

Viacom 18 Media Private Limited
Financial Statements
2019-20

Independent Auditor's Report

To The Members of Viacom 18 Media Private Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **Viacom 18 Media Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement 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 Ind AS 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 2020, 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 Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Ind AS 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 Ind AS 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 Ind AS financial statements.

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 director's report and Annexures thereto, but does not include the standalone Ind AS financial statements and our auditor's report thereon.
- Our opinion on the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind As 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Standards on Auditing 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement 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 Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the

Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure 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 Ind AS financial statements - Refer Note 33 to the standalone Ind AS 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 were no amounts which were 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.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

Manoj H. Dama
Partner
(Membership No. 107723)
(UDIN: 20107723AAAAFU7124)

Mumbai: April 22, 2020

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF VIACOM 18 MEDIA PRIVATE LIMITED**(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 **Viacom 18 Media Private Limited** (“the Company”) as of March 31, 2020 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. 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 March 31, 2020, based on the internal financial 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.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Manoj H. Dama
Partner
(Membership No. 107723)
(UDIN: 20107723AAAAFU7124)

Mumbai: April 22, 2020

Annexure B to the Independent Auditor's Report to the Members of Viacom 18 Media Private Limited

- (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) The fixed assets were physically verified by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us, the Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of paragraph 3 of the Order is not applicable.
- (ii) The Company does not have any inventory (i.e. goods) and hence reporting under clause (ii) of paragraph 3 of the Order is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of making investments. The Company has not granted any loans or provided guarantees and securities.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder and hence reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the 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, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues where applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Goods and Services Tax, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
 - (c) There are no cases of non-deposit with appropriate authorities of disputed dues of Customs Duty and Excise Duty. Details of dues of Income Tax, Sales Tax, Service Tax and Value Added Tax which have not been deposited as on March 31, 2020 on account of disputes is given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. In Million)
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	Financial Year 2006-07 and 2008-09	63.68
	Income Tax	Commissioner of Income Tax (Appeal)	Financial Year 2005-06, 2011-12 to 2013-14 and 2017-18	1,326.19
	Income Tax	High Court	Financial Year 2011-12	19.20
	Income Tax (FBT)	Assessment Officer	Financial Year 2005-06	0.26
Finance Act, 1994	Service Tax	Commissioner of Service Tax	Financial Year 2005-06, 2008-09 to 2010-11, 2013-14 to 2017-18	426.00
		Customs Excise and Service Tax Appellate Tribunal	Financial Year 2008-09 to 2010-11	139.02
Maharashtra VAT Act	VAT	Joint Commissioner Sales Tax	Financial Year 2005-06 to 2013-14	26.76 ^
Uttar Pradesh VAT Act	VAT	Additional Commissioner Appeal	Financial Year 2011-12 to 2012-13, 2014-15	0.50
Uttar Pradesh VAT Act	VAT	Tribunal	Financial Year 2009-10 to 2011-12, 2013-14	0.98
CST Act, 1956	Sales Tax	Joint Commissioner Sales Tax	Financial Year 2010-11 and 2012-13	17.42 #
Entertainment Tax Act	Entertainment Tax	Commissioner	Financial Year 2015-16	31.64

* Net of Rs 11.27 million paid under protest

Net of Rs 0.01 million for FY 2010-11 and Rs 0.49 million for FY 2012-13 paid under protest

^ Net of Rs 0.01 million for FY 2005-06, Rs 0.70 million for FY 2007-08, Rs 0.09 million for FY 2012-13 and Rs 0.13 million for FY 2013-14 paid under protest.

- (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 has not taken any loans or borrowings from financial institutions and government and has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (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 managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

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- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 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 Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the 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 (xiv) of paragraph 3 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 subsidiaries or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) In our opinion and according to the information and explanation given to us, 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)

Manoj H. Dama
Partner
(Membership No. 107723)
(UDIN: 20107723AAAAFU7124)

Mumbai: April 22, 2020

Balance Sheet as at March 31, 2020

(All amounts in Rs. million, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
Assets			
Non-Current Assets			
(a) Property, Plant and Equipment	3	1,322.35	861.25
(b) Capital Work In Progress		104.54	194.86
(c) Intangible Assets	3	53.05	125.53
(d) Intangible assets under development		685.97	102.90
(e) Financial Assets			
(i) Investments	4	3,259.53	3,259.53
(ii) Other Financial Assets	5	203.70	206.18
(f) Deferred Tax assets (Net)	6	-	-
(g) Other Non-Current Assets	7	2,320.64	2,500.62
Total Non-Current Assets		7,949.78	7,250.87
Current Assets			
(a) Inventories	8	20,310.98	18,989.42
(b) Financial Assets			
(i) Trade Receivables	9	13,905.38	9,712.22
(ii) Cash and Cash Equivalents	10	180.35	549.63
(iii) Bank Balances other than (ii) above	10	0.75	0.75
(iv) Other Financial Assets	11	897.46	677.53
(c) Other Current Assets	12	1,140.14	1,280.96
Total Current Assets		36,435.06	31,210.51
Total Assets		44,384.84	38,461.38
Equity and Liabilities			
Equity			
(a) Equity Share Capital	13	1,137.30	1,137.30
(b) Other Equity	14	15,716.94	12,187.91
Total Equity		16,854.24	13,325.21
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	10.36	26.56
(b) Other Financial Liabilities	16	212.63	-
(c) Provisions	17	184.13	143.82
Total Non-Current Liabilities		407.12	170.38
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	9,377.89	7,449.60
(ii) Trade Payables	19		
a) Total Outstanding dues of Micro and Small enterprises		49.74	5.21
b) Total Outstanding dues of creditors other than Micro and Small enterprises		15,634.47	16,585.24
(iii) Other Financial Liabilities	20	331.88	24.98
(b) Other Current Liabilities	21	1,689.50	860.76
(c) Provisions	22	40.00	40.00
Total Current Liabilities		27,123.48	24,965.79
Total Liabilities		27,530.60	25,136.17
Total Equity and Liabilities		44,384.84	38,461.38

See accompanying notes to the financial statements
In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rahul Joshi
Director
DIN : 07389787

Jyoti Deshpande
Director
DIN: 02303283

Manoj Dama
Partner
Place: Mumbai
Date: April 22, 2020

Mukesh Mundra
Chief Financial Officer
Place: Mumbai
Date: April 22, 2020

Amit Kumar Sohni
Company Secretary
Place: Mumbai
Date: April 22, 2020

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

<i>(All amounts in Rs. million, unless otherwise stated)</i>			
	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Value of Sales and Services		44,740.72	42,458.98
Goods and Services Tax included in above		<u>6,024.21</u>	<u>5,810.21</u>
Revenue From Operations	23	38,716.51	36,648.77
Other Income	24	<u>145.16</u>	<u>61.47</u>
Total Income		<u>38,861.67</u>	<u>36,710.24</u>
Expenses			
Operational Expense	25	27,884.78	28,422.46
Employee Benefits Expense	26	3,929.36	4,452.70
Finance Costs	27	762.85	482.40
Depreciation and Amortisation Expense	28	790.82	650.68
Other Expenses	29	<u>1,144.73</u>	<u>1,772.38</u>
Total Expenses		<u>34,512.54</u>	<u>35,780.62</u>
Profit / (Loss) Before exceptional items		<u>4,349.13</u>	<u>929.62</u>
Exceptional Items	30	<u>(45.82)</u>	<u>-</u>
Profit before tax		<u>4,303.31</u>	<u>929.62</u>
Tax Expense	31		
Current Tax		767.90	153.52
(Excess) provision for tax relating to earlier year		<u>-</u>	<u>(33.99)</u>
Net Tax Expense		<u>767.90</u>	<u>119.53</u>
Profit for the Year		<u>3,535.41</u>	<u>810.09</u>
Other Comprehensive Income:			
Items that will not be reclassified to profit or loss:			
Actuarial (Losses) / Gain on post retirement benefit plans		<u>(6.38)</u>	<u>(0.21)</u>
		<u>(6.38)</u>	<u>(0.21)</u>
Total Comprehensive Income for the Year		<u>3,529.03</u>	<u>809.88</u>
Earning per equity share: [Nominal Value per share: Rs. 10 (Previous Year: Rs. 10)]	32		
Basic (in Rupees)		31.09	7.12
Diluted (in Rupees)		31.09	7.12

See accompanying notes to the financial statements
In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj Dama
Partner
Place: Mumbai
Date: April 22, 2020

For and on behalf of the Board of Directors

Rahul Joshi
Director
DIN : 07389787

Mukesh Mundra
Chief Financial Officer
Place: Mumbai
Date: April 22, 2020

Jyoti Deshpande
Director
DIN: 02303283

Amit Kumar Sohni
Company Secretary
Place: Mumbai
Date: April 22, 2020

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

(All amounts in Rs. million, unless otherwise stated)

A. Equity Share Capital					Total
As at March 31, 2018					1,137.30
Changes in Equity Share Capital during the year					-
As at March 31, 2019					1,137.30
Changes in Equity Share Capital during the year					-
As at March 31, 2020					1,137.30

B. Other Equity	Reserves and Surplus				Total
	Business Reconstruction Reserve	Securities Premium	Retained Earnings	Capital Redemption Reserve	
Balance as at the March 31, 2018	3,155.34	6,245.29	1,977.36	0.04	11,378.03
Total Comprehensive Income for the year *	-	-	809.88	-	809.88
Balance as at the March 31, 2019	3,155.34	6,245.29	2,787.24	0.04	12,187.91
Total Comprehensive Income for the year *	-	-	3,529.03	-	3,529.03
As at March 31, 2020	3,155.34	6,245.29	6,316.27	0.04	15,716.94

* Includes remeasurement of defined benefit plans of Rs (6.38) million [March 31, 2019 - (0.21) million].

