

INDEPENDENT AUDITOR’S REPORT

To the Members of
Zee Entertainment Enterprises Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED
FINANCIAL STATEMENTS

OPINION

1. We have audited the accompanying consolidated financial statements of Zee Entertainment Enterprises Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint venture, as listed in Annexure I, which comprise the Consolidated Balance Sheet as at 31 March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and its joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its joint venture, as at 31 March 2026, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements

that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER – EOM BY COMPONENT
AUDITOR WITH RESPECT TO LEASE CANCELLATION
OF JAIPUR PROPERTY

4. In relation to the matter described in Note 51 to the accompanying consolidated financial statements, the following Emphasis of Matter paragraph is reported by another firm of Chartered Accountants in their audit report dated 15 May 2026 on the financial statements of Zee Studios Limited, a subsidiary of the Holding Company which is reproduced by us as under:

"We draw attention to Note XX of the financial statements regarding cancellation of land lease at Jaipur by Rajasthan State Industrial Development & Investment Corporation Limited (RIICO). Subsequent to rejection of its review/dismissal of appeal and further issue of show cause notice by RIICO, the Company has taken necessary steps for obtaining appropriate relief and based on the merits of the case including legal opinion obtained, believes that it has a strong legal position and accordingly no impairment is required to be carried out to the carrying values of the property, plant and equipment and right-of-use assets."

KEY AUDIT MATTERS

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and its joint venture, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the Key Audit Matters
(i) Ongoing regulatory investigations by SEBI and MCA (Refer note 50 of the consolidated financial statements) The Holding Company, certain subsidiaries, a current key managerial personnel ('KMP') and ex-directors are involved in an ongoing investigation being conducted by the Securities and Exchange Board of India ('SEBI'), and an inspection being conducted by the Ministry of Corporate Affairs ('MCA') under Section 206(5) of the Act, with respect to certain transactions in earlier years with the vendors of the Holding Company and one of the subsidiary companies. In connection with the ongoing investigation, the Group has received summons and show cause notices (SCNs) from SEBI alleging irregularities in relation to certain transactions entered into by the Group in earlier years with respect to alleged lien on property of the Holding Company, violations of SEBI regulations in connection with investments made in inter-corporate deposits, film advances, related party transactions and disclosure/control issues for earlier periods. The Board of Directors ('Board') of the Holding Company had constituted an "Independent Investigation Committee" (Committee) (IIC) to review the allegations against the Group, which concluded the investigation, and the report was placed before the Board of Directors, noting no material irregularities and that the transactions (under investigation) were conducted in normal course of business. The Board and the management, based on review of records of the Holding Company and its subsidiary, determined the transactions (including refunds) were against consideration for valid goods and services received. The Board continues to monitor the progress of aforesaid matters. The Holding Company has furnished/is in the process of submitting its reply based on legal advice denying allegations and has also filed settlement applications, which are under consideration by SEBI. Based on legal assessment, the management does not expect any material adverse impact on the operations and consolidated financial statements of the Group with respect to the aforesaid matters. Considering the significance of amounts involved for underlying transactions being subject to investigation, uncertainty associated with the ultimate outcome of these investigations and significance of management judgement involved in assessing the outcome of these investigations and determining the required disclosure, this matter has been considered as a key audit matter in the audit of the consolidated financial statements. Further, we have also determined this matter to be fundamental to the user's understanding of the consolidated financial statements.	Our audit in relation to ongoing regulatory inspections included, but was not limited to, the following procedures: - Obtained an understanding of management process and controls for evaluating the impact of any regulatory proceedings and investigations initiated or ongoing against the Group; - Evaluated the design and tested the operating effectiveness of key internal financial controls around above process; - Performed inquiries with the management to understand key developments during the year with respect to ongoing regulatory inspections, including any new allegations raised by authorities; - Obtained and reviewed the various correspondence between the Group with SEBI and MCA to corroborate above understanding such as SCNs, orders, letters, summons and follow up requests received from SEBI and MCA, and corresponding replies/submissions from the Holding Company, its subsidiary and KMPs; - Reviewed underlying documents such as agreements, MOUs, purchase orders, cancellation letters (where applicable), invoices, bank statements, Board approvals and other required approvals, for transactions highlighted in the SCNs and summons received by the Holding Company/ subsidiaries, to validate management's response to the allegations raised during inspection process; - Verified conclusion of the erstwhile statutory auditors and internal auditors including Advisory report submitted by SEBI based on examination carried out in earlier years on the same transactions in earlier years; - Evaluated the reports submitted by the IIC and other experts engaged by management, noting their observations and conclusions, with respect to allegations raised during inspection process; - Reviewed and evaluated the legal opinion obtained by the management on the ongoing regulatory actions against the Group; and - Evaluated the adequacy of disclosures in the consolidated financial statements.



