transactions entered by the Company during the financial year with related parties were on an arm's length basis, in the ordinary course of business and in compliance with the applicable provisions of the Act, Listing Regulations and Policy on dealing with and materiality of Related Party Transactions. During FY 2020-21, there were no material Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons which may have a potential conflict with the interest of the Company at large.

All related party transactions, specifying the nature, value, terms and conditions of the transactions including the arms-length justification, were placed before the Audit Committee for its approval and statement of all related party transactions carried out was placed before the Audit Committee for its review on a quarterly basis. During the year under review, there have been no material related party transactions entered into by the Company as defined under Section 188 of the Act and Regulations 23 of the Listing Regulations and accordingly, no transactions are required to be reported in Form AOC-2 as per Section 188 of the Act.

- iii. **Risk Management:** Your Company has well-defined operational processes to ensure that risks are identified and the operating management is responsible for identifying and implementing the mitigation plans for operational and process risks. Key strategic and business risks are identified and managed by senior management team with active participation of the Risk Management Committee. The risks that matter and their mitigation plans are updated and reviewed periodically by the Risk Management Committee of your Board and integrated in the Business plan for each year. The details of constitution, scope and meetings of the Risk Management Committee forms part of the Corporate Governance Report. In the opinion of the Board, currently, there are no risks that may threaten existence of the Company.

iv. **Vigil Mechanism:** The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees, in confirmation with Section 177(9) of the Act and Regulation 22 of Listing Regulations, to report concerns about unethical behavior. The details of the policy have been disclosed in the Corporate Governance Report, which form part of this Annual Report and is also available on website of the company at www.zee.com.

v. **Internal Financial Controls and their adequacy:** Your Company has adequate internal financial controls and processes for orderly and efficient conduct of the business including safeguarding of assets, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The Audit Committee evaluates the internal financial control system periodically and at the end of each financial year and provides guidance for strengthening of such controls wherever necessary. As part of Enterprise Risk Assessment and Internal Control evaluation, with a view to enhance related effectiveness of control, your Company has confirmed that its systems and processes for film acquisition are operating effectively. During the year under review, no fraud has been reported by the Auditors to the Audit Committee or the Board.

vi. **Compliance with Secretarial Standards:** Your Company has complied with the applicable Secretarial Standards, issued by the Institute of Company Secretaries of India, relating to Board Meetings and General Meetings.

vii. **Deposits & Unclaimed Dividend/Shares:** Your Company has not accepted any public deposit under Chapter V of the Act.

During the year under review, in terms of the applicable provisions of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time ('IEPF Rules'), unclaimed dividend declared by the Company for financial year 2012-13 aggregating to ₹ 2.49 million was transferred to Investors Education and Protection Fund.

Further, during the year under review, in compliance with the requirements of IEPF Rules, your Company had transferred 108,778 Unclaimed Equity Shares of ₹ 1 each to the beneficiary account of IEPF Authority.

The said Unclaimed Dividend and/or Unclaimed Equity Shares can be claimed by the Shareholders from IEPF authority after following process prescribed in IEPF Rules. During FY 2020-21, an aggregate of 3,499 Unclaimed Equity Shares of the Company were re-transferred by the IEPF Authority to the beneficiary accounts of respective Claimants, upon specific refund claims and completion of verification process by the Company and IEPF Authority.

viii. **Annual Return:** Pursuant to the amended provisions of Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, Annual Return in Form MGT-7 is available on website of the Company at www.zee.com.

ix. **Sexual Harassment:** Your Company is committed to provide safe and conducive working environment to all its employees (permanent, contractual, temporary and trainees etc.) and has zero tolerance for sexual harassment at workplace. In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder, your Company has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace and has constituted Internal Complaints Committee across various locations to redress complaints received regarding sexual harassment.

During the year under review, one complaint was received by the Company and was investigated in accordance with the procedure and resolved.

Hence, no complaint is pending at the end of financial year 2020-21.

- x. **Regulatory Orders:** No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and operations of the Company in future.
- xi. Managing Director of the Company doesn't receive any remuneration or commission from any of its subsidiaries.

18. RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, in relation to the Annual Accounts for the financial year 2020-21, your Directors confirm that:

- (a) The Annual Accounts of the Company have been prepared on a going concern basis;
- (b) In the preparation of the Annual Accounts, the applicable accounting standards had been followed and there is no material departures;
- (c) The accounting policies selected were applied consistently and the judgments and estimates related to these annual accounts have been made on a prudent and reasonable basis, so as to give a true and fair view of the state of affairs of the Company as on March 31, 2021, and, of the profits of the Company for the financial year ended on that date;
- (d) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, to safeguard the assets of the Company and to prevent and detect any fraud and other irregularities;

(e) Requisite internal financial controls to be followed by the Company were laid down and that such internal financial controls are adequate and operating effectively; and

(f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

19. ACKNOWLEDGEMENTS

Employees are vital and most valuable assets of your Company. Your Directors value the professionalism and commitment of all employees of the Company and place on record their appreciation of the contribution and efforts made by all the employees in ensuring excellent all-round performance. Your Board also thank and express their gratitude for the support and co-operation received from all stakeholders including viewers, producers, customers, vendors, advertising agencies, investors, bankers and regulatory authorities.

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

Vivek Mehra
Director

Place: Mumbai
Date: May 20, 2021

ANNEXURE 'A' TO DIRECTORS' REPORT

Statement containing salient features of the financial statement of subsidiaries/associates/joint ventures as per the Companies Act, 2013 for the year ended 31 March 2021
Part 1: Subsidiaries

Name of the subsidiary	Date of Acquisition	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (Other than Subsidiary)	Turnover	Profit / (Loss) before Taxation	Provision for taxation	Profit / (loss) after taxation	Proposed Dividend	Mode and % of shareholding
													(₹ Millions)
Zee Network Distribution Limited *	31-Dec-01	INR	1	53	54	-	25	-	231	0	231	-	100%
Zee Studios Limited (Formerly Essel Vision Productions Limited)	10-Sep-10	INR	130	576	3,559	2,853	-	2,752	(864)	(71)	(793)	-	100%
ZEE Digital Convergence Limited *	23-Sep-04	INR	1	(22)	41	62	-	6	(1)	0	(1)	-	100%
Zee Unimedia Limited *	1-Apr-16	INR	1	24	28	3	-	2	2	1	1	-	100%
Mango Networks Private Limited	17-Apr-17	INR	1	349	1,361	1,011	-	1	(370)	(108)	(262)	-	80%
Fly-by-Wire International Private Limited	14-Jul-17	INR	20	73	462	369	-	323	(63)	(17)	(36)	-	51%
India Webportal Private Limited *	10-Dec-10	INR	1	(2)	5	6	-	-	(0)	-	(0)	-	100%
Idea Shopweb and Media Private Limited	1-Oct-15	INR	0	(17)	1	18	-	8	(2)	-	(2)	-	51.04%
Zee Multimedia Worldwide (Mauritius) Limited	10-Jun-11	USD	4.63	2,040	6,204	1	-	-	31	3	28	-	100%
Zee TV USA Inc. \$	30-Sep-99	USD	-	-	-	-	-	-	-	-	-	-	100%
Asia TV Limited & OOO Zee CIS Holding LLC **	30-Sep-99	GBP	1,660	(300)	3,132	1,772	-	641	22	0	22	-	100%
OOO Zee CIS LLC **	6-Feb-09	RUB	-	-	-	-	-	-	-	-	-	-	100%
Asia Multimedia Distribution Inc. **	26-Feb-09	RUB	0	22	35	13	-	22	9	2	7	-	100%
Zee TV South Africa (Proprietary) Limited**	26-May-14	CAD	0	(30)	363	393	-	219	(80)	5	(85)	-	100%
Asia TV USA Limited**	30-Sep-99	ZAR	0	(93)	305	398	-	114	68	-	68	-	100%
ATL Media Ltd (Formerly known as Asia Today Limited)	9-Nov-15	USD	0	(1,023)	1,671	2,694	-	1,266	58	(26)	84	-	100%
Expand Fast Holdings (Singapore) Pte Limited ^	31-Mar-00	USD	0	9,883	15,903	6,020	-	3,914	(1,895)	(1)	(1,894)	-	100%
Taj TV Limited ^	30-Sep-99	USD	5	150	155	-	-	1	0	-	0	-	100%
Asia Today Limited (Formerly known as Zee Multimedia (Maurice) Limited) ^	22-Nov-06	USD	286	1,083	1,434	65	-	-	(3)	0	(3)	-	100%
Asia Today Singapore Pte Limited & Zee Technologies (Guangzhou) Limited & Zee Entertainment Middle East FZ-LLC & ATL Media FZ-LLC & Zee Studio International Limited ^	19-Jan-06	USD	7	469	12,496	12,020	-	7,201	1,494	33	1,461	-	100%
Z5X Global FZ - LLC & Asia TV GmbH ** @	30-Dec-15	USD	73	33	248	142	2	646	35	5	30	-	100%
Pantheon Production Limited	11-Jul-06	YUAN	-	-	-	-	-	3	84	2	82	-	100%
Asia Today Media ** Held through Asia Today Limited & Held through ZMWL (dissolved w.e.f 1 May, 2020) @ under liquidation w.e.f 31 January 2021	4-Sep-05	AED	50	1,884	2,128	194	-	1,437	485	-	485	-	100%
Asia Today Vision Productions Limited	12-Feb-14	AED	1	48	1,261	1,212	-	406	161	-	161	-	100%
Asia Today Vision Productions Limited	20-Mar-17	CAD	0	(99)	1	100	-	36	(5)	-	(5)	-	100%
Asia Today Vision Productions Limited	20-Dec-16	AED	1	(2,961)	1,795	4,755	8	622	(790)	-	(790)	-	100%
Asia Today Vision Productions Limited	21-Mar-16	EUR	1	19	29	9	-	97	2	0	2	-	100%
Asia Today Vision Productions Limited	29-Mar-18	CAD	0	(13)	1	14	-	-	(12)	-	(12)	-	100%

Part 2: Associates and Joint Venture
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associates and Joint Ventures

Name of Associates/ Joint Ventures	Date of Acquisition	Latest audited balance sheet Date	Numbers	Amount of Investment in Associates/Joint Venture	Extent of Holding %	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / (loss) for the year	Description of how there is significant influence	Reason why associate/ joint venture is not consolidated
						Consolidated in Consolidation	Not Consolidated in Consolidation		
Asia Today Thailand Limited	05-May-14	31-Mar-21	10,000	2	25%	4	0	Refer Note A	-
Media Pro Enterprises India Private Limited	29-Jun-11	31-Mar-21	25,00,000	25	50%	16	(1)	Refer Note B	-

Note A : There is significant influence due to percentage (%) of Share Capital
Note B : There is joint control by virtue of Joint Control Agreement

Place: Mumbai
Date: 20 May 2021

For and on behalf of the Board of Directors
Vivek Mehra
Director

Punit Goenka
Managing Director & CEO



ANNEXURE 'B' TO DIRECTORS' REPORT

Disclosures as required under Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014:

Sr No.	Particulars	Details
1	Relevant disclosures in terms of the Guidance Note on Accounting for employees share-based payments issued by ICAI or any other relevant Accounting Standards as prescribed from time to time.	Refer Note 16d of standalone financial statements for the financial year ended March 31, 2021 for details.
2	Diluted EPS on issue of shares pursuant to all the Schemes covered under the regulations shall be disclosed in accordance with Accounting Standard 20 – Earning Per Share issued by ICAI or any other relevant accounting standards as prescribed from time to time.	Diluted EPS as per Indian Accounting Standards-33 is ₹ 11.67 (Refer Note No. 43 of Standalone financial statements for details).
3	Details relating to ESOS	
i	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS including:	Presently the Company has only one Employee Stock Option Scheme, namely ZEE ESOP Scheme 2009, which was amended on October 25, 2016 to align the Scheme in line with the requirements of Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations, 2014 and to provide flexibility to the Nomination & Remuneration Committee for determination of exercise price.
	a) Date of Shareholders approval	August 18, 2009
	b) Total No. of Options approved under ESOP	21,700,355 Stock Options which were later enhanced to 43,400,710 in view of Bonus issue in 2010 in the ratio of 1:1.
	c) Vesting Requirements	Options granted under ZEE ESOP Scheme 2009 would vest not less than one year and not more than five years from the date of grant of such options. Vesting of options would be subject to continued employment with the Company and /or its Subsidiary companies and thus the options would vest on passage of time. In addition to this, the Nomination & Remuneration Committee may also specify certain performance parameters subject to which the options would vest. The specific vesting schedule and conditions subject to which vesting would take place would be outlined in the document given to the option grantee at the time of grant of options.
	d) Exercise Price or pricing formula	The exercise price shall be equal to the closing market price on the day previous to the grant date or such other price (minimum being the value equivalent to face value of ₹ 1 per equity share) as may be decided by the Nomination & Remuneration Committee.
	e) Maximum term of Options granted	Options granted under ESOP 2009 shall be capable of being exercised within a period of four years from the date of Vesting of the respective Employee Stock Options.
	f) Source of shares (primary, secondary or combination)	Primary
	g) Variation in terms of Options	None
ii	Method used to account for ESOS – Intrinsic or Fair value	Fair Value
iii	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Not Applicable as the Company has accounted for the Stock Option at Fair Value using the Black-Scholes-Merton Model based on assumptions detailed in Note No. 16d to the Notes to standalone financial statements for FY 2020-21.

Sr No	Particulars	Details
iv	Option movement during the year	
	Number of options outstanding at the beginning of FY 20-21	36,185
	Number of Options granted during FY 20-21	Nil
	Number of options forfeited / lapsed during FY 20-21	Nil
	Number of options vested during FY 20-21	21,240
	Number of options exercised during FY 20-21	21,240
	Number of shares arising as a result of exercise of options	21,240 Equity shares
	Money realized by exercise of options (₹), if scheme is implemented directly by the company	₹ 21,240
	Loan repaid by the Trust during the year from exercise price received	Not Applicable
	Number of options outstanding at the end of FY 20-21	14,945
	Number of options exercisable (vested) at the end of FY 20-21	Nil
v	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	-
vi	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to (a) Senior Managerial Personnel; (b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and (c) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Not Applicable
vii	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information viz. (a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model; (b) the method used and the assumptions made to incorporate the effects of expected early exercise; (c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and (d) whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	Refer Note No. 16d to the Notes to standalone financial statements for FY 2020-21 for description of method and significant assumptions used to estimate fair value of Options granted during FY 20-21.

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

Vivek Mehra
Director

Place: Mumbai
Date: May 20, 2021



ANNEXURE 'C' TO DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility ('CSR') – FY 2020-21

1	Brief outline on CSR Policy of the Company.	Pursuant to Section 135 of the Companies Act, 2013, the Board had approved a CSR Policy, on recommendation of CSR Committee, with primary focus on Women Empowerment, Protection and Preservation of our Arts, Crafts, Culture, National Heritage & Monuments, Disaster Relief & Recovery, Integrated Rural Development and Initiatives to improve public health through food quality. Besides these focus areas, the Company shall also undertake other CSR activities listed in Schedule VII to the Companies Act, 2013.			
2.	Composition of CSR Committee				
Sl. No.	Name of Directors	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year	
1	Mr. Ashok Kurien	Non-Executive Director	3	3	
2	Mr. Punit Goenka	Managing Director & CEO	3	3	
3	Mr. Piyush Pandey	Independent Director	3	3	
3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	www.zee.com			
4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable			
5	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable					
6	Average net profit of the company as per Section 135(5)	₹ 24,959 million			
7	(a) Two percent of average net profit of the company as per Section 135(5)	₹ 499.18 million			
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil			
	(c) Amount required to be set off for the financial year, if any	Nil			
	(d) Total CSR obligation for the financial year (7a+7b-7c)	₹ 499.18 million			

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year. (in ₹ million)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount (in ₹ million)	Date of transfer	Name of the Fund	Amount	Date of transfer
403.14	96.90	April 29, 2021			Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(₹ million)
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹ million).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ million).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Agency	CSR Registration number.
				State.	District.						
1.	Indian Administrative Fellowship	Rural Development Project	Yes	Various Districts of Karnataka	3 years	132.10	35.20	96.90	No	Nudge Life Skills Foundation	CSR 000 00180
TOTAL						132.10	35.20	96.90			



(c) Details of CSR amount spent against other than ongoing projects for the financial year

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project. State. District.	Amount spent for the project (in ₹ Million).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	Name. CSR registration number.
1.	Ex-Gratia Relief to Daily Wage Earners working with various production houses, as one-time relief contribution	Disaster management, including relief, rehabilitation and reconstruction activities	Yes	Pan India	53.68	Yes	NA	NA
2.	Contribution to PM CARES Fund	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	Yes	Pan India	4.54	Yes	NA	NA
3.	Key health care initiatives to battle the COVID-19 Pandemic	Promoting health care including Preventive health care	Yes	Pan India	59.63 212.97	Yes No	NA Give Foundation	NA CSR0000 0389
4	Infrastructure Development & Girl Child Education	Promoting education and rural development projects	Yes	Karnataka/ Gadag District	33.20	No	Prashanthi Bala Mandira Trust	CSR000 00226
Total					364.02			

(d) Amount spent in Administrative Overheads – ₹ 3.92 million

(e) Amount spent on Impact Assessment, if applicable – Not Applicable

(f) Total amount spent for the financial year (8b+8c+8d+8e)* – ₹ 500.04 million

(g) Excess amount for set off, if any –

Sl. No.	Particular	Amount (in ₹ million)
(i)	Two percent of average net profit of the Company as per Section 135(5)	499.18
(ii)	Total amount spent for the financial year* (Amount spent for the financial year ₹ 403.14 million + ₹ 96.90 million, allocated for the ongoing project as mentioned in point no. 8(a)(b) of this Annual Report and had been transferred to 'the Unspent CSR Account for FY 2020-21')	500.04
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.86
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.86

*Includes an amount of ₹ 96.90 million earmarked for ongoing projects transferred to Unspent CSR Account in terms of Section 135(6) of the Companies Act, 2013, for the financial year 2020-21.

9. (a) Details of Unspent CSR amount for the preceding three financial years

Sl. No.	Preceding financial year.	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting financial year (in ₹).	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.	Amount remaining to be spent in succeeding financial years. (in ₹)	
				Name of the Fund	Amount (in ₹).	Date of transfer.
Not Applicable						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting financial year (in ₹).	Cumulative amount spent at the end of reporting financial year. (in ₹)	Status of the project - Completed /Ongoing.
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.

Sl. No.	Particular	Amount (in ₹ million)
A	Date of creation or acquisition of the capital asset(s)	
B	Amount of CSR spent for creation or acquisition of capital asset.	
C	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
D	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) – Not Applicable.

For and on behalf of the Board
Ashok Kurien
Chairman - CSR Committee

Punit Goenka
Managing Director & CEO

Place : Mumbai
Date : May 20, 2021

ANNEXURE 'D' TO DIRECTORS' REPORT

Disclosure of Managerial Remuneration pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase during the financial year, ratio of remuneration of Directors to the Median remuneration of employees and comparison of remuneration of each KMP against Company's standalone performance:

Name of Director/ Key Managerial Person	Remuneration (₹ million)	% increase in Remuneration*	Ratio of Directors remuneration to Median remuneration
Non-Executive Directors \$			
Mr. Subhash Chandra (resigned w.e.f. August 18, 2020)	2.06	NA	1.73:1
Mr. Ashok Kurien	5.37	-	4.53:1
Mr. Manish Chokhani	5.37	-	4.53:1
Mr. Adesh Kumar Gupta	5.37	-	4.53:1
Mr. R Gopalan	5.37	NA	4.53:1
Mr. Piyush Pandey	5.37	NA	4.53:1
Ms. Alicia Yi (appointed w.e.f. April 24, 2020)	5.03	NA	4.24:1
Mr. Sasha Mirchandani (appointed w.e.f. December 24, 2020)	1.44	NA	1.21:1
Mr. Vivek Mehra (appointed w.e.f. December 24, 2020)	1.44	NA	1.21:1
Executive Director			
Mr. Punit Goenka	131.68	46%	110.97:1
Key Managerial Personnel			
Mr. Rohit Kumar Gupta	26.11	-	NA
Mr. Ashish Agarwal	13.76	NA	NA

Note:

\$ Non-Executive Directors remuneration represents Commission payable for FY 2020-21.

*% Increase in Remuneration is not applicable for the Directors and KMP who are appointed/resigned during the financial years 20-21 and 19-20.

Sr	Requirement	Disclosure
1	The Percentage increase in median remuneration of employees in FY 20-21	3.2%
2	Number of permanent employees on the rolls of the Company	3,338
3	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	We follow a market benchmarking process to determine the salary increments across all levels of the Company – for employees as well as for managerial personnel. Given the pandemic most companies did not do a salary increase. In fact, a large number of companies opted to reduce the compensation for their employees, anywhere in the range of 15 – 50%. In light of this framework, we decided not to do any increments for FY20-21 for employees. The average annual increase in the salaries of employees during the year was 0%. In case of Managerial personnel, on completion of the pending benchmarking exercise by a leading global consulting company and as per their advice, the Nomination & Remuneration Committee finalized the revised remuneration framework for the MD & CEO which was implemented with the approval of the Board. It resulted in a 46% increase in managerial compensation.
4	Affirmation that the remuneration is as per the remuneration policy of the Company	The Company affirms that the remuneration is as per the remuneration policy of the Company.

B. Disclosures relating to remuneration drawn by employees in terms of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Employed throughout the year and in receipt of remuneration aggregating ₹ 1.02 crore or more per annum.

Sr. No.	Name	Age	Designation	Remuneration Total (₹)	Qualification	Exp in Yrs	Date of Joining	Last Employment
1	Sachin Rumde	44	Head - Operations	1,22,15,642	BE, MMS	21	01-Jun-00	NA - Joined as Management Trainee
2	Siju Prabhakaran	46	Cluster Head - South	1,94,52,980	B.Tech., MBA	21	27-Sep-04	UTV Software Communications Limited (Hungama TV)
3	Punit Goenka	45	Managing Director & CEO	13,16,77,750	B.Com.	23	01-Apr-98	ASC Enterprise Limited
4	Anurag Bedi	43	Chief Business Officer - Zee Music	2,12,46,514	2nd Mates License in Nautical Sciences	20	05-Feb-07	Star India Private Limited
5	Anuradha Gudur	52	Business Head - Zee Telugu	1,08,36,016	BA, MA-Mass Communication	14	01-Apr-07	Gemini Television Limited
6	Sayed Ali Zainul Abedeen Zaidi	48	Principal Cluster Head - Sales	1,21,48,199	B.Com.	25	17-Aug-07	Star India Private Limited
7	Vishnu Shankar	42	Cluster Head - & TV & Music Channels	1,06,82,820	B.Com.	20	18-Feb-10	Zoom Television
8	Bavesh Ramdas Janavlekar	45	Business Head - Zee Talkies	1,10,56,986	B.Com., MMS	23	21-Sep-10	Next Radio Limited
9	Samrat Ghosh	43	Cluster Head - East	1,60,11,458	B.Sc., PGDBA	21	01-Oct-10	Tata Infomedia Limited
10	Aparna Bhosle	48	Business Head, ZEE TV & FTA GEC	1,11,66,988	BA, MBA	25	01-Apr-14	Zee Learn Limited
11	Raghavendra Hunsur	35	Business Head, Zee Kannada	1,32,25,539	B.A.	17	05-May-14	ETV KANNADA
12	Sujoy Sen	57	Head - DTH Revenue, Affiliate Sales	1,50,54,715	B.Sc., PGDBM	34	01-May-16	Mediapro Enterprise India Private Limited
13	Atul Das	53	Chief Revenue Officer - Affiliates Sales	2,63,93,957	B.Com., MMS	28	01-May-16	Taj Television India Private Limited
14	Punit Misra	50	President - Content and International Markets	10,57,23,584	BE, PGDBM	25	01-Oct-16	Hindustan Unilever Limited
15	Prathyusha Agarwal	43	Chief Consumer Officer	1,62,43,958	B.Tech., PGDM	20	25-Jan-17	Tata Unistore Limited
16	Umesh Kumar	39	Head - Special Projects	1,11,84,471	B.Tech., MBA	15	01-Apr-17	Essel Corporate Resources Private Limited
17	Yubaraj Bhattacharya	53	Head - Programming (Fiction), Zee TV	1,08,36,634	B.Sc., ICWA	26	02-May-17	ALT Digital Media Entertainment Limited
18	Amit Shah	44	Cluster Head - West, North & Premium Channels	1,26,83,430	BE, MMS	20	02-Apr-18	Mondelez International, Inc.
19	Archana Anand	48	Chief Business Officer - Zee5 Global	1,35,51,831	B.Sc., MBA	24	01-Apr-18	OnMobile Global Limited
20	Rohit Chadda	38	CEO - Digital Publishing	1,63,91,254	PGDM	14	01-Apr-18	Zee Digital Convergence Limited



Sr. No.	Name	Age	Designation	Remuneration Total (₹)	Qualification	Exp in Yrs	Date of Joining	Last Employment
21	Ashish Sehgal	51	Chief Growth Officer - Ad Sales	3,45,24,247	B.Com., LLB	28	01-Apr-18	Zee Unimedia Limited
22	Laxmi Shetty	52	Chief Sales Strategy & Maximisation Officer	2,33,79,399	B.Sc.; Diploma in Computer Science Diploma in Marketing Management; Diploma in Statistics; Diploma in Analytics	31	1-Apr-18	Zee Unimedia Limited
23	Rajneesh Gupta	47	Executive Cluster Head - Sales	1,20,23,371	B.Com., MBA	23	01-Apr-18	Zee Unimedia Limited
24	Harpreet Singh Mamick	44	Executive Cluster Head - Sales	1,04,59,975	B.Com., MBA	20	01-Apr-18	Zee Unimedia Limited
25	Rahul Sharma	51	Executive Cluster Head - Sales	1,04,44,996	B.Sc. (Electronics), PGDM	27	01-Apr-18	Zee Unimedia Limited
26	Sanjoy Chatterjee	54	Principal Cluster Head - Sales	1,51,79,694	B.Com.	31	01-Apr-18	Zee Unimedia Limited
27	Gunjarav Nayak	45	Principal Cluster Head - Sales	1,54,35,004	B. Com., PGDBM	21	01-Apr-18	Zee Unimedia Limited
28	Rajnish Gupta	46	Principal Cluster Head - Sales	1,18,11,819	B.Com., MBA	26	01-Apr-18	Zee Unimedia Limited
29	Monali Ghosh	48	Executive Cluster Head - Sales	1,12,74,381	MA, MMM	25	01-Apr-18	Zee Unimedia Limited
30	Vijay Sanil	43	President - Sales	1,74,78,644	B.Sc., PGDBM	21	01-Apr-18	Zee Unimedia Limited
31	Pankaj Mehra	45	Executive Cluster Head - Sales	1,04,18,900	B.Com., PGDBM	23	01-Apr-18	Zee Unimedia Limited
32	Animesh Kumar	52	President, HR & Transformation	2,58,00,571	BA, PGDPM	28	23-Jul-18	Future Retail Limited
33	Rohit Kumar Gupta	51	President, Finance and Investor Relations	2,61,05,984	B.Com., CA	28	27-Aug-18	Chaudhary Group (Telecom & Mobiles)
34	Mudunuri Srinivasa Chaitanya	43	Head - Innovation	1,21,58,102	B.Tech. (CSE), MBA - University of Oxford	22	01-Nov-18	Ray Business Technologies Private Limited (Raybiztech)
35	Ujjayini Mitra	39	Head Data Scientist	1,40,06,857	MS in Quantitative Economics, ISI Kolkata	13	01-Nov-18	Viacom 18 Media Private Limited
36	Sunita Radhesh Uchil	52	Chief Business Officer	1,26,95,399	B.A., PGDA&PR	29	01-Apr-19	ATL Dubai
37	Ashish Ramesh Agarwal	47	Chief Compliance Officer & Company Secretary	1,37,58,087	FCS, LLB, DLL	23	26-Nov-19	EUSU Logistics India Private Limited
38	Mukund Venkatesh Galgali	47	Chief - Strategic Initiatives	2,09,31,661	B.Com., FCA, ACS	25	01-Dec-19	Essel Corporate LLP
39	Rahul Maroli	42	Senior Vice President & Head - SVOD	1,36,98,123	MBA	19	02-Mar-20	ANI Technologies Private Limited
40	Vikas Somani	42	Head - M & A and Business Development	1,41,50,001	MBA, CA	17	01-Dec-19	Essel Corporate LLP
41	Shariq Patel	49	Chief Business Officer - Zee Studios	2,19,83,988	PGDBA	24	07-May-18	Trigno media Private Limited

2. Employed for part of the year and in receipt of remuneration aggregating ₹ 8.5 lakh or more per month.

Sr. No.	Name	Age	Designation	Remuneration Total (₹)	Qualification	Exp in Yrs	Date of Joining	Date of Leaving	Last Employment
1	Manish Seth	42	Executive Cluster Head - Sales	27,07,169	PGDMM	21	01-Apr-18	30-Jun-20	Zee Unimedia Limited
2	Tarun Katial	46	CEO - ZEE5 INDIA	3,72,03,630	B.Com., MBA	24	16-May-18	31-Dec-20	Reliance Broadcast Network Limited
3	Rajneel Kumar	45	Business Head Live / Music & Product Head	2,35,75,848	B.Com., MBA	21	07-Sep-18	21-Jan-21	Viacom 18 Media Private Limited
4	Taranjeet Singh	46	CRO Zee5 India & Business Head - New Projects	47,03,916	B.Com., PGDM	26	15-Oct-18	30-Apr-20	Twitter Communications India Private Limited
5	Viresh Dhaibar	59	Chief Legal Counsel - Affiliate Sales	1,37,36,960	M.Com., LLB, LLM, ACS, ACIS (UK)	38	01-Feb-19	31-Mar-21	Essel Business Excellence Services Limited
6	Subhadarshi Tripathy	46	Executive Vice President	17,70,528	Advance Diploma in Film Making	16	01-Apr-19	31-Mar-20	Zee Learn Limited
7	Rajiv Bakshi	45	Chief Operations Officer	44,96,101	B.Com.(Hons), MBA	21	09-Mar-21	-	Reliance Entertainment Private Limited
8	Deepti Devang Patel	38	Brand Lead, Zee TV	9,70,752	BMS, MMS	14	16-Sep-13	04-May-20	Network18 Media & Investments Limited
9	Deepti Sanjeev Sivan	45	Head - Commissioning	41,71,107	LLB, MBA	21	04-Jan-18	08-May-20	Hidden Gems International Film Festival
10	Ashok Narayanan Namboodiri	52	Chief Business officer - International business	21,68,847	B.Tech., MBA	25	19-Jan-21	14-Mar-21	Star India Private Limited
11	Aditi Vashisht	37	Head HR: Digital Platforms, Technology & Head Employee Engagement	25,25,887	BA, MBA	15	04-Feb-21	-	Saavn Media Private Limited
12	Shweta Pai	41	National Head - Sales	47,87,446	B.com., PGDM	17	01-Apr-18	08-Jun-20	NA - Joined as Management Trainee



Sr. No.	Name	Age	Designation	Remuneration Total (₹)	Qualification	Exp in Yrs	Date of Joining	Date of Leaving	Last Employment
13	Nimisha Pandey	38	Head Hindi Originals, ZEE5	21,58,290	BMM, PG Diploma	17	18-Jan-21	-	Netflix Entertainment Services India LLP
14	Fatema Abbas Contractor	48	Head - Programming, Rootz	26,70,266	BA	15	01-Apr-13	30-Jun-20	Annukapoor Films Private Limited
15	Shreyansh Kashyap Shukla	37	Lead - Network Market Research & Strategy	30,20,575	BE, MBA	13	24-Dec-12	30-Jun-20	TAM Media Research Private Limited
16	Raktimanu Das	50	Executive Cluster Head - Innovation Studio & Custom Content	38,10,922	M.Sc. and PGDMM	24	01-Apr-18	30-Jun-20	HT Media Limited
17	Gurbrinder Singh Bindra	56	COO, ZEE5	4,64,06,754	BE, MBA	21	01-Nov-20	-	Tagos Design Innovations Private Limited
18	Rahul Johri	54	President - Business, South Asia	3,29,63,893	B.Sc., MBA	30	01-Oct-20	-	Board of Control for Cricket in India (BCCI)
19	Manish Kalra	43	Chief Business Officer – ZEE5 India	1,74,55,809	BE, PGDBM	20	26-May-20	-	Independent Consultant
20	Gupte Aamod Anil	53	Senior Vice President - Legal	1,20,63,088	BA, LLB, PGDM	29	30-Jan-20	12-Feb-21	Eros International Media Limited
21	Rajeev Dhal	47	Chief Revenue Officer	1,25,76,716	B.Sc.	26	20-Apr-20	-	Smart Media4U Technology Pte. Limited

Notes :

- All appointments are contractual and terminable by notice on either side.
- Remuneration includes Salary, Allowances, Variable Pay, Company's Contribution to Provident Fund, Medical Benefits, Leave Travel Allowance & other Perquisites and benefits valued on the basis of Income-tax Act, 1961.

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

Vivek Mehra
Director

Place: Mumbai
Date : May 20, 2021

ANNEXURE 'E' TO DIRECTORS' REPORT**Form No. MR-3****SECRETARIAL AUDIT REPORT****For the financial year ended March 31, 2021**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Zee Entertainment Enterprises Limited,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Zee Entertainment Enterprises Limited (hereinafter called "the Company") for the financial year ended March 31, 2021 ["period under review"]. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the period under review, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place except to the extent stated hereunder.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period under review, according to the provisions of applicable law provided hereunder:

- The Companies Act, 2013 ('the Act') and the rules made thereunder including any reenactment thereof;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations');
 - The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares), 2013;
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018.
 - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;

6. Specific laws applicable to the industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:

- Policy Guidelines for Uplinking of Television Channels issued by the Ministry of Information & Broadcasting;
- Policy Guidelines for Downlinking of Television Channels issued by the Ministry of Information & Broadcasting;
- The Telecommunication (Broadcasting and Cable) Services Register of Interconnection Agreements and All Such Other Matters Regulations, 2019;
- The Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017 read with amendments;
- The Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) Regulations, 2017 read with amendments;
- The Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017 read with amendments;
- The Cable Television Networks (Regulation) Act, 1995 read with Amendments and the Cable Television Network Rules, 1994 read with amendments;

We have also examined compliance with the applicable clauses of the Secretarial Standard 1 and 2 issued by the Institute of Company Secretaries of India.

We report that during the period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above*:

*Note: In the Board meeting held on July 24, 2020, due to uncertainty of impact of COVID 19, the management had decided not to recommend any dividend on the equity shares of the Company, for the financial year ended March 31, 2020. Consequently, the prior intimation filed by the Company with the Stock Exchanges provided only for consideration of financial results. However, with a view to maintain the track of dividend paying company, the Board of Directors approved and recommended a token dividend of Rs. 0.30 per equity share. The Company had complied with the monetary stipulation as requested by National Stock Exchange of India Limited, in accordance with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020. The Company is awaiting confirmation on waiver from BSE Limited.

Recommendations as a matter of best practice:

In the course of our audit, we have made certain recommendations for good corporate practices to the compliance team, for its necessary consideration and implementation by the Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors#. The changes in the composition of the Board of Directors that took place during the period under review, were carried out in compliance with the provisions of the Act and other applicable laws.



#During the period under review, Mr. Subhash Chandra, Non-Executive, Non-Independent Director, whose office was liable to determine by retirement by rotation in terms of Section 152 (6) resigned with effect from August 18, 2020. The Board of Directors appointed Mr. Manish Chokhani as an Additional Director, Non-Executive, Non-Independent with effect from April 1, 2021 whose office will be liable to determine by retirement by rotation upon regularisation at the ensuing Annual General Meeting.

Adequate notice is given to all directors to hold the Board Meetings and Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were unanimous and there was no instance of dissent in Board or Committee Meetings.

We further report that there are adequate systems and processes in the Company, which commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under review, the Company has not undertaken any specific events/ actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., except as follows:

1. Issue of Equity Shares under ESOP Scheme:

During the period under review, the Company allotted 21,240 (Twenty One thousand Two hundred and Forty) Equity Shares of INR 1 each on April 23, 2020 in accordance with ZEEL ESOP Scheme 2009 (as modified in 2016).

2. Partial redemption of Listed Bonus Preference Shares:

The Company redeemed 20% of the nominal value of listed Preference Shares of Rs. 4/- each, i.e. redemption of Rs. 2/- per preference share, due at 7th anniversary of the issue of such Preference Shares on March 5, 2021;

Consequent to payment of 4th tranche of redemption amount, the outstanding issued, subscribed, and paid-up Preference Share Capital of the Company stands reduced from Rs. 8,06,77,69,248 comprising of 2,01,69,42,312 Preference Shares of Rs. 4/- each to Rs. 4,03,38,84,624 comprising of 2,01,69,42,312 Preference Shares of Rs. 2/- each with effect from March 06, 2021.

3. Reclassification of Company's stake held in Aplab Limited:

During the period under review, the stake held by the Company in Aplab Limited was reclassified from promoter to public in terms of Regulation 31A of the Listing Regulations with effect from November 18, 2020.

4. Restructuring relating to certain Indian subsidiaries:

During the period under review, 100% Equity Shares held in four wholly-owned subsidiaries of the Company i.e. Zee Unimedia Limited (ZUL), Zee Digital Convergence Limited (ZDCL), Zee Network Distribution Limited (ZNDL) and India Webportal Private limited (IWPL) were sold to another wholly-owned subsidiary company i.e. Zee Studios Limited (formerly known as Essel Vision Productions Limited).

Further, during the period under review, the Company entered into Share Purchase Agreement ("SPA") with Mantena Aviation LLP for transfer of Equity Shares of its wholly-owned subsidiary, Fly-By-Wire International Private Limited in two tranches and transferred 49% of its stake in first tranche.

5. Transactions pursuant to Business Transfer Agreements (BTAs)

During the period under review, the Board of Directors approved acquisition of film production and distribution business from its wholly-owned subsidiary, Zee Studios Limited (formerly known as Essel Vision Productions Limited) and have executed the BTA on February 25, 2021.

Further, during the period under review, the Board of Directors approved sale of digital publishing business to Rapidcube Technologies Private Limited and awaiting requisite Regulatory approvals for execution of the BTA.

For M/s Vinod Kothari & Company
Practicing Company Secretaries
Unique Code: P1996WB042300

Vinita Nair
Senior Partner
Membership No.: F10559
CP No.: 11902
UDIN: F010559C000341758
Peer Review Certificate No.:781/2020

Place: Mumbai
Date: May 19, 2021

This report is to be read with our letter of even date which is annexed as Annexure 'I' and forms an integral part of this report.

ANNEXURE I

ANNEXURE TO SECRETARIAL AUDIT REPORT (NON-QUALIFIED)

To,
The Members,
Zee Entertainment Enterprises Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

- Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in Annexure II;
- We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
- Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same.
- Wherever our Audit has required our examination of books and records maintained by the Company, we have also relied upon electronic versions of such books and records, as provided to us through online communication. Wherever for the purposes of our Audit, there was a need for physical access to any of the places of business of the Company, the same was not possible due to the lockdowns and travel restrictions imposed by Central and State Governments respectively. We have conducted online verification & examination of records, as facilitated by the Company, due to Covid 19 and subsequent lockdown situation for the purpose of issuing this Report.
- We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
- Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
- Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
- The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

ANNEXURE II

LIST OF DOCUMENTS

- Minutes (Signed) for the meetings of the following held during the period under review:
 - Board of Directors;
 - Audit Committee;
 - Nomination & Remuneration Committee;
 - Corporate Social Responsibility Committee;
 - Risk Management Committee;
 - Stakeholders Relationship Committee;
 - Corporate Management Committee;
 - Finance Sub-Committee;
 - Annual General Meeting;
- Agenda papers for Board Meeting and Committee(s) along with notice on a sample basis;
- Proof of circulation of draft and signed minutes of the Board Committee meetings' minutes on a sample basis;
- Annual Report for financial year 2019-20;
- Directors disclosures under Act, 2013 and rules made thereunder;
- Statutory Registers under Act, 2013;
- Forms filed with ROC, intimations made to stock exchanges;
- Policies/ Codes framed under SEBI regulations;
- Periodic reports/disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015;
- Disclosures required to be made under the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
- Forms filed under the Foreign Exchange Management Act, Rules and Regulations made thereunder with Authorised Dealer Bank and RBI.

**ANNEXURE 'F' TO DIRECTORS' REPORT****Secretarial compliance report of Zee Entertainment Enterprises Limited for the year ended March 31, 2021**

We have examined:

- (a) All the documents and records made available to us and explanation provided by Zee Entertainment Enterprises Limited ("the listed entity"),
- (b) The filings/submissions made by the listed entity to the stock exchanges,
- (c) Website of the listed entity,
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2021 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");
- (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (d) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013;
- (e) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (g) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and circulars/ guidelines issued thereunder;

and based on the above examination, We hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
		None*	

*Note: In the Board meeting held on July 24, 2020, due to uncertainty of impact of COVID 19, the management had decided not to recommend any dividend on the equity shares of the Company, for the financial year ended March 31, 2020. Consequently, the intimation of the above Board Meeting filed with the Stock Exchanges provided only for consideration of financial results. However,

with a view to maintain the track record of dividend paying company, the Board of Directors in the said meeting recommended and approved token dividend of Rs. 0.30 per equity share. The Company has complied with the monetary stipulation of National Stock Exchange of India Limited ("NSE"), in accordance with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020. The Company is awaiting confirmation from BSE Limited.

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	NSE	Non-submission of prior intimation under Reg. 29 of the Listing Regulations regarding board meeting where proposal for recommendation of dividend was considered.	A fine of Rs. 10,000/- was levied by NSE.	Refer Note above.

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
			None	

- (e) The listed entity has complied with the provisions of SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019, in terms of Para 6(A) and 6(B) of the said circular and has suitably modified the terms of appointment of its statutory auditors vide addendum letter dated February 25, 2020.