See accompanying notes to the financial statements
In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj Dama
Partner
Place: Mumbai
Date: April 22, 2020

For and on behalf of the Board of Directors

Rahul Joshi
Director
DIN : 07389787

Mukesh Mundra
Chief Financial Officer
Place: Mumbai
Date: April 22, 2020

Jyoti Deshpande
Director
DIN: 02303283

Amit Kumar Sohni
Company Secretary
Place: Mumbai
Date: April 22, 2020

Cash Flow Statement for the year ended March 31, 2020

(All amounts in Rs. million, unless otherwise stated)

	For the year ended March 31, 2020	For the year ended March 31, 2019
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	4,303.31	929.62
<i>Adjustments for:</i>		
Depreciation and Amortisation Expense	790.82	650.68
Provision / (Reversal of) for Doubtful Trade Receivables and Advances (net)	50.37	(218.66)
Bad Debts and Advances Written off	2.52	70.60
Finance Costs	762.85	482.40
Net Unrealised Exchange (Gain) / Loss	(77.16)	44.92
Net Loss/(Gain)on disposal of Property, Plant and Equipments and Intangible assets	0.23	(1.37)
Finance Income (Fair Value of Security Deposits)	(18.70)	(18.59)
Interest from Banks on Deposits	(0.05)	(0.13)
Interest on Income Tax Refund	(65.70)	(28.56)
Operating Profit Before Working Capital Changes	5,748.49	1,910.91
Changes In Working Capital:		
Inventories	(1,321.56)	(5,581.88)
Other Financial Assets Non Current	21.18	3.49
Other Financial Assets Current	(219.93)	(223.70)
Other Non Current Assets	(15.44)	19.62
Other Current Assets	140.82	(213.95)
Trade Receivables	(4,138.29)	1,891.88
Trade Payables	(906.22)	1,554.08
Provisions	33.93	22.44
Other Current Liabilities	828.74	23.15
Cash Generated / (used in) From Operations	171.72	(593.96)
Income Taxes (Paid) / Refund	(525.13)	(772.39)
Net Cash (used in) from Operating Activities	(353.41)	(1,366.34)
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on Property, Plant & Equipments and Intangible Assets	(870.96)	(455.46)
Bank balances not considered as Cash and Cash equivalents		
- Matured	1.50	2.31
- Placed	(1.50)	-
Proceeds from Sale of Property, Plant and Equipments	3.57	8.80
Interest received	0.05	0.14
Proceeds from Redemption of Long term investments - Joint Venture	-	400.00
Net cash (used in) Investing Activities	(867.34)	(44.21)

Cash Flow Statement for the year ended 31st March, 2019

(All amounts in Rs. million, unless otherwise stated)

	For the year ended March 31, 2020	For the year ended March 31, 2019
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds in Working Capital Borrowings	1,928.29	1,745.70
Repayment of Non Current Borrowings	(25.37)	(24.88)
Finance costs	(737.70)	(480.87)
Payment of Lease Liabilities	(313.75)	-
Net cash generated from Financing Activities	851.47	1,239.94
Net (Decrease) in Cash And Cash Equivalents (A+B+C)	(369.28)	(170.61)
Cash and Cash equivalents at the beginning of the year	549.63	720.24
Cash and cash equivalent at end of year (refer note below)	180.35	549.63

Reconciliation of Cash and cash equivalents with the Balance Sheet:

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and bank balances as per Balance Sheet (Refer Note 10)	181.10	550.38
Less:- Fixed Deposits with original maturity of more than 3 months	0.75	0.75
Cash and cash equivalents as at end of the year	180.35	549.63

CHANGE IN LIABILITY ARISING FROM FINANCING ACTIVITIES

	Borrowings Non-current (including Current Maturities)	Borrowings Current (net) (Refer Note 18)
Opening balance at the beginning of April 1, 2018	74.43	5,703.90
Cash Flow during the year	(24.88)	1,745.70
Closing balance as at March 31, 2019	49.55	7,449.60
Opening balance at the beginning of April 1, 2019	49.55	7,449.60
Cash Flow during the year	(25.37)	1,928.29
Closing balance as at March 31, 2020	24.18	9,377.89

See accompanying notes to the financial statements
In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

Manoj Dama
Partner
Place: Mumbai
Date: April 22, 2020

For and on behalf of the Board of Directors

Rahul Joshi
Director
DIN : 07389787

Mukesh Mundra
Chief Financial Officer
Place: Mumbai
Date: April 22, 2020

Jyoti Deshpande
Director
DIN: 02303283

Amit Kumar Sohni
Company Secretary
Place: Mumbai
Date: April 22, 2020

Notes to the Financial Statements for the year ended March 31, 2020

1 Corporate Information

Viacom 18 Media Private Limited (the “Company”) is incorporated in India having registered office at Zion Bizworld, Subhash Road - A, Vile Parle (East), Mumbai, Maharashtra under the provisions of Companies Act, 1956 as amended, modified, replaced from time to time, as a private limited Company. The Company is a subsidiary of TV18 Broadcast Limited (representing Network 18 Group, India) which owns 51% of Equity Shares, 41% of Equity shares are owned by MTV Asia Ventures (India) Pte Ltd, Mauritius and remaining 8% equity shares are owned by Nickloden Aisa Holdings Pte Ltd, Singapore (together representing Viacom Inc. Group, USA).

The Company is engaged in the business of broadcasting of televisions channels, distributing, marketing and selling commercial advertising on ‘channels’ - Colors, Colors Rishtey, Colors Cineplex, MTV, MTV Beats, Nick, Nick Jr., Sonic, VH1, Comedy Central, Colors Infinity and regional bouquet of channels. Additionally, the Company also generates revenue from licensing and merchandising of products, brand solutions, organising live events, Over The Top and digital content delivery platform and marketing partnerships. The Company is also in the business of production and distribution of motions pictures.

2 Summary of significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Ind AS notified including the rules notified under the relevant provisions of the Companies Act, 2013.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Use of Estimates

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount & rebates less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment, which can be reasonably measured, is recognised as an asset, when the future economic benefits associated with the item will flow to the entity. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Projects under which assets are not ready for their intended use are shown as Capital Work -in-Progress.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life 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, anticipated technological changes, manufacturers warranties and maintenance support, etc:

The estimated useful lives residual values and the depreciation method are reviewed at each financial year end, with the effect of any changes in the estimate being accounted for on a prospective basis. The estimated useful lives of the property, plant and equipment are as follows.

Asset	Useful Life
Furniture and Fixtures	10 years
Plant and Machinery (includes Studio Equipment & Audio Video Equipment)	10 years
Equipments and Computer system:	
- Computer Hardware	3 years
- Office Equipments	5 years
Leasehold Improvements	3 years *
Motor Vehicles	4 years

* 3 years or lease period whichever is less

Notes to the Financial Statements for the year ended March 31, 2020

IRD Boxes are fully depreciated at the time of capitalisation.

Property, plant and equipment individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition.

2.4 Intangible Assets

Intangible Assets are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the entity and cost can be measured reliably. Intangible assets are amortised on a straight line basis over their estimated useful lives. The useful lives and the amortisation method are reviewed at the end of each reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss. The estimated useful lives of the intangible assets are as follows :

Asset	Useful Life
Computer Software	3 years
Electronic Programming Guide Slot	5 years

2.5 Leases

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The Company applies the short-term lease recognition exemption to its short-term leases. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability.

The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

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

2.6 Impairment of non-financial assets

The Company assesses at each reporting dates as to whether there is any indication that any Property, Plant and Equipment and Other Intangible assets or group of an asset, called Cash Generating Unit ('CGU') may be impaired. If any such indication exists, the recoverable amount of an assets or CGU is estimated to determine the extent of impairment, If any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of the Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed, if there has been a change in the estimate of recoverable amount.

Notes to the Financial Statements for the year ended March 31, 2020

2.7 *Foreign Currencies Transactions and Translations*

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities denominated in foreign currencies are translated at the functional currency's closing rates of exchange at end of the reporting date. Exchange differences on translation / settlement of all monetary items are recognised in the Statement of Profit and Loss.

2.8 *Inventories*

Inventories are valued lower of cost or net realisable value. The Company evaluates the realizable value and / or revenue potential of inventory based on the type of programming assets.

Cost of shows, events and films are expensed off based on the expected pattern of realisation of economic benefits.

Acquired rights of shows and music rights are amortised evenly over the license period.

The Company evaluates the realizable value and /or revenue potential of inventory on an ongoing basis and appropriate write down is made in cases where accelerated write down is warranted.

2.9 *Revenue recognition*

Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognised either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer. Under Ind AS 115 the Company needs to evaluate if a format or licence represents a right to access the content (revenue recognised over time) or represents a right to use the content (revenue recognised at a point in time). The Company has determined that most of the formats and licence revenue are satisfied at a point in time due to their being limited ongoing involvement in the end use of the license following its transfer to the customer.