Key Audit Matters	How our audit addressed the Key Audit Matters
(ii) Litigation with Jiostar India Private Limited ('Jiostar') for the ICC Contract (Refer note 52 of the consolidated financial statements) In March 2024, Jiostar initiated an arbitration against the Holding Company before London Court of International Arbitration ('LCIA'/Arbitral Tribunal) in relation to the Alliance Agreement for broadcasting rights of the International Cricket Council's ('ICC') men's global events for a period of four years in respect of which Jiostar had claimed damages of USD 1,097 million, along with costs, expenses and applicable interest until full payment, from the Holding Company. The Holding Company had filed Statement of Defence, a counterclaim of USD 8.06 million along with interest thereon before the Arbitral Tribunal. During the current year, the Holding Company has filed additional pleadings while maintaining each of the defences as submitted earlier, against which Jiostar has also filed its responses. The management, based on a legal opinion and its internal assessment, has determined that the Holding Company is not in default of the Alliance Agreement and believes that the claims made by JioStar are unfounded and legally not tenable. The Holding Company has strong and valid grounds to defend any claims in respect of above matter. Considering the significance of amount involved, uncertainty associated with the ultimate outcome of the arbitration proceedings and significance of management judgement involved in assessing the outcome of these proceedings and determining the required disclosure, this matter has been considered as a key audit matter in the audit of the consolidated financial statements. Further, we have also determined this matter to be fundamental to the user's understanding of the consolidated financial statements.	Our audit in relation to Jiostar litigation matter included, but was not limited to, the following procedures: • Obtained an understanding of the management's process followed by the Holding Company for identification of legal matters initiated against the Holding Company, assessment and determination of the amount of provisions and disclosure as contingent liabilities required under Ind AS 37; • Evaluated the design and implementation, and tested operating effectiveness of key internal financial controls around aforesaid process; • Obtained an understanding of the Alliance agreement along with the conditions mentioned therein and management's compliance with those conditions; • Obtained and reviewed the correspondence between the Holding Company and Jiostar along with the notices/ letters from legal counsels of both the parties and all legal documents filed by both parties as part of the ongoing arbitration; • Performed inquiries with the management to understand key developments during the year and obtaining orders of Arbitral Tribunal received during the current year. • Reviewed and evaluated the external legal opinion obtained by management and legal note prepared by management's in-house legal counsel, supporting management's assessment on the matter; • Corroborated conclusions of management's external legal counsel with an independent opinion received from auditor's legal expert in the previous year; and • Evaluated the adequacy of disclosures given in the consolidated financial statements.
(iii) Provisions and contingent liabilities relating to litigations, other claims and settlements (Refer note 34A, 36, 44D(ii)(A), 44D(ii)(C), 44D(ii)(E) and 51 of the consolidated financial statements) As at 31 March 2026, in addition to the SEBI and ICC matters as covered above, the Group is also involved in various litigations, arbitrations and claims with/against various authorities, banks, related parties, vendors and erstwhile related parties of the Holding Company that are pending with various statutory authorities.	Our audit procedures included, but were not limited to, the following procedures: • Assessed the appropriateness of the Group's accounting policies relating to provisions and contingent liabilities, in accordance with the applicable accounting standards; • Obtained an understanding of the management's process followed by the Group for identification, of legal and tax matters initiated against the Group, assessment and determination of the amount of provisions and disclosure as contingent liabilities under Ind AS 37;