For M/s Vinod Kothari and Company
Practicing Company Secretaries
Unique Code: P1996WB042300

Vinita Nair
Senior Partner
Membership No.: F10559
C P No.: 11902
UDIN: F010559C000341769
Peer Review Certificate No.: 781/2020

Place: Mumbai
Date: May 19, 2021

REPORT ON CORPORATE GOVERNANCE**1. COMPANY'S GOVERNANCE PHILOSOPHY**

Effective corporate governance practices provide the strong foundation on which successful commercial enterprises are built for sustainability. The Company's philosophy on corporate governance is built on overseeing business strategies, ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors, and the society at large.

The convergence of governance practices brings to the fore the critical role played by the Board to ensure that the governance framework enjoins higher level of transparency and effective governance standards to enhance the competitiveness and to protect long term interests of all stakeholders. Corporate Governance, which assumes great deal of importance at Zee Entertainment Enterprises Limited ('ZEE'), is intended to ensure consistent value creation for all its stakeholders. ZEE believes that the governance practices must ensure adherence and enforcement of the sound principles of Corporate Governance with the objectives of fairness, transparency, professionalism, trusteeship and accountability, while facilitating effective management of the businesses and efficiency in operations. The Board of Directors ('Board') is committed to achieve and maintain highest standards of Corporate Governance on an ongoing basis.

A report in compliance with the provisions of Corporate Governance as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations') is given below:

2. BOARD OF DIRECTORS**a. Composition & Category of Directors**

The Company has a balanced Board with an optimum combination of Executive and Non-Executive Directors. As on the date of this report, the Board comprised of 9 (nine) Directors including 1 (one) Executive Director, 2 (two) Non-Executive Directors and 6 (six) Independent Directors which includes 1 (one) Independent Woman Director. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as the applicable provisions of the Companies Act, 2013 ('Act').

The Company requires skill/expertise/competencies in the areas of Finance, Legal, Media Marketing/Sales, Social activities, Technology, International Business specialization and Capital Market. Currently, the Board of the Company comprises of Directors with the requisite qualification/experience in the above areas.

In terms of Regulation 25(8) of the Listing Regulations, Independent Directors of the Company have confirmed that:(i) they meet the criteria of independence as defined in Regulation 16(1)(b) of the Listing Regulations, Section 149(6) of the Act and applicable companies rules made thereunder and;(ii) they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The declarations received from the Independent Directors on the above lines have been taken on record.

During the financial year under review, 9 (nine) Meetings of the Board were held and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on April 08, 2020, July 14, 2020, July 24, 2020, August 14, 2020, August 18, 2020, November 02, 2020, December 17, 2020, February 04, 2021 and March 17, 2021. Necessary quorum was present for all these meetings.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting ('AGM'), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairpersonships / Memberships held by them in other public limited companies as on March 31, 2021 are given below:

Name of Director	Attendance at		No of Directorship in other Public Companies		No of Committee positions held in other Public Companies		Directorship in other listed entity (Category of Directorship)
	Board Meeting	38 th AGM held on September 18, 2020	Member	Chairman	Member	Chairman	
Independent Directors							
Mr. R Gopalan	9	Yes	4	-	4	3	1. Sundaram Clayton Limited (Non-Executive, Independent) 2.TVS Motor Company Limited (Non-Executive, Independent)
Mr. Adesh Kumar Gupta	9	Yes	6	-	6	2	1. Vinati Organics Limited (Non-Executive, Independent) 2.Care Ratings Limited (Non-Executive, Independent)

Name of Director	Attendance at		No of Directorship in other Public Companies		No of Committee positions held in other Public Companies		Directorship in other listed entity (Category of Directorship)
	Board Meeting	38 th AGM held on September 18, 2020	Member	Chairman	Member	Chairman	
Mr. Manish Chokhani	8	Yes	4	-	3	2	1. Westlife Development Limited (Non-Executive, Independent) 2. Shoppers Stop Limited (Non-Executive, Independent)
Mr. Piyush Pandey	9	Yes	1	-	-	-	Pidilite Industries Limited (Non-Executive, Independent)
Ms. Alicia Yi	8	Yes	-	-	-	-	-
Mr. Vivek Mehra (appointed w.e.f. December 24, 2020)	2	NA	8	-	6	2	1. HT Media Limited (Non-Executive, Independent) 2. Jubilant Pharmova Limited (Non-Executive, Independent) 3. Chambal Fertilisers and Chemicals Limited (Non-Executive, Independent) 4. Havells India Limited (Non-Executive, Independent) 5. DLF Limited (Non-Executive, Independent) 6. Digicentent Limited (Non-Executive, Independent)
Mr. Sasha Mirchandani (appointed w.e.f. December 24, 2020)	2	NA	2	-	2	1	1. Hathway Cable and Datacom Limited (Non-Executive, Independent) 2. Nazara Technologies Limited (Non-Executive, Independent)
Non-Executive Directors							
Mr. Subhash Chandra (resigned w.e.f. August 18, 2020)	5	Yes	-	-	-	-	-
Mr. Ashok Kurien	8	Yes	1	-	2	1	Dish TV India Limited (Non-Executive, Non-Independent)
Executive Director							
Mr. Punit Goenka	9	Yes	3	1	2	-	Prozone Intu Properties Limited (Non-Executive, Independent)

Notes:

- No. of Directorships in other public companies exclude directorship in the Company and directorships in private companies, foreign companies, companies incorporated under Section 8 of the Act and alternate directorships.
- No. of Committee positions held in other public companies include membership and chairmanship of Audit Committee and Stakeholders Relationship Committee of public companies and exclude the membership & chairmanship in the Company.
- None of the Directors of the Company are related inter-se.
- None of the Non-Executive Directors of the Company, except Mr. Adesh Kumar Gupta, Mr. Manish Chokhani (through Partnership firm Quadrillion Advisors) and Mr. Piyush Pandey hold shares of the Company.
- Details of shares of the Company held by the Directors as on March 31, 2021 are given below:

Name	Category	No. of Shares held
Mr. Adesh Kumar Gupta	Non-Executive, Independent	Equity 300 Preference 457
Mr. Manish Chokhani	Non-Executive, Independent	Equity 200,000
Mr. Piyush Pandey	Non-Executive, Independent	Equity 2,190 Preference 4,599

During the year under review:

- Mr. Punit Goenka was re-appointed as Managing Director & CEO of the Company at last AGM for a period of 5 (five) years with effect from January 01, 2020.
- Ms. Alicia Yi was appointed as an Additional Director in the category of Independent Director of the Company with effect from April 24, 2020.
- Mr. Subhash Chandra resigned as a Non-Executive Director of the Company with effect from August 18, 2020 and was appointed as Chairman Emeritus with effect from August 19, 2020.
- Mr. R Gopalan was appointed as Chairman of the Board of Directors of the Company with effect from August 18, 2020.
- Mr. Sasha Mirchandani and Mr. Vivek Mehra were appointed as Additional Directors in the category of Independent Directors of the Company with effect from December 24, 2020.

- Mr. Manish Chokhani, upon completion of his second term as an Independent Director, ceased to be a Director of the Company on close of business hours on March 31, 2021. However, considering the contribution made by him as an Independent Director, he was appointed as an Additional Director in the category of Non-Executive Non-Independent Director of the Company with effect from April 1, 2021.

Based on intimations/disclosures received from the Directors periodically, none of the Directors of the Company hold Memberships/Chairmanships more than the prescribed limits.

In terms of the Listing Regulations, the Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board and highlighted the specific areas of focus or expertise of individual Board members. However, the absence of a tick mark against member's name does not necessarily mean that the member does not possess the corresponding skills/expertise/competencies:

Sr. No.	Skills	Names of Directors of the Company									
		Mr. Punit Goenka	Mr. Adesh Kumar Gupta	Mr. Ashok Kurien	Mr. Manish Chokhani	Mr. R Gopalan	Mr. Piyush Pandey	Ms. Alicia Yi	Mr. Vivek Meh-ra	Mr. Sasha Mirchan-dani	
1	Understanding the business of Media, Entertainment, content and broadcasting Understanding the techniques for Broadcasting, Television, Content Creating, Film, Advertising and Digital Media Program.	✓	✓	✓	✓	✓	✓	-	✓	✓	
2	Strategy and Planning Apt in strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments. A history of leading growth through acquisitions and other business combinations, accurately value transactions and evaluate operational integration plans.	✓	✓	✓	✓	✓	✓	✓	✓	✓	
3	Financial and Governance Experience in financial management of the Company, resulting in proficiency in complex financial management, capital allocation and financial reporting processes. Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.	✓	✓	✓	✓	✓	✓	✓	✓	✓	

Sr. No.	Skills	Names of Directors of the Company								
		Mr. Punit Goenka	Mr. Adesh Kumar Gupta	Mr. Ashok Kurien	Mr. Manish Chokhani	Mr. R Gopalan	Mr. Piyush Pandey	Ms. Alicia Yi	Mr. Vivek Mehra	Mr. Sasha Mirchandani
International Business										
Experience in driving business success in markets around the world and a broad perspective on global market opportunities.										
4	Understanding of global business dynamics, across various geographical markets, environments, economic conditions, cultures, industry verticals and regulatory frameworks.	✓	-	✓	✓	✓	✓	✓	✓	✓
Other Management Skills										
Innovation Management, Human Resource & Talent, Communications and General Management.										
5		✓	✓	✓	✓	✓	✓	✓	✓	✓

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as mentioned above and whether the person has an experience/understanding which is relevant to the Company's business or has an academician in the field relevant to the Company's business. Being in the business of Content and Broadcasting, the Company's business runs across different geographical markets and is global in nature. The Directors so appointed are drawn from diverse backgrounds and possess special skills related to the industries / fields from where they come.

b. Board Procedure

The Meetings of the Board are governed by a structured agenda. The Board meetings are generally held at the Registered and Corporate office of the Company at Mumbai. The Company Secretary, in consultation with the Chairman and the Managing Director & CEO, prepares the agenda of the Board meetings. For all major agenda items, relevant and comprehensive background information along with the agenda are provided well in advance of the date of the Board Meeting(s) to enable the Board members to take informed decisions. Any Board Member may, in consultation with the Chairman and with the consent of all Independent Directors present at the meeting, bring up any matter at the meeting for consideration by the Board. Senior Management Personnel are invited from time to time to the Board meetings to make presentations on relevant issues or provide necessary insights into the operations / working of the Company and corporate strategies.

The Board/Committee meetings are pre-scheduled, and a tentative annual calendar of the Board and Committee meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of special and urgent business needs, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting. During the financial year 2020-21, all meetings of the Board were held through video conference in accordance with the provisions of law.

The Company has followed the mandatory requirements of Secretarial Standard - 1 issued by the Institute of Company Secretaries of India ('ICSI') and guidelines/circulars issued by the Ministry of Corporate Affairs ('MCA') from time to time in relation to conduct of meetings of the Board, its committees and AGM through Video Conferencing and/or Other Audio-Visual Means.

All relevant information required to be placed before the Board as per Listing Regulations are considered and taken on record/approved by the Board. The Board reviews and guides the Company in strategic matters, risk policy and oversees the process of disclosure and communications to maintain the highest standards of ethical conduct and integrity. Additionally, the Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

c. Independent Directors' Meeting & Board Evaluation Process

In compliance with the requirements of Regulation 25 of the Listing Regulations and relevant provisions of the Act, the Independent Directors of the Company met on March 17, 2021, *inter alia* to review the performance of the Chairman, Managing Director and other Non-Independent Directors, to evaluate performance of the Board and to review flow of information between the management and the Board. The evaluation process was carried out based on an assessment sheet structured in line with the guidance notes issued by the ICSI. The guidance note issued by SEBI in this regard was also circulated to Independent Directors in advance.

The parameters for evaluation of performance of the Board & Board Committees includes the structure & composition, contents of agenda for the meeting, quality and timeliness of information provided, the decision-making process & review thereof, attention to the Company's long-term strategic issues, evaluation of strategic risks, overseeing and guiding major plans of action, corporate restructuring, acquisitions, divestment etc. The outcome of the evaluation exercise was discussed at a subsequent board meeting. The Board has also expressed satisfaction over the evaluation process.

Performance evaluation of Independent Directors was also undertaken by the entire Board, excluding the Independent Director being evaluated.

d. Letter of appointment issued to Independent Directors

The Independent Directors on the Board of the Company are given a formal appointment letter, *inter alia* containing the term of appointment, role, duties and responsibilities, time commitment, remuneration, insurance, code of conduct, training and development, performance evaluation process, disclosure, confidentiality etc. The terms and conditions of appointment of Independent Directors are available on the Company's website.

e. Familiarization Programme for Independent Directors

Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business of the Company through induction programs at the time of their appointment as Directors and at regular intervals through updates on various business segments of the Company. While review and approval of quarterly and annual financial statements of the Company are taken up, detailed presentation covering *inter alia* economy and industry overview, key regulatory developments, strategy and performance of individual channels / profit centers is made to the Board. Details of Directors' familiarization program is available on Company's website at www.zee.com.

f. Code of Conduct

The Company has adopted a Code of Conduct for the Members of the Board and Senior Management, all the Directors and senior management personnel as defined in the said Code provide their annual confirmation of compliance with the Code. A copy of the Code is available on the website of the Company at www.zee.com.

Besides the Code, the Company has also put in place a Policy on Ethics at Workplace which is applicable to all employees.

The declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management Personnel is given below:

DECLARATION

I confirm that the Company has obtained from the Directors and Senior Management Personnel of the Company, their affirmation of compliance with the Code of Conduct for the Board of Directors and Senior Management of the Company, for the financial year ended March 31, 2021.

Punit Goenka

Managing Director & CEO
Mumbai, May 20, 2021

Dividend Distribution Policy: In line with the requirements of the Listing Regulations, the Board has approved and adopted the Dividend Distribution Policy. The Dividend Distribution Policy is available on the website of the Company at www.zee.com.

3. BOARD COMMITTEES

The details of meetings of the Committees constituted by the Board held during the financial year under review along with attendance of the Members at such Committee Meeting(s) are as mentioned herein:

Name of the Directors	Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee
No. of Meeting's held	11	5	3	3	2
Directors' Attendance					
Mr. Subhash Chandra	NA	NA	NA	NA	NA
Mr. Punit Goenka	NA	NA	3/3	3/3	2/2
Mr. Ashok Kurien	11/11	5/5	3/3	3/3	NA
Mr. Manish Chokhani	9/11	4/5	NA	NA	2/2
Mr. Adesh Kumar Gupta	11/11	NA	NA	NA	2/2
Mr. R Gopalan	11/11	NA	NA	NA	NA
Mr. Piyush Pandey	NA	5/5	0/3	3/3	NA
Ms. Alicia Yi	NA	4/4	NA	NA	NA
Mr. Vivek Mehra	NA	NA	NA	NA	NA
Mr. Sasha Mirchandani	NA	NA	NA	NA	NA

Notes:

- NA denotes that the Director is not a Member of such Committee.
- Mr. Vivek Mehra was appointed as a Chairman of the Audit Committee in place of Mr. R Gopalan w.e.f. March 17, 2021. Mr. R Gopalan continues as a member of Audit Committee.
- Mr. Manish Chokhani and Mr. Ashok Kurien ceased to be members of Audit Committee w.e.f. March 17, 2021.
- Mr. Punit Goenka was appointed as a member of Audit Committee w.e.f. March 17, 2021.
- Mr. Punit Goenka and Mr. Adesh Kumar Gupta ceased to be members of Risk Management Committee w.e.f. March 17, 2021.
- Mr. R Gopalan and Mr. Sasha Mirchandani were appointed as members of Risk Management Committee w.e.f. March 17, 2021.
- Mr. Adesh Kumar Gupta was appointed as a Member of Risk Management Committee w.e.f. April 01, 2021.

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval, if required. To enable better and more focused attention on the affairs of the Company, the Board has delegated relevant matters to the Committees of the Board set up for the purpose. The terms of reference of the Committees are in line with the provisions of the Listing Regulations, the Act and the Rules issued thereunder. The Board has seven committees as on March 31, 2021, comprising five statutory committees and two non-statutory committees that have been formed considering the need of the Company.

Details of the statutory and non-statutory committees are as follows:

» **Statutory Committees**

The Board has the following Statutory Committees as on March 31, 2021:

- Audit Committee (AC)
- Nomination & Remuneration Committee (NRC)
- Corporate Social Responsibility Committee (CSR)
- Stakeholders Relationship Committee (SRC)
- Risk Management Committee (RMC)

Details of Board Committees are as mentioned herein:

I. AUDIT COMMITTEE

Constitution

As at March 31, 2021, the Audit Committee comprised of four (4) Directors including Mr. Vivek Mehra, Independent Director as Chairman and Mr. R Gopalan, Independent Director, Mr. Adesh Kumar Gupta, Independent Director and Mr. Punit Goenka, Managing Director & CEO as its Members.

During the year under review, Mr. Vivek Mehra was appointed as Chairman of the Audit Committee with effect from March 17, 2021 in place of Mr. R Gopalan who continues as a Member of the Committee. Mr. Punit Goenka was appointed as a Member of the Audit Committee with effect from March 17, 2021 and Mr. Manish Chokhani and Mr. Ashok Kurien ceased to be the Members of the Audit Committee with effect from March 17, 2021. The members of the Audit Committee are financially literate and have relevant experience in financial management.

During the year under review, 11 (eleven) meetings of the Audit Committee were held on June 14, 2020; June 19, 2020; July 23, 2020; August 17, 2020; October 05, 2020; October 13, 2020; November 02, 2020; December 16, 2020; February 02, 2021; February 03, 2021 and March 16, 2021.

Terms of reference

The terms of reference and role of the Audit Committee are as per Listing Regulations and provisions of Section 177 of the Act. The Committee meets periodically and *inter alia*:

- Reviews Accounting and financial reporting process of the Company;
- Reviews Audited and Un-audited financial results;
- Reviews Internal Audit reports, risk management policies and reports on internal control system;
- Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls, reliability of financial statements/other management information, adequacy of provisions for liabilities and whether the audit tests are appropriate and scientifically carried out in accordance with Company's current business and size of operations;
- Reviews and approves transactions proposed to be entered into by the Company with related parties including any subsequent modifications thereto;
- Reviews functioning of Whistle Blower & Vigil Mechanism Policy; and
- Recommends proposals for appointment and remuneration payable to the Statutory Auditor and Internal Auditor and approves the appointment of Chief Financial Officer.

The Audit Committee has been granted powers as prescribed under Regulation 18(2)(c) and 24 of the Listing Regulations and reviews all the information as prescribed in Part C of Schedule II of the Listing Regulations. The Committee also reviews the Report on compliance under Code of Conduct for Prevention of Insider Trading adopted by the Company pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'). Further, Compliance Reports under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistleblower Policy are also placed before the Committee.

Audit Committee meetings are generally attended by the, Chief Financial Officer, Company Secretary, representative(s) of Statutory Auditors and Internal Auditors

of the Company. Internal Auditors attend Audit Committee meetings wherein the Internal Audit reports are considered by the Committee. The Company Secretary acts as the Secretary of the Audit Committee.

All recommendations made by the Audit Committee during the year under review were accepted by the Board. Mr. R Gopalan, then Chairman of the Audit Committee was present at the AGM held on September 18, 2020.

II. NOMINATION & REMUNERATION COMMITTEE

Constitution

As at March 31, 2021 the Nomination & Remuneration Committee comprised of Mr. Piyush Pandey, Independent Director as Chairman and Mr. Manish Chokhani, Independent Director, Mr. Ashok Kurien, Non-Executive Director and Ms. Alicia Yi, Independent Director as its Members.

During the year under review, Ms. Alicia Yi was appointed as Member of the Nomination & Remuneration Committee with effect from July 24, 2020. With effect from April 1, 2021, Nomination & Remuneration Committee was reconstituted by re-designating Mr. Manish Chokhani as Non-Executive Non-Independent Director from Independent Director of the Company.

During the year under review, 5 (five) meetings of the Nomination & Remuneration Committee were held on April 27, 2020; October 21, 2020; December 15, 2020; February 03, 2021 and March 16, 2021.

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II to the Listing Regulations, the Committee is responsible for *inter alia* formulating the criteria for determining qualification, positive attributes and independence of a Director. The Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management of the Company. The Board has adopted the Remuneration Policy for Directors and Key Managerial Personnel.

Terms of reference

The terms of reference of the Nomination & Remuneration Committee include:

- Formulation of guidelines for evaluation of candidature of individuals for nominating and/or appointing as a Director on the Board including but not limited to recommendation on the optimum size of the Board, age / gender / functional profile, qualification / experience, retirement age, number of terms one individual can serve as Director, suggested focus areas of involvement in the Company, process of determination for evaluation of skill sets etc.;
- Formulation of the process for evaluation of functioning of the Board individually and collectively;
- Recommending to the Board for approval appointment of Directors and nomination of Key Managerial Personnel of the Company;
- Recommending all elements of remuneration package of Executive Directors including increment / variable pay / special incentive payable to them within the limits approved by the Board / Members; and
- Deciding and approving issuance of Stock Options, including terms of grant etc. under the Company's Employee Stock Option Scheme.

Mr. Piyush Pandey, Chairman of the Nomination & Remuneration Committee was present at the AGM held on September 18, 2020.

Remuneration Policy

The guiding principle of the remuneration policy of the Company is that the remuneration and other terms of engagement/employment shall be competitive enough to ensure that the Company is in position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's management, year on year thereby creating long-term value for all stakeholders of the Company. Focus on productivity and pay-for-performance have been the cornerstones of the Company's reward philosophy with differentiated compensation growth to high-performing employees. With a view to bring performance-based growth approach, the remuneration of employees

of the Company have been moderated and structured as a mix of fixed and variable pay - in which the variable pay ranges between 15% to 25% depending on the grade and level of employee. The Remuneration Policy of the Company is available on Company's website at www.zee.com.

The increments and variable pay of all employees of the Company is deliberated and approved by the Nomination & Remuneration Committee of the Board. The Nomination & Remuneration Committee considers and recommends for approval of the Board, the compensation package of Managing Director & CEO which *inter alia* includes fixed pay (Salary, Allowances & Perquisites) and variable pay in the ratio of 75:25. The compensation packages are in accordance with applicable laws, in line with the Company's objectives, shareholders' interest and as per the Industry Standards.

The Commission paid/payable to the Non-Executive Directors of the Company is in accordance with Shareholders' approval and the Act.

Remuneration to Managing Director & CEO

The details of the remuneration paid to Mr. Punit Goenka, Managing Director and CEO of the Company during the financial year ended March 31, 2021 is as under:

Particulars	Amount (₹ million)
Salary & Allowances	122.51
Perquisites	0.04
Variable Pay	-
Provident Fund Contribution	9.13
Total	131.68

Remuneration to Non-Executive Directors

During financial year 2020-21, Non-Executive Directors were paid sitting fees of ₹ 30,000 for attending each meeting(s) of the Board and Committees thereof, other than Stakeholders Relationship Committee, Finance Sub-Committee and ESOP Allotment Sub-Committee.

The Non-Executive Directors are additionally entitled to remuneration by way of Commission of up to 1% of net profits of the Company, as approved by the Members at the AGM held on September 18, 2020. Within the aforesaid limit, the commission payable each year is determined by the Board based *inter alia* on the performance of, and regulatory provisions applicable to the Company. As per the current policy, the Company pays commission to Non-Executive Directors on a pro-rata basis.

Details of the sitting fees paid and commission payable to the Non-Executive Directors of the Company for financial year 2020-21 as approved by the Board are as under:

Name of Director	Sitting Fees Paid	Commission Payable	Total (₹ million)
Mr. R Gopalan	0.60	5.37	5.97
Mr. Subhash Chandra	0.15	2.06	2.21
Mr. Ashok Kurien	0.81	5.37	6.18
Mr. Manish Chokhani	0.69	5.37	6.06
Mr. Adesh Kumar Gupta	0.66	5.37	6.03
Mr. Piyush Pandey	0.51	5.37	5.88

Ms. Alicia Yi	0.36	5.03	5.39
Mr. Vivek Mehra	0.06	1.44	1.5
Mr. Sasha Mirchandani	0.06	1.44	1.5
Total	3.90	36.82	40.72

The Non-Executive Independent Directors of the Company do not have any other material pecuniary relationship or transactions with the Company or its directors, senior management, subsidiary or associate, other than in the normal course of business.

III. STAKEHOLDERS RELATIONSHIP COMMITTEE

Constitution

As at March 31, 2021, the Stakeholders Relationship Committee of the Board comprised of Mr. Ashok Kurien, Non-Executive Director as Chairman and Mr. Piyush Pandey, Independent Director and Mr. Punit Goenka, Managing Director & CEO as its Members.

During the year under review, 3 (three) meetings of Stakeholders Relationship Committee were held on June 29, 2020, October 27, 2020 and January 21, 2021.

Terms of reference

The terms of reference of Stakeholders Relationship Committee include review of statutory compliances relating to all security holders, resolving investors grievances/complaints; review measures taken for effective exercise of voting rights; review adherence of service standards by Company and Registrar and Transfer Agent ('RTA') and review management actions for reducing unclaimed dividend/shares etc. The Committee has delegated the power of approving requests for transfer, rematerialisation and dematerialization etc. of shares of the Company in the normal course of business to the RTA.

Details of number of requests/complaints received from investors and resolved during the financial year ended March 31, 2021, are as under:

Nature of Correspondence	Received	Replied/ Resolved	Pending
Non-receipt of Dividend Warrant(s)	0	0	0
Non-receipt of Shares	1	1	0
Non-receipt of Annual Report	0	0	0
Letter received from SEBI/Stock Exchanges	7	7	0
Complaints received from ROC	0	0	0
Total	8	8	0

Mr. Ashish Agarwal, Company Secretary has been appointed as Compliance Officer pursuant to the Listing Regulations. The designated email for investor service and correspondence is shareservice@zee.com.

IV. RISK MANAGEMENT COMMITTEE

Constitution

As at March 31, 2021, the Risk Management Committee of the Board comprised of Mr. Manish Chokhani, Independent Director as its Chairman and Mr. Adesh Kumar Gupta, Independent Director, Mr. R Gopalan, Independent Director, Mr. Sasha Mirchandani, Independent Director and Mr. Rohit Kumar Gupta, Chief Financial Officer as its Members.

During year under review, Mr. R Gopalan and Mr. Sasha Mirchandani, Independent Directors were appointed as Members of the Risk Management Committee with effect from March 17, 2021. Mr. Punit Goenka and Mr. Adesh Kumar Gupta ceased to be Members of Risk Management Committee w.e.f. March 17, 2021. With effect from April 1, 2021, Risk Management Committee was reconstituted by appointing Mr. Adesh Kumar Gupta as a Member and re-designating Mr. Manish Chokhani as Non-Executive Non-Independent Director from Independent Director of the Company.

During the year under review, 2 (two) meetings of the Risk Management Committee were held on May 22, 2020 and December 16, 2020.

Terms of reference

Terms of reference and the scope of the Risk Management Committee *inter alia* include:

- Overseeing the Company's risk management framework, processes and controls;
- Setting strategic plans and objectives for risk management, risk philosophy and risk minimization;
- Reviewing compliance with risk related policies implemented by the Company;
- Reviewing risk assessment of the Company annually and exercising oversight of various risks including operational risks, market risk, liquidity risk, investment risk, insurance risk etc.;
- Exercising oversight of the Company's risk tolerance.

V. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Constitution

In compliance with the requirements of Section 135 read with Schedule VII of the Act, the Board has constituted Corporate Social Responsibility Committee. As on March 31, 2021, the Corporate Social Responsibility Committee comprises of Mr. Ashok Kurien, Non-Executive Director as its Chairman and Mr. Piyush Pandey, Independent Director and Mr. Punit Goenka, Managing Director & CEO as its Members. During the year under review, the CSR Committee met 3 (three) times on June 02, 2020, July 18, 2020 and March 16, 2021.

Terms of reference

Terms of reference and the scope of the CSR Committee *inter alia* include (a) to consider and approve the proposals for CSR spends; and (b) to review monitoring reports on the implementation of CSR projects funded by the Company.

» Non-Statutory Committees

In addition to the above-mentioned Statutory Committees, the Board has voluntarily constituted following Non-Statutory Committees to exercise powers delegated by the Board as per the scope mentioned herein:

i. Finance Sub-Committee

With a view to facilitate monitoring and expediting any debt fund raising process, approve financing facilities that may be sanctioned and/or renewed to the Company by various Banks and/or Indian Financial Institutions from time to time and exercising such other authorities as may be delegated by the Board from time to time, the Board has constituted a Finance Sub-Committee comprising of Mr. Punit Goenka, Managing Director & CEO as Chairman and Mr. Vivek Mehra, Independent Director and Mr. Sasha Mirchandani, Independent Director as Members.

During the year under review, Mr. Vivek Mehra and Mr. Sasha Mirchandani, Independent Directors were appointed as Members of the Finance Sub-Committee w.e.f. March 17, 2021. Mr. Ashok Kurien, Non-Executive Director ceased to be a member of the Committee with effect from March 17, 2021.

The Finance Sub-Committee met as and when required to deliberate and decide on various matters within their respective scope or powers delegated by the Board.

ii. ESOP Allotment Sub-Committee

To facilitate allotment of Equity Shares pursuant to exercise of Stock Options granted in accordance with the Company's ESOP Scheme, the Nomination & Remuneration Committee had constituted an ESOP Allotment Sub-Committee. As at March 31, 2021, the ESOP Allotment Sub-Committee comprised of Mr. Ashok Kurien, Non-Executive Director as Chairman and Mr. Punit Goenka, Managing Director & CEO as a Member.

During the year under review, no meeting of ESOP Allotment Sub-Committee was held.

iii. Corporate Management Committee

To facilitate grant of authorisations for managing day-to-day affairs of the Company, the Board has constituted Corporate Management Committee comprising of Senior Management Personnel of the Company. As at March 31, 2021, the Corporate Management Committee comprised of Mr. Punit Goenka, Managing Director & CEO as Chairman and Mr. Mukund Galgali, Chief Strategic Initiatives and Mr. Rohit Kumar Gupta, Chief Financial Officer as its Members. During the year, Mr. Mukund Galgali was appointed in place of Mr. Punit Mishra as a member with effect from March 17, 2021. The Corporate Management Committee met as and when required to deliberate and decide on various matters within their respective scope or powers delegated by the Board.

4. GENERAL MEETINGS

The 39th AGM of the Company for the financial year 2020-21 will be held on Tuesday, September 14, 2021 at 4:30 p.m.(IST) through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM').

The location, date and time of the AGM held during last 3 years along with Special Resolution(s) passed at these meetings are:

Year	Date and Time	Special Resolutions passed	Venue
2019-20	18.09.2020 – 3.30 p.m.	Payment of Commission to Non-Executive Directors of the Company	VC/OAVM
2018-19	23.07.2019 – 4.00 p.m.	Nil	Nehru Auditorium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018
2017-18	17.07.2018 – 4.00 p.m.	Re-appointment of Mr. Adesh Kumar Gupta as Independent Director for Second term	Ravindra Natya Mandir, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai – 400 025

All the above special resolutions were passed with requisite majority.

No Special Resolution was passed through Postal Ballot during the financial year 2020-21. No Extra Ordinary General Meeting of the members was held during FY 2020-21.

No special resolution(s) requiring a Postal Ballot is being proposed at the ensuing AGM of the Company.

5. MEANS OF COMMUNICATION

The Company has promptly reported all material information including declaration of quarterly financial results, press releases etc. to all Stock Exchanges where the securities of the Company are listed. Such information is also simultaneously displayed immediately on the Company's corporate website at www.zee.com. The extract of quarterly, half yearly and annual financial results and other statutory information are communicated to the shareholders by way of publication in leading English newspaper i.e. Business Standard and in a vernacular language newspaper viz. Navshakti (Marathi) as per requirements of the Listing Regulations. The financial and other information are filed by the Company on the electronic platforms of National Stock Exchange of India Limited and BSE Limited.

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website gives information on various announcements made by the Company, status of unclaimed dividend, Annual Report, quarterly / half-yearly / annual financial statements, Shareholding patterns, Stock Exchange filing along with applicable policies of the Company. The Company's official press releases, presentations made to institutional investors or to the analysts and transcripts of con-call are also available on Company's website at www.zee.com. Management Discussion and Analysis Report and Business Responsibility Report forming part of annual report are annexed separately.

GENERAL SHAREHOLDER INFORMATION

1. Date, Time and Venue of Shareholder's Meeting	Meeting : 39 th Annual General Meeting Day & Date : Tuesday, September 14, 2021 Time : 4:30 p.m.(IST) Venue : The Company is conducting meeting through VC/OAVM (Deemed Venue for Meeting will be Registered Office of the Company)
2. Financial Year	2020-21
3. Record Date	Friday, September 3, 2021
4. Dividend Payment Date	On or after September 14, 2021 (within the statutory timelimit)
5. Registered office	18 th Floor, A Wing, Marathon Futurex, N M Joshi Marg Lower Parel, Mumbai – 400 013 India Tel: +91-22-7106 1234 Fax: +91-22-2300 2107 Website: www.zee.com
6. Corporate Identity Number	L92132MH1982PLC028767
7. Listing on Stock Exchanges	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai 400 051 Company has paid requisite Listing Fees to the Stock Exchanges for FY 2020-21. None of the Company's Securities have been suspended from trading.
8. Stock Code	BSE 505537(Equity) 717503 (Preference) NSE ZEEL EQ (Equity) ZEEL-P2(Preference) Reuters - ZEE.BO (BSE) / ZEE.NS (NSE) Bloomberg - Z IN (BSE) / NZ IN (NSE)
9. ISIN	Equity Shares - INE256A01028 Preference Shares –INE256A04022
10. Registrar & Share Transfer Agent	Link Intime India Private Limited C-101, 247 Park, L B S Marg, Vikhroli West Mumbai 400 083 India Tel: +91-22-4918 6000 Fax: +91-22-4918 6060 Email: rnt.helpdesk@linkintime.co.in

11. Transfer of Unclaimed Dividend / Shares to Investor Education and Protection Fund

As per Section 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended (IEPF Rules) dividend, if not claimed for a period of 7 consecutive years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF').

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement will not apply to shares in respect of which dividend for the financial year ended March 31, 2014, remains unpaid or unclaimed, and the same will become due to be transferred to the IEPF on completion of 7 (seven) years i.e. September 22, 2021. The said requirement is also not applicable to shares in respect of which there is a specific order of the Court, Tribunal or Statutory Authority restraining any transfer of shares.

In the interest of shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/ Shares to IEPF Authority. Notices in this regard are also published in the newspapers, and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF authority are uploaded on the Company website www.zee.com.

Members who have not encashed their dividend warrant(s) issued by the Company for FY 2013-14 and any subsequent financial year(s), are requested to seek issue of duplicate warrant(s) by writing to the Registrar and Share Transfer Agent of the Company.

Information in respect of unclaimed dividend of the Company for the subsequent financial years and date(s) when due for transfer to IEPF is given below:

Financial Year Ended	Date of Declaration of Dividend	Last date for Claiming unpaid Dividend	Due date for transfer to IEPF
31.03.2014	18.07.2014	23.08.2021	22.09.2021
31.03.2015	15.07.2015	20.08.2022	19.09.2022
31.03.2016	26.07.2016	31.08.2023	30.09.2023
31.03.2017	12.07.2017	17.08.2024	16.09.2024
31.03.2018	17.07.2018	22.08.2025	21.09.2025
31.03.2019	23.07.2019	28.08.2026	27.09.2026
31.03.2020	18.09.2020	23.10.2027	22.10.2027

During the year under review, besides transfer of unclaimed dividend of ₹ 2.49 million pertaining to FY 2012-13, the Company had, pursuant to the IEPF Rules also transferred 108,778 Equity Shares of ₹ 1 each in respect of which dividend has not been claimed for seven consecutive years to the beneficiary account of IEPF Authority.

The Unclaimed Dividend and/or the Equity Shares transferred to IEPF can be claimed by the Shareholders from IEPF authority by submitting an online application in web Form No. IEPF-5 available on the website www.iepf.gov.in and sending a duly signed physical copy of the same to the Company along with requisite documents enumerated in the Form No. IEPF-5. No claims lay against the Company in respect of the dividend / shares so transferred.

In accordance with IEPF Rules, the Board of Directors have appointed Mr. Ashish Agarwal, Chief Compliance Officer & Company Secretary of the Company as Nodal Officer w.e.f. November 26, 2019.

12. Share Transfer System

Requests for physical transfer and/or for dematerialization of Equity/Preference Shares received by the Company and/or its Registrar are generally registered and returned within a period of 7 days from the date of receipt of completed and validly executed documents.

SEBI has amended regulation 40 of the Listing Regulations with effect from April 1, 2019, which deals with transfer or transmission or transposition of securities.

According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall have to be in demat form.

13. Dematerialization of Shares & Liquidity

The Company's Equity and Preference Shares are compulsorily traded in electronic (dematerialized) form on NSE and BSE. As at March 31, 2021, 99.89% of the Equity Share Capital and 99.86% of the Preference Share Capital of the Company are held in electronic form. Under the Depository system, the ISIN allotted to Company's Equity Shares is INE256A01028 and Preference Shares is INE256A04022. Entire equity and preference shareholding of the entities forming part of promoter/promoter group of the Company is held in dematerialized form.

14. Sub-division/ Consolidation/ Redemption of Shares

Sub-division of Equity Shares

Pursuant to the approval of the Members at the meeting held on October 25, 1999, the Company had sub-divided the nominal face value of its equity shares from ₹ 10 per share to ₹ 1 per share, with effect from December 6, 1999. Subsequently, trading in equity shares of ₹ 1 each commenced and the equity shares of ₹ 10 each were ceased to trade on the Exchanges.

Shareholders who could not exchange their old equity certificates held in physical form with the new certificates so far and are desirous of exchanging the same, should write to the Company or its Registrar and Share Transfer agent requesting for sub-divided share certificate(s) while attaching old share certificate(s) in original.

Consolidation of Face Value of Preference Shares

In accordance with the approval accorded by the Equity & Preference Shareholders, the face value of Preference Shares of the Company was consolidated from ₹ 1 to ₹ 10 each vide Corporate Action dated April 1, 2016.

Accordingly, all preference shares of ₹ 1 each held in demat mode as at the record date of March 31, 2016 were cancelled and replaced with Preference Shares of ₹ 10 post such consolidation.

Partial Redemption of Preference Shares

As per terms of issue of 6% Cumulative Redeemable Non-Convertible Preference Shares of ₹ 10 each issued as Bonus in year 2014, the said Preference Shares are redeemable at par value in 5 tranches of 20% of nominal value each commencing from 4th anniversary from the date of allotment. The 1st, 2nd, 3rd and 4th tranche of redemption were done during financial year 2017-18, 2018-19, 2019-20 and 2020-21 respectively resulting in reduction of Nominal value of Preference Shares to ₹ 2 as of March 31, 2021. While the reduction in face value of Preference Shares consequent to redemption were affected by way of Corporate Action for Preference Shares held in Demat Mode, the Preference Share Certificates held with paid value of ₹ 4 each in physical mode were cancelled and fresh Preference Share Certificates with paid value of ₹ 2 each were issued to the registered Preference Shareholders.

15. Shareholders' Correspondence

The Company has attended to all the investors' grievances/queries/ information requests except for the cases where the Company is restrained due to some pending legal proceedings or court/statutory orders. It is the endeavor of the

Company to reply all letters/communications received from the shareholders within a period of 5 working days.

All correspondence may be addressed to the Registrar and Share Transfer Agent at the address given above. In case any shareholder is not satisfied with the response or do not get any response within reasonable period, they may approach the Chief Compliance Officer & Company Secretary of the Company.

16. Outstanding Convertible Securities or Global Depository Receipts or American Depository Receipts or Warrants

The Company has not issued any Convertible Securities or Global Depository Receipts or American Depository Receipts or Warrants in the past and hence as on March 31, 2021, the Company does not have any outstanding convertible Securities.

19. Equity Share Capital Build-up

Particulars	No. of shares issued	Date of issue
Initial shareholding at the time of change of name of the Company from Empire Holdings Ltd to Zee Telefilms Ltd	744,000	08.09.1992
Right Issue	8,928,000	15.06.1993
Public Issue	9,000,000	10.09.1993
Allotment under ESOP	160,000	09.06.1999
Allotment under ESOP	190,000	10.07.1999
Allotment under ESOP	396,880	30.09.1999
Issued for acquisition of stake in overseas Company by way of Share Swap	19,418,880	30.09.1999
Sub-Division of Shares from ₹ 10 each to ₹ 1 each	388,377,600	23.12.1999
Issued for acquisition of stake in Indian and overseas Company, partly, by way of Share Swap	16,127,412	24.01.2000
Allotment on Preferential basis	4,100,000	31.03.2000
Allotment on Preferential basis	3,900,000	24.04.2000
Allotment on conversion of FCCB	111,237	29.03.2006
Allotment on conversion of FCCB during FY 2006-07	20,950,516	Various dates
Allotment on conversion of FCCB during FY 2008-09	440,346	Various dates
Issued to shareholders of Zee News Ltd pursuant to Scheme	50,476,622	20.04.2010
Issued to shareholders of ETC Networks Ltd pursuant to Scheme	4,413,488	23.09.2010
Issued to shareholders of 9X Media Pvt Ltd pursuant to the Scheme	140,844	08.11.2010
Bonus Issue in ratio of 1:1	489,038,065	15.11.2010
Allotment under ESOP Scheme during FY 2011-12	66,800	Various dates
Less Equity Shares Extinguished in pursuance to Buyback during financial year 2011-12	(19,372,853)	Various dates
Less Equity Shares Extinguished in pursuance to Buyback during financial year 2012-13	(4,812,357)	Various dates
Allotment under ESOP Scheme during FY 2013-14	6,491,000	Various dates
Allotment under ESOP Scheme during FY 2017-18	4,900	15.11.2017
Allotment under ESOP Scheme during FY 2018-19	9,450	10.04.2018
Allotment under ESOP Scheme during FY 2018-19	3,430	31.10.2018
Allotment under ESOP Scheme during FY 2019-20	15,265	16.04.2019
Allotment under ESOP Scheme during FY 2019-20	1,470	11.11.2019
Allotment under ESOP Scheme during FY 2019-20	21,240	23.04.2020
Issued and Paid-up Capital as at March 31, 2021	960,504,475	

Note:

Subsequent to the close of the financial year, 11,240 equity shares were issued and allotted under ESOP Scheme thereby increasing the issued and paid-up share capital to 960,515,715 equity shares of ₹ 1 each.