The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration based on the achievement of agreed targets. Variable consideration is not recognised until the performance obligations are met. Revenue is stated exclusive of Goods and Service tax and other taxes. Following are the revenue recognition principles for major streams of business:

- Revenue from the sale of air time (net of trade discount, as applicable) is recognised on telecast of advertisements.
- Revenue from distribution of a satellite channel is recognised upon the right to receive the subscription as per the terms of the respective agreements.
- Revenue from Licensing and merchandising are recognised once the performance obligation in the contract has been performed and is allocated to the identified performance obligations
- Revenue from licensing of content is recognised in accordance with the licensing agreement on right to use the content.
- Revenue from theatrical distribution of movies is recognised in accordance with the licensing agreement as the films are screened.

2.10 *Other Income*

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income is recognised when the right to receive the amount is established.

Notes to the Financial Statements for the year ended March 31, 2020

2.11 *Employee Benefits*

Defined Contribution Plan:

Provident Fund: Contribution towards provident fund is made to the regulatory authorities. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plan:

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972 as amended. The Gratuity Plan provides a lump sum payment to vested employees at the time of separation, retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Plan assets are measured at fair value as at the Balance Sheet date. Actuarial losses/gains comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised in other comprehensive income in the year in which they are remeasured.

2.12 *Borrowing costs*

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.13 *Tax Expenses*

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income or in equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

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.

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 reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.14 *Provisions*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted represent present value of the obligation.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made

Notes to the Financial Statements for the year ended March 31, 2020

Contingent assets are neither recognised nor disclosed in the financial statements.

2.15 Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance.

2.16 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits which are short term balances having maturity of upto three months with banks. They are liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.17 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.18 Cash Flow Statements

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.19 Financial instruments

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair values. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss, are recognised immediately in profit or loss.

Subsequent measurement

Financial assets carried at amortised cost (AC)

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.

Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

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

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Investment in Subsidiaries and Joint Ventures

Notes to the Financial Statements for the year ended March 31, 2020

Investment in Subsidiaries, Associates and Joint Ventures are carried at cost as per IND AS 27, Separate Financial Statements.

For financial reporting purpose, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the assets or liability.

Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost.
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset

Derecognition of financial instruments.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.20 Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. 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.

i) Depreciation / amortisation and useful lives of property, plant and equipment and intangible assets:

Property, plant and equipment are depreciated over their estimated useful lives of the assets, after taking into account their estimated residual value. Intangible assets are amortised over its estimated useful lives. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on technical advice and the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is revised if there are significant changes from previous estimates.

ii) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) Provisions and Contingencies

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

iv) Use of Estimates:

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses

Notes to the Financial Statements for the year ended March 31, 2020

during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

v) Estimation uncertainty relating to the global health pandemic :

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In assessing the recoverability of Company's Financial Assets and Non-Financial Assets, the Company has considered internal and external information. The Company has evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, there is no significant impact on its financial statements and the Company expects to recover the carrying amount of all its assets.

2.21 STANDARD/ AMMENDMENTS ISSUED:

Effective during the year

- (a) With effect from 1st April 2019, Ind AS 116 – “Leases” (Ind AS 116) supersedes Ind AS 17 – “Leases”. The Company has adopted Ind AS 116 using the modified retrospective approach. The application of Ind AS 116 has resulted into recognition of ‘Right-of-Use’ asset with a corresponding Lease Liability in the Balance Sheet.
- (b) Application of the following amendment did not have any impact on the standalone financial statements of the Company.
 - i) Amendments to Ind AS 109: Prepayment Features with Negative Compensation
 - ii) Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement
 - iii) Amendments to Ind AS 28: Long-term interests in associates and joint ventures
 - iv) Ind AS 103 Business Combinations
 - v) Ind AS 111 Joint Arrangements
 - vi) Ind AS 12 Income Taxes
 - vii) Ind AS 23 Borrowing Costs

Notes to the Financial Statements

(All amounts in Rs. million, unless otherwise stated)

3 Property, Plant and Equipment									
	Description of Assets	Leasehold Improvements	Plant and Equipment	Integrated Receiver Decoders	Equipments and Computer System	Furniture and Fixtures	Vehicles	Right to use Assets (Refer note 37)	Total
I. Gross Block									
	Balance as on April 1, 2018	469.13	818.87	430.69	728.66	77.77	102.14	-	2,627.26
	Additions	46.95	128.29	22.10	134.02	4.13	7.89	-	343.38
	Deductions	(5.44)	(3.26)	-	(56.43)	(2.55)	(13.93)	-	(81.61)
	Balance as on March 31, 2019	510.64	943.90	452.79	806.25	79.35	96.10	-	2,889.03
	Additions	37.86	164.56	5.15	101.96	10.62	-	817.30	1,137.45
	Deductions	-	(13.08)	-	(27.91)	(1.90)	(4.96)	-	(47.85)
	Balance as on March 31, 2020	548.50	1,095.38	457.94	880.30	88.07	91.14	817.30	3,978.63
II. Accumulated depreciation									
	Balance as on April 1, 2018	(367.86)	(449.40)	(329.82)	(432.65)	(43.60)	(32.71)	-	(1,656.04)
	Depreciation expense for the year	(73.70)	(56.40)	(122.97)	(163.59)	(4.40)	(24.74)	-	(445.80)
	Deductions	5.44	3.04	-	56.22	2.45	6.91	-	74.06
	Balance as on March 31, 2019	(436.12)	(502.76)	(452.79)	(540.02)	(45.55)	(50.54)	-	(2,027.78)
	Depreciation expense for the year	(66.29)	(68.73)	(5.15)	(166.83)	(6.48)	(20.85)	(338.22)	(672.55)
	Deductions	-	13.09	-	27.32	1.73	1.91	-	44.05
	Balance as on March 31, 2020	(502.41)	(558.40)	(457.94)	(679.53)	(50.30)	(69.48)	(338.22)	(2,656.28)
	Net block (I-II)								
	Balance as on March 31, 2020	46.09	536.98	-	200.77	37.77	21.66	479.08	1,322.35
	Balance as on March 31, 2019	74.52	441.14	-	266.23	33.80	45.56	-	861.25

3 Intangible assets

Description of Assets	Computer Software	Electronic Programming guide	Total
I. Intangible Assets			
Balance as on April 1, 2018	813.94	15.42	829.36
Additions	18.61	-	18.61
Disposals	(0.48)	-	(0.48)
Balance as on March 31, 2019	832.07	15.42	847.49
Additions	45.79	-	45.79
Disposal	-	-	-
Balance as on March 31, 2020	877.86	15.42	893.28

Notes to the financial statements

<i>(All amounts in Rs. million, unless otherwise stated)</i>			
II. Accumulated Amortisation	Computer Software	Electronic Programming guide	Total
Balance as on April 1, 2018	(502.14)	(15.42)	(517.56)
Amortisation expense for the year	(204.88)	-	(204.88)
Disposal	0.48	-	0.48
Balance as on March 31, 2019	(706.54)	(15.42)	(721.96)
Amortisation expense for the year	(118.27)	-	(118.27)
Disposal	-	-	-
Balance as on March 31, 2020	(824.81)	(15.42)	(840.23)
Net block (I-II)			
Balance as on March 31, 2020	53.05	-	53.05
Balance as on March 31, 2019	125.53	-	125.53
4 Investments		As at	As at
		March 31, 2020	March 31, 2019
Trade Investments			
<i>Investment in equity instruments (Fully paid up, unquoted at cost, unless stated otherwise)</i>			
(i) of Subsidiaries:			
2,951 equity shares (March 31, 2019: 2,951) of GBP 1 each held in Viacom18 Media (UK) Ltd		0.24	0.24
100 equity shares (March 31, 2019: 100) of USD 0.01 each held in Viacom18 US Inc.		0.24	0.24
5,768 equity shares (March 31, 2019: 5,768) of GBP 0.85 each held in Roptonal Limited, Cyprus		3,185.63	3,185.63
(ii) of Joint venture (IndiaCast Media Distribution Private Limited);			
228,000 equity shares (March 31, 2019: 228,000) of Rs. 10 each;		73.42	73.42
Total		<u>3,259.53</u>	<u>3,259.53</u>
5 Other Financial Assets (Non - Current)		As at	As at
		March 31, 2020	March 31, 2019
Security Deposits		203.70	206.18
Total		<u>203.70</u>	<u>206.18</u>
6 Deferred Tax Assets (Net)		As at	As at
		March 31, 2020	March 31, 2019
Deferred Tax Liability			
Inventory Amortisation		905.73	867.21
Less : Deferred Tax Assets (Refer note 6.1)			
Provision for Doubtful Debts		270.92	248.01
Expenses disallowed under section 43B		288.11	-
Expenses disallowed under section 40(a) allowable in later years		346.70	619.20
		<u>905.73</u>	<u>867.21</u>
Net Deferred Tax Assets		-	-

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

6.1 Recognition of Deferred Tax Asset is restricted to Deferred Tax Liability.

The movement in deferred tax asset and liabilities:	As at March 31, 2019	Credited / (charge) to Income statement / OCI	As at March 31, 2020
Deferred Tax assets:			
Provision for Doubtful Debts	248.01	22.91	270.92
Expenses disallowed under section 43B	-	288.11	288.11
Expenses disallowed under section 40(a) allowable in later years	619.20	(272.50)	346.70
Total	867.21	38.52	905.73
Deferred Tax liabilities:			
Expenses (Inventory Amortisation)	867.21	38.52	905.73
Total	867.21	38.52	905.73
Net deferred tax assets	-	-	-

The movement in deferred tax asset and liabilities:	As at March 31, 2018	Credited/ (charge) to Income statement / OCI	As at March 31, 2019
Deferred Tax assets:			
Provision for Doubtful Debts	324.34	(76.33)	248.01
Expenses disallowed under section 40(a) allowable in later years	528.26	90.94	619.20
Total	852.60	14.61	867.21
Deferred Tax liabilities:			
Expenses (Inventory Amortisation)	852.60	14.61	867.21
Total	852.60	14.61	867.21
Net deferred tax assets	-	-	-

6.2 The unrecognised deferred tax asset on MAT credits amounts to Rs. 2,474.52 million (March 31, 2019 Rs. 1,852.35 million) and other items amounts to Rs. 395.59 million (March 31, 2019 Rs. 2,738.19 million).