Key Audit Matters	How our audit addressed the Key Audit Matters
Most of these litigations involve complex underlying legal issues. The management, assisted by their external legal counsels, assesses the need for, and the quantum of, any provisions or disclosure as contingent liabilities, that may be required to be made in the consolidated financial statements, on a case-to-case basis considering the underlying facts and legal jurisprudence related to each litigation. As at 31 March 2026, the amounts involved are significant. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the Group. Considering the materiality of amount involved, significant judgements and inherent high estimation uncertainties involved in establishing whether a liability/provision should be recognised or disclosed as a contingent liability in the consolidated financial statements basis accounting principles as given under Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets' ('Ind AS 37'), the matter is considered to be a key audit matter in the current year.	• Evaluated the design and implementation, and tested operating effectiveness of key internal financial controls around aforesaid process; • Obtained understanding of the developments during the year in each existing litigation, and understanding of the new litigations initiated against the Group during the year by inquiry with the management, inspection of related documents such as notices, orders, etc. • Assessed management's conclusions through discussions held with the Group's in-house legal counsel, obtaining understanding of precedents in similar cases, obtaining and evaluating independent confirmations from the legal and tax consultants representing the Group before various authorities including examination of correspondences connected with the cases; • Obtained settlement agreements/assignment agreement/litigation orders/show cause notices/other relevant documents in respect of certain matters and assessed the management conclusion on accounting implications, if any, based on such agreements/ orders; • Involved auditor's experts, wherever necessary, to assess the appropriateness of Group's interpretation/positions basis application of relevant laws and technical merits and for confirming the likelihood of the outcome of the said litigations and potential impact on consolidated financial statements; • Recomputed the management's determination of provisions and contingent liabilities basis aforesaid legal assessment in accordance with the requirements of Ind AS 37; and • Evaluated the adequacy of disclosures given in the consolidated financial statements, including disclosure of exceptional items, litigation matters, contingent liabilities and provision for liabilities in accordance with applicable accounting standards .
(iv) Recoverability of content advances and media content inventory valuation (Refer note: 2(o), 3(i), 3(f), 11, 12, 24 and 53 of Consolidated financial statements) The Group held inventories aggregating ₹ 65,123 million as at 31 March 2026 comprising of raw tapes, media content (i.e. programmes, film rights, music rights) and under production-media contents. Further, the Group also pays advances for acquiring content from production houses out of which ₹ 2,522 million are outstanding as at 31 March 2026 (net of provision of ₹ 1,458 million). These advances are paid on the basis of Memorandum of Understanding (MOU) and/or agreements entered into with the respective production houses.	Our audit included, but was not limited to the following procedures: Content advances • Obtained an understanding of management's process for authorisation of content advances and its recoverability assessment; • Evaluated the design, implementation and tested the operating effectiveness of key controls that the Group has in relation to aforesaid process; • Obtained supporting documents for the sample of movie advances paid during the year which includes the MOU/ agreement executed between the Group and production houses;



Key Audit Matters	How our audit addressed the Key Audit Matters
The cost incurred on purchase of inventories is consumed based on consumption pattern on estimated future revenue potential as estimated by the management. The factors that the Company considers in determining the consumption charge has been derived basis historical trends and management's expectation of revenue earning potential of such media content. During the year, the Group has recorded an consumption expense of ₹ 34,669 million (including impact of ₹ 743 million for net realisable value), At each reporting period end, management assesses the recoverability of (i) content advances which involves significant judgment on part of management with regard to status of completion of the project for which advances are given, and (ii) inventory which involves determining whether there is any objective evidence indicating that the net realisable value of any item of inventory is below its carrying value. If so, such inventories are written down to their net realisable value in accordance with the requirements of Ind AS 2, Inventories ('Ind AS 2'). Considering the inherent nature of the industry, particularly on the changing viewing patterns of the content and quality of content as identified by end-users, determination of appropriate consumption charge and provision for net realisable value involves significant judgement and estimates by the management and accordingly, the recoverability of content advances and inventory valuation has been considered as key audit matter for the current period audit.	• Obtained supporting documents for refund/adjustment/ assignment of advances for other content on sample basis; • Obtained direct confirmation from the production houses confirming the outstanding balances as at the year-end including identification of the films against which the advances were given and the manner of utilisation of the advances by such production houses, where considered necessary in our professional judgement; and • Evaluated management's assessment of stage of completion of projects for which the advances were given, and related judgement in determining the adequacy of provision for doubtful advances. Inventory valuation • Obtained an understanding of process followed for identifying consumption pattern of inventory and estimating its net realisable value; • Evaluated the nature, source and reliability of all the information used by the management for arriving at the estimates for consumption pattern and provision for net realisable value of inventories; • Discussed with respective business heads in the Group on expectations for performance of content to corroborate the forecasts; • Evaluated the appropriateness of related accounting policies adopted by the Group in accordance with the requirements of Ind AS 2; • Assessed the projected sale estimates made by the management in respect of balance inventory of aforesaid specific media content that is expected to be sold in the near future, for its appropriateness basis past trends and market conditions; • Obtained understanding of management's assessment of the parties/ entities and association with whom such contracts has been entered; • Tested mathematical accuracy in respect of consumption expense and provision for doubtful advances and provision for net realisable value recorded in the books; • Evaluated appropriateness of disclosures made in the consolidated financial statements.
(v) Impairment assessment of Goodwill (Refer Note 2(h), 3(i) and 7(a) of consolidated financial statements) The consolidated financial statements reflect goodwill aggregating ₹ 3,310 millions recognised mainly for the acquisition and allocated to various cash generating unit (CGUs). The Group has not recorded any impairment charge of during the year ended 31 March 2026. Refer note 7(a) to the consolidated financial statements.	Our audit included, but was not limited to, the following procedures: • Obtained an understanding of the management's process for identification of CGUs, the allocation of assets and the methodology adopted by the management in its impairment assessment of goodwill with reference to the requirements of the prevailing accounting standards; • Tested the design and operating effectiveness of internal controls over such identification and impairment measurement through fair valuation of goodwill;