17. Commodity Price risk or foreign exchange risk and hedging activities

Since, the Company is engaged in broadcasting business, there are no risk associated with Commodity Price. Further, the Company has not carried out any activity for hedging of foreign exchange risk.

18. Credit Rating

During the year under review, Brickwork Ratings India Private Limited had revised the rating assigned to the Company as the issuer of the Listed Bonus Preference Shares to 'BWR AA-' denoting Credit Watch with Negative Implications due to decline in profitability and margin for the year ended FY20. Subsequently, the rating was revised to 'BWR A'.

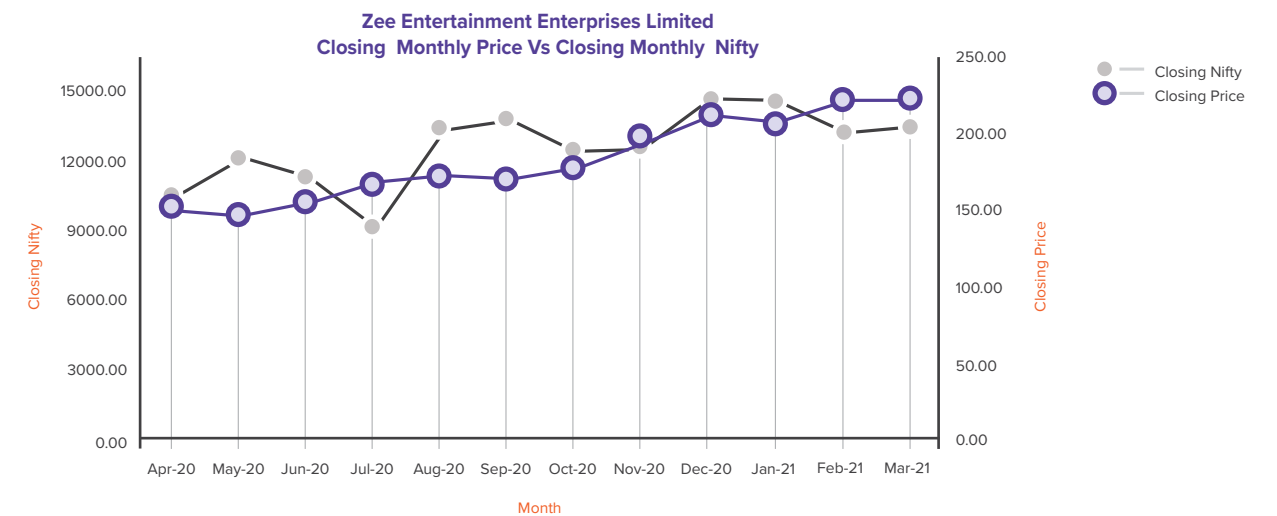
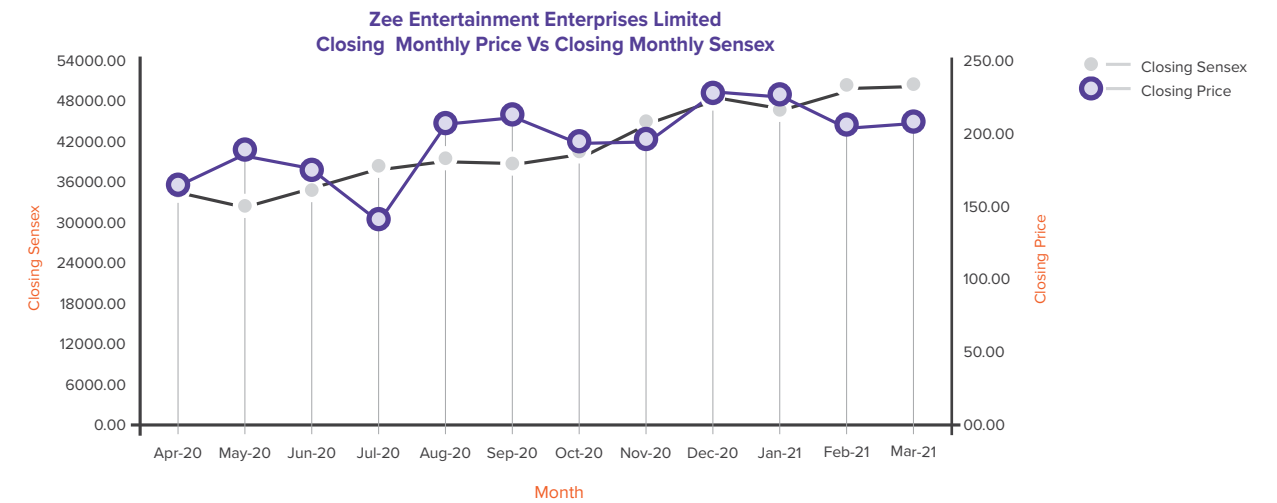
20. Stock Market Data Relating to Listed Equity Shares & Preference Shares

Equity Shares	BSE			NSE		
	Month	High (₹)	Low (₹)	Volume of Shares Traded	High (₹)	Low (₹)
April 2020	172.80	119.15	20137380	173.40	119.05	385723164
May 2020	186.65	143.50	19631725	189.05	143.45	484481162
June 2020	210.30	161.15	33020301	210.50	161.10	592653161
July 2020	183.35	138.15	25413975	183.30	138.10	552911955
August 2020	218.50	134.75	45778357	218.50	134.65	1109884834
September 2020	228.85	177.30	23293183	228.90	177.40	920281091
October 2020	219.50	172.70	18077708	219.55	173.00	549094361
November 2020	200.95	179.30	15101928	201.00	179.15	352943948
December 2020	238.10	190.00	20759229	238.20	190.00	451896141
January 2021	236.90	214.50	16181895	236.85	214.35	304863446
February 2021	261.00	198.10	30660709	261.00	198.05	477167077
March 2021	231.65	194.35	26236145	231.80	194.30	306732418

Preference Shares	BSE			NSE		
	Month	High (₹)	Low (₹)	Volume of Shares Traded	High (₹)	Low (₹)
April 2020	3.24	2.85	8191157	3.20	2.85	19086448
May 2020	3.53	3.16	15854534	3.50	3.15	13251157
June 2020	3.75	3.45	41893053	3.65	3.40	6643491
July 2020	3.52	3.36	21325538	3.60	3.35	44539558
August 2020	3.60	3.42	19626200	3.60	3.40	30683808
September 2020	3.80	3.53	24762510	3.80	3.55	60695658
October 2020	3.65	3.57	23354389	3.65	3.55	13276132
November 2020	4.50	3.60	17897497	3.95	3.60	15191741
December 2020	3.99	3.86	21010253	4.00	3.85	11071881
January 2021	4.04	3.92	40122111	4.05	3.85	34436542
February 2021	4.04	1.93	357968269	4.05	1.90	151760612
March 2021 *	2.05	1.88	86339970	2.05	1.85	39277453

* Consequent to Partial redemption of Preference shares carried out on March 5, 2021, the face value of Preference shares reduced to ₹ 2 per Preference Share.

21. Relative Performance of Equity Shares Vs. BSE Sensex & Nifty Index



22. Distribution of Shareholding as on March 31, 2021

No. of Equity Shares	Equity			
	Share Holders		No. of Shares	
	Number	% of Holders	Number	% of Capital
Up to 5000	274,053	99.33	41,611,023	4.33
5001 – 10000	694	0.25	5,055,913	0.53
10001-20000	338	0.12	4,832,551	0.50
20001-30000	133	0.05	3,329,371	0.35
30001-40000	70	0.03	2,441,049	0.25
40001-50000	58	0.02	2,668,255	0.28
50001-100000	154	0.06	11,459,446	1.19
100001 and Above	391	0.14	889,106,867	92.57
Total	275,891	100.00	960,504,475	100.00

No. of Preference Shares	Preference			
	Share Holders		No. of Shares	
	Number	% of Holders	Number	% of Capital
Up to 5000	71,230	96.97	22,412,434	1.11
5001 – 10000	558	0.76	4,319,724	0.21
10001-20000	331	0.45	4,782,100	0.24
20001-30000	190	0.26	4,714,890	0.23
30001-40000	88	0.12	3,100,341	0.15
40001-50000	119	0.16	5,590,517	0.28
50001-100000	210	0.29	16,654,968	0.83
100001 and Above	727	0.99	1,955,367,338	96.95
Total	73,453	100.00	2,016,942,312	100.00

23. Categories of Shareholders as on March 31, 2021

Category	Equity		Preference	
	% of shareholding	No. of shares held	% of shareholding	No. of shares held
Promoters	3.99	38,316,284	0.06	1,260,420
Individuals / HUF	6.21	59,665,098	18.96	382,321,325
Domestic/Central Govt. Companies/ NBFC / IEPF / Clearing Member	2.53	24,295,981	44.74	902,292,687
FIs, Mutual funds, Insurance, trust and Banks / Alternative Investment Limited	12.41	119,182,080	22.26	449,117,909
FIs, OCBs & NRI	74.86	719,045,032	13.98	281,949,971
Total	100.00	960,504,475	100.00	2,016,942,312

24. Particulars of Shareholding

a) Promoter & Promoter Group Shareholding as on March 31, 2021

EQUITY SHARES

Sr. No.	Name of Shareholder	No of Shares held	% of shareholding
1	Essel Media Ventures Limited, Mauritius	33,155,180	3.45
2	Essel International Limited, Mauritius	1,327,750	0.14
3	Essel Holdings Limited, Mauritius	1,718,518	0.18
4	Cyquator Media Services Private Limited	1,928,636	0.20
5	Essel Corporate LLP	185,700	0.02
6	Sprit Infrapower & Multiventures Private Limited	400	0.00
7	Essel Infraprojects Limited	100	0.00
Total		38,316,284	3.99

PREFERENCE SHARES

Sr. No.	Name of Shareholder	No of Shares held	% of shareholding
1	Cyquator Media Services Private Limited	1,260,000	0.06
2	Essel Infraprojects Limited	210	0.00
3	Veena Investment Private Limited	210	0.00
Total		1,260,420	0.06

b) Top ten (10) Public Shareholding as on March 31, 2021

EQUITY SHARES

Sr No.	Name of Shareholder	No of Shares held	% of shareholding
1	OFI Global China Fund LLC	97,350,000	10.14
2	Invesco Oppenheimer Developing Markets Fund	74,318,476	7.74
3	Life Insurance Corporation of India	46,922,523	4.89
4	Amansa Holdings Private Limited	32,622,003	3.40
5	Vanguard International Value Fund	31,168,513	3.25
6	City of New York Group Trust	17,552,040	1.83
7	Government Pension Fund Global	16,334,141	1.70
8	HDFC Life Insurance Company Limited	15,829,225	1.65
9	HSBC Pooled Investment Fund – HSBC Pooled Asia Pacific Ex Japan Equity Fund	15,042,874	1.57
10	SEI Trust Company, As trustee on behalf of Spruce grove All country world	14,242,980	1.48
Total		361,382,775	37.65

PREFERENCE SHARES

Sr. No.	Name of Shareholder	No of Shares held	% of shareholding
1	Invesco Oppenheimer Developing Markets Fund	189,591,305	9.40
2	Aditya Birla Sun Life Trustee Private Limited A/c Aditya Birla Sunlife	143,204,428	7.10
3	ICICI Prudential Life Insurance Company Limited	122,865,354	6.09
4	Rajasthan Global Securities Private Limited	112,156,825	5.56
5	Shree Capital Services Limited	96,837,325	4.80
6	ICICI Prudential Multi Asset Fund	83,124,300	4.12
7	Profitex Shares and Securities Private Limited	72,400,000	3.59
8	Pace Stock Broking Services Private Limited	66,610,078	3.30
9	Saffron Agencies Limited	65,041,620	3.22
10	Digvijay Finlease Ltd	61,992,247	3.07
Total		1,013,823,482	50.25

Note: Equity & Preference Shareholding are consolidated based on Permanent Account Number of the Shareholder.

25. Plant Locations

The Company is engaged in the business of 'Content and Broadcasting'. Hence, the Company has no plant.

26. Other Disclosures

- The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- All transactions entered into by the Company with related parties during the financial year 2020-21 were in ordinary course of business and on arm's length basis. The related party transactions undertaken by the Company during the year under review were in compliance with the applicable provisions of the Act and Listing Regulations. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of the Annual Report. All ongoing related party transactions along with

the estimated transaction value and terms thereof are approved by the Audit Committee before the commencement of financial year and thereafter reviewed on quarterly basis by the Audit Committee.

In compliance with the requirements of Regulation 23 of Listing Regulations, the Board of Directors of the Company has approved the Related Party Transaction Policy, to facilitate management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company. The said Related Party Transaction Policy can be viewed on the website of the Company at www.zee.com.

There were no material related party transactions between the Company and its promoters, directors or key managerial personnel or their relatives, having any potential conflict with interests of the Company at large.

- iii. There has not been any non-compliance by the Company and no penalties or strictures imposed by SEBI or Stock Exchanges or any other statutory authority on any matter relating to capital markets, during the last three years.
- iv. As per Section 177 of the Act and Regulation 22 of Listing Regulations, a comprehensive Whistle Blower and Vigil Mechanism Policy has been approved and implemented within the organization. The policy enables the employees and directors to report instances of any unethical act or suspected incidents of fraud or violation of Companies Code of Conduct or ethics policy. This Policy (copy of which is uploaded on the website of the Company) safeguards whistleblowers from reprisals or victimization. Your Board affirms that no personnel has been denied access for making disclosure or report under the Policy to the Vigilance Officer and/or Audit Committee.
- v. In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Insider Trading Regulations'), the Company has formulated and approved (i) an Insider Trading Code to regulate dealing in the securities of the Company by designated persons in compliance with the regulations; and (ii) a Policy for Fair Disclosure of Unpublished Price Sensitive Information ('UPSI'). An Insider Trading Code is suitably amended, from time to time to incorporate the amendments carried out by SEBI to Insider Trading Regulations. The said Insider Trading Code and Policy for Fair Disclosure of UPSI can be viewed on Company's website at www.zee.com. The digital database as required under the Insider Trading Regulations is also maintained by the Company. Mr. Ashish Agarwal, Chief Compliance Officer & Company Secretary of the Company is a Compliance Officer for the purposes of Insider Trading Code, while the Chief Financial Officer of the Company has been assigned responsibility under Fair Disclosure policy as Investor Relations Officer. The Audit Committee is updated periodically on the compliances ensured under the above regulations.
- vi. Pursuant to the threshold prescribed for determining Material Subsidiary in Regulation 16(1)(c) of the Listing Regulations, ATL Media Limited, Mauritius, a wholly owned overseas subsidiary was a Material Subsidiary of the Company during the financial year 2020-21. Detailed secretarial activity reports along with the minutes of the Meetings of Subsidiaries are placed before the Board at the meeting on periodical basis. The Audit Committee reviews the financial statements including investments made by the unlisted subsidiaries. The policy on determining material subsidiaries is available on the website of the Company at www.zee.com.
- Additionally, the Board has in accordance with the requirements of the Act and Listing Regulations approved and adopted various other policies including Material Events Determination and Disclosure Policy, Document Preservation Policy, Corporate Social Responsibility Policy etc. These policies can be viewed on Company's website at www.zee.com.
- vii. During the year, the Company has not raised any funds through preferential allotment or qualified Institutions Placement as specified under Regulation 32(7A) of the Listing Regulations.
- viii. Your Board hereby confirms that the Company has obtained a certificate from the Company Secretary in practice that none of the Directors have been debarred or disqualified from being appointed or continuing as Directors by SEBI/ Ministry of Corporate Affairs or Ministry of Information & Broadcasting. The same is annexed as **Annexure I** to this report.

- ix. In Compliance with Schedule V of the Listing Regulations, the Company has obtained compliance certificate on Corporate Governance from the Statutory Auditors. The same is reproduced at the end of this report and marked as **Annexure II**.
- x. During the year under review, the Statutory Auditors of the Company M/s. Deloitte Haskins & Sells LLP, Chartered Accountants were paid an aggregate remuneration of ₹ 12 million (including Statutory Audit Fees of ₹ 9 million). Apart from the Company, the Statutory Auditors and its network firms across the globe provided Audit and other Services to certain subsidiaries of the Company viz. Asia Today Limited, Mauritius, ATL Media Limited, Mauritius, Zee Multimedia Worldwide (Mauritius) Limited, Mauritius and Zee TV South Africa (Proprietary) Limited.
- The details of payments (converted into Indian Rupees) made to the Statutory Auditors and its Network firms on consolidated basis (excluding taxes) are given below:

	(₹ million)
Particulars	Amount
Audit Fees	19
Tax Audit Fees	0
Certifications and Tax representation	3
Other Services	0
Total	22

- xi. The Company is committed to provide safe and conducive working environment to all its employees (permanent, contractual, temporary, trainees etc.) and has zero tolerance for sexual harassment at workplace. In line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder, the Company has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace and has constituted 11 Internal Complaints Committee functioning at various locations to redress complaints received regarding sexual harassment. During the year, the Company had received one complaint of sexual harassment which was investigated in accordance with the procedure and resolved.
- xii. **Directors & Officers Liability Insurance**
As per the provisions of the Act and in compliance with Regulation 25(10) of the Listing Regulations, the Company has taken a Directors & Officers Liability Insurance Policy.
- xiii. **Details of Shares lying in Unclaimed Suspense Account**
Pursuant to Regulation 39(4) of the Listing Regulations, details in respect of the physical shares, which were issued by the Company from time to time and lying in the suspense account is as under:

Description	Equity Shares	
	Number of shareholders	Number of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account as at April 1, 2020	156	104,956
Fresh undelivered cases during the financial year 2020-21	1	4190
Number of shareholders who approached the Company for transfer of shares from suspense account till March 31, 2021	2	5,950
Number of shareholders to whom shares were transferred from the Suspense account till March 31, 2021	2	5,950
Number of Unclaimed Shares transferred to the Demat Account of IEPF Authority during FY 2020-21	15	10,797
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2021	140	92,399

Description	Preference Shares	
	Number of shareholders	Number of Shares
Aggregate number of shareholders and the outstanding shares of FV ₹ 4 in the suspense account as at July 24, 2020*	197	492,929
Fresh undelivered cases of FV ₹ 4 during the financial year 2020-21 till date of redemption March 5, 2021	97	444,703
Number of shareholders who approached and to whom the Company transferred the shares from suspense account till March 05, 2021	0	0
Total Unclaimed Preference Shares of FV ₹ 4 as on March 5, 2021 which are being cancelled pursuant to redemption of Preference shares due to change in face value from ₹ 4 to ₹ 2	294	937,632
Aggregate number of shareholders and the outstanding shares of FV of ₹ 2 paid up in the suspense account lying as on March 31, 2021	218	492,752

Note: *Due to COVID -19 pandemic and countrywide lockdown, the Company could not receive the undelivered Preference share certificates of FV ₹ 4 each and hence the outstanding Preference shares lying in the suspense account are as on the signing date of the annual report i.e. on July 24, 2020.

- The voting rights on the shares outstanding in the suspense account as on March 31, 2021 shall remain frozen till the rightful owner of such shares claims the shares.
- xiv. (a) The Company has complied with all the requirements of Corporate Governance Report as stated under sub-para (2) to (10) of section (C) of Schedule V to the Listing Regulations.
- xiv. (b) The Company has complied with all the requirements of corporate governance as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- xv. **Compliance with Discretionary requirements**
Pursuant to Schedule II Part E of the Listing Regulations, the Company has also ensured the implementation of non-mandatory items such as:
a. Internal auditors of the Company, make quarterly presentations to the Audit Committee on their reports; and
b. Non-executive Chairperson is entitled for reimbursement of expenses incurred in performance of his official duties.



ANNEXURE-I TO THE CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Para C (10)(i) of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Zee Entertainment Enterprises Limited
18th Floor, 'A' wing,
Marathon Futurex,
NM Joshi Marg, Lower Parel,
Mumbai – 400 013 Maharashtra

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Zee Entertainment Enterprises Limited having CIN L92132MH1982PLC028767 and having registered office at 18th Floor, 'A' wing, Marathon Futurex NM Joshi Marg, Lower Parel Mumbai-400013 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with clause 10(i) of Para C of Schedule V to the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or Ministry of Information and Broadcasting.

Sl. No.	Name of the Director as on March 31, 2021	DIN	Category of Directorship	Date of Appointment
1.	Mr. Rajarangamani Gopalan	01624555	Non-Executive - Independent Director, Chairperson	November 25, 2019
2.	Mr. Punit Goenka	00031263	Executive Director, Managing Director & CEO	January 01, 2005
3.	Mr. Ashok Kurien	00034035	Non-Executive - Non Independent Director	November 17, 1992
4.	Mr. Manish Chokhani	00204011	Non-Executive - Independent Director	April 01, 2015
5.	Mr. Adesh Kumar Gupta	00020403	Non-Executive - Independent Director	December 30, 2015
6.	Mr. Piyush Pandey	00114673	Non-Executive - Independent Director	March 24, 2020
7.	Ms. Alicia Yi	08734283	Non-Executive - Independent Director	April 24, 2020
8.	Mr. Sasha Mirchandani	01179921	Non-Executive - Independent Director	December 24, 2020
9.	Mr. Vivek Mehra	00101328	Non-Executive - Independent Director	December 24, 2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/s Vinod Kothari & Company
Practising Company Secretaries
Unique Code: **P1996WB042300**

Vinita Nair
Senior Partner
Membership No.: F10559
C P No.: 11902
UDIN: F010559C000341736
Peer Review Certificate No.: 781/2020

Place: Mumbai
Date: May 19, 2021

ANNEXURE-II TO THE CORPORATE GOVERNANCE REPORT

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO
THE MEMBERS OF
ZEE ENTERTAINMENT ENTERPRISES LIMITED

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

- This Certificate is issued in accordance with the terms of our engagement letter dated 21 September 2020.
- We, Deloitte Haskins & Sells LLP, Chartered Accountants, the statutory auditors of **ZEE ENTERTAINMENT ENTERPRISES LIMITED** (the Company) have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

- The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

- Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
- We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

- Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2021.
- We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

A.B. Jani
Partner
(Membership No. 46488)
UDIN: 21046488AAAABO3919

Date: 20 May 2021



BUSINESS RESPONSIBILITY REPORT

As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN)	: L92132MH1982PLC028767
2. Name of the Company	: Zee Entertainment Enterprises Limited
3. Registered Address	: 18th Floor, A Wing, Marathon Futurex, N M Joshi Marg, Lower Parel, Mumbai-400013
4. Website	: www.zee.com
5. Email id	: shareservice@zee.com
6. Financial Year reported	: April 1, 2020 – March 31, 2021

7. Sector(s) that the Company is engaged in (industrial activity code-wise):
The Company is mainly engaged in the business of Broadcasting of General Entertainment Television Channels i.e. Non-News & Current Affairs Television Channels falling into 'Television Programming & Broadcasting Services' – NIC code (2008) -6020.

8. Three key products/services that the Company manufactures/provides (as in balance sheet):
The Company mainly provides Broadcasting Services and is engaged in the business of Broadcasting of various National and Regional General Entertainment, Music and Niche Television Channels.
As part of the said broadcasting business, apart from Advertisement revenue and Subscription revenue, the Company earns revenue from out of Syndication of Media Contents.

9. Total number of locations where business activity is undertaken by the Company:
i) **Number of International locations:** Company's international business operations are carried out by various direct and in-direct subsidiaries overseas through their offices in 10 International locations (including representative offices and/or distribution arrangement) which includes Singapore, Mauritius, UAE - Dubai, South Africa, Canada, Indonesia, Thailand, Russia, UK and America.
ii) **Number of National Locations:** Indian operations of the Company are carried out through over 12 offices located in major commercial hubs of the Country including Mumbai, Gurgaon, Pune, Chennai, Kolkata, Noida, Hyderabad, Cochin, Bhubaneswar, Chandigarh, Bengaluru and Guwahati.

10. Markets served by the Company:
Company's television channels reach out to a little over 1.3 billion viewers across 170+ countries.

SECTION B: FINANCIAL DETAILS OF THE COMPANY (STANDALONE OPERATIONS)

1. Paid up Capital	: ₹ 4,994 million
2. Total Turnover	: ₹ 66,654 million
3. Total Profit after taxes	: ₹ 11,210 million
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after tax (%)	: During the year under review, Company CSR spend was ₹ 500.04 million. The CSR spend during the year works out to 4.46% of Profit after tax for FY 20-21.

5. List of activities in which expenditure in 4 above has been incurred.
During the year under review, the CSR spends of the Company were towards (i) Rural Development Project; (ii) Disaster management, including relief, rehabilitation and reconstruction activities (iii) Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) (iv) Promoting health care including Preventive health care (v) Promoting education.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/Companies?
As at March 31, 2021, the Company has 26 subsidiaries, including 8 domestic and 18 overseas direct and indirect subsidiaries.

2. Do the Subsidiary Company/Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(ies).
BR Policies / initiatives adopted by the Company are implemented across all Indian and Overseas subsidiaries subject to compliance of local laws for subsidiaries in overseas territories.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity /entities (Less than 30 %, 30-60%, More than 60%)
Though Company's BR Policies/initiatives does not apply to vendors/ suppliers, the Company follows zero tolerance on any acts of bribery, corruption etc. by such agencies during their dealings with the Company and/ or with any of its employees.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR:

a) Details of the Director/Directors responsible for implementation of the BR policy/policies:
All Corporate Policies including the Policies forming part of Business Responsibility Reporting are engrained in day-to-day business operations of the Company and are implemented by Management at all levels. Mr. Punit Goenka (DIN 00031263) Managing Director & CEO is responsible for the implementation of the BR Policy of the Company.

b) Details of the BR head:

Sr. No.	Particulars	Details
1	DIN Number	00031263
2	Name	Mr. Punit Goenka
3	Designation	Managing Director & CEO
4	Telephone Number	022 – 7106 1234
5	E mail Id	punit.goenka@zee.com

2. Principle-wise (as per NVGs) BR Policy/policies

a. Details of Compliance (Reply in Y/N)

Sr. No.	Questions	Business Ethics	Product Responsibility	Employee Wellbeing	Shareholder Engagement	Human Rights	Environment Protection	Public & Regulatory Policy	CSR	Customer relation
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a Policy/policies for	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the Policy been formulated in consultation with the relevant Stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Does policy conform to any national/ international standards	Policies are prepared ensuring adherence to applicable regulatory requirements and Industry standards.								
4	Has the policy been approved by the board? If yes has it been signed by MD/ CEO/ appropriate Board Director?	Yes	No	No	No	No	No	No	Yes	No
5	Does the Company have a specified committee of the Board/Director/ Official to oversee implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online	Most of the relevant policies are disseminated and uploaded for information of relevant stakeholders and employees either on Company's intranet site or on corporate website.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Does the Company have in house structure to implement the policy	All Corporate Policies including Policies forming part of Business Responsibility Reporting are engrained in all day-to-day business operations of the Company and are implemented at all Management levels and monitored by the Managing Director & CEO from time to time.								

Sr No	Questions	Business Ethics	Product Responsibility	Employee Wellbeing	Shareholder Engagement	Human Rights	Environment Protection	Public & Regulatory Policy	CSR	Customer relation
9	Does the Company have a grievance redressal mechanism related to the policy to address stakeholders grievances related to the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes. The Company consults the external agencies on a need basis and most of the policies are evaluated regularly by the CEO and/or respective Senior Executives.								

b. If answer to the question at Sr No 1 against any principle, is "No", please explain why:

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next six month									
5	It is planned to be done within next one year									
6	Any other reason (Please specify)									

Within the overall guidance of the Board, the Corporate Policies are framed and/or modified from time to time. Policies in connection with Business Operations & Human Resources have been implemented and followed over a period of time as per industry norms and/or best practices and were not approved by the Board specifically. However, these Policies as and when approved are released for implementation by the CEO of the Company at the relevant point in time. Further the Policies are evaluated regularly by the CEO and/or respective Senior Executives.

3. Governance related to BR:

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year –** The assessment of BR performance is done on an ongoing basis by the Managing Director and Senior Management of the Company.
- **Does the Company publish a BR or sustainability Report? What is hyperlink for viewing this report? How frequently it is published?** The Company had started publishing BR report from financial year 2012-13 on a yearly basis. The BR report is/shall be available as part of Annual Report on www.zee.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The Company considers Corporate Governance as an integral part of management. The Company has a Code of Conduct that is approved by the Board of Directors and this code is applicable to all Board Members and Senior Management. The code is available on the Company's website: www.zee.com. Transparency and accountability are the hallmark as Corporate Governance in the Company. Additionally, as part of HR policy the Company has framed/ circulated policies which deal with Ethics at work place and restraining giving and receiving of gifts and other benefits in the course of business relationship etc.

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/ Others?

The policies relating to ethics, bribery and corruption are applicable to the employees at all levels, including of subsidiaries. Though the Company's policies do not apply to external stakeholders including suppliers, contractors, NGOs etc., the Company follows zero tolerance on any acts of bribery, corruption etc. by such agencies during their dealings with the Company and or with any of its employees.

2. How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

As mentioned in the Corporate Governance Report, 8 complaints were received from the Shareholders during FY 2020-21, and all have been resolved. Additionally, on an ongoing basis the complaints/grievances/ views/suggestions from viewers and other stakeholders are dealt with by respective functions within the Company.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Company's broadcasting services and distribution of contents thereof are in compliance with applicable regulations issued by Ministry of Information and Broadcasting and the self-regulatory guidelines/advisories issued by Indian Broadcasting Federation (IBF) and its arm Broadcasting Content Complaints Council (BCCC) from time to time.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is engaged in the business of Broadcasting of General Entertainment Channels across the globe, contents whereof address social and environmental concerns.

2. For each such product, provide the following details in respect of resource use (energy, water, raw materials etc.) per unit of product (optional) including a) Reduction during sourcing/production/distribution throughout the value chain and b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company's broadcasting operations requires minimal energy consumption and every endeavor is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible. The Company's broadcast operations and studios are designed to ensure optimal energy saving.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

The Company maintains a healthy relationship with its content providers, vendors and other suppliers and the business policies of the Company include them in its growth. The process of vendor registration lays emphasis on conformity of safe working conditions, business ethics and general housekeeping by the vendor. Further various events/programs broadcast on Company's television channels are designed to offer opportunities to talents from all strata of society.

4. Has Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors

Most of the business operations of the Company are carried out from commercial hubs of the country and the content provider and other goods and service providers required for the day-to-day operations are sourced

from local vendors and small producers, which has contributed to their growth. Additionally, the Company encourages local talent in production of contents for its television channels.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste. (Separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

As the Company is a service provider, it does not discharge any effluent or waste. However mindful of the need for recycling products and waste, the Company has been directing its efforts in reducing use of plastic bottles, recycling used plastic bottles and has been using rechargeable batteries / other products.

Principle 3: Business should promote the well-being of all employees

Being in the business of creativity, people are the ultimate differentiator and efforts are taken to attract, develop and retain best talent. To ensure sustainable, business growth and become future ready, the Company has been focusing on strengthening its talent management, performance management & employee engagement processes. Accordingly, apart from confirming to regulatory requirements and industry standards, all HR policies are prepared and implemented considering overall well-being of the employees. Over the years, these policies have helped in building a high-trust, high-performance culture.

1. Please indicate the total number of employees: 3,338 employees

2. Please indicate the total number of employees hired on temporary contractual /casual basis: 2,563 employees

3. Please indicate the number of permanent women employees: 906 women employees

4. Please indicate number of permanent employees with disabilities: NA

5. Do you have employee association that is recognized by management? No employee association exists

6. What percentage of your permanent employees are members of this recognized employee association? NA

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.

During the year under review, the Company had received one complaint on sexual harassment at workplace and the same was investigated in accordance with the procedure and resolved. No other complaints in respect of any other subject were received during the financial year.

8. What percentage of your above-mentioned employees were given safety and skill up-gradation training in the last year?

The Company organizes various training sessions in-house on a regular basis for its employees and also sponsors its employees to attend training sessions organized by external professional bodies to facilitate upgradation of skill for employees handling relevant functions. Apart from this the Company organises customized learning journeys for employees on its online learning portal and conducts trainings like Digital Marketing, Promo creation workshop, Excellence in Sales skills, Project Management, Time Management, High Impact Business Presentation, MS Excel Level 1 & 2, POSH training for the IC members for safety workplace, Fire and Safety training/drills mock fire drills as part of basic fire and safety training.

Principle 4: Businesses should respect interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

The Business operations of the Company, apart from being compliant with the regulatory requirements is mindful and responsive towards interest of all stakeholders. The Company has been known to offer opportunities to talents/producers/vendors from all strata of society, many of whom have achieved success in Media industry. Additionally, Company's CSR spends are targeted towards long-term sustainable programs that actively contribute to and support the social and economic development of the society.

1. Has the Company mapped its internal and external shareholders?

The Company has mapped its internal and external stakeholders, the major/key categories include (i) Central and State Governments / regulatory authorities viz. the Ministry of Information & Broadcasting, the Department of Telecommunication, TRAI, Ministry of Corporate Affairs, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges, Depositories & self-regulatory bodies viz. Broadcast Content Compliant Council & Advertising Standards Council of India and Broadcast Audience Research Council; (ii) Content Producers; (iii) Vendors; (iv) Financial Institutions; (v) Banks; (vi) Domestic & International Investors and (vii) Professional Service Providers.

The process of mapping of stakeholders is an ongoing exercise and are updated on regular basis.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

Yes

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof

Apart from providing opportunities to the talents and vendors from all strata of society, the Company's CSR spends are targeted towards long-term sustainable programs that actively contribute to and support the social and economic development of the society.

Principle 5: Business should respect and promote human rights

Zee believes that an organization rests on a foundation of business ethics and valuing of human rights. Zee adheres to all statutes which embodies the principles of human rights such as prevention of child labour, woman empowerment etc.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint ventures/ suppliers/ contractors/ NGOs/Others?

While Company's policies are not applicable to the vendors, the Company promotes awareness of the importance of protecting human rights within its value chain and discourage instances of any abuse. Such policies and practices apply to the Company and its subsidiaries.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

During the year under review, 8 complaints were received from Shareholders and all have been resolved. Apart from One Sexual Harassment related complaint, there were no complaints reported on violation of any Human rights during the financial year 2020-21.

Principle 6: Business should respect, protect, and make efforts to restore the Environment

The Broadcasting operations of the Company have minimal impact on the environment. The offices and studios of the Company are designed to be Green and environment friendly.

1. Does the policy related to principle 6 cover only the Company or extend to the Group/Joint ventures/ suppliers/ contractors/ NGOs/ Others?

Nurturing and safeguarding the environment for long term sustainability is of prime importance. The Company, on standalone basis, have been undertaking several green initiatives across all the offices at all its office locations during the year.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

No

3. Does the company identify and assess potential environmental risks? Y/N

No, the Company being in the business of Broadcasting does not involve in any manufacturing activity.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

No, the Company being in the business of Broadcasting does not involve in any manufacturing activity.

5. Has Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc.? Y/N. If yes, please give hyperlink to web page etc.

No, the Company being in the business of Broadcasting does not involve in any manufacturing activity.

6. Are the Emissions/Waste generated by the Company within permissible limits given by CPCB/SPCB for the financial year being reported?

Not applicable, since the Company being in the business of Broadcasting, does not involve any manufacturing activity.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as of end of financial year.

Nil

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.

The Company is a Member of and interacts with various industry chambers / associations including Indian Broadcasting Federation, Indian Film & TV Producer Council, Indian Motion Pictures Distributor Association, Broadcast Audience Research Council and Indian Council of Arbitration.

2. Have you advocated/lobbied through above associations for advancement or improvement of public good? Yes/No; If yes, specify the broad areas

The Company has been active in various business associations and supports / advocates on various issues for better viewer experience.

Principle 8: Businesses should support inclusive growth and equitable development

Corporate Social Responsibility (CSR) at Zee is all about engaging in long-term sustainable programs that actively contribute to and support the social and economic development of the society. Accordingly, as a unified approach towards CSR at Zee Group level and with an intent to support long term projects focused on developing and empowering society.

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8?

Requisite details of CSR initiatives are included in the Annual Report on CSR forming part of this Annual Report.

2. Are the programmes/projects undertaken through in-house team/ own foundation/ external NGO/government structures/any other organisation?

To facilitate identifying long-term CSR projects and monitoring implementation, the CSR Committee of the Company was reconstituted which has assigned the responsibility to identify and monitor CSR spends to a focused team within the Company.

3. Have you done any impact assessment of your initiative?

The CSR Committee and a focused team within the organization is responsible for monitoring and doing impact assessment of various CSR Projects and providing requisite update to CSR Committee annually.

4. What is Company's direct contribution to community development projects-Amount in ₹ and the details of the projects undertaken?

Refer details of CSR contributions in the Annual report on CSR forming part of this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Yes

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner

The Company's value system includes Customer first as one of the values. All activities and programs of the Company are targeted to provide value to its viewers and advertisers.

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?

There are no consumer cases / customer complaints outstanding as at the end of financial year.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Not applicable

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and or anti-competitive behavior during the last five years and pending as of end of financial year?

None

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

Apart from television ratings signifying popularity and viewership of various Television channels/Program, the marketing department on a regular basis carries out surveys (either web-based or otherwise) for identifying consumers viewing behavior and emerging trends on consumer preferences. The Company also carries out studies from time to time on process requirement areas through consulting firms.



CERTIFICATION ON FINANCIAL STATEMENTS OF THE COMPANY

We, Punit Goenka, Managing Director & CEO and Rohit Kumar Gupta, Chief Financial Officer of Zee Entertainment Enterprises Limited ('the Company'), certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards (Ind-AS), applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2021 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d) During the year:
 - i) there has not been any significant change in internal control over financial reporting;
 - ii) there have not been any significant changes in accounting policies; and
 - iii) there have been no instances of significant fraud of which we are aware that involve management or other employees having significant role in the Company's internal control system over financial reporting.

Punit Goenka
Managing Director & CEO

Rohit Kumar Gupta
Chief Financial Officer

Mumbai, May 20, 2021

INDEPENDENT AUDITOR'S REPORT

To
The Members of Zee Entertainment Enterprises Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Zee Entertainment Enterprises Limited (the Company), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 35 of the standalone financial statements which details the Letter of Comfort (LOC) issued by the Company to Yes Bank Limited (Bank) in connection with a Put Option agreement entered into by ATL Media Limited (ATL), a wholly owned subsidiary of the Company, with Living Entertainment Limited (LEL), another related party of the Company which was assigned by LEL in favour of the Bank towards certain borrowings by LEL from the Bank (exercise price of the Put Option of \$52.50 million equivalent to Rs. 3,848 million as at 31 March 2021; Rs. 3,927 million as at 31 March 2020) which ATL has rescinded from the date of renewal of the Put Option, the claim by the Bank that the LOC is a financial guarantee provided by the Company to the Bank, the subsequent developments in the Hon'ble High Court of Bombay that

were in favour of the Company and the current status of the matter which is sub-judice. As explained in the said Note, the Management has evaluated that the LOC is not in the nature of a financial guarantee and has also been legally advised so. Consequently, no liability has been accrued towards the LOC as at 31 March 2021.

Our report is not modified in respect of this matter.

Key Audit Matters

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

Key Audit Matter	Auditor's response
<p>Goodwill impairment assessment as at 31 March 2021:</p> <p>The standalone financial statements reflect goodwill aggregating Rs. 1,661 million recognised mainly on acquisitions and allocated to the following cash generating units (CGUs):</p> <ol style="list-style-type: none"> 1. Online Media Business (Rs 995 million (net of impairment of Rs. 1,620 million)); and 2. Regional channel in India (Rs. 621 million). <p>We considered this as key audit matter due to the significance of the balance of goodwill and because of the Company's assessment of the fair value less cost of disposal (FVLCD) and value-in-use (VIU) calculations of the CGU, which involve significant judgements about the valuation methodology, future performance of business including likely impact on account of lockdowns due to spread of COVID-19 pandemic and discount rate applied to future cash flow projections.</p> <p>Refer note 7 of the standalone financial statements.</p>	<p>Principal audit procedures performed:</p> <p>Our procedures consisted of understanding the Management's methodology and key assumptions and included performance of the following audit procedures:</p> <ul style="list-style-type: none"> • Evaluated the design and operating effectiveness of internal controls relating to review of goodwill impairment testing performed by the Management; • Validating impairment models through testing of the mathematical accuracy and verifying the application of the key input assumptions; • Understanding the underlying process used to determine the risk adjusted discount rates; • Assessing the appropriateness of significant changes to assumptions since the prior period; • Validating the cash flow forecasts with reference to historical forecasts and actual performance to support any significant expected future changes to the business. Review of the factors considered by the Management on the business projections on account of lockdowns due to spread of COVID-19 pandemic; • Working with auditor's valuation experts to benchmark the discount rates and perpetual growth rates applied by the Company for the purposes of computing VIU; • We have also engaged auditor's valuation experts to assist us in evaluating the FVLCD determined by the Company. The valuation experts independently evaluated revenue multiple used in determination of FVLCD.

Key Audit Matter	Auditor's response
<p>Audit of transactions involving payment of advance for movie rights acquisitions:</p> <p>The Company pays advances for acquiring movies from aggregators, sub-agents of aggregators and production houses. During earlier years/ the year, the Company paid advances to such aggregators and production houses for acquiring rights of movies on the basis of Memorandum of Understanding (MOU) and/or agreements entered into with the respective aggregators or production houses.</p> <p>We considered this as key audit matter on account of the value of such movie advances and the risks associated with non-performance.</p> <p>Refer note 51 of the standalone financial statements.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> • Evaluated the design and operating effectiveness of internal controls relating to authorization of movie advances and adherence to the approval policy framed by the Company; • Obtained supporting documents for the sample of movie advances paid during the year which includes the MOU/agreement executed between the Company and content aggregators and production houses stating business rationale for the advance payments; • Checked appropriate approvals for the advance payments and adherence to the approval policy; • For samples selected, obtained direct confirmation from the content aggregators and the production houses confirming the outstanding balances as at the year-end including identification of the films against which the advances were given and the manner of utilisation of the advances by such aggregators, where considered necessary in our professional judgement.