7 Other Non-current Assets	As at March 31, 2020	As at March 31, 2019
Capital Advances	28.16	15.89
Prepaid Rent	20.27	35.45
Advance Income Tax (Net of provision of Rs. 2,607.75 million, March 31, 2019; Rs. 1,839.85 million)	2,236.76	2,413.83
Advances to Vendors		
Considered Good	35.45	35.45
Doubtful	238.01	207.39
Total	273.46	242.84
Less: Allowance for doubtful Advances (Refer Note 7.1)	(238.01)	(207.39)
	35.45	35.45
Total	2,320.64	2,500.62

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
7.1 Movement in the allowance for doubtful Advances to Vendors		
At the beginning of the year	207.39	198.60
Movement during the year	<u>30.62</u>	<u>8.79</u>
At the end of the year	<u>238.01</u>	<u>207.39</u>
8 Inventories		
Programming and Film Rights	14,010.65	13,107.07
Projects in Progress	<u>6,300.33</u>	<u>5,882.35</u>
Total	<u>20,310.98</u>	<u>18,989.42</u>
9 Trade Receivables		
Unsecured, considered good*	13,905.38	9,712.22
Unsecured, Considered doubtful	<u>775.30</u>	<u>709.73</u>
Trade Receivables	14,680.68	10,421.95
Less: Allowance for Expected Credit Loss (Refer Note 9.1)	<u>775.30</u>	<u>709.73</u>
Total	<u>13,905.38</u>	<u>9,712.22</u>
Generally credit period ranges from advance to 60 days		
* Includes Trade Receivables from Related Parties (Refer Note 36)		
9.1 Movement in allowance for trade receivables		
At the beginning of the year	709.73	937.18
Movement during the year	<u>65.57</u>	<u>(227.45)</u>
At the end of the year	<u>775.30</u>	<u>709.73</u>
10 Cash and Cash Equivalents		
Bank balances		
In current accounts	<u>180.35</u>	<u>549.63</u>
Total	<u>180.35</u>	<u>549.63</u>
10 Bank balances other than above		
Other Bank balances		
In deposits	<u>0.75</u>	<u>0.75</u>
Total	<u>0.75</u>	<u>0.75</u>
11 Other Financial Assets (Current)		
Security Deposits	49.66	24.39
Interest accrued on bank deposits (Rs 4,041 March 31, 2020, Rs 4,854 March 31, 2019)	-	-
Accrued Revenue	<u>847.80</u>	<u>653.14</u>
Total	<u>897.46</u>	<u>677.53</u>

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

12 Other Current Assets	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	209.17	142.99
Advance to Suppliers	278.84	436.74
Balance with Government Tax Authorities	645.82	691.67
Advance to Employees	6.31	9.56
Total	1,140.14	1,280.96

13 Equity Share Capital	As at March 31, 2020	As at March 31, 2019
Authorised:		
19,50,00,000 (March 31, 2019: 194,995,922) equity shares of Rs. 10 each	1,950.00	1,949.96
Issued:		
113,730,248 (March 31, 2019: 113,730,248) equity shares of Rs. 10 each	1,137.30	1,137.30
Subscribed and Paid up:		
113,730,248 (March 31, 2019: 113,730,248) equity shares of Rs. 10 each (fully paid up)	1,137.30	1,137.30
Total	1,137.30	1,137.30

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Equity Shares:	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	113,730,248	1,137.30	113,730,248	1,137.30
Movement during the year	-	-	-	-
Balance as at the end of the year	113,730,248	1,137.30	113,730,248	1,137.30

(b) Rights, preferences and restrictions attached to shares:

(i) Equity Shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, (except in case of interim dividend), is subject to the approval of the share holders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all dues proportionate to their shareholding.

The authorized share capital of the Company has been reclassified from Rs. 195,00,00,000 (Indian Rupees One Hundred Ninety Five Crores Only) divided into 19,49,95,922 (Nineteen Crores Forty Nine Lacs and Ninety Five Thousand Nine Hundred and Twenty Two) Equity Shares of Rs. 10/- (Indian Rupees Ten Only) each and 4,078 (Four Thousand Seventy Eight) 0.001% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 10/- (Indian Rupees Ten Only) each to Rs. 195,00,00,000 (Indian Rupees One Hundred Ninety Five Crores Only) divided into 19,50,00,000 (Nineteen Crores Fifty Lacs Only) Equity Shares of Rs. 10/- (Indian Rupees Ten Only) each.

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

(c) Details of shares held by the shareholders holding more than 5% of the aggregate shares in the Company	As at March 31, 2020		As at March 31, 2019	
	Numbers	Amount	Numbers	Amount
<i>Equity Shares:</i>				
MTV Asia Ventures (India) Pte. Ltd., Mauritius	46,631,488	466.32	46,631,488	466.32
	(41%)		(41%)	
TV18 Broadcast Limited (Parent Company)	58,002,427	580.02	58,002,427	580.02
	(51%)		(51%)	
Nickelodeon Asia Holdings Pte Ltd. Singapore	9,096,333	90.96	9,096,333	90.96
	(8%)		(8%)	

(d) Of the above 18,192,666 equity shares were issued in the year 2016-2017 pursuant to scheme of amalgamation without payments being received in cash.

14 Other Equity	As at March 31, 2020	As at March 31, 2019
Business Reconstruction Reserve (Refer Note 38)		
Balance as at the beginning of the year	3,155.34	3,155.34
Balance as at the end of the year	3,155.34	3,155.34
Securities Premium		
Balance as at the beginning of the year	6,245.29	6,245.29
Balance as at the end of the year	6,245.29	6,245.29
Retained Earnings		
Balance as at the beginning of the year	2,787.24	1,977.36
Add: Profit for the year	3,535.41	810.09
Add: Remeasurement of defined benefit plans	(6.38)	(0.21)
Balance as at the end of the year	6,316.27	2,787.24
Capital Redemption Reserve (Refer Note 40)		
Balance as at the beginning of the year	0.04	0.04
Balance as at the end of the year	0.04	0.04
Total	15,716.94	12,187.91
15 Borrowings (non-current)	As at March 31, 2020	As at March 31, 2019
Vehicle Loan (Refer note 15.1 and 20)	10.36	26.56
Total	10.36	26.56

15.1 Maturity Profile of Vehicle Loan is as set out below:

Vehicle Loan From Bank	Non - Current		Current
	Above 5 Years	1-5 years	1 Year
As at March 31, 2020	-	10.36	13.82
As at March 31, 2019	-	26.56	22.99

Nature of Security and terms of repayment for secured borrowings

Nature of Security:

Motor Vehicles are secured with the bank for vehicle loans availed.

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

16 Other Financial Liabilities (Non Current)	As at March 31, 2020	As at March 31, 2019
Lease Liability (Refer note 37)	212.63	-
Total	212.63	-
17 Provisions (non-current)	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits: (Refer note 26.2)		
For Gratuity	184.13	143.82
Total	184.13	143.82
18 Borrowings (current)	As at March 31, 2020	As at March 31, 2019
Loans repayable on demand from Banks:		
Secured (Refer Note 18.2)	8,377.89	1,585.59
Unsecured	1,000.00	910.00
Commercial Paper (Unsecured)		
Others (Refer Note 18.3)	-	4,954.01
Total	9,377.89	7,449.60
18.1 Maturity Profile	As at March 31, 2020	As at March 31, 2019
Borrowing - Current		
Less than 3 months	8,657.89	7,449.60
3 months - 6 months	720.00	-
more than 6 months	-	-
Total	9,377.89	7,449.60
18.2 Loans repayable on demand from Banks are secured by a first <i>pari passu</i> charge over Fixed Assets and Current Assets.		
18.3 Maximum Commercial Paper outstanding during the year is Rs 4,984.45 million (March 31, 2019 Rs. 4,974.37 million).		
19 Trade Payables	As at March 31, 2020	As at March 31, 2019
Total Outstanding dues of Micro and Small enterprises	49.74	5.21
Total Outstanding dues of creditors other than Micro and Small enterprises	15,634.47	16,585.24
Total	15,684.21	16,590.45
19.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:		
Particular	As at March 31, 2020	As at March 31, 2019
Principal amount due and remaining unpaid	49.74	5.21
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable to the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