Key Audit Matters	How our audit addressed the Key Audit Matters
Goodwill is subject to a test of impairment by the management in accordance with Ind AS 36 "Impairment of Assets". The Group assesses the recoverable amounts of goodwill on an annual basis by comparing the fair value (less costs of disposal) and carrying amount of that investment as on the reporting date. The key assumptions used in management's assessment of the recoverable amounts/fair values include, but are not limited to, projections of future cash flows, growth rates, discount rates, estimated future operating and capital expenditure. Changes to these assumptions could lead to material changes in estimated recoverable amounts, resulting in either impairment of goodwill. Considering the materiality and significant management judgment involved in predicting future cash flow projections, impairment of goodwill has been considered to be a key audit matter for the current period audit.	• Evaluated management's identification of CGUs; • Obtained the impairment assessment workings prepared by the management and its experts; • Evaluated the competence and objectivity of the management experts involved; • Reconciled the cash flows to the business plans approved by the respective Board of Directors of the identified investee companies; • Evaluated the assumptions adopted in the preparation of the cash flow forecasts for the purpose of the impairment assessments of the goodwill, including implied growth rates during explicit period, terminal growth rate, discount rate for their appropriateness based on our understanding of the business of respective CGUs, past results and external factors such as industry trends and forecasts; • Involved auditor's expert to assess the appropriateness of the valuation methodology used for calculation of the recoverable value by the management and its experts; • Obtained and evaluated sensitivity analysis performed by the management on key assumptions of implied growth rates during explicit period, terminal growth rates and discount rates; • Performed independent sensitivity analysis of aforesaid key assumptions to assess the effect of reasonably possible variations on the current estimated recoverable amount for each of the identified investments and for respective CGUs to evaluate sufficiency of headroom between recoverable value and carrying amount; • Tested the mathematical accuracy of the management computations with regard to cash flows and sensitivity analysis; and • Evaluated the adequacy of disclosures given in the consolidated financial statements, including disclosure of significant assumptions, judgements and sensitivity analysis performed, in accordance with applicable accounting standards.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its joint venture company covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds

and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its joint venture.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements.
12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, and its joint venture, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. 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.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

16. We did not audit the financial statements of (19) subsidiaries, whose financial statements (prior to consolidation adjustments) reflect prior to consolidation adjustment total assets of ₹ 47,036 million as at 31 March 2026, total revenues of ₹ 11,226 million and net cash outflows amounting to ₹ 2,601 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 2 million for the year ended 31 March 2026 in respect of (1) joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and its joint venture, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries and its joint venture, are based solely on the reports of the other auditors.

Further, of these subsidiaries and its joint venture, (17) subsidiaries are located outside India whose financial statements and other financial information have been

prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company’s management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company’s management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

17. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiaries and joint venture, we report that the Holding Company incorporated in India whose financial statements have been audited under the Act have paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that (5) five subsidiaries incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiaries. Further, we report that the provisions of section 197 read with Schedule V to the Act is not applicable to (1) one joint venture incorporated in India whose financial statements has been audited under the Act, since such company is not a public company as defined under section 2(71) of the Act.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor’s Report) Order, 2020 (‘the Order’) issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in paragraph 16 above, of companies included in the consolidated financial statements for the year ended 31 March 2026 and covered under the Act we report that:

A) Following are the qualifications/adverse remarks reported by us and the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2026 for which such Order reports have been issued till date and made available to us:

S No	Name	CIN	Subsidiary	Clause number of the CARO report which is qualified or adverse
1	Zee Studio Limited	U74990MH2010PLC198648	Subsidiary company	Clause i(c)

19. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries and its joint venture incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) Except for the of the matter described in paragraph 19(i) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law

c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

e) The matters described in paragraph 4 of the Emphasis of Matter and 5(i) and 5(ii) of the Key Audit Matter