Key Audit Matter	Auditor's response
<p>Recoverability of long overdue receivables from a customer:</p> <p>The Company has receivables of Rs 4,546 million (net of allowance for doubtful debts) from a customer, which include amounts which are long overdue, as at 31 March 2021.</p> <p>We considered this as key audit matter on account of risk associated with long outstanding receivables from this customer, the Company's assessment of the recoverability of these receivables and consequent determination of provision for expected credit loss which requires significant Management estimates and judgments.</p> <p>Specific factors considered by the Management includes credit worthiness of the customer, adherence to the payment plan agreed by the Company with this customer, including ageing analysis.</p> <p>Refer note 48 d (ii) of the standalone financial statements.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> • Evaluated the design and operating effectiveness of internal controls relating to the assesment of recoverability of receivables and determination of the provision for expected credit loss; • Verified the completeness and accuracy of data considered for ageing analysis and assessment of recoverability of receivables and determination of the provision for expected credit loss; • Obtained the revised payment plan agreed by the Company (presented to the Board of Directors by the Management) with the customer and checked if the collections were in line with the agreed payment plan, including subsequent collection after the balance sheet date till the date of the audit report on the standalone financial statements; • Evaluated whether the provision for expected credit loss recorded by the Company is appropriate considering specific factors like credit worthiness of these customers and adherence to the payment plan agreed with the Company; • Obtained direct confirmations from the customer as at the year-end for the outstanding balance.

Key Audit Matter	Auditor's response
<p>Valuation of investment in Optionally Convertible Debentures (OCDs) of a subsidiary as at 31 March 2021:</p> <p>The standalone financial statements reflect investments in Optionally Convertible Debentures (OCDs) in a subsidiary with a carrying value of Rs. 370 million. These OCDs are accounted at fair value through profit and loss account.</p> <p>We considered this as key audit matter due to the fair value loss recorded during the year and because of the Company's assessment of the fair value calculations of the OCD. This assessment involves judgements about the fair valuation methodology, appropriate market multiples, percentage of discount of the value arrived due to specific risk and operational factors applicable to the subsidiary to compute fair value.</p>	<p>Principal audit procedures performed:</p> <p>Our procedures consisted of understanding the Management's methodology and key assumptions and included the following audit procedures:</p> <ul style="list-style-type: none"> • Evaluated the design and operating effectiveness of internal controls relating to Management's review of fair value; • Validate impairment models through testing of the mathematical accuracy and verifying the application of the key input assumptions; • We have engaged auditor's valuation expert to assist us in evaluating the fair valuation determined by the Company. The valuation expert independently evaluated revenue multiple and percentage of discount of the value arrived used in determination of fair value.
<p>Matter of litigation relating to Letter of Comfort (LOC) issued by the Company to Yes Bank Limited:</p> <p>With respect to the matter relating to the LOC issued by the Company to Yes Bank referred to in the Emphasis of Matter section above and as explained in note 35 of the standalone financial statements.</p> <p>On account of the amount involved as well as the matter being sub-judice, we considered this to be a key audit matter.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> • Perused the legal opinions obtained by the Management from various lawyers based on which the Management has concluded that LOC is not in the nature of guarantee; • Perused the judgements of the Hon'ble High Court of Bombay in respect of the ad-interim application; • Considered if the LOC met the requirements of an executory contract and if so whether it could be onerous in nature requiring a provision under Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets'.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis report and Directors' report (including annexures to Directors' report), but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(f) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the 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 standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143(11) of the Act, we give in Annexure 'B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

Other Matter

The Company acquired the film production and distribution business from Zee Studios Limited (a wholly owned subsidiary of the Company) with effect from 1 March 2021, as explained in note 50 of the financial statements. The financial information of the said film production and distribution business for the year ended 31 March 2020 and for the eleven months ended 28 February 2021 prepared in accordance with Ind AS and generally accepted accounting principles in India have been audited by the statutory auditors of Zee Studios Limited. The adjustments made to the previously issued financial statements of the Company for the year ended 31 March 2020 and adjustments made to the financial statements of the Company for the year ended 31 March 2021, giving effect to the above mentioned acquisition, in accordance with Appendix C of Ind AS 103 which deals with Business Combinations of entities under common control, have been audited by us.

Our report on the Statement is not modified in respect of this matter.

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

A. B. Jani
Partner

Mumbai, 20 May 2021

Membership No. 46488
UDIN: 21046488AAAABL1782

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the Act)

We have audited the internal financial controls over financial reporting of Zee Entertainment Enterprises Limited (the Company) as of 31 March 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions

are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Deloitte Haskins & Sells LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

A. B. Jani

Partner
Membership No. 46488

Mumbai, 20 May 2021

UDIN: 21046488AAAABL1782

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 (the Act) of Zee Entertainment Enterprises Limited (the Company)

- (i) In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) Some of the fixed assets were physically verified, during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the nature of the inventories of the Company are such that clause (ii) of paragraph 3 of the Order is not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms 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 complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act. 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 Act, 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 information and explanations given to us in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employee State Insurance, Income-tax, Wealth-tax, Sales tax, Service tax/Goods and Service Tax, Customs duty, Excise duty, Cess, and any other material statutory dues applicable to it with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employee State Insurance, Income-tax, Wealth Tax, Sales Tax, Service Tax/Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
 - c) Details of dues of Income-tax, Sales Tax, Service Tax/Goods and Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on 31 March 2021 on account of disputes are given below:

BALANCE SHEET
AS AT 31 MARCH 2021

(₹ Millions)

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Unpaid (₹ Millions)
The Central Excise Act, 1944	Service Tax	Customs, Central Excise and Service Tax Appellate Tribunal	F.Y. 2006-07	312
			F.Y. 2007-08	148
			F.Y. 2011-12 F.Y. 2012-13	4
		Additional Commissioner of Service Tax, Mumbai	F.Y. 2012-13 F.Y. 2013-14 F.Y. 2014-15	39
			F.Y. 2015-16 F.Y. 2016-17	51
The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	F.Y. 2008-09	3*
The Income Tax Act, 1961	The Income Tax Act, 1961	Commissioner of Income Tax (Appeals)	F.Y. 2012-13 F.Y. 2013-14 F.Y. 2014-15 F.Y. 2015-16 F.Y. 2016-17 F.Y. 2017-18 F.Y. 2018-19	12

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

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans from the financial institutions and Government and has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

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

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.

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

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

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

A. B. Jani
 Partner

Membership No. 46488

UDIN: 21046488AAAAABL1782

Mumbai, 20 May 2021

Note	Mar-21	Mar-20 (Restated - Refer note 50)	
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	3,156	3,830
(b) Capital work-in-progress	5	120	215
(c) Investment property	6	520	797
(d) Goodwill	7	1,616	1,881
(e) Other intangible assets	7	240	460
(f) Intangible assets under development		198	-
(g) Financial assets			
(i) Investments			
a) Investments in subsidiaries	8	6,179	6,191
b) Other investments	8	657	1,330
(ii) Other financial assets	9	115	199
(h) Income-tax assets (net)		1,380	1,115
(i) Deferred tax assets (net)	10	2,409	2,219
(j) Other non-current assets	11	39	79
Total non-current assets		16,629	18,316
Current assets			
(a) Inventories	12	49,440	46,871
(b) Financial assets			
(i) Other investments	13	7,667	1,022
(ii) Trade receivables	14	17,721	21,224
(iii) Cash and cash equivalents	15	5,811	3,826
(iv) Bank balances other than (iii) above	15	422	1,005
(v) Loans	30	-	-
(vi) Other financial assets	9	4,212	4,389
(c) Other current assets	11	10,339	9,528
Total current assets		95,612	87,865
Non-current assets classified as held for sale	46	587	769
Total assets		112,828	106,950
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	961	960
(b) Other equity	17	86,516	75,320
Total equity		87,477	76,280
Liabilities			
Non-current liabilities			
(a) Financial liabilities - borrowings			
(i) Redeemable preference shares	18	-	2,975
(ii) Others	18	129	359
(b) Provisions	19	1,412	1,275
Total non-current liabilities		1,541	4,609
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
Total outstanding dues of micro and small enterprises		5	0
Total outstanding dues of creditors other than micro and small enterprises		12,922	15,132
(ii) Other financial liabilities			
Redeemable preference shares	20	3,832	2,975
Others	20	3,229	5,130
(b) Other current liabilities	21	2,663	1,820
(c) Provisions	19	95	81
(d) Income-tax liabilities (net)		1,064	923
Total current liabilities		23,810	26,061
Total liabilities		25,351	30,670
Total equity and liabilities		112,828	106,950

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

See accompanying notes to the financial statements

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

A. B. Jani
 Partner

Place: Mumbai | Date: 20 May 2021

For and on behalf of the Board

Punit Goenka
 Managing Director & CEO

Rohit Kumar Gupta
 Chief Financial Officer

Place: Mumbai | Date: 20 May 2021

Vivek Mehra
 Director

Ashish Agarwal
 Company Secretary



STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2021

	Note	Mar-21	Mar-20 (Restated - Refer note 50)
(₹ Millions)			
Revenue			
Revenue from operations	22	66,654	72,935
Other income	23	2,624	2,309
Total income	I	69,278	75,244
Expenses			
Operational cost	24	29,613	33,413
Employee benefits expense	25	6,856	6,258
Finance costs	26	526	1,390
Depreciation and amortisation expense	27	1,457	1,776
Fair value loss on financial instruments at fair value through profit and loss	28	2,161	3,314
Other expenses	29	11,375	14,118
Total expenses	II	51,988	60,269
Profit before exceptional item and tax	III=(I-II)	17,290	14,975
Less: Exceptional items	30	1,266	2,843
Profit before tax	IV	16,024	12,132
Less : Tax expense			
Current tax - current year	31	5,104	5,713
- earlier years	31	(100)	29
Deferred tax	31	(190)	(1,128)
	V	4,814	4,614
Profit for the year	VI=(IV-V)	11,210	7,518
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) (i) Re-measurement of defined benefit obligation		1	112
(ii) Fair value changes of equity instruments through other comprehensive income		6	64
(b) Income-tax relating to items that will not be reclassified to the profit or loss		(0)	(29)
Total other comprehensive income	VII	7	147
Total comprehensive income for the year	VIII=(VI+VII)	11,217	7,665
Earnings per Equity share (face value Re. 1/- each)	43		
Basic		11.67	7.83
Diluted		11.67	7.83

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

See accompanying notes to the financial statements

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

A. B. Jani
Partner

Place: Mumbai

Date: 20 May 2021

For and on behalf of the Board

Punit Goenka
Managing Director & CEO

Rohit Kumar Gupta
Chief Financial Officer

Place: Mumbai

Date: 20 May 2021

Vivek Mehra
Director

Ashish Agarwal
Company Secretary

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Mar-21	Mar-20 (Restated - Refer note 50)
(₹ Millions)		
A. Cash flow from operating activities		
Profit before tax	16,024	12,132
Adjustments for:		
Depreciation and amortisation expense	1,457	1,776
Allowances for doubtful debts and advances	958	3,110
Exceptional items (Refer note 30)	1,266	2,843
Adjustment on account of restatement due to common control acquisition (Refer note 50)	148	(61)
Share based payment expense	3	11
Liabilities and excess provision written back	(64)	(16)
Unrealised loss / (gain) on exchange adjustments (net)	3	(106)
Loss / (profit) on sale or impairment of property, plant and equipment (net)	184	(2)
Interest expenses	59	76
Fair value loss on financial instruments classified as fair value through profit and loss	2,161	3,314
Dividend on redeemable preference shares	467	855
Dividend income	(262)	(95)
Gain on sale of investments classified as fair value through profit and loss (net)	(1,890)	(104)
Interest income	(172)	(1,453)
Operating profit before working capital changes	20,342	22,280
Adjustments for :		
(Increase) in inventories	(2,569)	(14,689)
Decrease / (increase) in trade and other receivables	1,013	(3,034)
(Decrease) / increase in trade and other payables	(2,642)	1,087
Cash generated from operations	16,144	5,644
Direct taxes paid (net)	(5,128)	(2,573)
Net cash flow from operating activities (A)	11,016	3,071
B. Cash flow from investing activities		
Purchase of property, plant and equipment / capital work-in-progress	(535)	(820)
Purchase of intangible assets	(317)	(208)
Sale of property, plant and equipment / intangible assets	361	17
Fixed deposit invested	(409)	(1,964)
Fixed deposit matured	996	1,075
Purchase of non-current investments	(213)	(15)
Sale of non-current investments	2,964	769
Purchase of current investments	(14,009)	(31,850)
Sale / redemption of current investments	7,075	34,052
Dividend received from subsidiary company	261	90
Dividend received from others	1	5
Interest received	167	1,409
Net cash flow (used in) / from investing activities (B)	(3,658)	2,560
C. Cash flow from financing activities		
Redemption of redeemable non-convertible preference shares	(4,027)	(4,842)



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Payment of lease liability	(219)	(314)
Proceeds from long-term borrowings	14	2
Repayment of long-term borrowings	(10)	(12)
Dividend paid on equity shares and tax thereon	(290)	(4,049)
Dividend paid on redeemable non-convertible preference shares	(827)	(1,146)
Interest paid	(13)	(29)
Net cash flow (used in) financing activities (C)	(5,372)	(10,390)
Net cash flow during the year (A+B+C)	1,985	(4,759)
Cash and cash equivalents at the beginning of the year	3,826	8,585
Net cash and cash equivalents at the end of the year	5,811	3,826

See accompanying notes to the financial statements

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

A. B. Jani
Partner

Place: Mumbai

Date: 20 May 2021

For and on behalf of the Board

Punit Goenka
Managing Director & CEO

Rohit Kumar Gupta
Chief Financial Officer

Place: Mumbai

Date: 20 May 2021

Vivek Mehra
Director

Ashish Agarwal
Company Secretary

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

A. EQUITY SHARE CAPITAL

(₹ Millions)

As at 31 March 2019	960
Add: Issued during the year (Refer note 16)	0
As at 31 March 2020	960
Add: Issued during the year (Refer note 16)	0
As at 31 March 2021	961

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

B. OTHER EQUITY

(₹ Millions)

	Reserves and surplus						Other comprehensive income	Total other equity
	Capital redemption reserve	Capital reserve on scheme of amalgamation	Capital reserve on business combination	Share based payment reserve	General reserves	Retained earnings (Restated - Refer note 50)	Equity instruments	
As at 31 March 2019	8,129	787	340	20	3,996	56,416	418	70,106
Profit for the year	-	-	-	-	-	7,518	-	7,518
Add / (less): Transfer on redemption of preference shares	4,034	-	-	-	-	(4,034)	-	-
Add: Re-measurement gain on defined benefit plans	-	-	-	-	-	112	-	112
Less: Income-tax impact thereon	-	-	-	-	-	(29)	-	(29)
Add / (less): Profit on sale of equity investment classified as fair value through other comprehensive income transferred to retained earnings	-	-	-	-	-	489	(489)	-
Add: Reversal of deferred tax liability on redemption of preference shares	-	-	-	-	-	2,474	-	2,474
Less: Dividend distribution tax on redemption of preference shares	-	-	-	-	-	(829)	-	(829)
Less: Dividend on Equity Shares	-	-	-	-	-	(3,362)	-	(3,362)
Less: Tax on Dividend on Equity Shares	-	-	-	-	-	(691)	-	(691)
Add: Options granted during the year	-	-	-	11	-	-	-	11
Add: Gain on fair value of equity instruments classified as fair value through other comprehensive income (net) (Refer note 17)	-	-	-	-	-	-	64	64
Less: (Loss) on account of acquisition of film business (Refer note 50)	-	-	-	-	-	(54)	-	(54)
As at 31 March 2020 (Restated)	12,163	787	340	31	3,996	58,010	(7)	75,320
Profit for the year	-	-	-	-	-	11,210	-	11,210
Add/Less: Transfer on redemption of preference shares	4,034	-	-	-	-	(4,034)	-	-
Add: Re-measurement gain on defined benefits plans	-	-	-	-	-	1	-	1

**STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED 31 MARCH 2021

(₹ Millions)

	Other equity						Other comprehensive income	Equity instruments	Total other equity
	Reserves and surplus								
	Capital redemption reserve	Capital reserve on scheme of amalgamation	Capital reserve on business combination	Share based payment reserve	General reserves	Retained earnings (Restated - Refer note 50)			
Less: Income-tax impact thereon	-	-	-	-	-	(0)	-	(0)	
Less: Dividend on Equity Shares	-	-	-	-	-	(288)	-	(288)	
Add: Options granted during the year	-	-	-	3	-	-	-	3	
Add: Gain on account of acquisition of film business (Refer note 50)	-	-	-	-	-	148	-	148	
Add: Gain on transfer of shares of wholly owned subsidiary	-	-	116	-	-	-	-	116	
Add: Gain on fair value of equity instruments classified as fair value through other comprehensive income (net) (Refer note 17)	-	-	-	-	-	-	6	6	
As at 31 March 2021	16,197	787	456	34	3,996	65,047	(1)	86,516	

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

See accompanying notes to the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants**A. B. Jani**
Partner

Place: Mumbai

Date: 20 May 2021

For and on behalf of the Board

Punit Goenka
Managing Director & CEO**Rohit Kumar Gupta**
Chief Financial Officer

Place: Mumbai

Date: 20 May 2021

Vivek Mehra
Director**Ashish Agarwal**
Company Secretary**NOTES****FORMING PART OF THE FINANCIAL STATEMENTS****1. CORPORATE INFORMATION**

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

- Broadcasting of Satellite Television Channels and digital media;
- Space Selling agent for other satellite television channels;
- Sale of Media Content i.e. programs / film rights / feeds / music rights;
- Movie production and distribution.

2. SIGNIFICANT ACCOUNTING POLICIES**a) Statement of compliance**

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

b) Basis of preparation of financial statements

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

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

c) Business combination

Business combinations have been accounted for using the acquisition method.

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

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

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.

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

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

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

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

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

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

NOTES

FORMING PART OF THE FINANCIAL STATEMENTS

d) Property, plant and equipment

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

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

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

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

Furniture and Fixtures - 5 years ^

Buildings - 60 years *

Computers - 3 and 6 years *

Equipment - 3 to 5 years ^

Plant and Machinery: ^

Gas Plant - 20 years

Others - 5 to 10 years

Vehicles - 5 years^

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

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

e) Right-of-use assets

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

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

f) Investment property

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

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

g) Non-current assets held for sale

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

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

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

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

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

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

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

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

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

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

h) Goodwill

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

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

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

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

NOTES

FORMING PART OF THE FINANCIAL STATEMENTS

i) Intangible assets

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

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

Intangible assets acquired in a business combination:

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

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

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

An impairment loss is recognised in statement of profit and loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

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

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

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

l) Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116 on 'Leases'. For effects of application of Ind AS 116 on financial position, refer note 32.

i. The Company as lessee:

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

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

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

- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

The amount expected to be payable by the lessee under residual value guarantees;

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

- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease. The lease liability is presented as a separate line item in the balance sheet.

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

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

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

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

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

NOTES

FORMING PART OF THE FINANCIAL STATEMENTS

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

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

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

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

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

ii. The Company as a lessor:

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

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

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

m) Cash and cash equivalents

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

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

n) Inventories

i. Media Content :

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

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

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

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

5. Films produced and/or acquired for distribution/sale of rights: Cost is allocated to each right based on management estimate of revenue. Film rights are amortised as under :

- Satellite rights - Allocated cost of right is expensed immediately on sale.
- Theatrical rights - 80% of allocated cost is amortised immediately on theatrical release and balance allocated cost is amortised equally in following six months.
- Intellectual Property Rights (IPRs) - Allocated cost of IPRs are amortised over 1 to 5 years subsequent to year in which film is released.
- Music and Other Rights - Allocated cost of each right is expensed immediately on sale.

ii. Raw Stock :

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

o) Financial Instruments

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

i. Initial Recognition

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

ii. Financial assets

1. Classification of financial assets

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

2. Subsequent measurement

- Debt Instrument - amortised cost

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

NOTES

FORMING PART OF THE FINANCIAL STATEMENTS

- 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 recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest rate method.

- Fair value through Profit and Loss (FVTPL):

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the 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 recognised in the statement of profit and loss.

- Equity investments:

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

- Investment in subsidiaries, joint ventures and associates:

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

- Derivative financial instruments:

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

3. Derecognition of financial assets

A financial asset is derecognised only when:

- i) The Company has transferred the rights to receive cash flows from the asset or the rights have expired or
- ii) The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of

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

4. Impairment of financial assets

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

iii. Financial liabilities and equity instruments

1. Classification of debt or equity:

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

2. Subsequent measurement:

- Financial liabilities measured at amortised cost:

Financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation 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 amortisation is included in finance costs in the statement of profit and loss.

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

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

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

3. Derecognition of financial liabilities

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

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iv. Fair value measurement

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

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

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

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

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

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

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

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

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

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

p) Borrowings and borrowing costs

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

q) Provisions, contingent liabilities and contingent assets

The Company recognises provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that

an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

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

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

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

r) Revenue recognition

Ind AS 115 on 'Revenue from Contracts with Customers'

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

- i. Broadcasting revenue - Advertisement revenue (net of discount and volume rebates) is recognised when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue (net of share to broadcaster) is recognised on time basis on the provision of television / digital broadcasting service to subscribers.
- ii. Sale of media content - Revenue is recognised when the significant risks and rewards have been transferred to the customers in accordance with the agreed terms.
- iii. Commission revenue - Commission of space selling is recognised when the related advertisement or commercial appears before the public i.e. on telecast.
- iv. Revenue from theatrical distribution of films is recognised over a period of time on the basis of related sales reports.
- v. Revenue from other services is recognised as and when such services are completed / performed.
- vi. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable.
- vii. Dividend income is recognised when the Company's right to receive dividend is established.
- viii. Rent income is recognised on accrual basis as per the agreed terms on straight line basis.

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s) Retirement and other employee benefits

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

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

- i. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- ii. net interest expense or income; and
- iii. remeasurement

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

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

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

Short-term and other long-term employee benefits:

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

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

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

t) Transactions in foreign currencies

The functional currency of the Company is Indian Rupees ('Rs').

- i. Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.
- ii. Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on

settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

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

u) Accounting for taxes on income

Tax expense comprises of current and deferred tax.

- i. Current tax: Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.
- ii. Deferred tax: Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

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

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

Current and deferred tax for the year:

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

v) Earnings per share

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

Diluted earnings per share are computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity

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shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

w) Share-based payments

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

3. KEY ACCOUNTING JUDGEMENTS AND ESTIMATES

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

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

a. Income-taxes

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

b. Property, plant and equipment

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

c. Impairment of goodwill

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

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

past experience and represent management's best estimate about future developments.

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

d. Defined benefit obligation

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

e. Fair value measurement of financial instruments

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

f. Media content, including content in digital form

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

- Reality shows, chat shows, events, game shows and sports rights: are fully expensed on telecast / upload which represents best estimate of the benefits received from the acquired rights.
- The cost of program (own production and commissioned program) are amortised over a period of three financial years over which revenue is expected to be generated from exploitation of programs.
- Cost of movie rights - The Company's expectation is that substantial revenue from such movies is earned during the period of five years from the date of acquisition of license to broadcast / upload on digital platform. Hence, it is amortised on a straight line basis over the license period or sixty months from the date of acquisition / rights start date, whichever is shorter.
- Music rights are amortised over three financial years starting from the year of commencement of rights over which revenue is expected to be generated from exploitation of rights.
- Films produced and / or acquired for distribution / sale of rights: Cost is allocated to each right based on management estimate of revenue. Film rights are amortised as under :

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

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

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- Intellectual Property Rights (IPRs) - Allocated cost of IPRs are amortised over 1 to 5 years subsequent to year in which film is released.

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

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

The outbreak of the Corona virus (COVID-19) pandemic has spread globally and in India, which has affected economic activities. The impact on the financial statements for the year ended 31 March 2021 is primarily due to restrictions caused by the COVID-19 on the business activities. Hence, the financial statements for the year ended 31 March 2021 are not strictly comparable with the financial statements of the earlier year.

Since early March 2021, India has witnessed a second wave of COVID-19 with sudden rise in COVID-19 cases across the Country. This has again lead to imposing lockdown like restrictions across the country, which is likely to impact the economic activity.

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

Based on the assessment and steps being taken, the Company expects no further adjustments to the carrying amounts of the property plant and equipment, intangible assets (including goodwill), investments, receivables, inventory and other current assets as at 31 March 2021. As a result of the growing uncertainties with respect to COVID-19, the impact of this pandemic may be different from that estimated as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic condition.

4. RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

a. Standards issued but not effective

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2021.

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

- COVID-19 related rent concessions: Amendment to Ind AS 116 on 'Leases':
The MCA issued amendments to Ind AS 116 on 'Leases', to provide lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification. The amendments allowed the expedient to be applied to COVID-19 related rent concessions to payments originally due on or before 30 June 2021 and also require disclosure of the amount recognised in profit or loss to reflect changes in lease payments that arise from COVID-19 related rent concessions. The reporting period in which a lessee first applies the amendment, it is not required to disclose certain quantitative information required under Ind AS 8.

The Company has not recognised any reversal of lease liability on account of COVID-19 related rent concessions in the statement of profit and loss for the year ended 31 March 2021 as there were no amendments made to rent agreements on account of COVID-19.

- Definition of Material – Amendments to Ind AS 1 and Ind AS 8:
Amendments have been made to Ind AS 1 on 'Presentation of Financial Statements' and Ind AS 8 on 'Accounting Policies, Changes in Accounting Estimates and Errors' which use a consistent definition of materiality throughout the Ind AS and the Conceptual Framework for Financial Reporting, clarify when information is material and incorporate some of the guidance in Ind AS 1 about immaterial information. In particular, the amendments clarify:
- that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the financial statements as a whole, and
- the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.

The adoption of the amendment has not had any material impact on the disclosures or on the amounts reported in these financial statements.

iii. Definition of a Business – Amendments to Ind AS 103:

The amended definition of a business in Ind AS 103 on 'Business Combinations' requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. This amendment will likely result in more acquisitions being accounted for as asset acquisitions. However during the year this amendment had no impact on the financial statements of the Company.

- Interest Rate Benchmark Reform – Amendments to Ind AS 107, Ind AS 109 and Ind AS 39:
Disclosures and Ind AS 109 on 'Financial Instruments' provide certain reliefs in relation to interest rate benchmark reforms. The reliefs relate to hedge accounting and have the effect that the reforms should not generally cause hedge accounting to terminate. However, any hedge in effectiveness should continue to be recorded in the income statement. The Company has not taken the benefit of the amendment.

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Description of Assets									(₹ Millions)
	Buildings	Plant and machinery	Furniture and fittings	Vehicles	Equipments	Computers	Right-to-use assets (Refer note 32)	Leasehold improvements	Total
I. Cost									
As at 1 April 2019	593	3,702	342	224	847	1,093	-	930	7,731
Additions	-	259	28	10	102	135	180	270	984
Transfers on account of acquisition of film business (Refer note 50)	-	-	-	-	-	0	0	-	0
Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	-	671	-	671
Transfer from investment property	68	-	-	-	-	-	-	-	68
Assets held for sale (Refer note 46)	199	-	-	-	-	-	-	-	199
Disposals	-	111	2	18	3	36	-	4	174
As at 31 March 2020 (Restated - Refer note 50)	462	3,850	368	216	946	1,192	851	1,196	9,081
Additions	-	262	16	18	57	207	-	155	715
Transfers on account of acquisition of film business (Refer note 50)	-	-	-	-	-	2	-	-	2
Transfers from investment property	274	-	-	-	-	-	-	-	274
Assets held for sale (Refer note 46)	198	-	-	-	-	-	-	-	198
Disposals / write offs (Refer note 6 below)	-	115	19	12	40	30	278	160	654
As at 31 March 2021	538	3,997	365	222	963	1,371	573	1,191	9,220
II. Accumulated depreciation									
As at 1 April 2019	75	2,123	196	107	498	600	-	654	4,253
Depreciation charge for the year	12	332	60	39	148	215	225	138	1,169
Transfers on account of acquisition of film business (Refer note 50)	-	-	-	-	-	0	0	-	0
Transfer from investment property	3	-	-	-	-	-	-	-	3
Assets held for sale (Refer note 46)	15	-	-	-	-	-	-	-	15
Disposals	-	102	2	13	3	35	-	4	159
Upto 31 March 2020 (Restated - Refer note 50)	75	2,353	254	133	643	780	225	788	5,251
Depreciation charge for the year	10	326	49	40	127	188	203	163	1,106
Transfer from investment property	7	-	-	-	-	-	-	-	7
Depreciation on transfers on account of acquisition of film business (Refer note 50)	-	-	-	-	-	1	1	-	2
Assets held for sale (Refer note 46)	16	-	-	-	-	-	-	-	16
Disposals / write offs (Refer note 6 below)	-	79	11	9	19	23	106	39	286
Upto 31 March 2021	76	2,600	292	164	751	946	323	912	6,064
Net book value									
As at 31 March 2021	462	1,397	73	58	212	425	250	279	3,156
As at 31 March 2020 (Restated - Refer note 50)	387	1,497	114	83	303	412	626	408	3,830

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Net book value	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Refer note 50)
Property, plant and equipment	3,156	3,830
Capital work-in-progress	120	215

Notes:

- '0' (zero) denotes amounts less than a Million.
- Buildings include Rs.114,100 (Rs.114,100) being the value of shares in a co-operative society.
- Part of Property, plant and equipment have been given on lease.
- During the year, the Company has written off property, plant and equipment of Rs. 148 Million (Rs. 0 Million) which is charged to the statement of profit and loss.
- Certain vehicles have been hypothecated against borrowings for vehicles aggregating to Rs. 22 Million (Rs. 18 Million).
- Disposals under Right-to-use assets represent the lease premises vacated by the Company during the year.
- Part of buildings were identified as assets held for sale and disposed off during the year.

6. INVESTMENT PROPERTY

Description of Assets	(₹ Millions)	
	Land and Building	
I. Cost		
As at 1 April 2019		1,516
Transfer to property, plant and equipment		68
Assets held for sale (Refer note 46)		573
As at 31 March 2020		875
Transfer to property, plant and equipment		274
As at 31 March 2021		601
II. Accumulated depreciation		
As at 1 April 2019		68
Depreciation charge for the year		13
Transfer to property, plant and equipment		3
Upto 31 March 2020		78
Depreciation charge for the year		10
Transfer to property, plant and equipment		7
Upto 31 March 2021		81
Net book value		
As at 31 March 2021		520
As at 31 March 2020		797

The fair value of the Company's investment property aggregating Rs. 1,084 Million (Rs. 1,515 Million), has been arrived at on the basis of a valuation carried out at balance sheet date by independent valuers. Independent valuers have appropriate qualifications and experience in the valuation of properties in the relevant locations. The valuation was arrived at by reference to market evidence of transaction prices for similar properties. The fair value measurement is categorized as Level 3, in the fair value hierarchy as per the requirements of Ind AS 113 on 'Fair value measurement'.



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7. GOODWILL AND OTHER INTANGIBLE ASSETS

(₹ Millions)

Description of assets	Goodwill	Trademark	Customer list and websites	Software	Channels	Total
I. Cost						
As at 1 April 2019	3,236	290	1,081	1,054	103	5,764
Additions	-	-	-	152	57	209
Disposals	-	-	-	4	-	4
As at 31 March 2020 (Restated - Refer note 50)	3,236	290	1,081	1,202	160	5,969
Additions	-	47	-	50	20	117
Transfers on account of acquisition of film business (Refer note 50)	-	-	-	2	-	2
Disposals	-	-	-	-	-	-
As at 31 March 2021	3,236	337	1,081	1,254	180	6,088
II. Accumulated amortisation						
As at 1 April 2019	218	290	610	679	103	1,900
Amortisation for the year	-	0	360	230	4	594
Impairment (Refer note below)	1,137	-	-	-	-	1,137
Disposals	-	-	-	3	-	3
Upto 31 March 2020 (Restated - Refer note 50)	1,355	290	970	906	107	3,628
Amortisation for the year	-	-	111	205	22	338
Impairment (Refer note 45)	265	-	-	-	-	265
Transfers on account of acquisition of film business (Refer note 50)	-	-	-	1	-	1
Disposals	-	-	-	-	-	-
As at 31 March 2021	1,620	290	1,081	1,112	129	4,232
Net book value						
As at 31 March 2021	1,616	47	-	142	51	1,856
As at 31 March 2020	1,881	-	111	296	53	2,341

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

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

(₹ Millions)

Cash generating unit	Mar-21	Mar-20
Regional channel in India	621	621
Online media business	995	1,260

NOTES

FORMING PART OF THE FINANCIAL STATEMENTS

Regional channel in India

The recoverable amount of this Cash Generating Unit (CGU) is determined based on a value in use. The estimated value in use of this CGU is based on the future cash flows using a 2% terminal growth rate for periods subsequent to the 5 years and discount rate of 16-17%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rate and long-term growth rate), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

Online media business

As at 31 March 2020, the Company assessed the recoverable amount of Goodwill allocated to the Online Media Business which represent a separate CGU. The recoverable amount of this CGU was determined by an independent expert based on the fair value less cost of disposal. The fair value was determined based on revenue multiple of other companies in media industry which has been severally impacted and accordingly resulting in lower fair value of the CGU. The excess of carrying value of CGU over the recoverable amount had been accounted as an impairment charge of Rs. 1,137 Million and disclosed as 'Exceptional item'. Due to use of significant unobservable inputs to compute the fair value, it is classified as level 3 in the fair value hierarchy as per the requirements of Ind AS 113 on 'Fair value measurement'.

8. NON-CURRENT INVESTMENTS

(₹ Millions)

	Mar-21	Mar-20
a Investments in subsidiaries (carried at cost)		
Investment in equity instruments		
Wholly owned - unquoted		
56,796,292 (56,796,292) Ordinary shares of USD 1/- each of Zee Multimedia Worldwide (Mauritius) Limited	2,584	2,584
583 (583) Ordinary shares of USD 1/- each of ATL Media Limited	2,515	2,515
Nil (100,000) Equity shares of Rs. 10/- each of Zee Digital Convergence Limited *	-	1
Nil (1,000,000) Equity shares of Rs. 1/- each of India Webportal Private Limited *	-	9
Nil (100,000) Equity shares of Rs. 10/- each of Zee Unimedia Limited *	-	1
13,009,997 (13,009,997) Equity shares of Rs. 10/- each of Zee Studios Limited (formerly Essel Vision Productions Limited)	330	330
Nil (100,000) Equity shares of Rs. 10/- each of Zee Network Distribution Limited (formerly Zee Turner Limited) (Extent of holding is 100% (74%) with effect from 6 August 2019) *	-	1
Others - unquoted		
40,000 (40,000) Equity shares of Rs. 10/- each of Margo Networks Private Limited (Extent of holding is 80%)	750	750
	6,179	6,191
b Other investments		
i) Investments in debentures at amortised cost		
Others - quoted		
50 (50) 10.20% Unsecured redeemable non-convertible debentures of Rs. 1,000,000/- each of Yes Bank Limited (Tenure - 10 years)	52	52
Less: Amount disclosed under the head 'Current investment' (Refer note 13)	52	-
	-	52
Others - unquoted		
650 (Nil) 10.02% Unsecured redeemable non-convertible debentures of Rs. 684,785/- each of Zee Learn Limited	437	-
Less: Amount disclosed under the head 'Current investment' (Refer note 13)	259	-
	178	-



NOTES

FORMING PART OF THE FINANCIAL STATEMENTS

(₹ Millions)

	Mar-21	Mar-20
ii) Investments at fair value through other comprehensive income		
Investments in equity instruments - quoted		
475,000 (475,000) Equity shares of Rs. 10/- each of Aplab Limited	8	3
Investment in equity instruments - unquoted		
1 (1) Equity share of Rs. 10/- each of Tagos Design Innovations Private Limited	0	0
30,000 (30,000) Equity shares of Rs. 10/- each of Last Minute Media Private Limited (Rs. 300,000/- (Rs. 300,000/-))	0	0
Less: Impairment in value of investment (Rs. 300,000/- (Rs. 300,000/-))	0	0
	-	-
iii) Investments at fair value through profit and loss		
Investment in debentures		
Wholly owned subsidiaries - unquoted		
** 2,520,000,000 (5,223,600,000) 0% Optionally convertible debentures of Re. 1/- each of Zee Studios Limited (formerly Essel Vision Productions Limited) (Refer note 50)	370	1,555
Less: Amount disclosed under the head 'Current investment' (Refer note 13)	-	497
	370	1,058
Others - Unquoted		
2,905 (2,905) Compulsorily convertible preference shares of Rs. 10/- each of Tagos Design Innovations Private Limited	-	98
1,069.6 (1,069.6) units of Rs. 1,000,000/- each of Morpheus Media Fund	10	58
100 (100) Units of Rs. 1,000,000/- each (partly paid: Rs.870,000/- (Rs. 600,000/-) each) of Exfinity Technology Fund-Series II	91	61
	657	1,330
Total	6,836	7,521
(All the above securities are fully paid-up except where mentioned as partly paid) '0' (zero) denotes amounts less than a Million. *During the year, 100% Equity Shares held in four wholly-owned subsidiaries of the Company i.e. Zee Unimedia Limited (ZUL), Zee Digital Convergence Limited (ZDCL), Zee Network Distribution Limited (ZNDL) and India Webportal Private Limited (IWPL) were sold to another wholly-owned subsidiary Company i.e. Zee Studios Limited (formerly known as Essel Vision Productions Limited). ** During the year, Zee Studios Limited has redeemed 2,703,600,000 units of OCD aggregating to Rs 2,704 Million.		
Aggregate amount and market value of quoted investments	60	55
Aggregate carrying value of unquoted investments	6,776	7,466
Aggregate amount of impairment in value of investments (Rs. 3,00,000 (Rs. 3,00,000))	0	0

NOTES

FORMING PART OF THE FINANCIAL STATEMENTS

9. OTHER FINANCIAL ASSETS

(₹ Millions)

	Non-current		Current	
	Mar-21	Mar-20 (Restated - Refer note 50)	Mar-21	Mar-20 (Restated - Refer note 50)
Deposits (unsecured)				
Considered good				
- to related parties	13	48	342	342
- to others	62	151	126	73
Considered doubtful	-	-	76	29
	75	199	544	444
Less: Loss allowance for doubtful deposits	-	-	76	29
	75	199	468	415
Deposits with bank having original maturity period for more than twelve months*	40	-	-	-
Unbilled revenue	-	-	2,591	2,520
Interest accrued on fixed deposits	-	-	22	16
Other receivables				
Considered good				
- to related parties	-	-	1,003	1,262
- to others	-	-	128	176
Considered doubtful	-	-	1,794	655
	-	-	2,925	2,093
Less: Loss allowance for doubtful other receivables (Refer note 48 d ii)	-	-	1,794	655
	-	-	1,131	1,438
Total	115	199	4,212	4,389

* Under lien against guarantee given.

For transactions relating to related party receivables, refer note 52.

10. DEFERRED TAX ASSETS (NET)

The components of deferred tax balances are as under:

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Deferred tax assets		
Employee retirement benefits obligation	379	338
Depreciation and amortisation	180	225
Allowance for doubtful debts, loans and advances	1,725	1,477
Disallowances under section 40(a)	33	84
Transfers on account of acquisition of film business (Refer note 50)	92	95
	2,409	2,219
Deferred tax liabilities	-	-
Deferred tax assets (net)	2,409	2,219

**NOTES****FORMING PART OF THE FINANCIAL STATEMENTS****11. OTHER ASSETS**

(₹ Millions)

	Non-current		Current	
	Mar-21	Mar-20	Mar-21	Mar-20 (Restated - Refer note 50)
Capital advances (unsecured)	28	59	-	-
Other loans and advances (unsecured)				
Other advances (unsecured)				
- Considered good				
to related parties	-	8	893	66
to others (Refer note 51)	-	-	7,570	7,715
- Considered doubtful	-	-	418	336
	-	8	8,881	8,117
Less: Loss allowance for doubtful advances	-	-	418	336
	-	8	8,463	7,781
Prepaid expenses	11	12	127	169
Balance with Government authorities	-	-	1,749	1,578
Total	39	79	10,339	9,528

For transactions relating to related party advances, refer note 52.

12. INVENTORIES

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

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Raw tapes	12	11
Media content *	45,785	44,643
Under production - Media content	3,643	2,217
Total	49,440	46,871

*Includes rights Rs. 10,521 Million (Rs. 7,812 Million), which will commence at a future date. Inventories expected to be amortised 12 months after the year end is 61% (68%).

13. CURRENT INVESTMENTS

(₹ Millions)

	Mar-21	Mar-20
a Investment at amortised cost		
Others - quoted		
50 (50) 10.20% Unsecured redeemable non-convertible debentures of Rs. 1,000,000/- each of Yes Bank Limited (Tenure - 10 years)	52	-
b Certificate of deposit (non-transferable) - unquoted		
Nil (6.15%) Housing Development Finance Corporation Limited	-	525
Others - unquoted		
650 (Nil) 10.02% Unsecured redeemable non-convertible debentures of Rs. 684,785/- each of Zee Learn Limited	259	-
Total	311	525

NOTES**FORMING PART OF THE FINANCIAL STATEMENTS**

(₹ Millions)

	Mar-21	Mar-20
c Investments at fair value through profit and loss		
Investment in debentures		
Wholly owned subsidiaries - unquoted		
Nil (1,670,000,000) 0% Optionally convertible debentures of Re. 1/- each of Zee Studios Limited (formerly, Essel Vision Productions Limited) (Refer note 8)	-	497
Mutual Funds - Quoted		
3,490,948 (Nil) units of Rs. 100/- each of ICICI Prudential Savings Fund- Direct Plan-Growth	1,465	-
458,480 (Nil) units of Rs. 1000/- each of Tata Liquid Fund - Direct Plan - Growth	1,489	-
30,870,408 (Nil) units of Rs. 10/- each of HDFC Low Duration Fund- Direct Plan - Growth	1,469	-
3,438,324 (Nil) units of Rs. 100/- each of Aditya Birla Sunlife Savings Fund- Direct Plan - Growth	1,468	-
528,332 (Nil) units of Rs. 1000/- each of Kotak Low Duration Fund- Direct Plan - Growth	1,465	-
Total	7,667	1,022
(All the above securities are fully paid-up)		
Aggregate amount and market value of quoted investments	7,408	-
Aggregate carrying value of unquoted investments	259	1,022

14. TRADE RECEIVABLES (UNSECURED)

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Considered good	17,721	21,224
Considered doubtful	3,862	3,173
	21,583	24,397
Less: Loss allowance for doubtful debts (refer note 48 d ii)	3,862	3,173
Total	17,721	21,224

For transactions relating to related party receivables, refer note 52.