20 Other Financial Liabilities (current)	As at March 31, 2020	As at March 31, 2019
Current maturities of non current borrowings (Refer note 15)	13.82	22.99
Interest accrued but not due on borrowings	27.14	1.99
Lease Liability (Refer note 37)	290.92	-
Total	331.88	24.98
21 Other Current Liabilities	As at March 31, 2020	As at March 31, 2019
Income Received in Advance (Unearned revenue)	316.33	247.19
Statutory Dues (Goods and Service Tax, Withholding Taxes and Others)	571.17	396.83
Advance from customers	802.00	216.74
Total	1,689.50	860.76
22 Provisions - Current	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits: (Refer note 26.2)		
For Gratuity	40.00	40.00
Total	40.00	40.00
23 Revenue from Operations	Year ended March 31, 2020	Year ended March 31, 2019
Advertisement Sales, Subscription and Program Syndication	34,614.21	34,325.42
Film Distribution and Syndication	2,781.32	2,174.18
Other Operating Income	1,320.98	149.17
Total	38,716.51	36,648.77
24 Other Income	Year ended March 31, 2020	Year ended March 31, 2019
Interest from banks on deposits	0.05	0.13
Interest on Income tax refund	65.70	28.56
Finance Income (Fair Value of Security Deposits)	18.70	18.59
Miscellaneous Income	60.71	14.19
Total	145.16	61.47
25 Operational Expenses	Year ended March 31, 2020	Year ended March 31, 2019
Programming Costs	20,367.54	20,951.75
Marketing and Advertisement Costs	4,442.07	4,285.49
Transmission and Uplinking Costs	1,131.98	1,106.25
License Fees	288.55	274.79
Other Distribution Costs	1,654.64	1,804.18
Total	27,884.78	28,422.46

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

26 Employee Benefits Expense	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, Allowances and Bonus	3,548.32	4,039.94
Contribution to Provident and Other Funds (Refer note 26.1 below)	169.29	164.60
Gratuity (Refer note 26.2 below)	71.37	61.69
Staff Welfare Expenses	140.38	186.47
Total	3,929.36	4,452.70

26.1 Defined Contribution Plans

The Company's defined contribution plans are provident fund and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952).

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :	March 31, 2020	March 31, 2019
Employer's Contribution to Provident Fund	169.29	164.60

26.2 Defined Benefit Plans

The Company provides long-term benefits in the nature of Gratuity to its employees. In case of funded schemes, the funds are recognised by the Income tax authorities and administered through appropriate authorities/insurers. The Company's defined benefit plans include gratuity benefit to its employees which is funded through the Life Insurance Corporation of India.

(i) Reconciliation of opening and closing balances of Defined Benefit Obligation

	Gratuity (Funded)	
	March 31, 2020	March 31, 2019
Defined Benefit obligation at the beginning of the year	302.59	263.70
Current Service Cost	57.23	49.10
Interest Cost	23.27	20.59
Actuarial Loss / (Gain)	7.36	1.61
Benefits Paid	(26.99)	(32.41)
Defined Benefit obligation at the year end	363.46	302.59

(ii) Reconciliation of opening and closing balances of fair value of Plan Assets

	Gratuity (Funded)	
	March 31, 2020	March 31, 2019
Fair value of Plan assets at the beginning of the year	118.77	102.53
Expected return on plan assets	9.13	8.01
Actuarial gain / (loss)	0.98	1.39
Contributions by employer	37.44	39.25
Benefits Paid	(26.99)	(32.41)
Fair value of Plan assets at the year end	139.33	118.77

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

(iii) Reconciliation of fair value of assets and obligations

	Gratuity (Funded)	
	March 31, 2020	March 31, 2019
Present Value of Defined Benefit Obligation	363.46	302.59
Less: Fair Value of Plan Assets	<u>(139.33)</u>	<u>(118.77)</u>
Amount recognised as liability	<u>224.13</u>	<u>183.82</u>

(iv) Expenses recognised during the year

	Gratuity (Funded)	
	March 31, 2020	March 31, 2019
Current Service Cost	57.23	49.10
Interest Cost	23.27	20.59
Expected return on plan assets	(9.13)	(8.01)
Actuarial loss / (gain) recognised in OCI	<u>6.38</u>	<u>0.21</u>
Net Cost	<u>77.75</u>	<u>61.90</u>

(v) Investment details of Plan Assets

100% of the Plan Assets are in the form of funds managed by LIC and they do not provide breakup of plan assets by investment type.

Particulars	March 31, 2020	March 31, 2019
Funds Managed by LIC	<u>139.33</u>	<u>118.77</u>
Total	<u>139.33</u>	<u>118.77</u>

(vi) Actuarial Assumptions

	Gratuity (Funded)	
	March 31, 2020	March 31, 2019
Discount Rate (p.a.)	6.96%	7.69%
Expected Rate of Return on Plan Assets (p.a.)	6.96%	7.69%
Rate of escalation in salary (p.a.)	12.00%	12.00%
Attrition Rate	11.00%	11.00%

The discount rates reflect the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

The expected rate of return of plan assets is the Company's expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

(vii) Amounts recognised in current year and previous four years

Gratuity	March-20	March-19	March-18	March-17	March-16
Defined Benefit Obligation	363.46	302.59	263.70	175.31	133.67
Fair value of plan assets	139.33	118.77	102.53	80.07	66.63
(Surplus) / Deficit in the plan	224.13	183.82	161.17	95.24	67.04
Actuarial (gain) / loss on plan obligation	7.36	1.61	(5.63)	22.71	19.79
Actuarial (gain) / loss on plan assets	(0.98)	(1.39)	(1.33)	0.30	0.12

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

(viii) Sensitivity Analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

		March- 20	
		Defined benefit obligation	
		Increase in assumption	Decrease in assumption
	Discount rate (0.5% movement)	(12.77)	13.62
	Future salary appreciation (0.5% movement)	8.36	(8.27)
	Attrition rate (0.5% movement)	(2.41)	2.51
		March - 19	
		Defined benefit obligation	
		Increase in assumption	Decrease in assumption
	Discount rate (0.5% movement)	(10.37)	11.06
	Future salary appreciation (0.5% movement)	6.92	(6.85)
	Attrition rate (0.5% movement)	(1.54)	1.59
27	Finance Costs	Year ended	Year ended
		March 31, 2020	March 31, 2019
	Interest expense on borrowings	712.40	480.80
	Interest expense on lease liability	48.68	-
	Other financial charges	1.77	1.60
	Total	<u>762.85</u>	<u>482.40</u>
28	Depreciation and Amortisation Expense	Year ended	Year ended
		March 31, 2020	March 31, 2019
	Depreciation on Property, Plant and Equipments (Refer Note 3)	672.55	445.80
	Amortisation on Intangible Assets (Refer Note 3)	118.27	204.88
	Total	<u>790.82</u>	<u>650.68</u>

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

29 Other Expenses	Year ended March 31, 2020	Year ended March 31, 2019
Rent	113.09	441.57
Rates and taxes	9.52	9.23
Telephone and fax	24.81	33.29
Power and fuel	77.73	82.56
Insurance	0.43	2.34
Repairs to buildings	83.97	98.29
Repairs to plant and equipment	163.61	192.93
Repairs - others	227.58	236.93
Printing and stationery	17.58	17.65
Postage and freight	3.97	2.03
Legal and professional fees	198.90	376.67
Payment to Auditors		
- Audit fees	9.40	9.40
- Certification fees/Other services	4.20	3.00
- Reimbursement of Expenses	0.10	0.07
Travel, Conveyance and Accommodation	195.19	311.72
Net Loss / (Gain) on Disposal of property plant and equipments	0.23	(1.37)
Net (Gain) / Loss on foreign currency transactions and translations	(66.16)	37.21
Allowance for doubtful trade receivables and advances (net)	50.37	(218.66)
Bad debts and advances written off	2.52	70.60
Corporate Social Responsibility Expenses (Refer Note 39)	15.80	21.82
Directors Sitting Fees and Commission	0.45	0.55
Miscellaneous expenses	11.44	44.55
Total	<u>1,144.73</u>	<u>1,772.38</u>
30 Exceptional Items	Year ended March 31, 2020	Year ended March 31, 2019
Allowance for trade receivables	<u>(45.82)</u>	<u>-</u>
Total	<u>(45.82)</u>	<u>-</u>

Television Home Shopping Network Limited (formerly known as TV18 Home Shopping Network Limited) (“Homeshop”) ceased to be an associate of Network18 Media & Investments Limited, the Holding Company of the Parent Company, with effect from 6th June, 2019 and subsequently the Holding Company of the Parent Company sold its investment in Homeshop. Exceptional items represents trade receivables from Homeshop.

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

31 Income Tax Expense

- (a) A reconciliation of the Income tax expenses to the amount computed by applying the statutory income tax rate to income before income tax expense is summarised below:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit before tax	4,303.30	929.62
Enacted tax rates (MAT)	34.94%	34.94%
Computed tax charge / (benefit)	1,503.74	324.85
Tax effect of:		
Net Expenses Allowed	(82.98)	(1,312.52)
(Utilise) / Unused Tax Losses / Tax Credit	(652.86)	1,141.20
Excess provision for tax relating to earlier years	-	(33.99)
Income Tax charge	767.90	119.53
Effective Tax Rate	17.84%	12.86%

The tax rate used for the reconciliations above is the corporate tax rate payable by corporate entities in India on taxable profit under the Income tax law.