(also Emphasis of Matter), in our opinion, may have an adverse effect on the functioning of Zee Studios Limited, a subsidiary of the Holding company and the Holding company respectively;

- f) On the basis of the written representations received from the directors of the Holding Company, its subsidiaries and its joint venture and taken on record by the Board of Directors of the Holding Company, its subsidiaries and joint venture, respectively, and the reports of the statutory auditors of its subsidiaries and joint venture, covered under the Act, none of the directors of the Holding Company, its subsidiaries and joint venture, are disqualified as on 31 March 2026 from being appointed as a director in terms of section 164(2) of the Act.
- g) The qualification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 19(b) above on reporting under section 143(3) (b) of the Act and paragraph 19(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiaries and joint venture covered under the Act, and the operating effectiveness of such controls, refer to our separate report in ‘Annexure II’ wherein we have expressed an unmodified opinion; and
- i) 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 and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries and its joint venture incorporated in India whose financial statements have been audited under the Act:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture as detailed in note 34A, 36, 37 44D(ii)(A), 44D(ii) (C), 44D(ii)(E), 50, 51and 52 to the consolidated financial statements;
- ii. The Holding Company, its subsidiaries and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2026. Further there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies and joint venture company covered under the Act, during the year ended 31 March 2026;
- iv.a. The respective managements of the Holding Company and its subsidiaries and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, on the date of this audit report as disclosed in note 40(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries and joint venture to or in any person(s) or entity(ies), including foreign entities (‘the intermediaries’), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries and joint venture (‘the Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiaries and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, on the date of this audit report as disclosed in the note 40(ii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries and joint venture from any person(s) or entity(ies), including foreign entities (‘the Funding Parties’), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries and joint venture shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (‘Ultimate Beneficiaries’) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries and joint venture, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors’ notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The final dividend paid by the Holding Company during the year ended 31 March 2026 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 54 to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2026 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. Further the subsidiary companies and joint venture company have not declared or paid any dividend during the year ended 31 March 2026; and

- vi. As stated in Note 55 to the consolidated financial statements and based on our examination which included test checks and that performed by the auditor of the subsidiaries which are companies incorporated in India and audited under the Act, except for instances mentioned below, the Holding Company and its subsidiaries, in respect of financial year commencing on 1 April 2025, have used accounting software for maintenance of revenue, digital subscription, payroll and other accounting records, which have a feature of recording audit trail (edit log) facility and the same

have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and the auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with, where such feature was enabled. Furthermore, other than the exception given below, the audit trail has been preserved by the Holding Company and its subsidiaries as per the statutory requirements for record retention from the date the audit trail was enabled:

- (a) The audit trail logs available are retained only for seven days for the software used for digital subscription records at the database level.
- (b) The accounting software used for maintenance of payroll database of the Holding Company and its 2 subsidiaries incorporated in India is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made and preservations of the audit trail logs at the database level in the ‘Independent Service Auditor’s Assurance Report on the Description of Controls, their Design and Operating Effectiveness’ (‘Type 2 report’ issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organisation), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm’s Registration No.: 001076N/N500013

Ashish Gupta
Partner
Place: Mumbai
Date: 19 May 2026
Membership No.: 504662
UDIN: 26504662LJWPUU5067

ANNEXURE I

List of entities included in the consolidated financial statements

Sr. No.	Particulars
Subsidiaries	
1	Zee Studios Limited
2	Margo Networks Private Limited
3	Zee Multimedia Worldwide (Mauritius) Limited
4	ATL Media Limited
5	Rotate Onetouch limited (w.e.f. 28 June 2025)
6	ZBullet Enterprises Limited (w.e.f. 12 June 2025)
7	ZI-IPR Enterprises Limited (w.e.f. 01 October 2025)
Step Down Subsidiaries	
1	Asia Multimedia Distribution Inc.
2	Asia Today Limited
3	Asia Today Singapore Pte Limited
4	Asia TV Gmbh (liquidated w.e.f. 09 October 2025)
5	Asia TV Limited (UK)
6	Asia TV USA Limited
7	ATL Media FZ-LLC
8	Zee CIS LLC
9	Taj TV Limited
10	Z5X Global FZ – LLC
11	Zee Entertainment Middle East FZ-LLC
12	Zee TV South Africa (Proprietary) Limited
13	Zee CIS Holding LLC
14	ZEE Entertainment UK Limited
15	Zee Media Kenya Limited
Joint Venture	
1	Media Pro Enterprise India Private Limited

ANNEXURE II

Independent Auditor's report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Zee Entertainment Enterprises Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint venture as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

3. The audit of internal financial controls with reference to financial statements of the aforementioned joint venture company, which is a company covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial

controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 WITH REFERENCE TO FINANCIAL STATEMENTS

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements 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 ICAI.