15. CASH AND BANK BALANCES

(₹ Millions)

	Mar-21	Mar-20
a Cash and cash equivalents		
Balances with banks		
In current accounts	1,961	702
In deposit accounts	2,920	2,840
Cheques in hand	930	284
Cash in hand	0	0
	5,811	3,826
b Other bank balances		
In deposit accounts *	375	962
In unclaimed dividend accounts		
Preference shares	25	19
Equity shares	22	24
	422	1,005
Total	6,233	4,831

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

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

**NOTES****FORMING PART OF THE FINANCIAL STATEMENTS****16. EQUITY SHARE CAPITAL**

(₹ Millions)

	Mar-21	Mar-20
Authorised*		
2,000,000,000 (2,000,000,000) Equity Shares of Re. 1/- each	2,000	2,000
	2,000	2,000
Issued, subscribed and paid-up		
960,504,475 (960,483,235) Equity Shares of Re. 1/- each fully paid-up	961	960
Total	961	960

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

a) Reconciliation of number of Equity Shares and share capital

	Mar-21		Mar-20	
	Number of Equity Shares	₹ Millions	Number of Equity Shares	₹ Millions
At the beginning of the year	960,483,235	960	960,466,500	960
Add : Issued during the year	21,240	0	16,735	0
Outstanding at the end of the year	960,504,475	961	960,483,235	960

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

b) Terms / rights attached to Equity Shares

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

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

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

Name of the Shareholders	Mar-21		Mar-20	
	Number of Equity Shares	% Shareholding	Number of Equity Shares	% Shareholding
OFI Global China Fund LLC	97,350,000	10.14%	97,350,000	10.14%
Invesco Oppenheimer Developing Markets Fund	74,318,476	7.74%	74,318,476	7.74%
Government of Singapore	13,724,006	1.43%	59,441,268	6.19%

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

d) Employees Stock Option Scheme (ESOP)

The Company has instituted an Employee Stock Option Plan (ESOP 2009) as approved by the Board of Directors and Shareholders of the Company in 2009 for issuance of stock options convertible into Equity Shares not exceeding in the aggregate 5% of the issued and paid-up capital of the Company as at 31 March 2009 i.e. up to 21,700,355 Equity Shares of Re. 1/- each (enhanced to 43,400,710 Equity Shares in view of Bonus issue in 2010 in ratio of 1:1), to the employees of the Company as well as that of its subsidiaries. The said ESOP 2009 was amended during an earlier year to align the Scheme in line with the requirements of Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations 2014 and provide flexibility to the Nomination and Remuneration Committee for determination of exercise price. The said scheme is administered by the Nomination and Remuneration Committee of the Board.

The movement in Options is as follows:

	Mar-21	Mar-20
Particulars	Number of Options	
Opening at the beginning of the year	36,185	28,220
Grant during the year	-	24,700
Exercised during the year	(21,240)	(16,735)
Outstanding at the end of the year	14,945	36,185

NOTES**FORMING PART OF THE FINANCIAL STATEMENTS**

During the year, the Company recorded an employee stock compensation expense of Rs. 3 Million (Rs 11 Million) in the Statement of Profit and Loss.

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

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

The share options outstanding at the end of the year has a weighted average remaining contractual life of 57 days.

17. OTHER EQUITY

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Reserves and surplus		
Capital redemption reserve		
As per last Balance Sheet	12,163	8,129
Add: Transfer from retained earnings	4,034	4,034
	16,197	12,163
Capital reserve on scheme of amalgamation		
As per last Balance Sheet	787	787
Capital reserve		
As per last Balance Sheet	340	340
Add: Gain on transfer of shares of wholly owned subsidiary (Refer note 50)	116	-
	456	340
Share based payment reserve		
As per last Balance Sheet	31	20
Add: Options granted during the year	3	11
	34	31
General reserve		
As per last Balance Sheet	3,996	3,996
Retained earnings		
As per last Balance Sheet	58,010	56,416
Add: Profit for the year	11,210	7,518
Less: Transfer to Capital redemption reserve	(4,034)	(4,034)
Add: Re-measurement gain on defined benefit plans	1	112
(Less): Income tax impact thereon	(0)	(29)
Add: Profit on sale of Equity investment classified as fair value through other comprehensive income transferred to retained earnings	-	489
Add: Reversal of deferred tax liability on redemption of preference shares	-	2,474
Add / (Less): Gain / (Loss) on account of acquisition of film business (Refer note 50)	148	(54)

**NOTES****FORMING PART OF THE FINANCIAL STATEMENTS**

	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Refer note 50)
Less: Dividend distribution tax on redemption of preference shares	-	(829)
Less: Payment of dividend on Equity Shares	(288)	(3,362)
Less: Tax on dividend on Equity Shares	-	(691)
	65,047	58,010
Other comprehensive income		
As per last Balance Sheet	(7)	418
Less: Profit on sale of Equity investment classified as fair value through other comprehensive income transferred to retained earnings	-	(489)
Add: Gain on fair value of Equity instruments classified as fair value through other comprehensive income (net)	6	64
	(1)	(7)
Total	86,516	75,320

- i. Capital redemption reserve is created on redemption of redeemable preference shares issued.
- ii. Capital reserve is related to merger / demerger / acquisition of business undertakings.
- iii. Share based payment reserve is related to share options granted by the Company to its employee under its Employee Share Option Plan.
- iv. General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- v. Retained earnings represent the accumulated earnings net of losses if any made by the Company over the years.
- vi. Other comprehensive income includes reserves for Equity instruments through other comprehensive income i.e. cumulative gains and losses arising on the measurement of Equity instruments at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

18. LONG-TERM BORROWINGS

	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Refer note 50)
a Redeemable preference shares - unsecured, at fair value through profit and loss		
2,016,942,312 (2,016,942,312) 6% Cumulative redeemable non-convertible preference shares of Rs 2/- (Rs. 4/-) each fully paid-up - quoted	3,832	5,950
Less: Amount disclosed under the head 'Other financial liabilities' (Refer note 20)	3,832	2,975
	-	2,975
b Vehicle loans from bank, at amortised cost *	22	18
Less: Amount disclosed under the head 'Other financial liabilities' (Refer note 20)	9	8
	13	10
c Lease liabilities	225	596
Less: Amount disclosed under the head 'Other financial liabilities' (Refer note 20)	109	247
	116	349
Total (a+b+c)	129	3,334

*Secured against hypothecation of vehicles. The borrowings carry interest rates ranging from 7.65% to 10.14% p.a. and are repayable upto March 2025.

NOTES**FORMING PART OF THE FINANCIAL STATEMENTS****Terms / rights attached to Preference Shares****i) 6% Cumulative Redeemable Non-Convertible Preference Shares - Quoted**

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

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

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

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

19. PROVISIONS

	Non-Current		Current	
	Mar-21	Mar-20 (Restated - Refer note 50)	Mar-21	Mar-20 (Restated - Refer note 50)
Provision for employee benefits				
- Gratuity	868	787	40	33
- Compensated absences	544	488	55	48
Total	1,412	1,275	95	81

20. OTHER FINANCIAL LIABILITIES - CURRENT

	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Refer note 50)
Current maturities of long-term borrowings - Cumulative redeemable non-convertible preference shares (Refer note 18a)	3,832	2,975
Current maturities of long-term borrowings - vehicle loan from banks (Refer note 18b)	9	8
Current maturities of long-term borrowings - lease liabilities (Refer note 18c, 32)	109	247
Deposits received (Refer note 33 b)	450	445
Unclaimed Preference shares redemption / dividend #	25	19
Unclaimed Equity dividends #	22	24
Creditors for capital expenditure	159	104
Employee benefits payable	1,221	957
Dividend payable on Cumulative redeemable non-convertible preference shares and tax thereon	224	585
Temporary overdrawn balances	-	53
Other payables (Refer note 48 d ii)	1,010	2,688
	3,229	5,130
Total	7,061	8,105

For transactions relating to related party payables, refer note 52.

Dividend Rs. 2 Million (Rs. 2 Million) unclaimed for a period of more than seven years is transferred to Investor's Education and Protection Fund during the year. Further, there are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at 31 March 2021.

**NOTES****FORMING PART OF THE FINANCIAL STATEMENTS****21. OTHER CURRENT LIABILITIES**

	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Refer note 50)
Advances received from customers	473	509
Deferred revenue	1,077	439
Statutory dues payable	1,113	872
Total	2,663	1,820

For transactions relating to related party payables, refer note 52.

22. REVENUE FROM OPERATIONS

	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Refer note 50)
Services - Broadcasting revenue		
Advertisement	35,544	44,091
Subscription	28,173	23,941
- Sales of media content *	2,242	3,192
- Commission	122	335
- Transmission revenue	332	396
Other operating revenue	241	980
Total	66,654	72,935

* Revenue from monetization of music right / content which was in the previous year presented within 'Sales of media content' is now included in 'Subscription revenue', to better reflect the nature of the revenue. The amounts regrouped in 'Subscription revenue' is Rs. 2,064 Million.

23. OTHER INCOME

	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Refer note 50)
Interest income		
- Bank deposits	122	151
- Other financial assets	45	144
- Others (including on income-tax refunds Rs. Nil (Rs. 951 Million))	5	1,158
Dividend income		
- Subsidiaries	261	90
- Investments classified as fair value through other comprehensive income	-	5
- Investments classified as fair value through profit and loss	1	0
Gain on sale of investments classified as fair value through profit and loss	1,890	104
Foreign exchange gain (net)	-	156
Profit on sale of property, plant and equipment and investments (net)	-	2
Liabilities and excess provision written back	64	16
Rent income	214	317
Miscellaneous income	22	166
Total	2,624	2,309

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

NOTES**FORMING PART OF THE FINANCIAL STATEMENTS****24. OPERATIONAL COST**

	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Refer note 50)
a) Media content		
Opening Inventory	46,860	32,877
Add: Purchase of inventory	25,831	40,278
Less: Closing inventory	49,427	46,860
Amortisation of inventory #	23,264	26,295
Other production expenses	3,670	5,434
	26,934	31,729
b) Telecast and technical cost	2,679	1,684
Total (a+b)	29,613	33,413

Media content of Rs. 962 Million (Rs. 1,659 Million) are written down during the year as the estimated net realisable value was lower than amortised cost.

25. EMPLOYEE BENEFITS EXPENSE

	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Refer note 50)
Salaries and allowances	6,429	5,805
Share based payment expense	3	11
Contribution to provident and other funds	322	323
Staff welfare expenses	102	119
Total	6,856	6,258

26. FINANCE COSTS

	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Refer note 50)
Interest expense on:		
- Vehicle loans	2	2
- Lease liabilities	46	71
- Others	1	459
Dividend on redeemable preference shares	467	855
Other financial charges	10	3
Total	526	1,390

27. DEPRECIATION AND AMORTISATION EXPENSE

	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Refer note 50)
Depreciation on property, plant and equipment	1,108	1,169
Depreciation on investment property	10	13
Amortisation of intangible assets	339	594
Total	1,457	1,776

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

	(₹ Millions)	
	Mar-21	Mar-20
Fair value loss on financial assets (net)	245	4,444
Fair value loss / (gain) on financial liabilities	1,916	(1,130)
Total	2,161	3,314

**NOTES****FORMING PART OF THE FINANCIAL STATEMENTS****29. OTHER EXPENSES**

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Rent	503	476
Repairs and maintenance		
- Buildings	14	8
- Plant and machinery	99	96
- Others	312	394
Insurance	67	74
Rates and taxes	17	61
Electricity and water charges	145	169
Communication charges	87	130
Printing and stationery	84	97
Travelling and conveyance expenses	425	639
Legal and professional charges	470	420
Directors remuneration and sitting fees	42	37
Payment to auditors (Refer note 37)	20	12
Corporate Social Responsibility expenses (Refer note 44)	500	1
Hire and service charges	741	1,098
Advertisement and publicity expenses	5,300	6,034
Commission expenses	7	152
Marketing, distribution and promotion expenses	1,295	1,028
Conference expenses	3	30
Allowances for doubtful debts and advances (Refer note 48 d ii)	958	3,110
Foreign exchange loss (net)	65	-
Loss on sale / write off of property, plant and equipment (net)	123	-
Miscellaneous expenses	98	52
Total	11,375	14,118

30. EXCEPTIONAL ITEMS

(₹ Millions)

	Mar-21	Mar-20
Provision for other receivables (Refer note 48 d ii)	1,001	-
Impairment of goodwill (Refer note 7 and 45)	265	1,137
Impairment of loan (Refer note 48 d ii)	-	1,706
Total	1,266	2,843

31. TAX EXPENSE

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

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Income-tax related to items recognised directly in the Statement of Profit and Loss		
Current tax - current year	5,104	5,713
- earlier years	(100)	29
Deferred tax (benefit)	(190)	(1,128)
Total	4,814	4,614
Effective tax rate	30%	38%

NOTES**FORMING PART OF THE FINANCIAL STATEMENTS**

A reconciliation of income-tax expense applicable to profit before income-tax at statutory rate to income-tax expense at the Company's effective income-tax rate for the year ended 31 March 2021 and 31 March 2020 is as follows:

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Profit before tax	16,024	12,132
Income-tax		
Statutory income-tax rate of 25.168% (25.168%) on profit	4,038	3,046
Tax effect on non-deductible expenses	693	1,197
Additional allowances for tax purposes	(2)	(1)
Effect of exempt income and income taxed at lower rates	(56)	(24)
Reversal of deferred tax asset created earlier	241	91
Effect of change in tax rate	-	276
Tax effect for earlier years	(100)	29
Tax expense recognised in the statement of profit and loss	4,814	4,614

Deferred tax recognised in Statement of other comprehensive income

(₹ Millions)

For the year ended	Mar-21	Mar-20 (Restated - Refer note 50)
Defined benefit obligation	0	29

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

The applicable tax rate is the standard effective corporate income-tax rate in India. The tax rate is 25.168% (25.168%) for the year ended 31 March 2021.

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so.

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

Deferred tax recognized as on 31 March 2021

(₹ Millions)

Deferred tax assets / (liabilities) in relation to:	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised directly in equity	Closing balance
Defined benefit obligation	338	41	0	-	379
Depreciation and amortisation	225	(45)	-	-	180
Allowance for doubtful debts, loans and advances	1,477	248	-	-	1,725
Disallowances under section 40 (a)	84	(51)	-	-	33
On account of acquisition of film business (Refer note 50)	95	(3)	-	-	92
Total	2,219	190	0	-	2,409



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Deferred tax recognised as on 31 March 2020 (Restated - Refer note 50)

(₹ Millions)

Deferred Tax (liabilities)/ assets in relation to:	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised directly in equity	Closing balance
Defined benefit obligation	456	(89)	(29)	-	338
Depreciation and amortisation	54	171	-	-	225
Allowance for doubtful debts, loans and advances	375	1,102	-	-	1,477
Disallowances under section 40 (a)	94	(10)	-	-	84
Dividend distribution tax liability on redemption of preference shares	(2,456)	-	-	2,456	-
On account of acquisition of film business (Refer note 50)	141	(46)	-	-	95
Total	(1,336)	1,128	(29)	2,456	2,219

32. DISCLOSURES UNDER IND AS 116 ON LEASES

Operating leases:

On 1 April 2019, the Company adopted Ind AS 116 on 'Leases', which applied to all lease contracts outstanding as at 1 April 2019, using modified retrospective method by recording the cumulative effect of initial application as an adjustment to opening retained earnings.

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

- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than twelve months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied a similar discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

During the previous year, the right-of-use asset (ROU assets) was recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at 1 April 2019. Accordingly, a right-of-use asset of Rs. 671 Million and a corresponding lease liability of Rs. 671 Million had been recognized.

The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 on 'Leases', were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 9.25% has been applied to lease liabilities recognised in the balance sheet at the date of initial application. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciated cost for the right-of-use asset and finance cost for interest accrued on lease liability. The difference between the future minimum lease rental commitments towards non-cancellable operating leases compared to the lease liability as accounted as at 1 April 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

(a) The Company as a lessee:

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

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Current lease liabilities	109	247
Non-current lease liabilities	116	349
Total (Refer note 48 d iii)	225	596

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- The table below provides details regarding the contractual maturities of lease liabilities

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Due in 1st year	109	247
Due in 2 to 5th year	78	304
Due after 5 years	38	45
Total	225	596

- The following is the movement in lease liabilities during the year ended

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Opening balance	596	-
Reclassified on account of adoption of Ind AS 116	-	671
Additions	-	180
Finance expense	46	71
Liabilities written back	(197)	-
Payment of lease liabilities	(220)	(326)
Closing balance	225	596

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

- The changes in the carrying amounts of right-of-use assets of land and buildings is as follows:

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Opening balance	851	-
Reclassified on account of adoption of Ind AS 116	-	671
Additions	-	180
Reversals	(278)	-
Closing balance	573	851
Reversal of accumulated depreciation	106	-
Depreciation for ROU assets for the year	203	226

- Expenses relating to short-term leases and leases of low-value assets is Rs. 503 Million (Rs. 476 Million).

The Company has entered into various lease contracts at various premises used in its operations. Leases of premises generally have lease terms upto 7 years.

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(b) The Company as a lessor:

- i) The Company has given part of its investment property under cancellable operating lease agreement. The initial term of the lease is for 9 to 12 months. (₹ Millions)

	Mar-21	Mar-20
Lease rental income	214	317

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

	Mar-21	Mar-20
Sub-lease rent income	37	105

33. (a) CONTINGENT LIABILITIES

(₹ Millions)

	Mar-21	Mar-20
i) Corporate guarantees		
- For other related parties ^{^^} & \$	17	1,637
ii) Disputed indirect taxes	557	557
iii) Disputed direct taxes *	672	672
iv) Claims against the Company not acknowledged as debts #	309	308
v) Legal cases against the Company @	Not ascertainable	Not ascertainable

^{^^} Previous year number includes commitment for meeting shortfall funding towards revolving Debt Service Reserve Account (DSRA) obligation against financial facilities availed by the borrowers.

& Loan outstanding Rs. 2,018 Million (Rs. 2,523 Million).

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

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

\$ In an earlier year, the Company had provided Letter of Undertaking to secure 650 units unlisted, secured redeemable non-convertible debentures (NCDs) (rated) issued by a related party to a Mutual Fund. The said related party had made partial redemption of the NCDs prior to the due date of redemption i.e. 8 July 2020. But, due to COVID pandemic, its business was severely impacted and therefore it was unable to redeem the balance portion of the NCDs on the redemption date.

During the year, the Company has purchased these NCDs from the Mutual Fund for an amount aggregating Rs. 445 Million. These NCDs are secured by first pari-passu charge over the current assets, movable fixed assets including all rights, title, interest, benefits and claims / demands of the related party i.e. the Issuer Company. The tenure of NCDs have been extended by 1.5 years.

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

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

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34. CAPITAL AND OTHER COMMITMENTS

- a. Estimated amount of contracts remaining to be executed for capital expenditure not provided for (net of advances) is Rs. 214 Million (Rs. 121 Million).
- b. Other commitments as regards media content and others (net of advances) are Rs. 19,364 Million (Rs. 10,638 Million - Restated - Refer note 50).
- c. Uncalled liability / contractual obligation on investments committed is Rs. 13 Million (Rs. 40 Million).

35. ATL Media Limited (ATL), an overseas wholly owned subsidiary of the Company is engaged in broadcasting business. Living Entertainment Limited, Mauritius (LEL), a related party of the Company, is a content provider. During the financial year ended 31 March 2016, ATL had entered into a Put Option agreement with LEL to purchase the issued share capital held by LEL to the extent of 64.38% in Veria International Limited (VIL) (another related party of the Company) at an exercise price of \$ 105 Million, the exercise period of the Put Option was from the agreement date till the expiry date, that is, 30 July 2019. In order to secure a borrowing from Axis Bank Limited and Yes Bank Limited (Bank), LEL had assigned all its right, title, benefit and interest under the said Put Option agreement in favour of Axis Bank, DIFC Branch, the security trustee for the benefit of Axis Bank Limited and Yes Bank Limited. Based on certain representations made by LEL, the Put Option agreement was renewed and amended by the parties (ATL and LEL) on 29 July 2019 and extended till 30 December 2026 and the exercise price was set at \$ 52.50 Million (Rs. 3,848 Million as at 31 March 2021; Rs. 3,927 Million as at 31 March 2020) for the same quantum of shares and LEL extended the assignment of the Put Option to the security trustee.

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

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

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

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

36. MANAGERIAL REMUNERATION

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

(₹ Millions)

	Managing Director & CEO	
	Mar-21	Mar-20
Salary and allowances *	123	85
Contribution to provident fund	9	5

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



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37. PAYMENT TO AUDITORS

(₹ Millions)

	Mar-21	Mar-20
Audit fees	12	9
Certification	7	3
Reimbursement of Expenses (PY Rs. 241,248)	1	0
Total	20	12

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

a). Loans given

During the year ended 31 March 2021

(₹ Millions)

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

During the year ended 31 March 2020

(₹ Millions)

	Mar-19	Repaid	Provided for \$	Mar-20
In the form of unsecured short-term inter corporate deposits (excluding roll over) #	1,784	78 *	1,706	-

\$ Refer note 48 d ii.

* Represents interest received.

Inter Corporate Deposits are given as a part of treasury operations of the Company on following terms:

- i) Loans given to related corporate entities at an average interest rate of 11% p.a.
- ii) All the loans are short term in nature.
- iii) All the loans are provided for business purposes.

b) Investments made

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

c) Guarantees given

(₹ Millions)

	Mar-21	Mar-20
Performance guarantees		
To Banks to secure obligations of other related parties:		
- Guarantees	17	34
- Commitment for meeting shortfall funding towards revolving Debt Service Reserve Account (DSRA) obligation against financial facilities availed by the borrowers *	-	1,603

*Loan outstanding Rs. 2,018 Million (Rs. 2,523 Million).

d) Securities provided

There are no securities provided during the year.

NOTES

FORMING PART OF THE FINANCIAL STATEMENTS

39. Operational cost, employee benefits expense and other expenses are net off recoveries Rs. 231 Million (Rs. 446 Million).

40. The standalone financial statements of the Company for the year ended 31 March 2021, were reviewed by the Audit Committee in their meeting held on 19 May 2021 and approved by the Board of Directors in their meeting held on 20 May 2021.

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

As at 31 March 2021, there are outstanding dues of Rs. 5 Million (Rs. 0 Million) to Micro, Small and Medium enterprises (including Rs. 5 Million (Rs. 0 Million) towards Micro and Small enterprises). There is no interest due or outstanding towards the aforesaid balances. During the year ended 31 March 2021, an amount of Rs. 39 Million (Rs. 15 Million) was paid beyond the appointed day as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

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

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

43. EARNINGS PER SHARE (EPS)

	Mar-21	Mar-20 (Restated - Refer note 50)
a. Profit after Tax (Rs. Million)	11,210	7,518
b. Weighted average number of equity shares for basic EPS (in numbers)	960,503,195	960,481,710
c. Nominal value of equity shares (Re.)	1	1
d. Basic EPS (Rs.)	11.67	7.83
e. Weighted average number of equity shares for diluted EPS (in numbers)	960,519,420	960,519,218
f. Nominal value of equity shares (Re.)	1	1
g. Diluted EPS (Rs.)	11.67	7.83

44. CORPORATE SOCIAL RESPONSIBILITY (CSR)

a Gross amount required to be spent by the Company is Rs. 500 Million (Rs. 486 Million)

b Amount spent during the year ended

(₹ Millions)

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

(₹ Millions)

	Mar-20		
	Spent amount	Unspent amount	Total
Others	1	485	486
Total	1	485	486

45. During the year, the Board of Directors of the Company has approved the sale of digital publishing business to Rapidcube Technologies Private Limited, a related party, subject to regulatory and other approvals. Based on the binding quote received for this sale, the Company has assessed the carrying value of Goodwill relating to the aforesaid business and accordingly, accounted for an impairment charge of Rs. 265 Million in the year ended 31 March 2021 and disclosed the same as 'Exceptional item'.

46. NON-CURRENT ASSETS HELD FOR SALE

(₹ Millions)

	Mar-21	Mar-20
Investment in subsidiary #	14	28
Freehold land and building \$	573	741
Total	587	769

The Company had entered into share purchase agreement post 31 March 2020, as it intended to sell its entire investment in its 100% subsidiary, Fly-By-Wire International Private Limited and this was subject to fulfillment of certain conditions. The Company has accordingly sold 49% stake and the balance stake sale is expected to be completed in the next 12 months. Pending fulfillment of such conditions, investment in subsidiary has been classified as held for sale.

\$ The Company has during the year, classified building (mainly residential flats) as held for sale as it no longer intended to utilise the same and recognised impairment of loss of Rs. 61 Million (Rs. 16 Million) in the Statement of Profit and Loss under miscellaneous expenses. The aforesaid building was disposed off during the year. The Company intends to dispose off freehold land in the next 12 months which it no longer intends to use. The buyers of the freehold land have been identified and the sale transactions are in progress.

47. DIVIDEND

Dividend on Equity shares is approved by the Board of Directors in their meeting held on 20 May 2021 and is subject to approval of the shareholders at the Annual General Meeting and hence not recognised as a liability. Appropriation of dividend is done in the financial statements subsequent to approval by the shareholders.

Final dividend on Equity shares for the current year is Rs. 2.50 per share (Re. 0.30 per share) which aggregates to Rs. 2,401 Million (Rs. 288 Million).

NOTES

FORMING PART OF THE FINANCIAL STATEMENTS

48. FINANCIAL INSTRUMENTS

A Capital management

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

B Categories of financial instruments and fair value thereof

(₹ Millions)

	Mar-21		Mar-20 (Restated - Refer note 50)	
	Carrying amount	Fair value	Carrying amount	Fair value
a Financial assets				
i) Measured at amortised cost				
Trade receivables	17,721	17,721	21,224	21,224
Cash and cash equivalents	5,811	5,811	3,826	3,826
Other bank balances	422	422	1,005	1,005
Loans	-	-	-	-
Other financial assets	4,327	4,327	4,588	4,588
Redeemable non-convertible debentures*	489	489	52	52
Certificate of deposits	-	-	525	525
	28,770	28,770	31,220	31,220
ii) Measured at fair value through profit and loss account				
Investments				
Zee Studios Limited (Formerly, Essel Vision Productions Limited) (optionally convertible debentures) *	370	370	1,555	1,555
Tagos Design Innovations Private Limited	-	-	98	98
Morpheus Media Fund	10	10	58	58
Exfinity Technology Fund-Series II	91	91	61	61
Mutual funds	7,356	7,356	-	-
	7,827	7,827	1,772	1,772
iii) Measured at fair value through other comprehensive income				
Equity shares	9	9	3	3
b Financial liabilities				
i) Measured at amortised cost				
Trade payables	12,927	12,927	15,133	15,133
Other financial liabilities	3,111	3,111	4,875	4,875
Lease liabilities*	225	225	596	596
Vehicle loans *	22	22	18	18
	16,285	16,285	20,622	20,622
ii) Fair value through Profit and Loss				
6% Cumulative redeemable non-convertible preference shares *	3,832	3,832	5,950	5,950

*Includes current maturities.

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

Financial instruments measured at amortised cost.

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

**NOTES****FORMING PART OF THE FINANCIAL STATEMENTS****c Fair value measurement**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities. Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at:

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)	Fair Value Hierarchy	Valuation technique(s) & key inputs used
Financial assets at fair value through other comprehensive income				
Investment in Equity shares	8	3	Level 1	Quoted in an active market
Investment in Equity shares	0	0	Level 3	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period and Black - Scholes method.
Financial assets at fair value through profit and loss				
Mutual funds	7,356	-	Level 1	Quoted in an active market
Zee Studios Limited (Formerly Essel Vision Productions Limited) (optionally convertible debentures) *	370	1,555	Level 3	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period and Black - Scholes method / NAV statements.
Tagos Design Innovations Private Limited	-	98	Level 3	
Morpheus Media Fund	10	58	Level 3	
Exfinity Technology Fund-Series II	91	61	Level 3	
Financial liabilities at fair value through profit and loss				
Quoted 6% cumulative redeemable non-convertible preference shares *	3,832	5,950	Level 1	Quoted in an active market

* Includes current maturities.

The fair values of the financial assets under Level 3 category have been determined based on market approach techniques, such as, discounted cash flow basis and executed definitive documents for sale of investments.

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

Reconciliation of Level 3 category of financial assets:

(₹ Millions)

	Mar-21	Mar-20 (Restated - Refer note 50)
Opening balance	1,772	6,201
Additions	1,697	15
Redemption	(4,374)	-
Gain / (Loss) recognised	1,376	(4,444)
Closing balance	471	1,772

d Financial risk management objective and policies

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

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

NOTES**FORMING PART OF THE FINANCIAL STATEMENTS****i Market risk**

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

- Foreign Currency risk

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

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

(₹ Millions)

Currency	Assets as at		Liabilities as at	
	Mar-21	Mar-20 (Re- stated - Refer note 50)	Mar-21	Mar-20 (Re- stated - Refer note 50)
United States Dollar (USD)	467	2,803	97	185
Euro (EUR)	1	-	3	4
Singapore Dollar (SGD)	-	-	1	3
UAE (AED)	-	-	-	0
Japanese Yen (JPY)	2	1	-	-
Great Britain Pound (GBP)	-	-	0	2

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

- Foreign Currency sensitivity analysis

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

(₹ Millions)

Currency	Sensitivity analysis			
	Mar-21		Mar-20 (Restated - Refer note 50)	
	Decrease by 10%	Increase by 10%	Decrease by 10%	Increase by 10%
United States Dollar (USD)	(37)	37	(262)	262
Euro (EUR)	0	(0)	0	(0)
Singapore Dollar (SGD)	0	(0)	0	(0)
UAE (AED)	-	-	0	(0)
Japanese Yen (JPY)	(0)	0	(0)	0
Great Britain Pound (GBP)	0	(0)	0	(0)

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

The Company is mainly exposed to USD currency fluctuation risk.

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

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

- Interest rate risk

The borrowings of the Company include cumulative redeemable non-convertible preference shares and vehicle loan which carries fixed coupon rate and consequently the Company is not exposed to interest rate risk.

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

- Other price risk

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

**NOTES****FORMING PART OF THE FINANCIAL STATEMENTS****Equity price sensitivity analysis**

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

(₹ Millions)				
	Sensitivity analysis			
	Mar-21		Mar-20 (Restated - Refer note 50)	
	Decrease by 10%	Increase by 10%	Decrease by 10%	Increase by 10%
Other comprehensive income for the year ended would (decrease) / increase by	(1)	1	(0)	0

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

ii Credit risk management

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

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

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

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

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

(₹ Millions)		
	Mar-21	Mar-20 (Restated - Refer note 50)
Trade Receivables (unsecured)		
Over six months	5,525	7,041
Less than six months	16,058	17,356
Total	21,583	24,397

(₹ Millions)		
	Mar-21	Mar-20 (Restated - Refer note 50)
Movement in allowance for credit loss during the year was as follows :		
Balance at the beginning of the year	3,173	866
Add: Provided during the year	689	2,311
Less: Reversal / write off during the year	-	(4)
Balance as at the end of the year	3,862	3,173
Net trade receivables	17,721	21,224

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

During earlier years, the Company had provided commitments for funding shortfalls in Debt Service Reserve Account (DSRA guarantee) in relation to certain financial facilities availed from banks by Siti Networks Limited (SNL), a related party, including certain facilities availed when the cable business undertaking was part of the Company before its demerger into SNL. The loan outstanding of SNL as at 31 March 2021 which is backed by DSRA guarantee is Rs. 2,018 Million. On account of defaults made in repayments by SNL, during the year ended 31 March 2021, the Company has received demand notices/communications from the banks/representatives calling upon the Company to honor the obligations under the DSRA guarantee.

The Company has also been informed that SNL is in active discussions with the banks for renegotiating the repayment terms and also restructuring/rescheduling of its' facilities. The Company has also obtained legal advice about its obligations under the terms of the DSRA guarantee and for the demand raised by IndusInd Bank in respect of the DSRA guarantee which is sub-judice before the Hon'ble Delhi High Court. Additionally, the Company has undertaken credit risk evaluation of SNL, including future cash flow assessments.

NOTES**FORMING PART OF THE FINANCIAL STATEMENTS**

Based on the aforesaid, as a matter of abundant caution, the Company has estimated and accounted the liability aggregating Rs. 1,001 Million as on 31 March 2021. Further, the Company has provided for the receivable from SNL of the aforesaid amount and disclosed the same as 'Exceptional item'.

The Company has collected the receivables relating to the revenue accounted for the year ended 31 March 2021 and as a matter of abundant caution has also provided for the overdue trade receivables from SNL aggregating Rs. 812 Million.

The Company has trade receivable of Rs. 4,546 Million from a key strategic customer as at 31 March 2021, which include amounts which are overdue. The Management has agreed with the customer for a revised collection plan, which involves recovering the amounts over a period of 12 months. Further, the customer has been generally paying as per the agreed plan and has reduced the overdue amount. In addition, the Management has carried out an assessment of the financial position of the customer. Accordingly, the Management has considered the aforesaid amounts as good of recovery.

As per the requirements of Ind AS 109 on 'Financial Instruments' the Company had recorded expected credit loss of Rs. 324 Million (Rs. 376 Million) towards time value of money on account of the said collection plan.

Further, during the year, provision of Rs. Nil (Rs. 413 Million) has been recorded with respect to advertising and subscription customers as a matter of abundant caution, on account of potential credit risk due to COVID-19 pandemic.

The Company, in an earlier year, had given an Inter-corporate Deposit (ICD) aggregating Rs. 1,500 Million. On account of delays in recovery of the amount, the ICD was assigned to certain related parties, to secure payment of Rs. 1,706 Million (including accrued interest up to the date of assignment). Further since, there are delays in receiving payment from these related parties, the aforesaid amount has been provided during the previous year and disclosed as an 'Exceptional item'.

The Company has initiated arbitration proceedings against the said parties for recovering the amounts.

During the year, the Company has made provision for slow moving financial assets aggregating to Rs. 1,139 Million (including Rs. 1,001 Million for DSRA guarantee) resulting in aggregate provision of Rs. 1,794 Million (PY Rs. 655 Million).

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

iii Liquidity risk

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

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

(₹ Millions)					
	Due in 1st year	Due in 2 to 5th year	Due after 5 years	Total	Carrying value
Financial liabilities					
Trade payables and other financial liabilities	16,038	-	-	16,038	16,038
Lease liabilities	109	78	38	225	225
Borrowings	4,043	13	-	4,056	3,854
Total	20,190	91	38	20,319	20,117

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2020 (Restated - Refer note 50):

(₹ Millions)					
	Due in 1st year	Due in 2 to 5th year	Due after 5 years	Total	Carrying value
Financial liabilities					
Trade payables and other financial liabilities	20,007	-	-	20,007	20,007
Lease liabilities	247	304	45	596	596
Borrowings	4,042	4,043	-	8,085	5,968
Total	24,296	4,347	45	28,688	26,571

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



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FORMING PART OF THE FINANCIAL STATEMENTS

49. EMPLOYEE BENEFITS

The disclosures as per Ind AS 19 - 'Employee Benefits' are as follows:

a Defined contribution plans

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

b Defined benefit plans

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

	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Refer note 50)
Gratuity (Non Funded)		
i) Expenses recognised during the year		
1 Current Service Cost	97	121
2 Interest Cost	56	50
3 Past Service cost	-	-
Total Expenses	153	171
ii) Amount recognised in other comprehensive income (OCI)		
1 Opening amount recognized in OCI	(34)	77
2 Remeasurement during the period due to		
- Changes in financial assumptions	(28)	(169)
- Changes in demographic assumptions	-	(8)
- Changes in experience charges	29	66
Closing amount recognised in OCI	(33)	(34)
iii) Net Liability recognised in the Balance Sheet as at 31 March		
1 Present value of Defined Benefit Obligation (DBO)	908	815
2 Net Liability	908	815
iv) Reconciliation of Net Liability recognised in the Balance Sheet		
1 Net Liability at the beginning of year	815	796
2 Transferred during the year	-	-
3 Expense as per (i) above	153	171
4 Other comprehensive income as per (ii) above	1	(111)
5 Liabilities transferred on divestiture	(32)	-
6 Benefits paid	(29)	(41)
Net Liability at the end of the year	908	815
v) The following payments are expected to defined benefit plan in future years :		
1 Expected benefits for year 1	41	34
2 Expected benefits for year 2 to year 5	158	149
3 Expected benefits beyond year 5	2,698	2,307
vi) Actuarial assumptions		
1 Discount rate	7.02%	6.73%
2 Expected rate of salary increase	7.00%	7.00%
3 Mortality	IALM (2012-14)	IAL (2012-14)

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vii) The defined benefit plans expose the Company to actuarial risks such as interest rate risk, longevity risk and salary risk:

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

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

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

viii) Sensitivity analysis

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

	(₹ Millions)	
	Mar-21	Mar-20 (Restated - Re- fer note 50)
1 Impact of increase in 50 bps on DBO - discount rate	857	769
2 Impact of decrease in 50 bps on DBO - discount rate	961	863
3 Impact of increase in 50 bps on DBO - salary escalation rate	963	864
4 Impact of decrease in 50 bps on DBO - salary escalation rate	855	768

Notes:

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

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

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

c Other long-term benefits

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

50. a. During the year, the Board of Directors of the Company had approved acquisition of film production and distribution business from Zee Studios Limited (ZSL) (a wholly owned subsidiary of the Company) (formerly known as Essel Vision Productions Limited) on a slump sale basis. The business transfer agreement was executed and is effective from closing of business hours as at 28 February 2021.

As per the business transfer agreement the Film business undertaking of ZSL comprising of film production and distribution business and related assets and liabilities was acquired, on a going concern basis, for a consideration of Rs. 2,695 Million (after working capital adjustments).

Consequently, the effect of the aforesaid acquisition has been given in the financial statements in accordance with Appendix C of the Indian Accounting Standard (Ind AS) 103 on 'Business Combinations' relating to accounting for common control business combinations. The Ind AS requires the comparative accounting period(s) presented in the financial statements be restated for the accounting impact of acquisition of the film production and distribution business, as if the transfer had occurred from the beginning of the comparative period(s) presented in the financial statements. Accordingly, figures of the previous year have been restated.

b. The Statement of Profit and Loss has been restated for the year ended 31 March 2020, to account for the impact on account of acquisition of film business from ZSL:

	(₹ Millions)		
	ZSL	Eliminations	Amount
Revenue from operations	1,241	(496)	745
Other income	31	-	31
Total income	1,272	(496)	776
Operational cost	795	(523)	272
Employee benefits expense	90	-	90
Finance costs	1	-	1
Depreciation and amortisation expense	1	-	1

**NOTES****FORMING PART OF THE FINANCIAL STATEMENTS**

(₹ Millions)

	ZSL	Eliminations	Amount
Other expenses	311	-	311
Total expenses	1,198	(523)	675
Profit before tax (A)	74	27	101
Tax expense (B)	21	44	65
Profit for the year (A-B)	53	(17)	36
Other comprehensive income	1	-	1
Total Comprehensive income	54	(17)	37

C. The balance sheet for the year ended 31 March 2020 has been restated to account for the impact on account of acquisition of film business from ZSL:

(₹ Millions)

	ZSL	Eliminations	Amount
ASSETS			
Non-current assets			
Property, plant and equipment	3	-	3
Intangible assets	1	-	1
Other financial assets	0	-	0
Deferred tax assets (net)	6	89	95
Current Assets			
Inventories	3,125	(355)	2,770
Trade Receivables	264	-	264
Other financial assets	82	-	82
Other current assets	45	(54)	(9)
Total assets acquired (A)	3,526	(320)	3,206
LIABILITIES			
Non-current liabilities			
Long-term borrowings	2	-	2
Provisions	10	-	10
Current liabilities			
Trade payables	439	340	779
Other financial liabilities	18	-	18
Other current liabilities	395	(394)	1
Provisions	1	-	1
Total liabilities acquired (B)	865	(54)	811
Net assets / (liabilities acquired) (A-B)	2,661	(266)	2,395
Other equity	54	(319)	(265)
Total	919	(373)	546

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

NOTES**FORMING PART OF THE FINANCIAL STATEMENTS**

(₹ Millions)

	ZSL	Eliminations	Amount
A. Cash flow from operating activities			
Profit before tax	74	27	101
Adjustments for:			
Depreciation and amortisation expense	1	-	1
Allowances for doubtful debts and advances	0	-	0
Adjustment on account of restatement due to common control acquisition	(7)	(54)	(61)
Interest expenses	1	-	1
Interest income	(16)	-	(16)
Operating profit before working capital changes	53	(27)	26
Adjustments for :			
(Increase) in inventories	(3,125)	(27)	(3,152)
Decrease / (increase) in trade and other receivables	(392)	54	(338)
(Decrease) / increase in trade and other payables	860	2,607	3,467
Cash generated from operations	(2,604)	2,607	3
Direct taxes paid (net)	(20)	-	(20)
Net cash flow from operating activities (A)	(2,624)	2,607	(17)
B. Cash flow from investing activities			
Interest received	16	-	16
Net cash flow (used in) / from investing activities (B)	16	-	16
C. Cash flow from financing activities			
Interest paid	1	-	1
Net cash flow (used in) financing activities (C)	1	-	1
Total	(2,607)	2,607	-

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

51. During an earlier year, considering the increasing competition and content cost inflation, the Company adopted an aggressive differentiated movie library expansion strategy and entered into strategic content partnerships with major production houses, movie studios and creative partners for movies monetization on Zee5, domestic and international broadcast businesses. Accordingly, the Company had entered into certain output deals for future rights and given advances of aggregate value of Rs. 4,200 Million.

During the year, the Company received inventories aggregating Rs 1,560 Million and advances aggregating Rs. 2,640 Million is outstanding as at 31 March 2021.