(b) Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Advance Income Tax (Net of Provision)		
At the start of the year	2,413.83	1,732.40
Current Tax (charge) / credit for the year	(767.90)	(119.53)
Tax Paid / (Refund) during the year	590.83	800.96
At the end of the year	2,236.76	2,413.83

32 Earnings Per Equity Share (EPS)

	Year ended March 31, 2020	Year ended March 31, 2019
Profit for the year	3,535.41	810.09
Weighted average number of equity shares outstanding (Nos.) for basic and diluted EPS	113,730,248	113,730,248
Nominal value of shares (Rs.)	10.00	10.00
EPS		
Basic earning per share (Rs.)	31.09	7.12
Diluted earning per share (Rs.)	31.09	7.12

33 Contingent Liabilities (to the extent not provided for)

	As at March 31, 2020	As at March 31, 2019
Claims against the Company not acknowledged as debts:		
<i>Legal matters:</i>		
i. Case filed against the Company for infringement of literary and copyrights right	30.00	30.00
ii. Cases filed against the Company in distribution business matters and other matters	64.39	115.06
<i>Taxation matters:</i>		
i. Income Tax *	1,409.32	1,409.32
ii. Service Tax ^	548.56	384.69
iii. VAT & CST \$	39.84	58.86
iv. Entertainment Tax #	31.64	31.64
<i>Corporate Guarantee given by the Company</i>	101.00	194.40

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

- (a) The Company is confident of successfully contesting the aforesaid and does not expect any substantial cash outflow.
 (b) The Company does not expect any reimbursements in respect of the above contingent liabilities.

* Income tax demands mainly relate to various Financial years and include appeals filed by the Company / Revenue authority before various appellate authorities pertaining to transfer pricing adjustment, disallowance of expenses etc.

^ Service tax relate to various Financial years at various appellant authority pertain to notices received for applicability of service tax on reimbursement of expenses received from overseas companies, commission income earned, sale of music rights, dispute on account of provision of exempted / export of services viz a viz taxable service, dispute on account of reversal u/r 6(3) of CENVAT Credit Rules, 2004 etc

\$ VAT and CST demands relate to various Financial years which include appeals filed by the Company before various appellant authorities against exparte order, disallowance of claims of input tax credit, determination of taxable turnover related to export viz a vis taxable, WCT TDS liability etc.

Demands towards Entertainment tax for Financial Year 2015-16.

34 Capital and other commitments

	As at March 31, 2020	As at March 31, 2019
(a) Capital Commitments		
The estimated value of contracts on capital account remaining to be executed and not provided for;	126.46	231.82
(b) Other Commitments		
The Company has entered into certain non-cancellable agreements with vendors, the cancellation of which will entail substantial monetary compensation.	192.19	305.95

- 35 The Company operates in a single reportable operating segment 'Media Operations'. Hence there are no separate reportable segments in accordance with Ind AS 108 'Operating Segments'. Since the Company's operations are primarily in India, it has determined single geographical segment.

Two customer represents more than 10% of the Company's total revenue during the year as well as previous year.

36 Related Party Disclosures

(a) Names of related parties and nature of relationship:

Sr. no.	Name of Related Party	Relationship
1	TV18 Broadcast Limited (51% Share holder) ^	Parent Company
2	ViacomCBS Inc. (Formerly Viacom Inc.)	Significant Influence over the Company
3	MTV Asia Ventures (India) Pte. Ltd., Mauritius (41% Share holder)	
4	Nickelodeon Asia Holdings Pte Ltd. Singapore (8% Share holder)	
5	VIMN Netherlands BV \$	
6	MTV Networks Europe \$	
7	Paramount Pictures International Limited \$	
8	Paramount Pictures Corporation \$	
9	MTV Asia LDC \$	
10	Reliance Industries Limited (RIL) ^	Beneficiary / Protector of Independent Media Trust
11	Viacom18 US Inc ^	Subsidiary Companies
12	Viacom18 Media (UK) Ltd. ^	
13	Roptonal Limited, Cyprus ^	
14	Indiacast Media Distribution Private Limited	Joint Venture Entity

Notes to the financial statements

Sr. no.	Name of Related Party	Relationship
15	IndiaCast US Ltd	Subsidiaries of Joint Venture Entity
16	IndiaCast UK Ltd	
17	Network18 Media & Investments Limited ^	Holding Company of the Parent
18	AETN18 Media Private Limited	Fellow Subsidiaries
19	Colosseum Media Private Limited	
20	Reliance Jio Messaging Services Limited	
21	Reliance Jio Infocomm Limited	
22	Reliance Corporate It Park Limited	
23	Saavan LLC	
24	Reliance Retail Limited	
25	Reliance Brands Limited	
26	Reliance Lifestyle Holdings Limited	
27	Reliance Digital Platform & Project Services Limited	
28	Fantain Sports Private Limited	
29	TV18 Home Shopping Network Limited #	
30	Jio Haptik Technologies Limited	
31	Football Sports Development Limited	Joint Ventures ('JV') of Beneficiary/ Protector of Independent Media Trust
32	IMG Reliance Limited	
33	IBN Lokmat News Private Limited	Joint Venture of Parent Company
34	Eenadu Television Private Limited	Associate of Parent Company
35	Bigtree Entertainment Private Limited	Associate of Holding Company of the Parent
36	GTPL Hathway Private Limited	Associates of Fellow Subsidiaries
37	Sudhanshu Vats [CEO and Managing Director] *	Key Managerial Personnel
38	Soumen Ray [CFO till July 31, 2018]	
39	Mukesh Mundra [CFO]	
40	Amit Kumar Sohni [CS w.e.f. April 1, 2019]	

^ Control exists

\$ Subsidiaries and Associates of the companies having Significant Influence over the Company.

Fellow Subsidiary till 6th June 2019

* Associated with the Company till April 15, 2020

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

(b) Details of balances and transactions during the year with related parties

Particulars	Parent Company	Subsidiary Companies	Joint Venture and its subsidiaries	Fellow Subsidiaries, Associates and Joint Ventures	Holding Company of the Company's Parent	Significant Influence over the Company	Key Managerial Personnels
Transactions during the year							
Income from operations and other income							
TV18 Broadcast Ltd.	11,160.03	-	-	-	-	-	-
	(7,576.89)	-	-	-	-	-	-
IndiaCast Media Distribution Private Limited	-	-	1,700.56	-	-	-	-
	-	-	(1,881.74)	-	-	-	-
Indiacast US Ltd	-	-	184.62	-	-	-	-
	-	-	(148.69)	-	-	-	-
Indiacast UK Ltd	-	-	1,057.35	-	-	-	-
	-	-	(1,140.23)	-	-	-	-
Eenadu Television Private Limited	-	-	-	13.52	-	-	-
	-	-	-	(11.30)	-	-	-
Reliance Brands Limited	-	-	-	0.60	-	-	-
	-	-	-	(0.50)	-	-	-
Network18 Media & Investments Limited	-	-	-	-	0.90	-	-
	-	-	-	-	(1.50)	-	-
Football Sports Development Limited	-	-	-	-	-	-	-
	-	-	-	(48.00)	-	-	-
Bigtree Entertainment Private Limited	-	-	-	3.70	-	-	-
	-	-	-	-	-	-	-
TV18 Home Shopping Network Limited	-	-	-	-	-	-	-
	-	-	-	(6.15)	-	-	-
ViacomCBS Inc. (Formerly Viacom Inc.)	-	-	-	-	-	4.37	-
	-	-	-	-	-	-	-
IMG Reliance Limited	-	-	-	180.00	-	-	-
	-	-	-	(90.00)	-	-	-
AETN18 Media Private Limited	-	-	-	0.05	-	-	-
	-	-	-	-	-	-	-
Nickelodeon Asia Holdings Pte Ltd.	-	-	-	-	-	2.60	-
	-	-	-	-	-	(7.50)	-
Reliance Digital Platform & Project Services Limited	-	-	-	520.00	-	-	-
	-	-	-	-	-	-	-
Fantain Sports Private Limited	-	-	-	0.28	-	-	-
	-	-	-	-	-	-	-
Reliance Lifestyle Holdings Limited	-	-	-	0.29	-	-	-
	-	-	-	-	-	-	-

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

Particulars	Parent Company	Subsidiary Companies	Joint Venture and its subsidiaries	Fellow Subsidiaries, Associates and Joint Ventures	Holding Company of the Company's Parent	Significant Influence over the Company	Key Managerial Personnels
Expenditure for services received							
TV18 Broadcast Ltd.	143.56	-	-	-	-	-	-
	(141.44)	-	-	-	-	-	-
IBN Lokmat News Private Limited	-	-	-	0.78	-	-	-
	-	-	-	(1.87)	-	-	-
IndiaCast Media Distribution Private Limited	-	-	5.87	-	-	-	-
	-	-	(10.03)	-	-	-	-
Bigtree Entertainment Private Limited	-	-	-	5.87	-	-	-
	-	-	-	(65.73)	-	-	-
Colosseum Media Pvt Ltd	-	-	-	360.92	-	-	-
	-	-	-	(371.50)	-	-	-
Network18 Media & Investments Limited	-	-	-	-	2.83	-	-
	-	-	-	-	(3.87)	-	-
Eenadu Television Private Limited	-	-	-	39.59	-	-	-
	-	-	-	(71.35)	-	-	-
Reliance Jio Infocomm Ltd	-	-	-	7.13	-	-	-
	-	-	-	(10.65)	-	-	-
Reliance Corporate IT Park Ltd	-	-	-	-	-	-	-
	-	-	-	(3.00)	-	-	-
Saavan LLC	-	-	-	-	-	-	-
	-	-	-	(2.18)	-	-	-
Football Sports Development Ltd	-	-	-	-	-	-	-
	-	-	-	(48.00)	-	-	-
GTPL Hathway Private Limited	-	-	-	0.00	-	-	-
	-	-	-	(0.00)	-	-	-
ViacomCBS Inc. (Formerly Viacom Inc.)	-	-	-	-	-	258.93	-
	-	-	-	-	-	(229.21)	-
VIMN Netherlands BV	-	-	-	-	-	29.05	-
	-	-	-	-	-	(27.27)	-
Paramount Pictures International Limited	-	-	-	-	-	40.43	-
	-	-	-	-	-	(780.69)	-
Nickelodeon Asia Holdings Pte Ltd.	-	-	-	-	-	12.06	-
	-	-	-	-	-	-	-
MTV Asia LDC	-	-	-	-	-	28.65	-
	-	-	-	-	-	(78.09)	-