OTHER MATTER

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to two (2) subsidiary companies, which are companies covered under the Act, whose financial statements (before consolidation adjustments) reflect total assets of ₹ 2,815 million and net assets of ₹ 2,026 million as at 31 March 2026, total revenues of ₹ 1,513 million and net cash outflows amounting to ₹ 0.2 million for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Ashish Gupta
Partner
Place: Mumbai
Date: 19 May 2026
Membership No.: 504662
UDIN: 26504662LJWPUU5067



CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2026

(₹ Million)			
Particulars	Note	Mar-26	Mar-25
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5a	4,971	5,506
(b) Capital work-in-progress	5b	35	14
(c) Investment property	6	470	480
(d) Goodwill	7a	3,310	3,304
(e) Other intangible assets	7a	305	756
(f) Intangible assets under development	7b	23	-
(g) Investments accounted for using the equity method	8a	28	26
(h) Financial assets			
(i) Investments	8b	417	357
(ii) Other financial assets	9	547	1,145
(i) Non current-tax assets (net)		4,879	3,234
(j) Deferred tax assets (net)	10	4,506	4,101
(k) Other non-current assets	11	2,290	149
Total non-current assets		21,781	19,072
Current assets			
(a) Inventories	12	65,123	67,748
(b) Financial assets			
(i) Investments	13	12,303	11,564
(ii) Trade receivables	14	17,243	15,325
(iii) Cash and cash equivalents	15a	7,978	7,204
(iv) Bank balances other than (iii) above	15b	6,957	5,296
(v) Loans	44	357	-
(vi) Other financial assets	9	4,695	3,405
(c) Other current assets	11	5,507	7,636
Total current assets		120,163	118,178
Non-current assets classified as held for sale/disposal	41	211	91
Total assets		142,155	137,341
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	16	961	961
(b) Other equity	17	116,338	114,373
Equity attributable to shareholders		117,299	115,334
Non-controlling interests (Refer note 43 (2))		(18)	-
Total equity		117,281	115,334
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Long term borrowings	18	1,761	1,580
(ii) Lease liabilities	33	180	818
(b) Provisions	19	1,413	1,579
Total non-current liabilities		3,354	3,977
Current liabilities			
(a) Financial liabilities			
(i) Short term borrowings	18	16	21
(ii) Lease liabilities	33	694	790
(iii) Trade payables	44	14,669	11,907
(iv) Other Financial Liabilities	20	2,084	2,235
(b) Other current liabilities	21	3,661	2,747
(c) Provisions	19	253	189
(d) Current tax liabilities (net)		115	114
Total current liabilities		21,492	18,003
Liabilities directly associated with assets classified as held for sale/disposal	41	28	27
Total liabilities		24,874	22,007
Total equity and liabilities		142,155	137,341