52. RELATED PARTY DISCLOSURES**a. List of parties where control exists****Subsidiary companies****i. Wholly owned (direct and indirect subsidiaries)**

Asia Multimedia Distribution Inc.; Asia Today Limited; Asia Today Singapore Pte Limited; ^Asia TV GmbH; Asia TV USA Limited; Asia TV Limited; ATL Media FZ-LLC; ATL Media Limited; *Eevee Multimedia Inc.; Zee Studios Limited (formerly known as Essel Vision Productions Limited); Expand Fast Holdings (Singapore) Pte. Limited; Fly-by-Wire International Private Limited (extent of holding 51% w.e.f. 30 July 2020); India Webportal Private Limited; OOO Zee CIS Holding LLC; OOO Zee CIS LLC; Pantheon Productions Limited; Taj TV Limited; Zee Digital Convergence Limited; Zee Entertainment Middle East FZ-LLC; Zee Multimedia Worldwide (Mauritius) Limited; Zee Network Distribution Limited (formerly known as Zee Turner Limited extent of holding 100% w.e.f. 6 August 2019); **Zee Technologies (Guangzhou) Limited; Zee TV South Africa (Proprietary) Limited; Zee Unimedia Limited; Z5X Global FZ-LLC; Zee Studios International Limited; ^Zee TV USA Inc.

* Deregistered as on 31 March 2020

^ Deregistered as on 1 May 2020

** Deregistered as on 9 December 2020

^^ Under liquidation with effect from 31 January 2021



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ii) Other subsidiaries

Margo Networks Private Limited (extent of holding 80%)
Fly-by-Wire International Private Limited (extent of holding 51% w.e.f. 30 July 2020)
Idea Shop Web and Media Private Limited (extent of holding 51.04% held through India Webportal Private Limited)

b Associate

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

c Joint venture

Media Pro Enterprise India Private Limited (extent of holding 50% through Zee Network Distribution Limited formerly known as Zee Turner Limited extent of holding 100% w.e.f. 06 August 2019).

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

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

Directors / Key Management Personnel

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

Relatives of Key Management Personnel

Amit Goenka

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

(₹ Millions)

Sr. No.	Particulars	Mar-21	Mar-20
	Transactions during the year		
A)	Revenue from operations		
I)	Advertisement income		
	Other related parties	128	22
II)	Subscription income		
	Other related parties	1,930	1,955
III)	Share of subscription income payable		
	Subsidiaries	979	1,677
	Other related parties	399	611

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FORMING PART OF THE FINANCIAL STATEMENTS

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

(₹ Millions)

Sr. No.	Particulars	Mar-21	Mar-20
IV)	Commission		
	Subsidiaries	71	68
	Other related parties	50	267
V)	Transmission income		
	Subsidiaries	236	246
	Other related parties	96	152
VI)	Sales of media content		
	Subsidiaries	1,560	813
VII)	Other operating income		
	Subsidiaries (PY Rs. 50,000)	1	0
	Other related parties	9	7
B)	Other income		
I)	Dividend income		
	Subsidiaries	261	90
II)	Rent / miscellaneous income		
	Subsidiaries (PY Rs. 312,000)	-	0
	Other related parties	192	266
III)	Interest income		
	Other related parties	32	25
C)	Purchase of media content		
	Subsidiaries	1,504	4,572
D)	Purchase of services		
	Subsidiaries	626	323
	Other related parties	1,755	3,012
E)	Recoveries / (reimbursement) (net)		
	Subsidiaries	314	156
	Other related parties	140	181
F)	Investments purchased / subscribed		
	Other related parties	445	-



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FORMING PART OF THE FINANCIAL STATEMENTS

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

(₹ Millions)

Sr. No.	Particulars	Mar-21	Mar-20
G)	Investments sold / redemption		
	Subsidiaries	2,832	180
	Other related parties	10	-
H)	Acquisition of business		
	Subsidiaries (Refer note 50)	2,695	-
I)	Assets transfer		
	Other related parties	1	-
J)	Transfer of retirement benefits		
	Other related parties	88	-
K)	Loans, Advances and Deposits given		
	Subsidiaries	770	-
	Other related parties	-	12
L)	Loans, advances and deposits repayment received		
	Subsidiaries	-	175
	Other related parties	9	54
M)	Loans, advances and deposits repayment given		
	Other related parties	6	43
N)	Provision for loans, advance and deposit given, trade and other receivables		
	Other related parties (Refer note 48 d ii)	991	3,570
O)	Provision for Corporate guarantees given		
	Other related parties (Refer note 48 d ii)	1,001	-
P)	Amount paid by other related parties		
	Other related parties	-	2,025
Q)	Remuneration to Managing Director & CEO		
	Short term employee benefits*	132	90
R)	Commission and sitting fees		
	Non-executive directors	42	37
S)	Dividend paid		
	Director (Rs. 2,524 (Rs. 11,099))	0	0

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FORMING PART OF THE FINANCIAL STATEMENTS

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

(₹ Millions)

Sr. No.	Particulars	Mar-21	Mar-20
	Balance as at 31 March		
A)	Investment		
	Subsidiaries	6,563	7,774
	Other related parties	437	-
B)	Trade receivables		
	Subsidiaries	221	2,352
	Other related parties	307	1,218
C)	Loans, advances and deposits given		
	Subsidiaries	770	-
	Other related parties	364	408
D)	Other Receivables		
	Subsidiaries	898	910
	Other related parties	215	490
E)	Trade advances and deposits received		
	Subsidiaries	5	-
	Other related parties	27	33
F)	Trade/Other payables		
	Subsidiaries	1,646	493
	Other related parties	319	690
G)	Due to principals		
	Subsidiaries	480	528
H)	Corporate guarantees given		
	Other related parties	388	1,637

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



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f Disclosure in respect of material related party which account for 10% or more of the transactions and balances as at and during the year (₹ Millions)

Sr. No.	Particulars	Mar-21	Mar-20
Transactions during the year			
A)	Revenue from operations		
I)	Advertisement income		
	Living Entertainment Enterprises Private Limited	-	4
	Zee Media Corporation Limited	127	15
	Others	1	3
II)	Subscription income		
	Siti Networks Limited	1,216	1,233
	Indian Cable Net Company Limited	714	722
III)	Share of subscription income payable		
	ATL Media Limited	979	1,677
	Living Entertainment Enterprises Private Limited	-	229
	Zee Media Corporation Limited	399	382
IV)	Commission		
	ATL Media Limited	19	45
	ATL Media FZ-LLC	41	-
	Asia Today Limited	11	24
	Zee Akaash News Private Limited	8	35
	Zee Media Corporation Limited	42	224
	Others	-	7
V)	Transmission income		
	Asia Today Limited	176	172
	ATL Media Limited	60	74
	Zee Media Corporation Limited	94	105
	Living Entertainment Enterprises Private Limited	-	47
	Others	2	-
VI)	Sales of media content		
	Asia Today Limited	1,560	813
VII)	Other operating income		
	Zee Media Corporation Limited	9	7
	Others (PY Rs. 50,000)	1	0
B)	Other income		
I)	Dividend income		
	Zee Network Distribution Limited	261	-
	Fly-by-Wire International Private Limited	-	90

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FORMING PART OF THE FINANCIAL STATEMENTS

f Disclosure in respect of material related party which account for 10% or more of the transactions and balances as at and during the year (₹ Millions)

Sr. No.	Particulars	Mar-21	Mar-20
II)	Rent / miscellaneous income		
	Siti Networks Limited	31	32
	Zee Media Corporation Limited	155	149
	Evenness Business Excellence Services Private Limited	5	38
	Essel Infra Projects Limited	-	27
	Others	1	20
III)	Interest income		
	Zee Learn Limited	32	-
	Pan India Infraprojects Private Limited	-	6
	Essel Corporate Resources Private Limited	-	3
	Pan India Network Infravest Limited	-	6
	Living Entertainment Enterprises Private Limited	-	2
	Evenness Business Excellence Services Limited	-	3
	Others	-	5
C)	Purchase of media content		
	Zee Studios Limited	1,079	3,385
	ATL Media Limited	425	1,187
D)	Purchase of services		
	ATL Media FZ-LLC	413	-
	Broadcast Audience Research Council	271	368
	Zee Media Corporation Limited	233	279
	Digital Subscriber Management and Consultancy Services Private Limited	541	580
	Evenness Business Excellence Services Limited	150	622
	Siti Networks Limited \$	229	380
	Others	543	1,106
E)	Recoveries / (reimbursement) (net)		
	Z5X Global FZ LLC	235	-
	ATL Media Limited	79	156
	Living Entertainment Enterprises Private Limited	-	(38)
	Zee Media Corporation Limited	125	141
	Evenness Business Excellence Services Limited	2	41
	Others	13	37
F)	Investments purchased / subscribed		
	10.02% Secured redeemable non convertible debenture of Zee Learn Limited	445	-
G)	Investments sold / redemption		
	Redemption of Debenture - Zee Studios Limited	2,704	-
	Redemption of Debenture - Fly-by-Wire International Private Limited	-	180
	Others	138	-

**NOTES****FORMING PART OF THE FINANCIAL STATEMENTS**

f Disclosure in respect of material related party which account for 10% or more of the transactions and balances as at and during the year (₹ Millions)

Sr. No.	Particulars	Mar-21	Mar-20
H)	Acquisition of business		
	Zee Studios Limited (Refer Note 50)	2,695	-
I)	Assets transfer		
	Zee Media Corporation Limited	1	-
	Zee Akaash News Private Limited (CY Rs. 160,070)	0	-
J)	Transfer of retirement benefits		
	Zee Media Corporation Limited	82	-
	Others	6	-
K)	Loans, advances and deposits given		
	Margo Networks Private Limited	770	-
	Indian Cable Net Company Limited	-	12
L)	Loans, advances and deposits repayment received		
	Fly-by-Wire International Private Limited	-	175
	Evenness Business Excellence Services Limited	-	40
	Broadcast Audience Research Council	9	9
	Others	-	5
M)	Loans, advances and deposits repayment given		
	Zee Media Corporation Limited	6	37
	Diligent Media Corporation Limited	-	6
N)	Provision for loans, advance and deposit given, trade and other receivables (Refer note 48 d ii)		
	Widescreen Holdings Private Limited	-	460
	Konti Infrapower & Multiventures Private Limited	-	560
	Edisons Infrapower & Multiventures Private Limited	-	570
	Essel Infra Projects Limited	-	149
	Living Entertainment Enterprises Private Limited	14	324
	Evenness Business Excellence Services Limited	137	-
	Siti Networks Limited	855	1,179
	Others	(15)	328
O)	Provision for corporate guarantees given (Refer note 48 d ii)		
	Siti Networks Limited (DSRA Value) #	1,001	-
P)	Amount paid by other related parties		
	Pan India Infraprojects Private Limited	-	523
	Elouise Green Mobility Limited	-	173
	Essel Corporate Resources Private Limited	-	226
	Essel Utilities Distribution Company Limited	-	194
	Pan India Network Infravest Limited	-	499
	Living Entertainment Enterprises Private Limited	-	176
	Evenness Business Excellence Services Limited	-	233

NOTES**FORMING PART OF THE FINANCIAL STATEMENTS**

f Disclosure in respect of material related party which account for 10% or more of the transactions and balances as at and during the year (₹ Millions)

Sr. No.	Particulars	Mar-21	Mar-20
Q)	Remuneration to Managing Director & CEO		
	Short term employee benefits*	132	90
R)	Commission and sitting fees		
	Non-executive directors	42	37
S)	Dividend paid		
	Director (Rs. 2,524 (Rs. 11,099))	0	0
	Balance as at 31 March		
A)	Investment		
	Equity Shares of Zee Multimedia Worldwide (Mauritius) Limited	2,584	2,584
	Equity Shares of ATL Media Limited	2,515	2,515
	Debentures - Zee Studios Limited	370	1,555
	Equity Shares of Margo Networks Private Limited	750	750
	Others	781	370
B)	Trade Receivables		
	Asia Today Limited	116	1,880
	ATL Media Limited	6	358
	Indian Cable Net Company Limited	227	328
	Z5X Global FZ LLC	74	88
	Zee Media Corporation Limited	78	61
	Siti Networks Limited (net of provision)	-	812
	Others (net of provision)	27	43
C)	Loans, advances and deposits given (Refer note 48 d ii)		
	Digital Subscriber Management and Consultancy Services Private Limited	340	340
	Margo Networks Private Limited	770	-
	Widescreen Holdings Private Limited (net of provision)	-	-
	Konti Infrapower & Multiventures Private Limited (net of provision)	-	-
	Edisons Infrapower & Multiventures Private Limited (net of provision)	-	-
	Others (net of provision)	24	68
D)	Other receivables		
	ATL Media Limited	76	772
	Siti Networks Limited (net of provision)	5	162
	Zee Studios Limited	786	54
	Others (net of provision)	246	412



NOTES

FORMING PART OF THE FINANCIAL STATEMENTS

f Disclosure in respect of material related party which account for 10% or more of the transactions and balances as at and during the year (₹ Millions)

Sr. No.	Particulars	Mar-21	Mar-20
E)	Trade advances and deposits received		
	ATL Media Limited	5	-
	Essel Corporate LLP	10	10
	Essel Infra Projects Limited	12	12
	Zee Media Corporation Limited	3	9
	Others	2	2
F)	Trade / other payables		
	ATL Media Limited	637	314
	ATL Media FZ LLC	372	-
	Indian Cable Net Company Limited	21	159
	Siti Networks Limited	5	179
	Zee Media Corporation Limited	214	212
	Zee Studios Limited	592	-
	Others	124	319
G)	Due to principals		
	Asia Today Limited	138	112
	ATL Media Limited	342	416
H)	Corporate guarantees given		
	Broadcast Audience Research Council	17	34
	Margo Networks Private Limited	371	-
	Siti Networks Limited # (net of provision) (Refer note 48 d ii)	-	1,166
	Zee Learn Limited	-	437

\$ Includes Logical Channel Number (LCN) incentive which is netted off from subscription revenue

Loan outstanding amounting Rs. 2,018 Million (Rs. 2,523 Million)

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

53. SEGMENT INFORMATION

The Company has presented segment information on the basis of the consolidated financial statements as permitted by Ind AS 108 on 'Operating Segments'.

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

A. B. Jani

Partner

Place: Mumbai

Date: 20 May 2021

For and on behalf of the Board

Punit Goenka
Managing Director & CEO

Rohit Kumar Gupta
Chief Financial Officer

Place: Mumbai

Date: 20 May 2021

Vivek Mehra
Director

Ashish Agarwal
Company Secretary

LAST FIVE YEARS FINANCIAL HIGHLIGHTS

(₹ Millions)

Year Ending March 31	Consolidated					Standalone				
	2021	2020	2019	2018	2017	2021	2020 (Restated)	2019	2018	2017
Revenue Account										
Income from Operations	77,299	81,299	79,339	66,857	64,342	66,654	72,935	68,579	57,956	50,249
Total Expenses	59,398	64,953	53,700	46,095	45,073	47,844	53,789	41,494	37,459	33,699
Operating Profit	17,901	16,346	25,639	20,762	19,269	18,809	19,146	27,085	20,497	16,550
% to Income from Operations	23%	20%	32%	31%	30%	28%	26%	39%	35%	33%
Other Income	1,104	2,836	2,515	4,403	2,240	2,624	2,309	1,894	9,818	3,479
PBIDT and Fair Value adjustments	19,005	19,182	28,154	25,165	21,509	21,433	21,455	28,979	30,315	20,029
Financial Expenses	571	1,449	1,304	1,448	1,372	526	1,390	1,284	1,426	1,272
Fair value through profit and loss	1,962	2,597	(36)	68	2,205	2,161	3,314	(68)	180	2,216
Depreciation / Amortisation	2,649	2,706	2,347	1,821	1,152	1,457	1,776	1,589	1,398	860
Add: Share of Results of Associates and Joint Ventures	(1)	(24)	24	12	(5)	-	-	-	-	-
Profit Before Tax & Exceptional Items	13,822	12,406	24,563	21,841	16,775	17,290	14,975	26,174	27,311	15,681
Exceptional Items	(1,266)	(2,843)	(218)	1,346	12,234	(1,266)	(2,843)	(218)	-	470
Taxation	4,625	4,317	8,673	8,409	6,808	4,814	4,614	9,406	8,192	6,467
Profit After Tax before non controlling interest	7,931	5,246	15,672	14,778	22,201	11,210	7,518	16,550	19,119	9,684
Less: Non Controlling Interest	(70)	(19)	1	(14)	(12)	-	-	-	-	-
Profit After Tax for the year	8,001	5,265	15,671	14,791	22,213	11,210	7,518	16,550	19,119	9,684
% to Total Income	10%	6%	19%	21%	33%	16%	10%	23%	28%	18%
Dividend	2,401	288	3,362	2,785	2,401	2,401	288	3,362	2,785	2,401
Dividend Rate	250%	30%	350%	290%	250%	250%	30%	350%	290%	250%
Capital Account										
Share Capital - Equity	961	960	960	960	960	961	960	960	960	960
Share Capital - Preference	-	-	-	-	-	-	-	-	-	-
Reserves & Surplus	99,985	92,479	88,279	74,657	65,944	86,516	75,320	70,354	57,237	42,511
Deferred Tax Balances	(3,151)	(2,742)	1,262	1,996	(903)	(2,409)	(2,219)	1,477	2,209	(648)
Non-Controlling Interests	129	110	143	142	10	-	-	-	-	-
Loan Funds**	14	2,986	7,429	11,452	18,208	13	2,985	7,426	11,452	18,208
Capital Employed	97,939	93,793	98,073	89,207	84,219	85,081	77,046	80,217	71,858	61,031
Eff. Capital Employed	101,089	96,536	96,812	87,211	85,122	87,490	79,265	78,740	69,649	61,679
Eff. Networth	100,946	93,439	89,239	75,617	66,904	87,477	76,280	71,314	58,197	43,471
Tangible and intangible assets	12,667	13,979	15,706	15,682	10,714	5,850	7,183	8,963	9,667	6,005
Investments (Including Current Investments)	7,983	3,248	9,765	15,290	13,432	14,503	8,543	15,722	19,878	24,121
Net Assets	77,289	76,566	72,602	58,235	60,073	64,728	61,320	55,531	42,313	30,905
Capital Deployed	97,939	93,793	98,073	89,207	84,219	85,081	77,046	80,217	71,858	61,031
Closing market price per share of Re.1	203.20	123.95	445.50	575.50	534.65	203.20	123.95	445.50	575.50	534.65
Market capitalisation	195,175	119,052	427,888	552,741	513,504	195,175	119,052	427,888	552,741	513,504

0 (Zero) denotes amounts less than a million

PERFORMANCE RATIOS - AN ANALYSIS

(₹ Millions)

Year Ending March 31	Consolidated					Standalone				
	2021	2020	2019	2018	2017	2021	2020 (Restated)	2019	2018	2017
Financial Performance										
Advertisement Income/Income from Operations (%)	48.5%	57.6%	63.5%	62.9%	57.1%	53.3%	60.5%	68.4%	66.7%	65.4%
Subscription Income/Income from Operations (%)	42.0%	35.5%	29.1%	30.3%	35.2%	42.3%	32.8%	26.4%	26.6%	28.2%
Operating Profit/Income from Operations (%)	23.2%	20.1%	32.3%	31.1%	29.9%	28.2%	26.3%	39.5%	35.4%	32.9%
Other Income/Total Income (%)	1.4%	3.4%	3.1%	6.2%	3.4%	3.8%	3.1%	2.7%	14.5%	6.5%
Programming Cost/Income from Operations (%)	44.8%	44.4%	36.1%	35.3%	40.8%	40.4%	43.5%	33.0%	36.0%	39.0%
Personnel Cost/Income from Operations (%)	10.6%	9.6%	9.1%	10.0%	9.4%	10.3%	8.6%	7.9%	8.2%	8.9%
Selling and Admin Expenses/Income from Operations (%)	17.7%	23.2%	19.8%	21.2%	17.5%	17.1%	19.4%	17.6%	18.6%	17.6%
Total Operating Cost/Income from Operations (%)	76.8%	79.9%	67.7%	68.9%	70.1%	71.8%	73.8%	60.5%	64.6%	67.1%
Financial Expenses/Income from Operations (%)	0.7%	1.8%	1.6%	2.2%	2.1%	0.8%	1.9%	1.9%	2.5%	2.5%
Tax/Income from Operations (%)	6.0%	5.3%	10.9%	12.6%	10.6%	7.2%	6.3%	13.7%	14.1%	12.9%
PAT for the year/Total Income (%)	10.1%	6.2%	19.1%	20.7%	33.3%	16.2%	10.0%	23.5%	28.2%	18.0%
Tax/PBT (%)	36.8%	45.1%	35.6%	36.3%	23.5%	30.0%	38.0%	36.2%	30.0%	40.0%
Dividend Payout/PAT for the year (%)	30.3%	5.5%	21.4%	18.8%	10.8%	21.4%	3.8%	20.3%	14.6%	24.8%
Dividend Payout/Effective Network (%)	2.4%	0.3%	3.8%	3.7%	3.6%	2.7%	0.4%	4.7%	4.8%	5.5%
Balance Sheet										
Debt-Equity ratio (Total loans/Eff. Network) (%)	0.0%	3.2%	8.3%	15.1%	27.2%	0.0%	3.9%	10.4%	19.7%	41.9%
Current ratio (Current assets/Current liabilities) (x)	4.2	4.0	3.5	3.7	4.9	4.0	3.4	3.0	3.1	3.9
Capital Output Ratio (Inc from Ops/Eff. Capital employed) (x)	0.8	0.8	0.8	0.8	0.8	0.8	0.9	0.9	0.8	0.8
Tangible / intangible assets Turnover (Inc from Ops/ Tangible / intangible assets)^ (x)	8.7	8.2	7.6	6.5	8.0	16.5	13.8	11.5	9.0	9.3
Cash & cash equivalents/Total Eff. capital employed (%)	10.8%	7.6%	12.6%	18.5%	30.7%	7.1%	6.1%	11.0%	16.9%	9.0%
RONW (PAT for the year/Eff. Network) (%)	7.9%	5.6%	17.6%	19.5%	33.2%	12.8%	9.9%	23.2%	32.9%	22.3%
ROCE (PBIT/Eff. Capital employed) (%)	13.0%	11.4%	26.5%	28.2%	35.7%	18.9%	17.1%	34.6%	41.3%	28.2%
Per Share Data #										
Total Income per share (₹)	81.6	87.6	85.2	74.2	69.4	72.1	78.4	73.4	70.6	56.0
Dividend per share (₹)	2.50	0.30	3.50	2.90	2.50	2.50	0.30	3.50	2.90	2.50
Indebtedness per share (₹)	0.0	3.1	7.7	11.9	19.0	0.0	3.1	7.7	11.9	19.0
Book value per share (₹)	105.0	97.3	92.9	78.8	69.7	91.1	79.5	74.3	60.6	45.3
Earnings per share (₹)	8.3	5.5	16.3	15.4	23.1	-	-	-	-	-
PE Ratio -Price/EPS Ratio (Share Price as of March 31) (x)	24.4	22.6	27.3	37.4	23.1	-	-	-	-	-

Note :

** Loan funds represents non current portion of borrowings i.e. redeemable preference shares, other borrowings and vehicle loans.

^ Excludes Goodwill on consolidation of ₹ 3,804 million (₹ 4,070 million) and ₹ 1,616 million (₹ 1,881 million) for the consolidated and standalone entity respectively.

Annualised

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ZEE ENTERTAINMENT ENTERPRISES LIMITED
Report on the Audit of the Consolidated Financial Statements
Qualified Opinion

We have audited the accompanying consolidated financial statements of Zee Entertainment Enterprises Limited (the Parent/Company) and its subsidiaries, (the Parent and its subsidiaries together referred to as 'the Group') which includes the Group's share of loss in its associate and joint venture, which comprise the Consolidated Balance Sheet as at 31 March 2021, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries, associate and joint venture referred to in the Other Matters section below, except for the possible effects of the matter described in the Basis for Qualified Opinion section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (Ind AS), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note 36 of the consolidated financial statements, where the Management has explained reasons for not accounting for the Put Option. As explained in the said Note, the Put Option agreement was initially entered into by ATL Media Limited (ATL), a wholly owned subsidiary of the Parent on 20 January 2016 and renewed on 29 July 2019 to be valid until 30 December 2026. The Put Option agreement requires ATL to purchase the issued share capital of Veria International Limited (VIL), a related party of the Parent to the extent of 64.38% held by Living Entertainment Limited (LEL), another related party of the Parent (total exercise price of the Put Option \$52.50 million (Rs. 3,848 million as at 31 March 2021 (Rs. 3,927 million as at 31 March 2020)). In order to secure a borrowing from Yes Bank Limited (Bank), LEL had assigned all its right, title, benefit and interest under the said Put Option agreement in favour of the Bank. As explained in the note, ATL has rescinded the renewal of the Put Option from the date of its renewal and the validity of the Put Option agreement is sub-judice in the Hon'ble Supreme Court of Mauritius. In view of the above, the auditors of ATL have been unable to determine whether any adjustments are required to be made in respect of the fair value of the Put Option (including any impact in the prior periods) in the financial statements of ATL that have been audited and provided for inclusion in the Statement and have modified their audit report on the said financial statements of ATL on the said matter. Consequently, we are unable to comment if any adjustments are required to these consolidated financial statements under Ind AS 109 'Financial Instruments' in respect of the said Put Option (including any impact in the prior periods).

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

Key Audit Matters

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

Key Audit Matter	Auditor's response
<p>Goodwill impairment assessment as at 31 March 2021:</p> <p>The consolidated financial statements reflect goodwill aggregating Rs. 3,803 million recognised mainly for the acquisition and allocated to following cash generating unit (CGUs):</p> <p>1. Online Media Business (Rs 995 million (net of impairment of Rs. 1,620 million));</p> <p>2. International business (Rs. 2,013 million); and</p> <p>3. Regional channel in India (Rs. 621 million).</p> <p>We considered this as key audit matter due to the significance of the balance of goodwill and because of the Group's assessment of the fair value less cost of disposal (FVLCD) and value-in-use (VIU) calculations of the CGU, which involve significant judgements about the valuation methodology, future performance of business including likely impact on account of COVID-19 pandemic and discount rate applied to future cash flow projections.</p> <p>Refer note 7 of the consolidated financial statements.</p>	<p>Principal audit procedures performed:</p> <p>Our procedures consisted of understanding the Management's methodology and key assumptions and included performance of the following audit procedures:</p> <ul style="list-style-type: none"> • Evaluated the design and operating effectiveness of internal controls relating to review of goodwill impairment testing performed by Management; • Validating impairment models through testing of the mathematical accuracy and verifying the application of the key input assumptions; • Understanding the underlying process used to determine the risk adjusted discount rates; • Assessing the appropriateness of significant changes to assumptions since the prior period; • Validating the cash flow forecasts with reference to historical forecasts and actual performance to support any significant expected future changes to the business. Review of the factors considered by the Management on the business projections on account of lockdowns due to spread of COVID-19 pandemic; • Working with auditor's valuation experts to benchmark the discount rates and perpetual growth rates applied by the Group for the purposes of computing VIU; • We have also engaged auditor's valuation experts to assist us in evaluating the FVLCD determined by the Group. The valuation experts independently evaluated revenue multiple used in determination of FVLCD;

Key Audit Matter	Auditor's response
<p>Audit of transactions involving payment of advance for movie rights acquisitions:</p> <p>The Parent pays advances for acquiring movies from aggregators, sub-agents of aggregators and production houses. During the earlier years/year, the Company paid advances to such aggregators and production houses for acquiring rights of movies on the basis of Memorandum of Understanding (MOU) and/or agreements entered into with the respective aggregators or production houses.</p> <p>We considered this as key audit matter on account of the value of such movie advances and the risks associated with non-performance.</p> <p>Refer note 37 of the consolidated financial statements.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> • Evaluated the design and operating effectiveness of internal controls relating to authorization of movie advances and adherence to the approval policy framed by the Parent; • Obtained supporting documents for the sample of movie advances paid during the year which includes the MOU/agreement executed between the Parent and content aggregators and production houses stating business rationale for the advance payments; • Checked appropriate approvals for the advance payments and adherence to the approval policy; • For samples selected, obtained direct confirmation from the content aggregators and the production houses confirming the outstanding balances as at the year-end including identification of the films against which the advances were given and the manner of utilisation of the advances by such aggregators, where considered necessary in our professional judgement.

Key Audit Matter	Auditor's response
<p>Recoverability of long overdue receivables from a customer:</p> <p>The Parent has receivables of Rs 4,546 million (net of allowance for doubtful debts) from a customer, which include amounts which are long overdue, as at 31 March 2021.</p> <p>We considered this as key audit matter on account of risk associated with long outstanding receivables from this customer, the Parent's assessment of the recoverability of these receivables and consequent determination of provision for expected credit loss which requires significant Management estimates and judgments.</p> <p>Specific factors considered by the Management includes credit worthiness of the customer, adherence to the payment plan agreed by the Parent with this customer, including ageing analysis.</p> <p>Refer note 44 d (ii) of the consolidated financial statements.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> • Evaluated the design and operating effectiveness of internal controls relating to the assessment of recoverability of receivables and determination of the provision for expected credit loss; • Verified the completeness and accuracy of data considered for aging analysis and assessment of recoverability of receivables and determination of the provision for expected credit loss; • Obtained the revised payment plan agreed by the Company (presented to the Board of Directors by the Management) with the customer and checked if the collections were in line with the agreed payment plan, including subsequent collection after the balance sheet date till the date of the audit report on the consolidated financial statements; • Evaluated whether the provision for expected credit loss recorded by the Parent is appropriate considering specific factors like credit worthiness of these customers and adherence to the payment plan agreed with the Parent; • Obtained direct confirmations from the customer as at the year-end for the outstanding balance.
<p>Matter of litigation relating to the Put Option issued by ATL (a wholly owned subsidiary) which was assigned in favour of Yes Bank Limited (Bank):</p> <p>With respect to the matter relating to the Put Option issued by ATL referred to in the Basis of Qualified Opinion section above and as explained in note 36 of the consolidated financial statements, we considered this to be a key audit matter.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> • Perused the copies of the Put Option agreements and the suit filed by ATL in the Supreme Court of Mauritius; • Discussed the legal opinions obtained by ATL with the auditors of ATL; • Reviewed the basis of qualification reported by the auditors of ATL and discussed with the auditors of ATL their basis of conclusion.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises of information included in the Management Discussion and Analysis, Directors' Report including Annexures to the Directors' Report, Corporate Governance and Shareholders' Information, but does not include the standalone and consolidated financial statements and our auditor's reports thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, joint venture and associate audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, associate and joint venture, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or

business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

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

Other Matters

- We did not audit the financial statements of 26 subsidiaries whose financial statements reflect total assets of Rs. 53,173 million as at 31 March 2021, total revenues of Rs. 20,915 million and net cash inflows amounting to Rs. 2,970 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 1 million for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of an associate and a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associate is based solely on the reports of the other auditors.

- We did not audit the financial information of a subsidiary, whose financial information reflect total assets of Rs. 3 million as at 31 March 2021, total revenues of Rs. 4 million and net cash flow amounting to Rs. 1 million for the year ended on that date, as considered in the consolidated financial statements. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

- As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, associate and joint venture referred to in the Other Matters section above we report, to the extent applicable that:
 - We have sought and except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section above, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - On the basis of the written representations received from the directors of the Parent as on 31 March 2021 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and joint venture company incorporated in India, none of the directors of the Group companies

and joint venture company incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

- The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section above.
 - With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A' which is based on the auditors' reports of the Parent, subsidiary companies and joint venture company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies.
 - With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.
- 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:
 - Except for the possible effect of the matter described in the Basis of Qualified Opinion section above, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint venture;
 - Except for the possible effect of the matter described in the Basis of Qualified Opinion section above, provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and joint venture company incorporated in India.

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

A. B. Jani
Partner
Membership No. 46488
UDIN: 21046488AAAABL1782

Mumbai, 20 May 2021



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the Act)

In conjunction with our audit of the consolidated Ind AS financial statements of Zee Entertainment Enterprises Limited (the Parent/Company) as of and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting of the Parent and its subsidiary companies and a joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies and a joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 7 subsidiary companies and a joint venture, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

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

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

A. B. Jani
Partner

Membership No. 46488
UDIN: 21046488AAAABL1782

Mumbai, 20 May 2021

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2021

(₹ Millions)

	Note	Mar-21	Mar-20
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	5,809	6,797
(b) Capital work-in-progress	5	129	334
(c) Investment property	6	520	797
(d) Goodwill	7	3,804	4,070
(e) Other intangible assets	7	1,779	1,484
(f) Intangible assets under development	7	625	497
(g) Financial assets			
(i) Investments			
a) Investments in associates	8	4	4
b) Investments in joint ventures	8	16	193
c) Other investments	8	296	281
(ii) Other financial assets	9	347	429
(h) Income-tax assets (net)		4,229	4,102
(i) Deferred tax assets (net)	10	3,151	2,742
(j) Other non-current assets	11	227	90
Total non-current assets		20,936	21,820
Current assets			
(a) Inventories	12	54,030	53,475
(b) Financial assets			
(i) Other investments	13	7,667	2,770
(ii) Trade receivables	14	19,452	21,286
(iii) Cash and cash equivalents	15	10,485	5,529
(iv) Bank balances other than (iii) above	15	422	1,816
(v) Loans	30	-	-
(vi) Other financial assets	9	3,418	3,732
(c) Other current assets	11	11,035	12,804
Total current assets		106,509	101,412
Non current asset classified as held for sale	41	742	945
Total assets		128,187	124,176
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	16	961	960
(b) Other equity	17	99,985	92,479
Equity attributable to shareholders		100,946	93,439
Non-controlling interests	17	129	110
Total equity		101,075	93,549
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings			
a) Redeemable preference shares	18	-	2,975
b) Others	18	195	526
(b) Provisions	19	1,546	1,405
Total non-current liabilities		1,741	4,906
Current liabilities			
(a) Financial liabilities			
(i) Trade payables		13,982	16,803
(ii) Other financial liabilities			
a) Redeemable preference shares	20	3,832	2,975
b) Others	20	3,498	2,808
(b) Other current liabilities	21	2,811	2,107
(c) Provisions	19	163	122
(d) Income-tax liabilities (net)		1,085	906
Total current liabilities		25,371	25,721
Total liabilities		27,112	30,627
Total equity and liabilities		128,187	124,176

See accompanying notes to the Consolidated financial statements

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

A. B. Jani
Partner

Place: Mumbai | Date: 20 May 2021

For and on behalf of the Board

Punit Goenka
Managing Director & CEO

Rohit Kumar Gupta
Chief Financial Officer

Place: Mumbai | Date: 20 May 2021

Vivek Mehra
Director

Ashish Agarwal
Company Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2021

(₹ Millions)

	Note	Mar-21	Mar-20
Revenue			
Revenue from operations	22	77,299	81,299
Other income	23	1,104	2,836
Total Income	I	78,403	84,135
Expenses			
Operational cost	24	37,505	38,285
Employee benefits expense	25	8,183	7,805
Finance costs	26	571	1,449
Depreciation and amortisation expense	27	2,649	2,706
Fair value loss on financial instruments at fair value through profit and loss	28	1,962	2,597
Other expenses	29	13,710	18,863
Total Expenses	II	64,580	71,705
Profit before share of loss in associates and joint venture, exceptional items and tax	III=(I-II)	13,823	12,430
Less: Share of (loss) in associates and joint venture	IV	(1)	(24)
Profit before exceptional items and tax	V=(III+IV)	13,822	12,406
Less : Exceptional items	VI	(1,266)	(2,843)
Profit before tax	VII=(V+VI)	12,556	9,563
Less : Tax expense			
Current tax - current year	31	5,162	5,815
- earlier years	31	(101)	29
Deferred tax	31	(436)	(1,527)
	VIII	4,625	4,317
Profit for the year	IX=(VII-VIII)	7,931	5,246
Other comprehensive (Loss)/income			
A Items that will not be reclassified to profit or loss			
(a) (i) Re-measurement of defined benefit obligation		(2)	109
(ii) Fair value changes of equity instruments through other comprehensive income		6	1
(b) Income tax relating to items that will not be reclassified to profit or loss		0	(28)
	X	4	82
B Items that will be reclassified profit or loss			
(i) Exchange differences on translation of financial statements of foreign operations	XI	(214)	1,254
Total other comprehensive (loss)/income	XII=(X+XI)	(210)	1,336
Total comprehensive income for the year	XIII=(IX+XII)	7,721	6,582
Profit for the year			
Attributable to:			
Shareholders of the Company	XIV=(IX-XV)	8,001	5,265
Non-controlling interests	XV	(70)	(19)
		7,931	5,246
Total comprehensive income for the year			
Attributable to:			
Shareholders of the Company	XVI=(XIII-XVII)	7,791	6,601
Non-controlling interests	XVII	(70)	(19)
		7,721	6,582
Earnings per Equity share (face value Re. 1/- each)	32		
Basic		8.33	5.48
Diluted		8.33	5.48

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

See accompanying notes to the Consolidated financial statements

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

A. B. Jani
Partner

Place: Mumbai | Date: 20 May 2021

For and on behalf of the Board

Punit Goenka
Managing Director & CEO

Rohit Kumar Gupta
Chief Financial Officer

Place: Mumbai | Date: 20 May 2021

Vivek Mehra
Director

Ashish Agarwal
Company Secretary

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

(₹ Millions)

	Mar-21	Mar-20
A. Cash flow from operating activities		
Profit before tax	12,556	9,563
Adjustments for :		
Depreciation and amortisation expense	2,649	2,706
Allowances for doubtful debts and advances	956	5,656
Exceptional item (Refer note 30)	1,266	2,843
Share based payment expense	3	11
Liabilities and excess provision written back	(137)	(41)
Unrealised loss/(gain) on exchange adjustments (net)	3	(106)
Loss/ (Profit) on sale or write off / impairment of Property, plant and equipment (net)	188	(250)
Profit on sale of investments	(102)	(105)
Interest expenses	104	135
Fair value loss on financial instruments classified as fair value through profit and loss	1,962	2,597
Share of loss in associates and joint ventures	1	24
Dividend on redeemable non-convertible preference shares	467	855
Dividend income	(1)	(5)
Interest income	(236)	(1,512)
Operating profit before working capital changes	19,679	22,371
Adjustments for :		
(Increase) in inventories	(534)	(14,830)
Decrease / (Increase) in trade and other receivables	2,934	(289)
(Decrease) in trade and other payables	(1,591)	(1,639)
Cash generated from operations	20,488	5,613
Direct taxes paid (net)	(5,011)	(3,114)
Net cash flow from operating activities (A)	15,477	2,499
B. Cash flow from investing activities		
Purchase of property, plant and equipment / capital work-in-progress	(610)	(810)
Purchase of intangible assets	(1,450)	(1,008)
Sale of property, plant and equipment / intangible assets	320	367
Fixed deposit invested	(409)	(1,963)
Fixed deposit matured	1,807	2,695
Purchase of non current investments	(213)	(15)
Proceeds from sale of non-current investments	10	609
Purchase of current investments	(14,106)	(31,850)
Proceeds from sale / redemption of current investments	9,146	34,418
Loans repaid by others	-	78
Dividend received	177	5
Interest received	266	1,362
Net cash flow from (used in)/investing activities (B)	(5,062)	3,888
C. Cash flow from financing activities		
Redemption of redeemable non-convertible preference shares and tax thereon	(4,027)	(4,842)



CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

(₹ Millions)

	Mar-21	Mar-20
Proceeds from long-term borrowings	14	2
Repayment of lease liabilities	(225)	(447)
Repayment of long-term borrowings	(10)	(14)
Dividend paid on equity shares and tax thereon	(290)	(4,081)
Dividend paid on redeemable non-convertible preference shares	(827)	(1,146)
Interest paid	(43)	(92)
Net cash flow (used in) financing activities (C)	(5,408)	(10,620)
Net cash flow during the year (A+B+C)	5,007	(4,233)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(51)	85
Cash and cash equivalents at the beginning of the year	5,529	9,677
Net cash and cash equivalents at the end of the year	10,485	5,529

See accompanying notes to the Consolidated financial statements

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

A. B. Jani
 Partner

Place: Mumbai

Date: 20 May 2021

For and on behalf of the Board

Punit Goenka
 Managing Director & CEO

Rohit Kumar Gupta
 Chief Financial Officer

Place: Mumbai | Date: 20 May 2021

Vivek Mehra
 Director

Ashish Agarwal
 Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

A. Equity share capital

(₹ Millions)

As at 31 March 2019	960
Add: Issued during the year (Refer note 16)	0
As at 31 March 2020	960
Add: Issued during the year (Refer note 16)	0
As at 31 March 2021	961

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

B. Other equity

(₹ Millions)

	Reserves and surplus					Other comprehensive income		Total other equity	Attributable to non-controlling interests
	Capital redemption reserve	Shared based payment reserve	Capital reserve	General Reserves	Retained earnings	Foreign currency translation reserve	Equity instruments		
As at 31 March 2019	8,129	20	340	2,820	75,901	641	428	88,279	143
Profit for the year	-	-	-	-	5,265	-	-	5,265	(19)
Add: Foreign currency translation gain for the year	-	-	-	-	-	1,254	-	1,254	-
Add/Less: Transfer on redemption of preference shares	4,034	-	-	-	(4,034)	-	-	-	-
Add: Options granted during the year	-	11	-	-	-	-	-	11	-
Add: Re-measurement gain on defined benefit plans	-	-	-	-	109	-	-	109	-
Less: Income tax impact thereon	-	-	-	-	(28)	-	-	(28)	-
Less: Transfer to reserves from minority interest	-	-	-	-	14	-	-	14	(14)
Add: Reversal of deferred tax liability on redemption of preference shares	-	-	-	-	2,474	-	-	2,474	-
Less: Dividend distribution tax on redemption of preference shares	-	-	-	-	(829)	-	-	(829)	-
Add/Less: Profit on sale of equity investment classified as fair value through other comprehensive income transferred to retained earnings	-	-	-	-	489	-	(489)	-	-
Add: Gain on fair value of equity instruments classified as fair value through other comprehensive income (net) (Refer note 17)	-	-	-	-	-	-	1	1	-
Less: Dividend on Equity Shares	-	-	-	-	(3,362)	-	-	(3,362)	-
Less: Tax on dividend on equity shares by subsidiaries	-	-	-	-	(18)	-	-	(18)	-
Less: Tax on dividend on equity shares	-	-	-	-	(691)	-	-	(691)	-
As at 31 March 2020	12,163	31	340	2,820	75,290	1,895	(60)	92,479	110
Profit for the year	-	-	-	-	8,001	-	-	8,001	(70)
Less: Foreign currency translation loss for the year	-	-	-	-	-	(214)	-	(214)	-
Add/Less: Transfer on redemption of preference shares	4,034	-	-	-	(4,034)	-	-	-	-

B. Other equity

(₹ Millions)

	Reserves and surplus					Other comprehensive income		Total other equity	Attributable to non-controlling interests
	Capital redemption reserve	Shared based payment reserve	Capital reserve	General Reserves	Retained earnings	Foreign currency translation reserve	Equity instruments		
Add: Options granted during the year	-	3	-	-	-	-	-	3	-
Add: Re-measurement gain on defined benefit plans	-	-	-	-	(2)	-	-	(2)	-
Less: Income tax impact thereon	-	-	-	-	0	-	-	0	-
Add: Transfer to reserves from minority interest	-	-	-	-	-	-	-	-	89
Add: Gain on fair value of equity instruments classified as fair value through other comprehensive income (net) (Refer note 17)	-	-	-	-	-	-	6	6	-
Less: Dividend on Equity Shares	-	-	-	-	(288)	-	-	(288)	-
As at 31 March 2021	16,197	34	340	2,820	78,967	1,681	(53)	99,985	129

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

See accompanying notes to the Consolidated financial statements

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

A. B. Jani
 Partner

Place: Mumbai

Date: 20 May 2021

For and on behalf of the Board

Punit Goenka
 Managing Director & CEO

Rohit Kumar Gupta
 Chief Financial Officer

Place: Mumbai

Date: 20 May 2021

Vivek Mehra
 Director

Ashish Agarwal
 Company Secretary

NOTES
FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
1. CORPORATE INFORMATION

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

- Broadcasting of Satellite Television Channels and digital media;
- Space Selling agent for other satellite television channels;
- Sale of Media Content i.e. programs / film rights / feeds / music rights;
- Movie production and distribution.