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

Particulars	Parent Company	Subsidiary Companies	Joint Venture and its subsidiaries	Fellow Subsidiaries, Associates and Joint Ventures	Holding Company of the Company's Parent	Significant Influence over the Company	Key Managerial Personnels
IMG Reliance Limited	-	-	-	180.00	-	-	-
	-	-	-	(90.00)	-	-	-
Reliance Retail Limited	-	-	-	4.36	-	-	-
	-	-	-	-	-	-	-
Indiawins Sports Private Limited	-	-	-	162.50	-	-	-
	-	-	-	-	-	-	-
Jio Haptik Technologies Limited	-	-	-	0.32	-	-	-
	-	-	-	-	-	-	-
Purchase of Content *							
ViacomCBS Inc. (Formerly Viacom Inc)	-	-	-	-	-	732.83	-
	-	-	-	-	-	(732.83)	-
Reimbursement of expenses (paid)							
TV18 Broadcast Ltd.	1,610.53	-	-	-	-	-	-
	(74.12)	-	-	-	-	-	-
IndiaCast Media Distribution Private Limited	-	-	1,536.86	-	-	-	-
	-	-	(1,807.05)	-	-	-	-
Indiacast UK Ltd	-	-	83.78	-	-	-	-
	-	-	(63.75)	-	-	-	-
Indiacast US Ltd	-	-	19.53	-	-	-	-
	-	-	(8.33)	-	-	-	-
Paramount Pictures Corporation	-	-	-	-	-	-	-
	-	-	-	-	-	(2.29)	-
Reimbursement of expenses (received)							
AETN18 Media Private Limited	-	-	-	2.04	-	-	-
	-	-	-	(3.29)	-	-	-
Bigtree Entertainment Private Limited	-	-	-	39.96	-	-	-
	-	-	-	(43.38)	-	-	-
Paramount Pictures International Limited	-	-	-	-	-	40.53	-
	-	-	-	-	-	(414.81)	-
Reliance Lifestyle Holdings Limited	-	-	-	-	-	-	-
	-	-	-	(0.40)	-	-	-
ViacomCBS Inc. (Formerly Viacom Inc.)	-	-	-	-	-	13.18	-
	-	-	-	-	-	(1.64)	-
IMG Reliance Limited	-	-	-	0.90	-	-	-
	-	-	-	-	-	-	-

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

Particulars	Parent Company	Subsidiary Companies	Joint Venture and its subsidiaries	Fellow Subsidiaries, Associates and Joint Ventures	Holding Company of the Company's Parent	Significant Influence over the Company	Key Managerial Personnels
IndiaCast Media Distribution Private Limited	-	-	6.23	-	-	-	-
	-	-	-	-	-	-	-
Indiawins Sports Private Limited	-	-	-	0.32	-	-	-
	-	-	-	-	-	-	-
Network18 Media & Investments Limited	-	-	-	-	0.03	-	-
	-	-	-	-	-	-	-
Remuneration							
Managerial Remuneration	-	-	-	-	-	-	66.38
	-	-	-	-	-	-	(124.40)
Redemption of Compulsory Convertible Debentures							
IndiaCast Media Distribution Private Limited	-	-	-	-	-	-	-
	-	-	(400.00)	-	-	-	-
III. Balances at year end	-	-	-	-	-	-	-
Payables	-	-	-	-	-	-	-
TV18 Broadcast Ltd.	1,244.65	-	-	-	-	-	-
	(114.36)	-	-	-	-	-	-
IBN Lokmat News Private Limited	-	-	-	-	-	-	-
	-	-	-	(0.62)	-	-	-
Roptonal Limited	-	784.56	-	-	-	-	-
	-	(784.56)	-	-	-	-	-
IndiaCast Media Distribution Private Limited	-	-	1,356.19	-	-	-	-
	-	-	(282.73)	-	-	-	-
INDIACAST UK LTD	-	-	12.52	-	-	-	-
	-	-	(9.88)	-	-	-	-
INDIACAST US LTD	-	-	2.62	-	-	-	-
	-	-	(0.83)	-	-	-	-
Network18 Media & Investments Limited	-	-	-	-	1.73	-	-
	-	-	-	-	(0.72)	-	-
Colosseum Media Pvt Ltd	-	-	-	103.88	-	-	-
	-	-	-	(177.30)	-	-	-
Bigtree Entertainment Private Limited	-	-	-	0.00	-	-	-
	-	-	-	(64.70)	-	-	-
ViacomCBS Inc. (Formerly Viacom Inc.)	-	-	-	-	-	231.72	-
	-	-	-	-	-	(170.24)	-
Eenadu Television Private Limited	-	-	-	-	-	-	-
	-	-	-	(2.07)	-	-	-

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

Particulars	Parent Company	Subsidiary Companies	Joint Venture and its subsidiaries	Fellow Subsidiaries, Associates and Joint Ventures	Holding Company of the Company's Parent	Significant Influence over the Company	Key Managerial Personnels
Nickelodeon Asia Holdings Pte Ltd	-	-	-	-	-	22.45	-
	-	-	-	-	-	(0.65)	-
Football Sports Development Limited	-	-	-	-	-	-	-
	-	-	-	(5.31)	-	-	-
Paramount Pictures International Limited	-	-	-	-	-	559.04	-
	-	-	-	-	-	(695.44)	-
IMG Reliance Limited	-	-	-	-	-	-	-
	-	-	-	(103.50)	-	-	-
VIMN Netherlands BV	-	-	-	-	-	12.33	-
	-	-	-	-	-	(13.54)	-
MTV Asia LDC	-	-	-	-	-	66.19	-
	-	-	-	-	-	(78.09)	-
Reliance Jio Infocomm Ltd	-	-	-	0.21	-	-	-
	-	-	-	(6.30)	-	-	-
Indiawins Sports Private Limited	-	-	-	51.03	-	-	-
	-	-	-	-	-	-	-
Receivables							
Viacom18 Media (UK) Limited	-	75.31	-	-	-	-	-
	-	(72.91)	-	-	-	-	-
Viacom18 US Inc.	-	81.92	-	-	-	-	-
	-	(74.87)	-	-	-	-	-
TV18 Broadcast Ltd.	5,914.51	-	-	-	-	-	-
	(3,796.51)	-	-	-	-	-	-
TV18 Broadcast Ltd. (Security Deposit)	4.58	-	-	-	-	-	-
	(4.58)	-	-	-	-	-	-
IndiaCast Media Distribution Private Limited	-	-	767.66	-	-	-	-
	-	-	(618.01)	-	-	-	-
Indiacast US Ltd	-	-	57.66	-	-	-	-
	-	-	(29.38)	-	-	-	-
Indiacast UK Ltd	-	-	398.88	-	-	-	-
	-	-	(262.64)	-	-	-	-
AETN18 Media Private Limited	-	-	-	0.00	-	-	-
	-	-	-	(0.80)	-	-	-
TV18 Home Shopping Network Limited	-	-	-	-	-	-	-
	-	-	-	(45.82)	-	-	-
Bigtree Entertainment Private Limited	-	-	-	96.55	-	-	-
	-	-	-	(119.81)	-	-	-

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

Particulars	Parent Company	Subsidiary Companies	Joint Venture and its subsidiaries	Fellow Subsidiaries, Associates and Joint Ventures	Holding Company of the Company's Parent	Significant Influence over the Company	Key Managerial Personnels
ViacomCBS Inc. (Formerly Viacom Inc.)	-	-	-	-	-	4.59	-
	-	-	-	-	-	(1.72)	-
Eenadu Television Private Limited	-	-	-	0.42	-	-	-
	-	-	-	(1.14)	-	-	-
Eenadu Television Private Limited (Security Deposit)	-	-	-	4.00	-	-	-
	-	-	-	(5.90)	-	-	-
Nickelodeon Asia Holdings Pte Ltd	-	-	-	-	-	-	-
	-	-	-	-	-	(5.71)	-
Football Sports Development Limited	-	-	-	-	-	-	-
	-	-	-	(5.31)	-	-	-
Reliance Jio Messaging Services Ltd	-	-	-	0.06	-	-	-
	-	-	-	(0.06)	-	-	-
Reliance Brands Limited	-	-	-	0.88	-	-	-
	-	-	-	(0.61)	-	-	-
Reliance Lifestyle Holdings Limited	-	-	-	0.33	-	-	-
	-	-	-	(0.45)	-	-	-
Paramount Pictures International Limited	-	-	-	-	-	437.29	-
	-	-	-	-	-	(414.81)	-
IMG Reliance Limited	-	-	-	-	-	-	-
	-	-	-	(106.20)	-	-	-
Reliance Retail Limited	-	-	-	0.16	-	-	-
	-	-	-	-	-	-	-
GTPL Hathway Private Limited	-	-	-	0.02	-	-	-
	-	-	-	-	-	-	-
MTV Networks Europe	-	-	-	-	-	9.50	-
	-	-	-	-	-	(8.69)	-

* Pursuant to agreement entered into with ViacomCBS Inc. (Formerly Viacom Inc.), the Company has acquired certain rights including digital content for a period of 3 years aggregating Rs. 1,465.65 million. As per the agreement, ViacomCBS Inc. (Formerly Viacom Inc.) has raised an invoice of Rs. 732.83 million which is already paid as per payment terms of the agreement.