See accompanying notes to the consolidated financial statements

In terms of our report attached

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

Ashish Gupta

Partner

Membership No: 504662

Place: Mumbai

Date: 19 May 2026

For and on behalf of the Board of Directors

R Gopalan

Chairman

DIN: 01624555

Mukund Galgali

Deputy CEO and

Chief Financial Officer

Place: Mumbai

Date: 19 May 2026

Uttam Prakash Agarwal

Director

DIN: 00272983

Ashish Agarwal

Company Secretary

Punit Goenka

CEO

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2026

(₹ Million)			
Particulars	Note	Mar-26	Mar-25
A. Continuing Operations			
Revenue			
Revenue from operations	22	80,989	82,941
Other income	23	1,461	1,234
Total Income	I	82,450	84,175
Expenses			
Operational cost	24	48,594	45,172
Employee benefits expense	25	8,424	9,266
Finance costs	26	448	327
Depreciation and amortisation expense	27	2,172	2,785
Fair value gain on financial instruments at fair value through profit and loss	28	(524)	(159)
Other expenses	29	20,508	16,541
Total expenses	II	79,622	73,932
Profit before share of profit in joint venture, exceptional items and tax from continuing operations	III=(I-II)	2,828	10,243
Share of profit in joint venture	IV	2	4
Profit before exceptional items and tax from continuing operations	V=(III+IV)	2,830	10,247
Exceptional items	VI	94	986
Profit before tax from continuing operations	VII=(V+VI)	2,736	9,261
Less : Tax expense			
Current tax	31	375	2,094
Current tax – earlier years	31	49	(11)
Deferred tax	31	(401)	304
Total tax expense	VIII	23	2,387
Profit for the year from continuing operations	IX=(VII-VIII)	2,713	6,874
B. Discontinuing Operations			
Loss before tax from discontinuing operations	37	-	(79)
Tax reversal from discontinuing operations	37	-	-
Loss for the year from discontinuing operations	X	-	(79)
Profit for the year	XI=(IX+X)	2,713	6,795
Other comprehensive income / (loss)			
In respect of continuing operations:			
A Items that will not be reclassified to profit or loss			
(a) (i) Re-measurement of defined benefit obligation		120	131
(ii) Fair value changes of equity instruments through other comprehensive income (FVOCI)		124	-
(b) Income-tax relating to items that will not be reclassified to profit or loss		(62)	(33)
	XII	182	98
B Items that will be reclassified profit or loss			
Exchange differences on translation of financial statements of foreign operations	XIII	1,404	313
Total other comprehensive income from continuing operations	XIV=(XII+XIII)	1,586	411
In respect of discontinuing operations:			
Total other comprehensive income from discontinuing operations	XV	-	-
Total other comprehensive income for the year	XVI=(XIV+XV)	1,586	411
Total comprehensive income for the year	XVII=(XI+XVI)	4,299	7,206
Profit/(Loss) for the year			
Attributable to:			
Shareholders of the Company	XVIII=(XI-XIX)	2,731	6,795
Non-controlling interests	XIX	(18)	-
		2,713	6,795
Total comprehensive income/(loss) for the year			
Attributable to:			
Shareholders of the Company	XX=(XVII-XXI)	4,317	7,206
Non-controlling interests	XXI	(18)	-
		4,299	7,206
Earnings per Equity share from continuing operations (face value ₹ 1/- each)	32		
Basic (₹)		2.82	7.16
Diluted (₹)		2.82	7.16
Earnings per Equity share from discontinuing operations (face value ₹ 1/- each)	32		
Basic (₹)		-	(0.08)
Diluted (₹)		-	(0.08)
Earnings per Equity share (face value ₹ 1/- each)	32		
Basic (₹)		2.82	7.08
Diluted (₹)		2.82	7.08

See accompanying notes to the consolidated financial statements

In terms of our report attached

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No: 001076N/N500013

Ashish Gupta

Partner

Membership No: 504662

Place: Mumbai

Date: 19 May 2026

For and on behalf of the Board of Directors

R Gopalan

Chairman

DIN: 01624555

Mukund Galgali

Deputy CEO and

Chief Financial Officer

Place: Mumbai

Date: 19 May 2026

Uttam Prakash Agarwal

Director

DIN: 00272983

Ashish Agarwal

Company Secretary

Punit Goenka

CEO

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	(₹ Million)	
Particulars	Mar-26	Mar-25
A. Cash flow from operating activities		
Profit/(loss) before tax from:		
Continuing operations	2,736	9,261
Discontinuing operations (Refer note 37)	-	(79)
Adjustments for :		
Depreciation and amortisation expense	2,172	2,785
Allowances for doubtful debts, advances and others	712	(274)
Exceptional items (Refer note 30)	-	920
Liabilities and excess provision written back	(87)	(91)
Unrealised loss on exchange adjustments (net)	84	33
Profit on sale of property, plant and equipment (net)	(29)	(5)
Profit on sale of investments	(127)	(151)
Interest expenses	294	296
Fair value gain on financial instruments classified as fair value through profit and loss	(524)	(159)
Share of profit in joint venture	(2)	(4)
Dividend income	(0)	-
Rent Income	(148)	(254)
Interest income	(1,066)	(677)
Operating profit before working capital changes	4,015	11,601
Adjustments for :		
Decrease in inventories	2,784	1,416
(Increase)/decrease in trade and other receivables	(1,967)	3,722
Increase/(decrease) in trade and other payables	4,317	(4,399)
Cash generated from operations	9,149	12,340
Direct taxes paid (net)	(2,068)	(734)
Cash flow generated from operating activities (A)	7,081	11,606
B. Cash flow from investing activities		
Purchase of property, plant and equipment / capital work-in-progress	(1,362)	(848)
Purchase of intangible assets	(242)	(68)
Sale of property, plant and equipment/intangible assets	53	36
Proceeds from sale of digital publishing business	-	10
Purchase of subsidiaries	(10)	-
Investment in fixed deposit	(13,222)	(6,246)
Proceeds from fixed deposits	11,550	1,741
Loans given to others	(350)	-
Purchase of current investments	(23,099)	(23,339)
Proceeds from sale / redemption of current investments	23,037	12,096
Dividend received	0	-
Interest received	506	583
Rent received	148	254
Net cash flow (used in) investing activities (B)	(2,991)	(15,781)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	(₹ Million)	
Particulars	Mar-26	Mar-25
C. Cash flow from financing activities		
Payment of lease liabilities	(753)	(732)
Payment of interest on lease liabilities	(117)	(176)
Proceeds from long-term borrowings	14	2,025
Repayment of long-term borrowings	(27)	(28)
Dividend paid on equity shares	(2,334)	(961)
Interest paid	(177)	(120)
Proceeds from assignment of receivables	-	220
Net cash flow (used in)/from financing activities (C)	(3,394)	228
Net cash flow inflow/(outflow) during the year (A+B+C)	696	(3,947)
Effect of exchange differences on translation of foreign currency cash and cash equivalents	78	20
Cash and cash equivalents at the beginning of the year	7,204	11,131
Net cash and cash equivalents at the end of the year (Refer note 15(a)) #	7,978	7,204