2. SIGNIFICANT ACCOUNTING POLICIES
a) Statement of compliance

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

b) Basis of preparation of consolidated financial statements

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

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

c) Basis of consolidation

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

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

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

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

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

d) Investment in associates and joint ventures

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

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

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

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



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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Zero capital company @ dissolved w.e.f. 1 May 2020 * dissolved w.e.f. 31 March 2020 \$ Held for sale. 49% stake sold on 30 July 2020
^ dissolved w.e.f. 9 December 2020 & under liquidation w.e.f 31 January 2021

Associate

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

Jointly controlled entities

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

* Through subsidiary, Zee Network Distribution Limited (Zee Turner Limited)

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

e) Business Combinations

Business combinations have been accounted for using the acquisition method.

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

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

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

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

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

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

evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after assessing and reviewing (as described above), directly in equity as capital reserve.

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

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

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

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

f) Property, plant and equipment

- i. Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price and related expenses and for qualifying assets, borrowing costs are capitalised based on the Group's accounting policy. Integrated Receiver Decoders (IRD) boxes are capitalised, when available for deployment.
- ii. Capital work-in-progress comprises cost of property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date.
- iii. Depreciation is recognised so as to write off the cost of assets (other than free hold land and capital work-in-progress) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each reporting period, with the effect of changes in estimate accounted for on a prospective basis.
- iv. The estimate of the useful life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc. The estimated useful life of items of property, plant and equipment is as mentioned below:

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Furniture and Fixtures - 5 years ^

Buildings - 60 years *

Computers - 3 and 6 years *

Equipment - 3 to 5 years ^

Plant and Machinery: ^

Gas plant - 20 years

Others - 5 to 10 years

Vehicles - 5 years ^

Aircraft - 15 years ^

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

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

g) Right-of-use assets

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

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

h) Investment property

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

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

i) Goodwill

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

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

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

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

j) Intangible assets

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

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

Intangible assets acquired in a business combination:

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

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

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

An impairment loss is recognised in consolidated statement of profit and loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

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

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

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

m) Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and the sale is highly probable. Management must be committed to the

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

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

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

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

n) Leases

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

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

(i) The Company as lessee:

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

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

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

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

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

- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

- The amount expected to be payable by the lessee under residual value guarantees;

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

- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease. The lease liability is presented as a separate line item in the balance sheet.

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

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

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

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

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

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

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

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

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

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(ii) The Company as a lessor:

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

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

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

o) Cash and cash equivalents

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

p) Inventories

i. Media Content:

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

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

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

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

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

-Intellectual Property Rights (IPRs) - Allocated cost of IPRs are amortised over 1 to 5 years subsequent to year in which film is released.

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

ii. Raw Stock:

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

q) Financial Instruments

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

i. Initial Recognition

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

ii. Financial assets

(1) Classification of financial assets

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

(2) Subsequent measurement

- Debt Instrument - amortised cost

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

- Fair value through other comprehensive income (FVTOCI)

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

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.
- b. The asset's contractual cash flows represent solely payments of principle and interest.

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

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- 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 amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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

- Equity investments

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

- Derivative financial instruments

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

(3) Derecognition of financial assets

A financial asset is derecognised only when:

- (i) The Group has transferred the rights to receive cash flows from the asset or the rights have expired or
- (ii) The Group retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement. Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

(4) Impairment of financial assets

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

(iii) Financial liabilities and equity instruments

(1) Classification of Debt & Equity

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

(2) Subsequent measurement

- Financial liabilities measured at amortised cost

Financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognized in

consolidated statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the consolidated statement of profit and loss.

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

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

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

(3) Derecognition of financial liabilities

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

(iv) Fair value measurement

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

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

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

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

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

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

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

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

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

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

r) Borrowings and Borrowing costs

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

s) Provisions, contingent liabilities and contingent assets

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

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

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

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

t) Revenue recognition**Ind AS 115 on 'Revenue from Contracts with Customers'**

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

- i. Broadcasting revenue - Advertisement revenue (net of discount and volume rebates) is recognised when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue (net of share to broadcaster) is recognised on time basis on the provision of television/digital broadcasting service to subscribers.
- ii. Sales of media content - Revenue is recognised when the significant risks and rewards have been transferred to the customers in accordance with the agreed terms.
- iii. Commission revenue - Commission of space selling is recognised when the related advertisement or commercial appears before the public i.e. on telecast.
- iv. Revenue from other services is recognised as and when such services are completed / performed.
- v. Interest income from debt instruments is recognised using the effective interest rate (EIR) method.
- vi. Dividend income is recognised when the Group's right to receive dividend is established.
- vii. Rent income is recognised on accrual basis as per the agreed terms on straight line basis.
- viii. Revenue from theatrical distribution of films is recognised over period of time on the basis of related sales report.

u) Retirement and other employee benefits

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

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

- i. service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- ii. net interest expense or income; and
- iii. remeasurement.

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

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

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

Short-term and other long-term employee benefits:

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

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

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

v) Transactions in foreign currencies

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

- i. Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.
- ii. Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous consolidated financial statements are recognised as income or as expenses in the period in which they arise.
- iii. Non-monetary foreign currency items are measured in terms of historical cost in the foreign currency and are not retranslated.
- iv. On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income (OCI). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to consolidated statement of profit and loss.

w) Accounting for taxes on income

Tax expense comprises of current and deferred tax.

i. Current tax:

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

ii. Deferred tax:

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

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

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

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

Current and deferred tax for the year:

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

x) Earnings per share

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

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y) Share based payments

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

3. KEY ACCOUNTING JUDGEMENTS AND ESTIMATES

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

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

(a) Income-taxes

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

(b) Property, plant and equipment

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

(c) Impairment of Goodwill

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

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

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

(d) Defined Benefit Obligation

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

(e) Fair value measurement of financial instruments

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

(f) Media Content, including content in digital form

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

- i. Reality shows, chat shows, events, game shows and sports rights: are fully expensed on telecast / upload which represents best estimate of the benefits received from the acquired rights.
- ii. The cost of program (own production and commissioned program) are amortised over a period of three financial years over which revenue is expected to be generated from exploitation of programs.
- iii. Cost of movie rights - The Group's expectation is that substantial revenue from such movies is earned during the period of five years from the date of acquisition of license to broadcast / upload on digital platform. Hence, it is amortised on a straight line basis over the license period or 60 months from the date of acquisition / right start date, whichever is shorter.
- iv. Music rights are amortised over three financial years starting from the year of commencement of rights over which revenue is expected to be generated from exploitation of rights.
- v. Films produced and/or acquired for distribution/sale of rights : Cost is allocated to each right based on management estimate of revenue. Film rights are amortised as under :

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

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

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-Intellectual Property Rights (IPRs) - Allocated cost of IPRs are amortised over 1 to 5 years subsequent to year in which film is released.

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

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

The outbreak of the Corona virus (COVID-19) pandemic has spread globally and in India, which has affected economic activities. The impact on the financial statements for the year ended 31 March 2021 is primarily due to restrictions caused by the COVID-19 on the business activities. Hence, the financial statements for the year ended 31 March 2021 are not strictly comparable with the financial statements of the earlier years. Since early March 2021, India has witnessed a second wave of COVID-19 with sudden rise in COVID-19 cases across the country. This has again lead to imposing lockdown like restrictions across the country, which is likely to impact the economic activity. The Group has assessed the impact of this pandemic and the same has been incorporated in the plans going forward. In addition to the aforesaid assessment and review of the current indicators of future economic conditions, the Group has also taken various steps aimed at augmenting liquidity, conserving cash including various cost saving initiatives, and sale of non-core and other assets. Based on the assessment and steps being taken, the Group expects no further adjustments to the carrying amounts of the property plant and equipment, intangible assets (including goodwill), investments, receivables, inventory and other current assets, as at 31 March 2021. As a result of the growing uncertainties with respect to COVID-19, the impact of this pandemic may be different from that estimated as at the date of approval of these financial statements. The Group will continue to closely monitor any material changes to future economic condition.

4. RECENT INDIAN ACCOUNTING STANDARD (Ind AS)

a. Standards issued but not effective

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April, 2021.

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

a) COVID-19 related Rent Concessions: Amendment to Ind AS 116 on 'Leases':

The MCA issued amendments to Ind AS 116 on 'Leases', to provide lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification. The amendments allowed the expedient to be applied to COVID-19 related rent concessions to payments originally due on or before 30 June, 2021 and also require disclosure of the amount recognised in profit or loss to reflect changes in lease payments that arise from COVID-19 related rent concessions. The reporting period in which a lessee first applies the amendment, it is not required to disclose certain quantitative information required under Ind AS 8.

The Company has not recognised any reversal of lease liability on account of COVID-19 related rent concessions in the statement of profit and loss for the year ended 31 March, 2021 as there were no amendments made to rent agreements on account of COVID-19.

b) Definition of Material – Amendments to Ind AS 1 and Ind AS 8:

Amendments have been made to Ind AS 1 on 'Presentation of Financial Statements' and Ind AS 8 on 'Accounting Policies, Changes in Accounting Estimates and Errors' which use a consistent definition of materiality throughout the Ind AS and the Conceptual Framework for Financial Reporting, clarify when information is material and incorporate some of the guidance in Ind AS 1 about immaterial information. In particular, the amendments clarify:

- that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the financial statements as a whole, and

- the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.

The adoption of the amendment has not had any material impact on the disclosures or on the amounts reported in these financial statements.

c) Definition of a Business – Amendments to Ind AS 103:

The amended definition of a business in Ind AS 103 on 'Business combinations' requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. This amendment will likely result in more acquisitions being accounted for as asset acquisitions. However during the year this amendment had no impact on the financial statements of the Group.

d) Interest Rate Benchmark Reform – Amendments to Ind AS 107, Ind AS 109 and Ind AS 39:

Disclosures and Ind AS 109 on 'Financial Instruments' provide certain reliefs in relation to interest rate benchmark reforms. The reliefs relate to hedge accounting and have the effect that the reforms should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement. The Company has not taken the benefit of the amendment.



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5. PROPERTY, PLANT AND EQUIPMENT

(₹ Millions)

Description of Assets	Buildings	Plant and machinery	Furniture and Fittings	Vehicles	Equipments	Computers	Aircraft	Right-to-use assets (Refer note 33)	Leasehold improvements	Total
I. Cost										
As at 1 April 2019	1,386	5,508	486	280	985	1,499	773	-	999	11,916
Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	-	-	1,123	-	1,123
Additions	588	528	52	10	127	209	-	180	277	1,971
Transfer from investment property	68	-	-	-	-	-	-	-	-	68
Held for sale (Refer Note 41)	198	29	17	-	0	6	773	-	-	1,023
Disposals	-	114	7	18	8	36	-	-	10	193
Translation	0	127	6	3	3	6	-	-	(0)	145
As at 31 March 2020	1,844	6,020	520	275	1,107	1,672	-	1,303	1,266	14,007
Additions	-	451	16	18	57	221	-	-	155	918
Transfer from investment property	274	-	-	-	-	-	-	-	-	274
Held for sale (Refer Note 41)	198	-	-	-	-	-	-	-	-	198
Disposals/write offs (refer note 6 below)	-	117	63	12	64	66	-	345	160	827
Translation	(0)	(24)	1	(0)	1	1	-	-	4	(17)
As at 31 March 2021	1,920	6,330	474	281	1,101	1,828	-	958	1,265	14,157
II. Accumulated depreciation										
Upto 1 April 2019	99	3,053	298	149	584	759	319	-	696	5,957
Depreciation charge for the year	28	664	80	43	166	270	50	294	141	1,736
Transfer from investment property	3	-	-	-	-	-	-	-	-	3
Held for sale (Refer Note 41)	15	12	10	-	0	3	369	-	-	409
Disposals	-	103	4	13	7	35	-	-	6	168
Translation	0	77	4	3	2	5	-	-	0	91
Upto 31 March 2020	115	3,679	368	182	745	996	-	294	831	7,210
Depreciation charge for the year	43	605	65	44	146	242	-	267	164	1,576
Transfer from investment property	7	-	-	-	-	-	-	-	-	7
Held for sale (Refer Note 41)	16	-	-	-	-	-	-	-	-	16
Disposals/write offs (refer note 6 below)	-	94	52	9	43	57	-	121	37	413
Translation	(0)	(23)	1	(1)	1	2	-	-	4	(16)
Upto 31 March 2021	149	4,167	382	216	849	1,183	-	440	962	8,348
Net book value										
As at 31 March 2021	1,771	2,163	92	65	252	645	-	518	303	5,809
As at 31 March 2020	1,729	2,341	152	93	362	676	-	1,009	435	6,797

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(₹ Millions)

Net book value	Mar-21	Mar-20
Property, plant and equipment	5,809	6,797
Capital work-in-progress	129	334

Notes:

- '0' (zero) denotes amounts less than a million.
- Buildings include Rs. 114,100 (Rs. 114,100) being the value of shares in a co-operative society.
- Part of property, plant and equipment have been given on lease.
- Property, plant and Equipment written off during the year aggregating Rs. 154 Million (Rs. 0 Millions) is charged to the consolidated statement of profit and loss.
- Certain vehicles have been hypothecated against borrowings for vehicles aggregating to Rs. 24 Millions (Rs. 21 Millions).
- Disposals under Right-to-use assets represent the lease premises vacated by the Group during the year.
- Part of buildings were identified as assets held for sale and disposed off during the year.

6. INVESTMENT PROPERTY

(₹ Millions)

Description of Assets	Land and Building
I. Cost	
As at 1 April 2019	1,879
Additions	-
Transfer to property, plant and equipment	68
Disposal	364
Held for sale (Refer Note 41)	573
Translation	1
As at 31 March 2020	875
Transfer to property, plant and equipment	274
As at 31 March 2021	601
II. Accumulated depreciation	
Upto 1 April 2019	328
Depreciation charge for the year	24
Transfer to property, plant and equipment	3
Disposal	272
Translation	1
Upto 31 March 2020	78
Depreciation charge for the year	10
Transfer to property, plant and equipment	7
Upto 31 March 2021	81
Net book value	
As at 31 March 2021	520
As at 31 March 2020	797

The fair value of the Group's investment property aggregating Rs 1,084 Million (Rs 1,515 Million) has been arrived at on the basis of a valuation carried out as at balance sheet date by independent valuers. Independent valuers have appropriate qualifications and experience in the valuation of properties in the relevant locations. The valuation was arrived at by reference to market evidence of transaction prices for similar properties. The fair value measurement is categorized as Level 3, in the fair value hierarchy as per the requirements of Ind AS 113 on 'Fair value measurement'.



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7. GOODWILL AND OTHER INTANGIBLE ASSETS

(₹ Millions)

Description of Assets	Goodwill	Trademark	Customer list and websites	Software	Channels	Total
I. Cost						
As at 1 April 2019	5,470	322	1,081	1,864	172	8,909
Additions	-	-	-	932	57	989
Disposals	-	-	-	4	-	4
Held for sale (Refer Note 41)	49	-	-	-	-	49
Translation	4	-	-	103	-	107
As at 31 March 2020	5,425	322	1,081	2,895	229	9,952
Additions	-	47	-	1,255	20	1,322
Translation	(1)	-	-	(37)	-	(38)
As at 31 March 2021	5,424	369	1,081	4,113	249	11,236
II. Accumulated amortisation						
Upto 1 April 2019	218	291	610	1,018	137	2,274
Amortisation for the year	-	10	360	550	26	946
Impairment	1,137	-	-	-	-	1,137
Disposals	-	-	-	4	-	4
Translation	-	-	-	45	-	45
Upto 31 March 2020	1,355	301	970	1,609	163	4,398
Amortisation for the year	-	11	111	865	26	1,013
Impairment (Refer Note 45)	265	-	-	-	-	265
Disposals	-	-	-	-	-	-
Translation	-	-	-	(23)	-	(23)
Upto 31 March 2021	1,620	312	1,081	2,451	189	5,653
Net book value						
As at 31 March 2021	3,804	57	-	1,662	60	5,583
As at 31 March 2020	4,070	21	111	1,286	66	5,554

(₹ Millions)

Net book value	Mar-21	Mar-20
Goodwill	3,804	4,070
Other intangible assets	1,779	1,484
Intangibles assets under development	625	497

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

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(₹ Millions)

Cash generating unit	Mar-21	Mar-20
Regional Channel in India	621	621
International business	2,013	2,013
Online media business	995	1,260

Regional Channel in India and International business

The recoverable amount of this Cash Generating Unit (CGU) is determined based on a value in use. The estimated value in use of this CGU is based on the future cash flows using a 2% terminal growth rate for periods subsequent to the 5 years and discount rate of 16-17%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rate and long-term growth rate), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

Online media business

As at 31 March 2020, the Group assessed the recoverable amount of Goodwill allocated to the Online Media Business which represent a separate CGU. The recoverable amount of this CGU was determined by an independent expert based on the fair value less cost of disposal. The fair value was determined based on revenue multiple of other companies in media industry which has been severally impacted and accordingly resulting in lower fair value of the CGU. The excess of carrying value of CGU over the recoverable amount had been accounted as an impairment charge of Rs 1,137 million disclosed as 'Exceptional item'. Due to use of significant unobservable inputs to compute the fair value, it is classified as level 3 in the fair value hierarchy as per the requirements of Ind AS 113 on 'Fair value measurement'.

8. NON-CURRENT INVESTMENTS

(₹ Millions)

	Mar-21	Mar-20
a Investments in associates		
Investments accounted using equity method		
Investments in equity instruments		
In Associate - Unquoted		
10,000 (10,000) Equity shares of Baht 100/- each of Asia Today Thailand Limited (Extent of holding 25%)	4	4
	-	4
b In Joint venture - Unquoted		
2,500,000 (2,500,000) Equity shares of Rs.10/- each of Media Pro Enterprise India Private Limited (extent of holding 50%(50%))	16	193
	16	193
c Other investments		
i) Investments in redeemable debentures at amortised cost		
Others - Quoted		
50 (50) 10.20% Unsecured redeemable non-convertible debentures of Rs. 1,000,000 /- each of Yes Bank Limited (Tenure - 10 years)	52	52
Less: Amount disclosed under the head "Current Investments"	(52)	-
	-	52
Others - Unquoted		
650 (Nil) 10.02% Unsecured redeemable non-convertible debentures of Rs. 684,785/- of Zee Learn Limited	437	-
Less: Amount disclosed under the head "Current Investments"	(259)	-
	178	-



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(₹ Millions)

	Mar-21	Mar-20
ii) Investments at fair value through other comprehensive income		
Investments in equity instruments - Quoted		
475,000 (475,000) Equity shares of Rs. 10/- each of Aplab Limited	9	3
Investments in equity instruments - Unquoted		
396,715 (396,715) Equity shares of USD 2.521/- each of Sensory Cloud Inc	8	9
1 (1) Equity share of Rs 10/- each of Tagos Design Innovations Private Limited	0	0
30,000 (30,000) Equity shares of Rs. 10/- each of Last Minute Media Private Limited Rs. 300,000 (Rs. 300,000)	0	0
Less: Impairment in value of investment Rs. 300,000 (Rs. 300,000)	0	0
	-	-
iii) Investments at fair value through profit and loss		
Others - Unquoted		
1,069.6 (1,069.6) Units of Rs. 1,000,000 /- each of Morpheus Media Fund	10	58
100 (100) Units of Rs. 1,000,000 /- each (Partly paid: Rs. 870,000(Rs. 600,000) /- each) of Exfinity Technology Fund-Series II	91	61
2,905 (2,905) Compulsorily convertible preference shares of Rs 10/- each of Tagos Design Innovations Private Limited	-	98
	296	281
Total	316	478
(All the above securities are fully paid-up except where mentioned as partly paid)		
'0' (zero) denotes amounts less than a million.		
Aggregate amount and market value of quoted investments	8	55
Aggregate carrying value of unquoted investments	308	423
Aggregate amount of impairment in value of investments Rs. 300,000 (Rs. 300,000)	0	0

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FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

9. OTHER FINANCIAL ASSETS

(₹ Millions)

	Non-current		Current	
	Mar-21	Mar-20	Mar-21	Mar-20
Deposits - unsecured and considered good				
Considered good				
- to related parties	13	48	359	359
- to others	282	381	205	159
Considered doubtful	-	-	76	29
	295	429	640	547
Less: Loss allowance for doubtful deposits	-	-	76	29
	295	429	564	518
Deposits with bank having original maturity period for more than twelve months*	52	-	-	-
Unbilled revenue	-	-	2,599	2,581
Interest accrued on fixed deposits	-	-	22	51
Other receivables				
Considered good				
- to related parties	-	-	105	406
- to others	-	-	128	176
Considered doubtful	440	449	1,794	655
	440	449	2,027	1,237
Less: Loss allowance for doubtful other receivables (Refer note 44(d)(iii))	440	449	1,794	655
	-	-	233	582
Total	347	429	3,418	3,732

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

*Under lien against guarantee given.

10. DEFERRED TAX ASSETS (NET)

The components of deferred tax balances are as under:

(₹ Millions)

	Mar-21	Mar-20
Deferred tax assets		
Employee retirement benefits obligation	400	358
Allowances for doubtful debts, loans and advances	2,133	1,904
Unutilised tax losses	316	81
Disallowances under section 40(a)	38	98
Depreciation and amortisation	87	144
Other disallowances	177	157
Deferred tax assets / (liabilities) (net)	3,151	2,742
Deferred tax liabilities	-	-
Deferred tax assets (net)	3,151	2,742



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

11. OTHER ASSETS

(₹ Millions)

	Non-current		Current	
	Mar-21	Mar-20	Mar-21	Mar-20
Capital advances (unsecured)	28	69	-	-
Other loans and advances (unsecured)				
Other advances (unsecured)				
- Considered good				
- to related parties	-	8	122	66
- to others (Refer Note 37)	-	-	8,520	10,538
- Considered doubtful	-	-	2,169	2,122
	-	8	10,811	12,726
Less: Loss allowance for doubtful advances	-	-	2,169	2,122
	-	8	8,642	10,604
Prepaid expenses	199	13	235	235
Balance with government authorities	-	-	2,158	1,965
Total	227	90	11,035	12,804

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

12. INVENTORIES

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

(₹ Millions)

	Mar-21	Mar-20
Raw stock - tapes	12	11
Media content *	50,375	51,177
Under production- Media content	3,643	2,287
Total	54,030	53,475

*Includes rights Rs. 10,521 Millions (Rs. 7,812 Millions), which will commence at a future date. Inventories expected to be amortised 12 months after the year-end is 58 % (62%)

13. CURRENT INVESTMENTS

(₹ Millions)

	Mar-21	Mar-20
Investment at amortised cost		
A Others - Quoted		
50 (50) 10.20% Unsecured redeemable non-convertible debentures of Rs. 1,000,000 /- each of Yes Bank Limited (Tenure - 10 years)	52	-
Certificate of Deposit (Non-Transferable) - Unquoted		
Nil (6.15%) Housing Development Finance Corporation Limited	-	525
Others-Unquoted		
650 (Nil) 10.02% Unsecured redeemable non-convertible debentures of Zee Learn Limited	259	-
	311	525
B Investments at fair value through profit and loss		
Mutual Funds - Quoted		
3,490,948 (Nil) units of Rs. 100/- each of ICICI Prudential Savings Fund- Direct Plan-Growth	1,465	-
458,480 (Nil) units of Rs. 1,000/- each of Tata Liquid Fund - Direct Plan - Growth	1,489	-
30,870,408 (Nil) units of Rs. 1,000/- each of HDFC Low Duration Fund- Direct Plan - Growth	1,469	-
3,438,324 (Nil) units of Rs. 100/- each of Aditya Birla Sunlife Savings Fund- Direct Plan - Growth	1,468	-
528,332 (Nil) units of Rs. 1,000/- each of Kotak Low Duration Fund- Direct Plan - Growth	1,465	-

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

	Mar-21	Mar-20
Mutual Funds - unquoted		
Nil (29,850) units of USD 1,000/- each of Actinium Investments Funds Limited	-	875
Nil (39,553) units of USD 1,000/- each of Poseidon Opportunities Fund Limited	-	1,370
	7,356	2,245
Total (A+B)	7,667	2,770
(All the above securities are fully paid-up)		
Aggregate amount and market value of quoted investments	7,408	-
Aggregate carrying value of unquoted investments	259	2,770

14. TRADE RECEIVABLES (UNSECURED)

(₹ Millions)

	Mar-21	Mar-20
Considered good	19,452	21,286
Considered doubtful	5,273	4,707
	24,725	25,993
Less: Loss allowance for doubtful debts (refer note 44(d)(ii))	5,273	4,707
Total	19,452	21,286

For transactions relating to related party receivables, refer note 47

15. CASH AND BANK BALANCES

(₹ Millions)

	Mar-21	Mar-20
a Cash and cash equivalents		
Balances with banks		
In Current accounts	6,533	2,172
In Deposit accounts	3,019	3,071
Cheques in hand	930	284
Cash in hand	3	2
	10,485	5,529
b Other balances with banks		
Balances with banks		
In deposit accounts*	375	1,773
In unclaimed dividend accounts		
- Preference shares	25	19
- Equity shares	22	24
	422	1,816
Total	10,907	7,345

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

16. EQUITY SHARE CAPITAL

(₹ Millions)

	Mar-21	Mar-20
Authorised *		
2,000,000,000 (2,000,000,000) Equity Shares of Re.1/- each	2,000	2,000
	2,000	2,000
Issued, subscribed and paid up		
960,504,475 (960,483,235) Equity Shares of Re. 1/- each fully paid up	961	960
Total	961	960

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

**NOTES****FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****i) Reconciliation of number of Equity Shares and Share capital**

	Mar-21		Mar-20	
	Number of Equity Shares	₹ Millions	Number of Equity Shares	₹ Millions
At the beginning of the year	960,483,235	961	960,466,500	960
Add : Issued during the year	21,240	0	16,735	0
Outstanding at the end of the year	960,504,475	961	960,483,235	960

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

ii) Terms / rights attached to Equity Shares

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

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

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

Name of the Shareholders	Mar-21		Mar-20	
	Number of Equity Shares	% Shareholding	Number of Equity Shares	% Shareholding
OFI Global China Fund, LLC	97,350,000	10.14%	97,350,000	10.14%
Invesco Oppenheimer Developing Markets Fund	74,318,476	7.74%	74,318,476	7.74%
Government of Singapore	13,724,006	1.43%	59,441,268	6.19%

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

iv) Employees Stock Option Scheme (ESOP):

The Group has instituted an Employee Stock Option Plan (ESOP 2009) as approved by the Board of Directors and Shareholders of the Group in 2009 for issuance of stock options convertible into Equity Shares not exceeding in the aggregate 5% of the issued and paid up capital of the Group as at 31 March 2009 i.e. up to 21,700,355 equity shares of Re. 1/- each (enhanced to 43,400,710 Equity Shares in view of Bonus issue in 2010 in ratio of 1:1), to the employees of the Group as well as that of its subsidiaries. The said ESOP 2009 was amended during an earlier year to align the Scheme in line with the requirements of Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations 2014 and provide flexibility to the Nomination and Remuneration Committee for determination of exercise price. The said scheme is administered by the Nomination and Remuneration Committee of the Board.

The movement in options is as follows:

Particulars	Mar-21	Mar-20
	Number of Options	
Opening at the beginning of the year	36,185	28,220
Grant during the year	-	24,700
Exercised during the year	(21,240)	(16,735)
Outstanding at the end of the year	14,945	36,185

During the year, the Group recorded an employee stock compensation expense of Rs 3 Millions (Rs 11 Millions) in the Consolidated Statement of Profit and Loss. The fair value of each equity settled share based payment is estimated on the date of grant using the Black-Scholes-Merton model with the following assumptions

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

The share options outstanding at the end of the year has an weighted average remaining contractual life of 57 days.

NOTES**FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****17. a) OTHER EQUITY**

(₹ Millions)

	Mar-21	Mar-20
Capital Redemption Reserve		
As per last Balance Sheet	12,163	8,129
Add: Transfer from retained earnings	4,034	4,034
	16,197	12,163
Capital reserve		
As per last Balance Sheet	340	340
Share based payment reserve		
As per last balance sheet	31	20
Add: Options granted during the year	3	11
	34	31
General reserve		
As per last Balance Sheet	2,820	2,820
Retained earnings		
As per last Balance Sheet	75,290	75,901
Add : Profit for the year	8,001	5,265
Less: Transfer to Capital redemption reserve	(4,034)	(4,034)
Add: Transfer from non-controlling interest on acquisition of additional stake	-	14
(Less)/Add: Re-measurement (loss)/gains on defined benefit plans	(2)	109
Add: Gain on sale of Equity investment classified as fair value through other comprehensive income transferred to retained earnings	-	489
Add: Reversal of deferred tax liability on redemption of preference shares	-	2,474
Less: Dividend distribution tax on redemption of preference shares	-	(829)
Add/(Less) : Income tax impact thereon	0	(28)
Less: Payment of dividend on equity shares	(288)	(3,362)
Less: Tax on dividend on equity shares by subsidiaries	-	(18)
Less: Tax on dividend on equity shares	-	(691)
	78,967	75,290
Other comprehensive income		
Foreign currency translation reserve		
As per last balance sheet	1,895	641
(Less)/Add: Foreign currency translation (Loss)/gain for the year	(214)	1,254
	1,681	1,895
Equity instruments		
As per last Balance Sheet	(60)	428
Less: Loss on sale of Equity investment classified as fair value through other comprehensive income transferred to retained earnings	-	(489)
Add : Gain on fair value of Equity instruments classified as fair value through other comprehensive income (net)	6	1
	(53)	(60)
Total	99,985	92,479

**NOTES****FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****b) NON-CONTROLLING INTEREST**

(₹ Millions)

	Mar-21	Mar-20
As per last Balance Sheet	110	143
Less: (Loss) for the year	(70)	(19)
Add/(Less): Transfer on acquisition of additional stake	89	(14)
Total	129	110

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

18. LONG-TERM BORROWINGS

(₹ Millions)

	Mar-21	Mar-20
a Redeemable preference shares - unsecured, at fair value through profit and loss		
2,016,942,312 (2,016,942,312) 6% cumulative redeemable non-convertible preference shares of Rs 2/- (Rs 4/-) each fully paid up - quoted	3,832	5,950
Less: Amount disclosed under the head 'Other financial liabilities' (Refer note 20)	3,832	2,975
	-	2,975
b Vehicle loan from banks, at amortised cost*	24	21
Less : Amount disclosed under the head 'Other financial liabilities' (Refer Note 20)	10	10
	14	11
c Lease liabilities (Refer note 33)	375	856
Less : Amount disclosed under the head 'Other financial liabilities' (Refer Note 20)	194	341
	181	515
Total (a+b+c)	195	3,501

*Secured against hypothecation of vehicles. The borrowings carry interest rates ranging from 7.65% p.a. - 10.14% p.a. and are repayable upto March 2025.

Terms / rights attached to Preference Shares**i) 6% Cumulative Redeemable Non-Convertible Preference Shares - Quoted**

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

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

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

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

NOTES**FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****19. PROVISIONS**

(₹ Millions)

	Non-Current		Current	
	Mar-21	Mar-20	Mar-21	Mar-20
Provision for employee benefits				
- Gratuity	995	913	51	33
- Compensated absences	551	492	112	89
Total	1,546	1,405	163	122

20. OTHER FINANCIAL LIABILITIES - CURRENT

(₹ Millions)

	Mar-21	Mar-20
Current maturities of long-term borrowings - Cumulative redeemable non-convertible preference shares (Refer Note 18 a)	3,832	2,975
Current maturities of long-term borrowings - vehicle loan from banks (Refer Note 18 b)	10	10
Lease liabilities (Refer Note 18 c, 33)	194	341
Deposits received (Refer Note 34 B)	474	477
Unclaimed Preference shares redemption / dividend#	25	19
Unclaimed Equity dividends#	22	24
Creditors for capital expenditure	201	140
Employee benefits payable	1,337	1,149
Dividend payable on Cumulative redeemable non-convertible preference shares and tax thereon	224	585
Temporary overdrawn balances	1	53
Other payables (Refer Note 44(d)(ii))	1,010	10
	3,498	2,808
Total	7,330	5,783

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

Dividend Rs 2 Millions (Rs 2 Million) unclaimed for a period of more than seven years is transferred to Investor's Education and Protection Fund during the year. Further, there are no amounts due and outstanding to be credited to Investor's Education and Protection Fund as at 31 March 2021.

21. OTHER CURRENT LIABILITIES

(₹ Millions)

	Mar-21	Mar-20
Advances received from customers	572	730
Deferred revenue	1,077	439
Statutory dues payable	1,162	938
Total	2,811	2,107

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

22. REVENUE FROM OPERATIONS

(₹ Millions)

	Mar-21	Mar-20
Services - Broadcasting revenue		
Advertisement	37,488	46,811
Subscription #	32,430	28,873
- Commission	74	292
- Sales - media content #	6,944	3,720
- Transmission revenue	96	151
Other operating revenue	267	1,452
Total	77,299	81,299

Revenue from monetization of music right / content which was in the previous year presented within 'Sales- media content' is now included in 'Subscription revenue', to better reflect the nature of the revenue. The amounts regrouped in 'Subscription revenue' is Rs. 2,064 million.

**NOTES****FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****23. OTHER INCOME**

(₹ Millions)

	Mar-21	Mar-20
Interest income		
- Bank deposits	145	188
- Other financial assets	45	144
- Others (including on income tax refund Rs Nil (Rs 971 million))	46	1,180
Dividend income from :		
- Investment classified as fair value through other comprehensive income	-	5
- Investment classified as fair value through profit and loss	1	0
Gain on sale of investments classified as fair value through profit and loss	102	105
Liabilities / excess provision written back	137	41
Profit on sale of property, plant and equipment and investment property	-	250
Rent income	214	467
Miscellaneous income	414	456
Total	1,104	2,836

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

24. OPERATIONAL COST

(₹ Millions)

	Mar-21	Mar-20
a) Media content		
Opening - Inventory	53,464	38,495
Add: Purchase of inventory	31,193	46,230
Less: Closing - Inventory	54,018	53,464
Amortisation of inventory#	30,639	31,261
Add: Production expenses	3,990	4,807
	34,629	36,068
b) Telecast and technical cost	2,876	2,217
Total (a+b)	37,505	38,285

Media content of Rs. 962 Millions (Rs. 1,659 Millions) are written down during the year as the estimated net realisable value was lower than amortised cost.

25. EMPLOYEE BENEFITS EXPENSE

(₹ Millions)

	Mar-21	Mar-20
Salaries and allowances	7,689	7,270
Share based payment expense	3	11
Contribution to provident and other funds	363	369
Staff welfare expenses	128	155
Total	8,183	7,805

26. FINANCE COSTS

(₹ Millions)

	Mar-21	Mar-20
Interest Expense on:		
- vehicle loans	3	3
- lease liabilities	61	91
- others	18	482
Dividend on redeemable preference shares	467	855
Other financial charges	22	18
Total	571	1,449

NOTES**FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****27. DEPRECIATION AND AMORTISATION EXPENSE**

(₹ Millions)

	Mar-21	Mar-20
Depreciation on property, plant and equipment	1,576	1,736
Depreciation on investment property	10	24
Depreciation on non current asset held for sale	50	-
Amortisation of intangible assets	1,013	946
Total	2,649	2,706

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

(₹ Millions)

	Mar-21	Mar-20
Fair value loss on financial assets (net)	46	3,727
Fair value loss / (gain) on financial liabilities	1,916	(1,130)
Total	1,962	2,597

29. OTHER EXPENSES

(₹ Millions)

	Mar-21	Mar-20
Rent	605	598
Repairs and maintenance		
- Buildings	19	17
- Plant and machinery	100	97
- Others	324	414
Insurance	80	85
Rates and taxes	238	148
Electricity and water charges	158	191
Communication charges	118	177
Printing and stationery	89	105
Travelling and conveyance expenses	663	877
Legal and professional charges	885	652
Directors remuneration and sitting fees	43	37
Payment to auditors (Refer Note 40)	45	37
Corporate Social Responsibility expenses	500	3
Hire and service charges	805	934
Advertisement and publicity expenses	6,166	6,956
Commission expenses	88	234
Marketing, distribution and promotion expenses	1,537	1,422
Conference expenses	0	33
Allowances for doubtful debts and advances	956	5,656
Foreign exchange loss (net)	38	101
Loss on sale / write off of property, plant and equipment (net)	127	-
Miscellaneous expenses	126	89
Total	13,710	18,863

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

**NOTES****FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****30. EXCEPTIONAL ITEMS**

(₹ Millions)

	Mar-21	Mar-20
Provision for other receivables (Refer note 44(d)(ii))	(1,001)	-
Impairment loss on goodwill (Refer note 7 and 45)	(265)	(1,137)
Impairment of loan (Refer note 44(d)(ii))	-	(1,706)
Total	(1,266)	(2,843)

31. TAX EXPENSE

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

(₹ Millions)

	Mar-21	Mar-20
Income-tax related to items recognised directly in the consolidated statement of profit and loss		
Current tax - current year	5,162	5,815
- earlier years	(101)	29
Deferred tax (benefit)	(436)	(1,527)
Total	4,625	4,317
Effective tax rate	36.8%	45.1%

A reconciliation of income-tax expense applicable to profit before income-tax at statutory rate to income-tax expense at the Group's effective income-tax rate for the year ended 31 March 2021 and 31 March 2020 is as follows:

(₹ Millions)

	Mar-21	Mar-20
Profit before tax	12,556	9,563
Income-tax		
Statutory income tax rate of 25.168% (25.168%) on profit	3,160	2,407
Effect of differential tax rates for components	59	631
Tax effect on non-deductible expenses	1,420	1,453
Non creation of deferred tax asset on unused tax losses	(111)	(4)
Additional allowances for tax purposes	(2)	(387)
Effect of exempt income and income taxed at lower rates	199	(156)
Tax effect for earlier years	(101)	29
Changes in tax rates	-	270
Others	1	74
Tax expense recognised in the income statement	4,625	4,317

Deferred tax recognized in consolidated statement of other comprehensive income

(₹ Millions)

For the year ended 31 March	Mar-21	Mar-20
Employee retirement benefits obligation	(0)	28
Total	(0)	28

The applicable tax rate is the standard effective corporate income-tax rate in India. The tax rate is 25.168% (25.168%) for the year ended 31 March 2021.

Deferred tax assets and liabilities are offset where the Group has a legally enforceable right to do so.

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

NOTES**FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****Deferred tax recognized as on 31 March 2021**

(₹ Millions)

Deferred Tax (liabilities)/ assets in relation to:	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Held for sale #	Closing balance
Defined benefits obligation	358	42	(0)	-	-	400
Allowances for doubtful debts and loans and advances	1,904	237	(8)	-	-	2,133
Unutilized tax losses	81	235	-	-	-	316
Disallowances under section 40(a)	98	(60)	-	-	-	38
Other disallowances	157	21	(1)	-	-	177
Depreciation and amortisation	144	(39)	(0)	-	(18)	87
Total	2,742	436	(9)	-	(18)	3,151

Deferred tax recognized as on 31 March 2020

(₹ Millions)

Deferred Tax (liabilities)/ assets in relation to:	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Held for sale #	Closing balance
Defined benefits obligation	474	(86)	(28)	-	(2)	358
Allowances for doubtful debts and advances	390	1,490	24*	-	-	1,904
Unutilized tax losses	118	(37)	-	-	-	81
Disallowances under section 40(a)	131	(33)	-	-	-	98
Other disallowances	223	7	-	-	(73)	157
Depreciation and amortisation	(142)	186	-	-	100	144
Dividend distribution tax liability on redemption of preference shares	(2,456)	-	-	2,456	-	-
Total	(1,262)	1,527	(4)	2,456	25	2,742

The Group has unused tax losses of Rs 841 Millions (Rs 43 Millions) with no expiry on carry forward whereas Rs 4,306 Millions (Rs 1,481 Millions) are available for offsetting over a period of time till 2027-28. The losses are mainly in the nature of business losses.