(c) Figures in bracket are in respect of previous year.

37 Leases

- (i) The Company adopted Ind AS 116 "Leases" effective 1st April, 2019 and applied the standard to all lease contracts existing on 1st April, 2019 using modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and right-of-use asset at an amount equal to lease liability adjusted by the amount of any prepaid and accrued lease payment related to that assets recognised in balance sheet immediately preceding the date of initial application. On transition, the adoption of the new standard resulted in recognition of 'Right-of-Use' asset of Rs 817.30 million and a lease liability of similar amount.
- (ii) The table below provides details regarding the contractual maturities of lease liabilities as at 31st March, 2020 on an undiscounted basis:

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

	As at March 31, 2020
a) Less than one year	336.71
b) One to five years	200.97
c) More than five years	23.02
	<u>560.70</u>

38 Business Reconstruction Reserve (“BRR”)

The Board of Directors of the Company passed a resolution approving the capital reduction under the provisions of the Companies Act, 1956 on November 19, 2013. Further, the Shareholders of the Company approved the capital reduction in the extra ordinary general meeting convened by the Company on November 21, 2013. The Hon’ble Bombay High Court approved the said capital reduction vide its Order dated January 24, 2014 and the Order of the Hon’ble Bombay High Court has been filed with the Registrar of Companies on March 19, 2014. Accordingly, in pursuance to the capital reduction scheme, the balance lying to the credit of Securities Premium Account to the extent of Rs. 8,007.40 million as determined by the Board of Directors has been transferred to Business Reconstruction Reserve (“BRR”) Account.

As per the said Order, the amount standing to the credit of BRR Account shall be utilized towards expenses and losses including, but not limited to, impairment/ amortisation of goodwill and other assets, stamp duty, interest and other financial charges, etc. payable by the Company in connection with the business/asset acquisition by the Company, as well as write off of accumulated debit balance of the Profit and Loss Account of the Company.

Balance lying under BRR as at March 31, 2020 is Rs. 3,155.34 and as at March 31, 2019 is Rs. 3,155.34 after adjusting expenses amounting to Rs. 401.50 million towards write down of inventory and write off of advances given towards stalled projects. Further, an amount equivalent to the charge of Rs. 4,450.56 million has been adjusted against BRR on account of amalgamation in the earlier years.

39 Expenses towards Corporate Social Responsibility

	Year ended March 31, 2020	Year ended March 31, 2019
(a) Gross amount required to be spent by the Company during the year.	15.74	21.77
(b) Amount spent during the year on:		

As at March 31, 2020

Sr. No.	Particulars	In Cash/Chq/ Transf	Yet to be paid	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	15.80	-	15.80

As at March 31, 2019

Sr. No.	Particulars	In Cash/Chq/ Transf	Yet to be paid	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	21.82	-	21.82

40 Capital Redemption Reserve (“CRR”)

During the financial year 2017-18, the Company had redeemed 4,078, 0.001% Optionally Convertible Non-Cumulative Redeemable Preference Shares (“OCRPS”) of Rs. 10/- each held by TV18 Broadcast Limited by way of cash at the price at which such OCRPS were issued (ie Rs. 595 per OCRPS) aggregating to Rs. 2.43 million.

In accordance with provisions of section 55 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, the Company had transferred an amount equal to the nominal amount of the shares to be redeemed to Capital Redemption Reserve Account, amounting to Rs. 0.04 million.

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

41 Capital risk management

The Company's objectives when managing capital is to safeguard continuity as a going concern and provide adequate return to shareholders through continuing growth and maintain an optimal capital structure to reduce the cost of Capital. The Company sets the amount of capital required on the basis of annual business plan and long-term operating plans which include capital investments. The funding requirements are primarily met through judicious mix of long-term and short-term borrowings. The Company monitors capital on basis of total debt to total equity on a periodic basis.

The following table summarizes the capital of the Company:

	As at March 31, 2020	As at March 31, 2019
Gross Debt	9,402.07	7,499.15
Less : Cash and Cash Equivalents	180.35	549.63
Net Debt (A)	9,221.72	6,949.52
Equity Share Capital	1,137.30	1,137.30
Other Equity	15,716.94	12,187.91
Total Equity (B)	16,854.24	13,325.21
Net Gearing Ratio (A)/(B)	55%	52%

42 Financial Risk Management

A wide range of risks may affect the Company's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

The Board of Directors of the Company manage and review the affairs of the Company by setting up short term and long term budgets by monitoring the same and taking suitable actions to minimize potential adverse effects on its operational and financial performance.

(a) Market risk

The Company is primarily exposed to the following market risks.

(i) Currency risk

The Company is exposed to currency risk on receivables and payables that are denominated in foreign currencies.

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at the end of the reporting period are as follows;

Particulars	Foreign Currency Denomination	As at March 31, 2020		As at March 31, 2019	
		Foreign Currency (In Millions)	Rupee Equivalent (In Millions)	Foreign Currency (In Millions)	Rupee Equivalent (In Millions)
Trade Receivables	GBP	1.82	169.98	2.63	238.06
	EURO	0.00	0.18	0.17	12.95
	USD	23.40	1,770.67	12.42	859.24
	CAD	0.18	9.49	0.22	11.31
Advance from customers	EUR	0.00	0.01	0.16	12.76
	USD	2.65	200.50	2.48	171.47
Trade Payables	EURO	0.02	1.60	0.01	1.15
	GBP	0.20	18.86	0.13	11.74
	SGD	0.01	0.67	-	-
	USD	4.06	306.90	4.39	303.46
	AED	0.07	1.40	1.11	20.99
Advances	USD	0.33	24.96	0.12	8.40

1% appreciation/ depreciation of the respective foreign currencies with respect to the functional currency of the Company would result in an increase/ decrease in the Company's profit before tax by Rs 24.97 million (March 31, 2019 Rs 16.52 million) for the year ended March 31, 2020.

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

(ii) **Interest rate risk:**

The Company's exposure to the risk of changes in market interest rate relates to floating rate debt obligations.

The Company's borrowings at the end of the financial year are as follows:

Borrowings	As at	As at
	March 31, 2020	March 31, 2019
Current Borrowings	9,377.89	7,449.60

For floating rate borrowings, the sensitivity analysis is prepared assuming 1% change in the interest rate on average borrowings for the year.

1% appreciation/ depreciation in interest rates for the reporting period would result in decrease/increase in the Company's profit before income tax by approximately Rs. 99.05 million (March 31, 2019 Rs. 63.58 million) for the year ended March 31, 2020.

(b) **Credit Risk**

Credit risk refers to the risk that the counter party will default on its contractual obligation resulting in financial loss to the Company. The Company has adopted a policy of dealing with only credit worthy counter parties. This risk principally arises from credit exposures to customers, deposits with banks and financial institutions and other receivables.

- (i) Trade and other receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Receivables mainly consist of advertisement sales, subscription income and other streams of revenue. The Company has a dedicated Credit and Control team primarily responsible for monitoring credit risk and receivables. They monitor outstanding receivables along with ageing on periodic basis. For advertisement sales receivables which are past due, the Company approaches The Indian Broadcasting Federation to impose an embargo on the customer / agency. For receivables pertaining to other streams of revenues, the credit and collection team regularly follows up for the collection and in rare cases of long past due, legal proceeding for recovery is initiated.

Trade receivables consist of a large number of customers, representing diverse industries and geographical areas, hence the Company is not exposed to concentration risks.

(c) **Liquidity risk**

Liquidity risk refers to the risk that the Company may not be in a position to meet its financial obligations timely.

Management monitors rolling forecasts of the Company's liquidity position (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The total borrowing facility available to the Company is Rs. 12,750 million (Rs. 10,750 million as at March 31, 2019) and undrawn borrowing facility was Rs. 3,449 million (Rs. 8,270 million as at March 31, 2019)

43 Fair Value Measurements

Financial Assets	As at	As at
	March 31, 2020	March 31, 2019
Investments	3,259.53	3,259.53
Trade Receivables	13,905.38	9,712.22
Cash and cash equivalents	180.35	549.63
Other Bank balances	0.75	0.75
Other financial assets	1,101.16	883.71
Total	18,447.17	14,405.84

Notes to the financial statements

(All amounts in Rs. million, unless otherwise stated)

Financial Liabilities	As at March 31, 2020	As at March 31, 2019
Borrowings	9,388.25	7,476.16
Trade Payables	15,684.21	16,590.45
Other financial liabilities (Including current maturities of long term borrowings)	544.51	24.98
Total	25,616.97	24,091.59

The fair values of the above financial assets and liabilities approximates their carrying amounts and Investments are carried at Cost.

44 The financial statements were approved for issue by the board of directors on April 22, 2020

For and on behalf of the Board of Directors

Rahul Joshi
Director
DIN : 07389787

Jyoti Deshpande
Director
DIN: 02303283

Mukesh Mundra
Chief Financial Officer
Place: Mumbai
Date: April 22, 2020

Amit Kumar Sohni
Company Secretary
Place: Mumbai
Date: April 22, 2020