* Represents foreign currency translation reserve.

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

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

32. EARNINGS PER SHARE (EPS)

	Mar-21	Mar-20
a. Profit after Tax (Rs./Millions)	8,001	5,265
b. Weighted average number of equity shares for basic EPS (in numbers)	960,503,195	960,481,710
c. Nominal value of equity shares (Re.)	1	1
d. Basic EPS (Rs.)	8.33	5.48
e. Weighted average number of equity shares for diluted EPS (in numbers)	960,519,420	960,519,218
f. Nominal value of equity shares (Re.)	1	1
g. Diluted EPS (Rs.)	8.33	5.48

**NOTES****FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****33. DISCLOSURES UNDER IND AS 116 ON LEASES****Operating leases:**

On 1 April 2019, the Company adopted Ind AS 116 on 'Leases', which applied to all lease contracts outstanding as at 1 April 2019, using modified retrospective method by recording the cumulative effect of initial application as an adjustment to opening retained earnings.

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

- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than twelve months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied a similar discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

During the previous year, the right-of-use asset (ROU assets) was recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at 1 April 2019. Accordingly, a right-of-use asset of Rs. 1,123 million and a corresponding lease liability of Rs. 1,123 million had been recognized.

The principal portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 on 'Leases', were earlier reported under cash flow from operating activities. The weighted average incremental borrowing rate of 9.25% has been applied to lease liabilities recognised in the consolidated balance sheet at the date of initial application. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciated cost for the right-of-use asset, and finance cost for interest accrued on lease liability. The difference between the future minimum lease rental commitments towards non-cancellable operating leases compared to the lease liability as accounted as at 1 April 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Group has chosen to apply the practical expedient as per the standard.

(a) The group as a lessee:

i) The following is the break-up of current and non current lease liabilities as at 31 March 2021:

Particulars	(₹ Millions)	
	Mar-21	Mar-20
Current lease liabilities	194	341
Non-current lease liabilities	181	515
Total (Refer Note 44(d)(iii))	375	856

ii) The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021:

Particulars	(₹ Millions)	
	Mar-21	Mar-20
Due in 1st year	194	341
Due in 2nd to 5th year	142	470
Due after 5 years	39	45
Total	375	856

iii) The following is the movement in lease liabilities during the year ended 31 March 2021:

Land and buildings	(₹ Millions)	
	Mar-21	Mar-20
Opening Balance	856	-
Reclassified on account of adoption of Ind AS 116	-	1,123
Additions	-	180
Finance Expenses	61	91
Reversal of lease liabilities	(317)	-
Payment of lease liabilities	(225)	(538)
Closing Balance	375	856

NOTES**FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

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

iv) The changes in the carrying amounts of Right-of-use asset (ROU) is as follows:

Right-of-use of Land and buildings	(₹ Millions)	
	Mar-21	Mar-20
Opening Balance	1,303	-
Reclassified on account of adoption of Ind AS 116	-	1,123
Additions	-	180
Reversals	(345)	-
Closing Balance	958	1,303
Reversal of accumulated depreciation	121	-
Depreciation for ROU assets	267	294

v) Expenses relating to short-term leases and leases of low-value assets is Rs 605 million (Rs 598 million).

The Group has entered into various lease contracts at various premises used in its operations. Leases of premises generally have lease terms upto 7 years.

The Group as a lessor:

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

	(₹ Millions)	
	Mar-21	Mar-20
Lease rental income	214	467

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

	(₹ Millions)	
	Mar-21	Mar-20
Sub-lease rent income	37	105

34. (A) CONTINGENT LIABILITIES

	(₹ Millions)	
	Mar-21	Mar-20
a. Corporate Guarantees / Undertaking		
-To related parties &^^\$	17	1,637
-To other parties, loans outstanding Rs 316 million (Rs 324 million)	316	336
b. Disputed Indirect Taxes	585	585
c. Disputed Direct Taxes * #	6,892	676
d. Claims against the Group not acknowledged as debts ##	544	317
e. Legal cases against the Group @	Not ascertainable	Not ascertainable

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& Loan outstanding Rs 2,018 mn (Rs 2,523 mn)

^^ Previous year includes commitment for meeting shortfall funding towards revolving debt service reserve account (DSRA) obligation against financial facilities availed by the borrowers.

\$ In an earlier year, the Group had provided Letter of Undertaking to secure 650 units of rated, unlisted, secured redeemable non-convertible debentures (NCDs) (rated) issued by a related party to a Mutual Fund. The said related party had made partial redemption of the NCDs prior to the due date of redemption i.e. 8 July, 2020. But, due to COVID pandemic, its business was severely impacted and therefore it was unable to redeem the balance portion of the NCDs on the redemption date.

During the year, the Group has purchased these NCDs from the Mutual Fund for an amount aggregating Rs 445 million. These NCDs are secured by first pari- passu charge over the current assets, movable fixed assets including all rights, title, interest, benefits and claims / demands of the related party i.e. the Issuer Company. The tenure of NCDs have been extended by 1.5 years.

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

Includes an income-tax demand received subsequent to year-end, issued by Indian Income Tax Authorities on a foreign subsidiary, Taj TV Limited (Mauritius), amounting to Rs. 6,215 million mainly on account of sale of Global Sports Broadcasting Undertaking during the year ended 31 March 2017. Gain arising on Sale of Sports Broadcasting Undertaking has been subjected to tax by the Indian Tax Authorities disregarding the provisions of the Double Taxation Avoidance Agreement between India and Mauritius and the provisions of the Income-tax Act, 1961. The Group is of the view, based on advise of tax expert, considering the facts and position in law, that the gain arising on sale of Sports Broadcasting Undertaking is not taxable in India and is in process of filing requisite appeal with the relevant authorities. Consequently, the Group has not recognised a provision in the books of account.

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

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

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

35. CAPITAL AND OTHER COMMITMENTS

- (i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) Rs. 651 Millions (Rs. 608 Millions).
(ii) Other Commitments as regards media content and others (net off advances) Rs. 25,924 Millions (Rs. 16,719 Millions).
(iii) Uncalled Liability / contractual obligation on investments committed is Rs. 13 Millions (Rs. 40 Millions).

36. ATL Media Limited (ATL), an overseas wholly owned subsidiary of the Company incorporated in Mauritius, is engaged in broadcasting business. Living Entertainment Limited, Mauritius (LEL), a related party of the Company, is a content provider. During the financial year ended 31 March 2016, ATL had entered into a Put Option agreement with LEL to acquire the issued share capital to the extent of 64.38% held by LEL in Veria International Limited (VIL) (another related party of the Group) at an exercise price of \$ 105 million. The exercise period of the Put Option was from the agreement date till the expiry date, i.e. 30 July 2019. In order to secure a borrowing, from Axis Bank Limited and Yes Bank Limited (Bank), LEL had assigned all its right, title, benefit and interest under the said Put Option agreement in favour of Axis Bank DIFC branch, the security trustee for the benefit of Axis Bank Limited and Yes Bank Limited. The Put Option agreement was amended and renewed by the parties (ATL and LEL) on 29 July 2019 and extended till 30 December 2026 based on certain representations made by LEL and the exercise price was set at \$52.50 million (Rs. 3,848 million as at 31 March 2021; Rs. 3,927 million as at 31 March 2020) for the same quantum of shares as per the earlier Put Option agreement and LEL extended the assignment of the Put Option to the security trustee.

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

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

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37. During an earlier year, considering the increasing competition and content cost inflation, the Company adopted an aggressive differentiated movie library expansion strategy and entered into strategic content partnerships with major production houses, movie studios and creative partners for movies monetization on Zee5, domestic and international broadcast businesses. Accordingly, Company had entered into certain output deals for future rights and given advances of Rs 4,200 million.

During the year, the Company received inventories aggregating to Rs 1,560 million and advances aggregating Rs 2,640 million is outstanding as at 31 March 2021.

38. Operational cost, Employee benefits expense and other expenses are net off recoveries Rs. 153 Millions (Rs. 295 Millions).

39. SEGMENT INFORMATION

(a) Business Segment

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

(b) Geographical Segment

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

(₹ Millions)		
Segment revenue *		
	Mar-21	Mar-20
India	64,754	71,861
Rest of the world	12,545	9,438
Total	77,299	81,299

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

(₹ Millions)		
Carrying cost of segment non-current assets ** @		
	Mar-21	Mar-20
India	11,709	12,970
Rest of the world	4,329	4,295
Total	16,038	17,265

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

** Based on location of assets.

@ Excluding financial assets and deferred tax assets.

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

40. PAYMENT TO AUDITORS

(₹ Millions)		
For standalone	Mar-21	Mar-20
Audit fees	12	9
Certification	7	3
Reimbursement of Expenses (PY Rs. 241,248)	1	0
Total	20	12
(₹ Millions)		
For subsidiaries	Mar-21	Mar-20
Audit fees	22	23
Tax audit fees	1	1
Certification and tax representation	2	1
Reimbursement of expenses (Rs. 201,923; (Rs. 116,263))	0	0
Total	25	25

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



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41. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

	(₹ Millions)	
	Mar-21	Mar-20
Subsidiary assets held for sale (Refer Note (a) below)		
Assets	510	525
Less: Liabilities	(368)	(349)
	142	176
Freehold land and building (Refer Note (b) below)	573	742
Others	27	27
Total	742	945

Notes:

- a) The Company had entered into share purchase agreement post 31 March 2020, as it intended to sell its entire investment in its 100% subsidiary, Fly-By-Wire International Private Limited and this was subject to fulfilment of certain conditions. The Company has accordingly sold 49% stake and the balance stake sale is expected to be completed in the next 12 months. Pending fulfilment of such conditions, investment in subsidiary has been classified as held for sale.
- b) The Group has during the year, classified building (mainly residential flats) as held for sale as it no longer intended to utilise the same and recognised impairment of loss of Rs 61 million (Rs 16 million) in the Consolidated Statement of Profit and Loss under miscellaneous expenses. The aforesaid building was disposed off during the year. The Group intends to dispose off freehold land in the next 12 months which it no longer intends to use. The buyers of the freehold land have been identified and the sale transaction are in progress.

42. EMPLOYEE BENEFITS

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

(A) Defined contribution plans:

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

(B) Defined benefit plans:

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

	(₹ Millions)	
	Mar-21	Mar-20
Gratuity (Non Funded)		
I) Expenses recognised during the year		
1) Current Service Cost	103	125
2) Interest Cost	58	51
3) Actuarial Losses / (Gains)	-	-
4) Past Service cost	1	-
Total Expenses	162	176
II) Amount recognised in other comprehensive income (OCI)		
1) Opening amount recognized in OCI	(36)	74
2) Remeasurement during the period due to Experience adjustments		
- Changes in financial assumptions	(28)	(168)
- Changes in experience charges	32	58
Closing amount recognised in OCI	(32)	(36)

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	(₹ Millions)	
	Mar-21	Mar-20
III) Net Liability recognised in the Balance Sheet as at 31 March		
1) Present value of defined benefit obligation (DBO)	929	824
2) Net Liability	929	824
IV) Reconciliation of Net Liability recognised in the Balance Sheet as at 31 March		
1) Net Liability at the beginning of year	824	802
2) Expense as per I above	162	176
3) Other comprehensive (income)/loss as per II above	4	(110)
4) Liabilities transferred on divestiture	(32)	-
5) Benefits paid	(29)	(41)
6) Others #	-	(3)
Net Liability at the end of the year	929	824
V) The following payments are expected to defined benefit plan in future years :		
1) Expected benefits for year 1	42	34
2) Expected benefits for year 2 to year 5	163	150
3) Expected benefits beyond year 5	2,710	2,313

Represents elimination of provision for Gratuity of Non-current Investments classified as held for sale

	Mar-21	Mar-20
VI) Actuarial Assumptions		
1) Discount rate	7.02%	6.73%
2) Expected rate of salary increase	7.00%	7.00%
3) Mortality	IAL (2012-14)	IAL (2012-14)

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

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

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

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

VIII) Sensitivity Analysis

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

	Mar-21	Mar-20
Impact of increase in 50 bps on DBO - discount rate	876	783
Impact of decrease in 50 bps on DBO - discount rate	982	878
Impact of increase in 50 bps on DBO - salary escalation rate	984	878
Impact of decrease in 50 bps on DBO - salary escalation rate	875	782

Notes:

(a) The current service cost recognised as an expense is included in Note 25 'Employee benefits expense' as gratuity.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

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

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

(C) Other long term benefits

The obligation for leave benefits (non-funded) is also recognised using the Projected Unit Credit Method (PUCM) and accordingly the long-term paid absences have been valued.

The leave encashment expense is included in Note 25 'Employee benefits expense'.



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43. DISCLOSURE IN RESPECT OF ASSOCIATE AND JOINT VENTURE

- (a) The summarised financial information of the Group's associate and joint venture are set out below.
 (b) The principal place of business for the associate is in Thailand and for the joint venture is in India.

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

(₹ Millions)		
Particulars	Mar-21	Mar-20
Current assets	49	46
Non-current assets	2	2
Current liabilities	(35)	(33)
Equity	16	15
Proportion of Group ownership	25%	25%
Carrying amount of the investment	4	4

(₹ Millions)		
Particulars	Mar-21	Mar-20
Total revenue	90	84
Profit for the year	1	1
Total comprehensive income	1	1
Group's Share of profit	0	0

2. Media Pro Enterprise India Private Limited - Joint Venture

(₹ Millions)		
Particulars	Mar-21	Mar-20
Current assets	170	521
Non-current assets	0	4
Current liabilities	(1)	(2)
Equity	169	523
Proportion of Group ownership (increase is with effect from 9 August 19 proportionate)	50%	50%
Proportion of Group share (A)	85	262
Adjustment for proportionate share of investment (B)	(69)	(69)
Carrying amount of investment (A+B)	16	193
Cash and cash equivalents	141	450

(₹ Millions)		
Particulars	Mar-21	Mar-20
Total revenue	7	33
Income tax expense	-	-
(Loss) / Profit for the year	(3)	(46)
Total comprehensive (loss) / income	(3)	(46)
Group's Share of (loss) / profit	(1)	(25)

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

Group's share in contingent liabilities is Rs. 1 million (Previous Year Rs. 1 million).

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44. FINANCIAL INSTRUMENTS

(a) Capital management

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

(b) Categories of financial instruments and fair value thereof

(₹ Millions)				
	Mar-21		Mar-20	
	Carrying amount	Fair value	Carrying amount	Fair value
A Financial assets				
i) Measured at amortised cost				
Trade receivables	19,452	19,452	21,286	21,286
Cash and cash equivalents	10,485	10,485	5,529	5,529
Other bank balances	422	422	1,816	1,816
Loans	-	-	-	-
Other financial assets	3,765	3,765	4,161	4,161
Redeemable non-convertible debentures	489	489	52	52
Certificate of deposits	259	259	525	525
	34,872	34,872	33,368	33,368
ii) Measured at fair value through profit and loss account				
Investments				
Tagos Design Innovations Private Limited	-	-	98	98
Morpheus Media Fund	10	10	58	58
Exfinity Technology Fund-Series II	91	91	61	61
Mutual fund	7,356	7,356	2,245	2,245
	7,457	7,457	2,462	2,462
iii) Measured at fair value through other comprehensive income				
Equity shares	17	17	12	12
B Financial liabilities				
i) Measured at amortised cost				
Trade payables	13,982	13,982	16,803	16,803
Other financial liabilities	3,295	3,295	2,457	2,457
Lease liabilities*	375	375	856	856
Vehicle loans *	24	24	21	21
	17,676	17,676	20,137	20,137
ii) Measured at fair value through Profit and Loss				
6% Cumulative redeemable non-convertible preference shares *	3,832	3,832	5,950	5,950

*Includes current maturities.

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

Financial instruments measured at amortised cost

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

(c) Fair value measurement

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



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(₹ Millions)

	Mar-21	Mar-20	Fair Value Hierarchy	Valuation Technique(s) & key inputs used
Financial assets at fair value through other comprehensive income				
Investment in Equity shares	9	3	Level 1	Quoted in an active market
Investment in Equity shares	8	9	Level 3	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period and Black - Scholes method.
Financial assets at fair value through profit and loss				
Investment in Mutual funds	7,356	-	Level 1	Quoted in an active market
Investment in Mutual funds	-	2,245	Level 3	Refer note below \$, \$\$
Tagos Design Innovations Private Limited	-	98	Level 3	Discounted cash flow at a discount rate that reflects the issuer's current borrowing rate at the end of the reporting period and Black - Scholes method / NAV statements.
Morpheus Media Fund	10	58	Level 3	
Exfinity Technology Fund-Series II	91	61	Level 3	
Financial liabilities at fair value through profit and loss				
6% Cumulative redeemable non-convertible preference shares	3,832	5,950	Level 1	Quoted in an active market

\$ The fair values of the financial assets under Level 3 category have been determined based on market approach techniques, such as, discounted cash flow basis and executed definitive documents for sale of investments.

(₹ Millions)

Reconciliation of Level 3 category of financial assets:

	Mar-21	Mar-20
Opening balance	2,471	6,356
Additions	27	15
Redeemed	(2,233)	(345)
Loss recognised	(143)	(3,727)
Effect of foreign currency translation	(13)	172
Closing balance	109	2,471

\$\$ The Group had investments in overseas mutual funds which were measured at fair value through profit or loss. During the previous year, the COVID-19 pandemic caused severe market disruptions and uncertainty resulting in significant decline in the value of similar funds globally. The Group decided to sell these investments and appointed a consultant to identify a buyer for these investments. While the investments were deployed in high yield assets, due to the impact of the pandemic, the value of the underlying assets declined significantly and potentially delayed the disposal and realisation of these investments. Considering all relevant factors including avoidance of any additional losses on account of such market disruptions and uncertainties, during the year, the Management has entered into an agreement to sell these investments at a consideration of Rs 2,245 million (USD 30 million). In accordance with Ind AS 113 on 'Fair Value Measurement', the exit price reflects fair value as at 31 March 2020 and consequently a loss aggregating Rs 3,835 million (USD 54 million) was recognised in the consolidated statement of profit and loss for the year ended 31 March 2020. During the year, the sale has been executed and entire consideration has been received.

(d) Financial risk management objective and policies

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

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

(i) Market risk

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

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- Foreign Currency risk

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

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

(₹ Millions)

Currency	Assets as at		Liabilities as at	
	Mar-21	Mar-20	Mar-21	Mar-20
Indian Rupees (INR)	71	114	47	29
United States Dollar (USD)	479	530	75	177
Euro (EUR)	1	0	5	4
Great Britain Pound (GBP)	-	0	0	2
Mauritian Rupee	3	5	6	-
Australian Dollar (AUD)	59	51	-	-
UAE Dirhams (AED)	13	5	17	12
Singapore Dollar (SGD)	19	27	52	50
Pakistani Rupee (PKR)	-	-	4	4
Egypt Pound (EGP)	138	86	-	-
Japanese Yen (JPY)	2	1	-	-

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

- Foreign Currency sensitivity analysis

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

(₹ Millions)

Sensitivity analysis

Currency	Mar-21		Mar-20	
	Decrease by 10%	Increase by 10%	Decrease by 10%	Increase by 10%
Indian Rupees (INR)	(2)	2	(8)	8
United States Dollar (USD)	(40)	40	(35)	35
Euro (EUR)	0	(0)	0	(0)
Great Britain Pound (GBP)	0	(0)	0	(0)
Mauritian Rupee	0	(0)	(0)	0
Australian Dollar (AUD)	(6)	6	(5)	5
UAE Dirhams (AED)	0	(0)	1	(1)
Singapore Dollar (SGD)	3	(3)	2	(2)
Pakistani Rupee (PKR)	0	(0)	0	(0)
Egypt Pound (EGP)	(14)	14	(9)	9
Japanese Yen (JPY)	(0)	0	(0)	0

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

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The Group is mainly exposed to USD currency fluctuation risk.

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

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

- Interest rate risk

The borrowing of the Group includes cumulative redeemable non-convertible preference shares and vehicle loan which carries fixed coupon rate and consequently the Group is not exposed to interest rate risk.

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

- Other price risk

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

Equity price sensitivity analysis:

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

(₹ Millions)				
	Sensitivity analysis			
	Mar-21		Mar-20	
	Decrease by 10%	Increase by 10%	Decrease by 10%	Increase by 10%
Other comprehensive income for the year ended would (decrease) / increase by	(1)	1	(0)	0

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

(ii) Credit risk management

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

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

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

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

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

(₹ Millions)		
	Mar-21	Mar-20
Trade Receivables (Unsecured)		
Over six months	7,148	8,459
Less than six months	17,577	17,534
Total	24,725	25,993

(₹ Millions)		
	Mar-21	Mar-20
Movement in allowance for credit loss during the year was as follows :		
Balance at the beginning of the year	4,707	1,720
Add: Provided during the year	787	2,912
Less: Reversal during the year	(204)	(3)
Impact of Foreign Translation	(17)	78
Balance as at the end of the year	5,273	4,707
Net Trade receivable	19,452	21,286

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

During earlier years, the Company had provided commitments for funding shortfalls in Debt Service Reserve Account (DSRA guarantee) in relation to certain financial facilities availed from banks by Siti Networks Limited (SNL), a related party, including certain facilities availed when the cable business undertaking was part of the Company before its demerger into SNL. The loan outstanding of SNL as at 31 March 2021 which is backed by DSRA guarantee is Rs 2,018 million. On account of defaults made in repayments by SNL, during the year ended 31 March 2021, the Company has received demand notices/communications from the banks/representatives calling upon the Company to honor the obligations under the DSRA guarantee.

The Company has also been informed that SNL is in active discussions with the banks for renegotiating the repayment terms and also restructuring/rescheduling of its' facilities. The Company has also obtained legal advice about its obligations under the terms of the DSRA guarantee and for the demand raised by IndusInd Bank in respect of the DSRA guarantee which is sub-judice before the Hon'ble Delhi High Court.

Additionally, the Company has undertaken credit risk evaluation of SNL, including future cash flow assessments. Based on the aforesaid, as a matter of abundant caution, the Company has estimated and accounted the liability aggregating Rs. 1,001 million as on 31 March 2021. Further, the Company has provided for the receivable from SNL of the aforesaid amount and disclosed the same as 'Exceptional item'. The Company has collected the receivables relating to the revenue accounted for the year ended 31 March 2021 and as a matter of abundant caution has during the year also provided for the overdue trade receivables from SNL aggregating Rs. 812 million.

The Company has trade receivable of Rs 4,546 million from a key strategic customer as at 31 March 2021, which include amounts which are overdue. The Management has agreed with the customer for a revised collection plan, which involves recovering the amounts over a period of 12 months. Further, the customer has been generally paying as per the agreed plan and has reduced the overdue amount. In addition, the Management has carried out an assessment of the financial position of the customer. Accordingly, the Management has considered the aforesaid amounts as good of recovery.

As per the requirements of Ind AS 109 on 'Financial Instruments' the Company had recorded expected credit loss of Rs 324 million [Rs 376 million as at 31 March 2020] towards time value of money on account of the said collection plan.

Further, during the previous year, provision of Rs. 413 Millions had been recorded with respect to advertising and subscription customers as a matter of abundant caution, on account of potential credit risk due to COVID-19 pandemic.

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

In the previous year, the Group had made provision for loans aggregating Rs 278 Millions (including interest) as the same was overdue as at 31 March 2020.

During the year, the Group has made provision for slow moving financial assets aggregating to Rs 1,139 million (including Rs 1,001 million for DSRA guarantee) resulting in aggregate provision of Rs. 1,794 million (PY Rs 655 million).

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

(iii) Liquidity risk

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

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

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

**NOTES****FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2020.

	(₹ Millions)				
	Due in 1st year	Due in 2 to 5th year	Due after 5 years	Total	Carrying value
Financial Liabilities					
Trade payables and other financial liabilities	19,259	-	-	19,259	19,259
Lease liabilities	341	470	45	856	856
Borrowings	4,044	4,045	-	8,089	5,971
Total	23,644	4,515	45	28,204	26,086

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

45. During the year, the Board of Directors of the Company has approved the sale of digital publishing business to Rapidcube Technologies Private Limited, a related party, subject to regulatory and other approvals. Based on the binding quote received for this sale, the Company has assessed the carrying value of Goodwill relating to the aforesaid business and accordingly, accounted for an impairment charge of Rs. 265 million and disclosed the same as 'Exceptional item'.

46. Dividend on Equity shares is approved by the Board of Directors in their meeting held on 20 May 2021, and is subject to approval of the shareholders at the Annual General Meeting and hence not recognised as a liability (including Dividend distribution tax thereon). Appropriation of dividend is done in the financial statements subsequent to approval by the shareholders.

Final dividend on Equity shares for the current year is Rs. 2.50 per share (Re. 0.30 per share) which aggregates to Rs. 2,401 Million (Rs. 288 Million).

47. RELATED PARTY DISCLOSURES**(a) Associates**

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

(b) Joint Venture

Name of the Jointly Controlled Entity	Extent of holding	Country of Incorporation
Media Pro Enterprise India Private Limited (held through Zee Network Distribution Limited formerly known as Zee Turner Limited)	50% (50%)	India

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

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

NOTES**FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****Directors/Key Management Personnel**

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

Relatives of key Management Personnel

Amit Goenka, CEO international business

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

Sl. No.	Particulars	Mar-21	Mar-20
	Transactions during the year		
A)	Revenue from operations		
I)	Advertisement income		
	Other related parties	128	27
II)	Subscription income		
	Other related parties	1,930	1,955
III)	Share of subscription income payable		
	Other related parties	399	611
IV)	Commission - Space selling		
	Other related parties	50	267
V)	Sales - Media content		
	Other related parties	2	5
VI)	Other operating revenue		
	Other related parties	105	159
B)	Other income		
I)	Rent/ Miscellaneous income		
	Other related parties	192	267
II)	Interest income		
	Other related parties	32	25



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		(₹ Millions)	
Sl. No.	Particulars	Mar-21	Mar-20
C)	Purchase of services		
	Other related parties	1,787	3,065
D)	Recoveries / (Reimbursement) (net)		
	Other related parties	140	189
E)	Investments purchased/ subscribed		
	Other related parties	445	-
F)	Investments sold/redemption		
	Other related parties	10	-
G)	Assets transfer		
	Other related parties	1	-
H)	Transfer of Retirement benefits		
	Other related parties	88	-
I)	Loans, Advances and Deposits given		
	Other Related Parties	-	12
J)	Loans, advances and deposits repayment received		
	Other related parties	9	54
K)	Loans, advances and deposits repayment given		
	Other Related Parties	6	45
L)	Provision for Loans, Advance and Deposit Given, Trade and Other Receivables (Refer note 44 d ii)		
	Other Related Parties	993	3,615
M)	Provision for Corporate guarantees given (Refer note 44 d ii)		
	Other Related Parties	1,001	-
N)	Amount paid by other related parties		
	Other Related Parties	-	2,025
O)	Liabilities written back		
	Other Related Parties (2021 : Rs. 164,000/-)	0	-
P)	Remuneration to Managing Director & CEO and CEO international business		
	Short term employee benefits*	182	141
Q)	Commission and sitting fees		
	Non-executive directors	42	37
R)	Dividend paid		
	Director (2021: Rs. 2,524/-; 2020: Rs. 11,099/-)	0	0

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(₹ Millions)

Particulars	Mar-21	Mar-20
Balance as at 31 March		
A) Investment		
Associates	5	3
Joint venture	13	217
Other related parties	437	-
B) Trade receivables		
Associates (2020: Rs 49,001/-)	-	0
Other related parties	309	1,222
C) Loans, advances and deposits given		
Other related parties	364	408
D) Other receivables		
Other related parties	235	509
E) Trade advances and deposit received		
Other related parties	28	33
F) Trade/Other payables		
Other related parties	323	760
G) Corporate guarantees given		
Other related parties	17	1,637

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

**NOTES****FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

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

(₹ Millions)

Particulars	Mar-21	Mar-20
Transactions during the year		
A) Revenue from operations		
I) Advertisement income		
Real Media FZ LLC	-	5
Living Entertainment Enterprises Private Limited	-	4
Zee Media Corporation Limited	127	15
Others	1	3
II) Subscription income		
Siti Networks Limited	1,216	1,233
Indian Cable Net Company Limited	714	722
III) Share of subscription income payable		
Living Entertainment Enterprises Private Limited	-	229
Zee Media Corporation Limited	399	382
IV) Commission - Space selling		
Zee Akaash News Private Limited	8	35
Zee Media Corporation Limited	42	224
Others	-	8
V) Sales - Media content		
Zee Media Corporation Limited	2	4
Veria International Limited	-	1
Others (2021: Rs. 143,000/-)	0	-
VI) Other operating revenue		
Living Entertainment Enterprises Private Limited	-	47
Zee Media Corporation Limited	103	112
Others	2	-
B) Other income		
I) Rent/ Miscellaneous income		
Siti Networks Limited	31	32
Zee Media Corporation Limited	155	149
Evenness Business Excellence Services Limited	5	38
Essel Infra Projects Limited	-	27
Others	1	21
II) Interest income		
Zee Learn Limited	32	-
Pan India Infraprojects Private Limited	-	6
Essel Corporate Resources Private Limited	-	3
Pan India Network Infravest Limited	-	6
Evenness Business Excellence Services Limited	-	3
Others	-	7

NOTES**FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

(₹ Millions)

Particulars	Mar-21	Mar-20
C) Purchase of services		
Broadcast Audience Research Council	271	368
Zee Media Corporation Limited	262	321
Digital Subscriber Management and Consultancy Services Private Limited	542	581
Evenness Business Excellence Services Limited	150	622
Siti Networks Limited \$	229	380
Others	333	793
D) Recoveries / (Reimbursement) (net)		
Living Entertainment Enterprises Private Limited	-	(38)
Zee Media Corporation Limited	125	141
Evenness Business Excellence Services Limited	2	41
Others	13	45
E) Investments purchased/ subscribed		
10.02% Secured redeemable non convertible debenture of Zee Learn Limited	445	-
F) Investments sold/redemption		
10.02% Secured redeemable non convertible debenture of Zee Learn Limited	10	-
G) Assets transfer		
Zee Media Corporation Limited	1	-
Zee Akaash News Private Limited (2021 : Rs. 160,070/-)	0	-
H) Transfer of Retirement benefits		
Zee Media Corporation Limited	82	-
Others	6	-
I) Loans, Advances and Deposits given		
Indian Cable Net Company Limited	-	12
J) Loans, advances and deposits repayment received		
Broadcast Audience Research Council	9	9
Evenness Business Excellence Services Limited	-	40
Others	-	5
K) Loans, advances and deposits repayment given		
Zee Media Corporation Limited	6	37
Diligent Media Corporation Limited	-	6
Others	-	2



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(₹ Millions)

Particulars	Mar-21	Mar-20
L) Provision for Loans, Advance and Deposit Given, Trade and Other Receivables (Refer note 44 d ii)		
Widescreen Holdings Private Limited	-	460
Konti Infrapower & Multiventures Private Limited	-	560
Edisons Infrapower & Multiventures Private Limited	-	570
Siti Networks Limited	855	1,179
Evenness Business Excellence Services Limited	137	-
Essel Infra Projects Limited	-	149
Living Entertainment Enterprises Private Limited	14	364
Others	(13)	333
M) Provision for Corporate guarantees given (Refer note 44 d ii)		
Siti Networks Limited (DSRA Value) #	1,001	-
N) Amount paid by other related parties		
Pan India Infraprojects Private Limited	-	523
Elouise Green Mobility Limited	-	173
Essel Corporate Resources Private Limited	-	226
Essel Utilities Distribution Company Limited	-	194
Pan India Network Infravest Limited	-	499
Living Entertainment Enterprises Private Limited	-	176
Evenness Business Excellence Services Limited	-	233
O) Liabilities written back		
Diligent Media Corporation Limited (2021 : Rs. 164,000/-)	0	-
P) Remuneration to Managing Director & CEO and CEO international business*		
Punit Goenka (Managing Director & CEO)	132	90
Amit Goenka (CEO international business)	51	51
Q) Commission and sitting fees		
Non-executive directors	42	37
R) Dividend paid		
Director (2021: Rs. 2,524/-; 2020: Rs. 11,099/-)	0	0

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(₹ Millions)

Particulars	Mar-21	Mar-20
Balance as at 31 March		
A) Investment		
Equity Shares of Media Pro Enterprises India Private Limited	13	217
10.02% Secured redeemable non convertible debenture of Zee Learn Limited	437	-
Others	5	3
B) Trade receivables		
Siti Networks Limited (net of provision)	-	812
Indian Cable Net Company Limited	227	328
Zee Media Corporation Limited	78	61
Others	4	21
C) Loans, advances and deposits given (Refer Note 44 d(ii))		
Digital Subscriber Management and Consultancy Services Private Limited	340	340
Widescreen Holdings Private Limited (Net of Provision)	-	-
Konti Infrapower & Multiventures Private Limited (Net of Provision)	-	-
Edisons Infrapower & Multiventures Private Limited (Net of Provision)	-	-
Others	24	68
D) Other receivables		
Broadcast Audience Research Council	65	36
Digital Subscriber Management and Consultancy Services Private Limited	49	-
Essel Infra Projects Limited (net of provision)	12	12
Evenness Business Excellence Services Limited (net of provision)	6	137
Siti Networks Limited (net of provision)	5	162
Zee Media Corporation Limited	73	137
Others (net of provision)	25	25
E) Trade advances and deposit received		
Essel Corporate LLP	10	10
Essel Infra Projects Limited	12	12
Zee Media Corporation Limited	3	9
Others	3	2
F) Trade/Other payables		
Evenness Business Excellence Services Limited	-	104
Digital Subscriber Management and Consultancy Services Private Limited	46	8
Indian Cable Net Company Limited	21	159
Siti Networks Limited	5	179
Zee Media Corporation Limited	216	281
Others	35	28
G) Corporate gurantees given		
Broadcast Audience Research Council	17	34
Siti Networks Limited # (net of provision) (Refer note 44 d ii)	-	1,166
Zee Learn Limited	-	437

\$ This includes Logical Channel Number (LCN) incentive which is netted off from subscription revenue
Loan Outstanding amounting Rs. 2,018 Million. (Rs. 2,523 Million)

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



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48. Additional information, as required to consolidated financial statements to Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries / Associate / Joint Venture for the year ended 31 March 2021.

(₹ Millions)								
Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	Zee Entertainment Enterprises Limited	87%	87,477	141%	11,210	-3%	7	145%
SUBSIDIARIES								
Indian								
1 Zee Network Distribution Limited (Formerly known as Zee Turner Limited)	0%	54	3%	231	0%	-	3%	231
2 Zee Studios Limited (Formerly Essel Vision Productions Limited)	1%	706	-10%	(793)	1%	(3)	-10%	(796)
3 Zee Digital Convergence Limited	0%	(21)	0%	(1)	0%	-	0%	(1)
4 Zee Unimedia Limited	0%	25	0%	1	0%	-	0%	1
5 Margo Networks Pvt. Ltd.	0%	350	-3%	(262)	0%	(0)	-3%	(262)
6 Fly by Wire International Private Limited	0%	0	0%	(36)	0%	1	0%	(35)
7 India Webportal Private Limited	0%	(1)	0%	(0)	0%	-	0%	(0)
8 Idea Shopweb and Media Private Limited	0%	(16)	0%	(2)	0%	-	0%	(2)
Foreign								
1 ATL Media Limited (Formerly Asia Today Limited)	9.8%	9,883	-24%	(1,894)	0%	-	-25%	(1,894)
2 Zee Multimedia Worldwide (Mauritius) Limited	6%	6,203	0%	28	0%	-	0%	28
3 Asia TV Limited (UK)	1%	1,360	0%	22	0%	-	0%	22
4 Expand Fast Holdings (Singapore) Pte Limited	0%	154	0%	0	0%	-	0%	0
5 OOO Zee CIS Holding LLC	0%	-	0%	-	0%	-	0%	-

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(₹ Millions)								
Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	6 OOO Zee CIS LLC	0%	22	0%	7	0%	-	0%
7 Taj TV Limited	1%	1,369	0%	(3)	0%	-	0%	(3)
8 Zee Technologies (Guangzhou) Limited	0%	0	1%	82	0%	-	1%	82
9 Zee Entertainment Middle East FZ-LLC	2%	1,934	6%	485	0%	-	6%	485
10 ATL Media FZ-LLC	0%	49	2%	161	0%	-	2%	161
11 Zee TV South Africa (Proprietary) Limited	0%	(93)	1%	68	0%	-	1%	68
12 Zee TV USA Inc.	0%	-	0%	-	0%	-	0%	-
13 Asia Multimedia Distribution Inc.	0%	(30)	-1%	(85)	0%	-	-1%	(85)
14 Eevee Multimedia Inc. (dissolved w.e.f. 31 March 2020)	0%	-	0%	-	0%	-	0%	-
15 Asia Today Singapore Pte Limited	0%	106	0%	30	0%	-	0%	30
16 Asia TV (USA) Limited, Wyoming	-1%	(1,022)	1%	84	0%	-	1%	84
17 Asia Today Limited (Formerly Zee Multimedia (Maurice) Limited)	0%	476	18%	1,461	0%	-	19%	1,461
18 Zee Studio International Limited	0%	(99)	0%	(5)	0%	-	0%	(5)
19 Z5X Global FZ - LLC	-3%	(2,960)	-10%	(790)	0%	-	-10%	(790)
20 Asia TV GmbH	0%	20	0%	2	0%	-	0%	2
21 Pantheon Productions Limited	0%	(13)	0%	(12)	0%	-	0%	(12)
Non Controlling Interests in all subsidiaries	0%	129	-1%	(70)	0%	0	-1%	(70)

**NOTES****FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

(₹ Millions)

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
ASSOCIATES (INVESTMENT AS PER THE EQUITY METHOD)								
Foreign								
1 Asia Today Thailand Limited	0%	4	0%	0	0%	-	0%	0
JOINT VENTURES (INVESTMENT AS PER THE EQUITY METHOD)								
Indian								
1 Media Pro Enterprise India Private Limited	0%	16	0%	(1)	0%	-	0%	(1)
TOTAL	105%	1,06,082	125%	9,918	-2%	5	129%	9,923
Less: Effect of Elimination		(5,007)		(1,987)		(215)		(2,202)
TOTAL		1,01,075		7,931		(210)		7,721

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

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

49. The consolidated financial statements of the Group for the year ended 31 March 2021, were reviewed by the Audit Committee at their meeting held on 19 May 2021 and were approved for issue by the Board of Directors at their meeting held on 20 May 2021.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
A. B. Jani
Partner
Place: Mumbai
Date: 20 May 2021

For and on behalf of the Board
Punit Goenka
Managing Director & CEO
Rohit Kumar Gupta
Chief Financial Officer
Place: Mumbai
Date: 20 May 2021

Vivek Mehra
Director
Ashish Agarwal
Company Secretary



OUR PRESENCE

REGISTERED AND CORPORATE OFFICE

18th Floor, A-Wing, Marathon Futurex, N.M. Joshi Marg,
Lower Parel, Mumbai - 400013
Tel. +91 22 7106 1234

DOMESTIC

FC-09, 18, 19 & 20, Film City,
Sec-16A, Noida – 201301 (UP)

3rd Floor, United Mansions,
No. 39 MG Road, Bangalore-560001

Olympia Platina, No. 33 B, 2nd floor,
Sidco Industrial Estate, Guindy,
Chennai - 600 032

Zee Entertainment Enterprises Ltd, SL
Tower, Ground and 1st floor, Ponnuruni
North, Vytilla, Kochi 682019

96, Block B, Kavuri Hills, Jubilee Hills,
Hyderabad – 500033

Utkal Signature, 2nd Floor, Room No. 209-
212, N.H -5, Pahal Bhubaneswar 752101

MEDIASITI,
XI-4, Block - EP, 10th Floor, Electronics
Complex, Salt Lake, Sector - V, Kolkata-700091

Plot No. 13/14, Sec-32, Gurugram (Haryana) –
122003, Gurgaon

Plot No. 174, Industrial Area Phase – 2,
Chandigarh - 160002, Chandigarh

INTERNATIONAL

ZEE Tower Office, 202-204 Dubai Media
Office Dubai UAE PO Box 500484

ZEE Tower Office, 404 Dubai Media
Office Dubai UAE PO Box 500484

Asia TV Ltd (Zee TV)
128 Wigmore Street, Marylebone,
London, W1U 3SB, United Kingdom

Nizhnya Krasnoselskaya, 40/12, k.2, floor
3, office 330/331, 338, Moscow

Building B, 2nd Floor, Ballyoaks Office
Park, 35 Ballyclare Drive, Bryanston2021,
Johannesburg, South Africa

2nd Floor, Ebene House, 33, Cybercity,
Ebene, Mauritius

200 Middlesex Essex Turnpike. (Suite 202,
301 and 307) Iselin, NJ 08830

104 7788 132 St. Surrey, V3W0H5,
Vancouver, Canada

2 Robert Speck Parkway, Mississauga,
Suite 750 On L4Z1H8, Toronto, Canada

5 Temasek Boulevard # 04-01, Suntec
Tower - 5, Singapore- 038985

Perkantoran Graha Kencana Blok AH, Jl.
Raya Perjuangan No.88 Kebon Jeruk, Jakarta
11530 Indonesia

75/46, Ocean Tower2, 23rd floor, Soi
Sukhumwit 19 (Wattana), Sukhumwit Road,
Klongtoey-Nua, Wattana, Bangkok 10110

ASHISH RAMESH AGARWAL

Digitally signed by ASHISH RAMESH AGARWAL
DN: c=IN, postalCode=400064, st=MAHARASHTRA,
l=MUMBAI, o=Personal,
serialNumber=2d484d33b95e6004b8529e3fc750f2
413e1a7b7b01ecb532e879129f4a45d565,
pseudonym=f38c751bdfc14aa38a63c7ad5e46df79,
2.5.4.20=ea7f99dc0155641b85ecdcc49c924ce59305
64419007ce8d80bcfc5a6d03fc5,
email=ASHISH.AGARWAL@ZEE.COM, cn=ASHISH
RAMESH AGARWAL
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ZEE ENTERTAINMENT ENTERPRISES LIMITED

CIN: L92132MH1982PLC028767

REGISTERED & CORPORATE OFFICE

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Lower Parel, Mumbai - 400013
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