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

includes balance with banks in current and deposit accounts, cheques in hand and cash in hand (Refer Note 15(a)).

For reconciliation of borrowings refer Note 18 and 33 a (iii)

See accompanying notes to the consolidated financial statements

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Ashish Gupta
Partner
Membership No: 504662

Place: Mumbai
Date: 19 May 2026

For and on behalf of the Board of Directors

R Gopalan
Chairman
DIN: 01624555

Uttam Prakash Agarwal
Director
DIN: 00272983

Punit Goenka
CEO

Mukund Galgali
Deputy CEO and
Chief Financial Officer

Ashish Agarwal
Company Secretary

Place: Mumbai
Date: 19 May 2026

A. EQUITY SHARE CAPITAL

	(₹ Million)
As at 1 April 2024	961
Add: Issued during the year (Refer note 16)	-
As at 31 March 2025	961
Add: Issued during the year (Refer note 16)	-
As at 31 March 2026	961

B. OTHER EQUITY

	Equity portion of FCCB	Reserves and surplus			Items of Other comprehensive income		Attributable to non-controlling interests	Total
		Capital redemption reserve	Capital reserve	General Reserves	Retained earnings	Foreign currency translation reserve	Equity instruments (FVOCI)	
As at 1 April 2024	-	20,231	340	2,879	81,016	3,353	(52)	107,767
Profit for the year for continuing and discontinuing operations	-	-	-	-	6,795	-	-	6,795
Add: Re-measurement loss on defined benefit plans	-	-	-	-	131	-	-	131
Add: Income-tax impact thereon	-	-	-	-	(33)	-	-	(33)
Add: Foreign currency translation gain for the year	-	-	-	-	-	313	-	313
Total comprehensive income for the year	-	-	-	-	6,893	313	-	7,206
Issue of Foreign Currency Convertible Bonds (net of deferred tax) (refer note 18(c))	363	-	-	-	-	-	-	363
Less: Dividend on Equity Shares	-	-	-	-	(961)	-	-	(961)
As at 31 March 2025	363	20,231	340	2,879	86,948	3,665	(52)	114,373
Profit for the period for continuing and discontinuing operations	-	-	-	-	2,731	-	-	2,713
Add: Re-measurement loss on defined benefit plans	-	-	-	-	120	-	-	120
Less: Income-tax impact thereon	-	-	-	-	(31)	-	-	(31)
Add: Gain on fair value of Equity instruments classified as fair value through other comprehensive income (net)	-	-	-	-	-	-	124	124
Less: Income-tax impact thereon	-	-	-	-	-	-	(31)	(31)
Add: Foreign currency translation gain for the period	-	-	-	-	-	1,404	-	1,404
Total comprehensive income for the year	-	-	-	-	2,820	1,404	93	4,299
Less: Dividend on Equity Shares	-	-	-	-	(2,334)	-	-	(2,334)
As at 31 March 2026	363	20,231	340	2,879	87,434	5,069	41	116,338

See accompanying notes to the consolidated financial statements

In terms of our report attached For Walker Chandlok & Co LLP Chartered Accountants Firm Registration No: 001076N/N500013

Ashish Gupta Partner Membership No: 504662

Place: Mumbai Date: 19 May 2026

For and on behalf of the Board of Directors

R Gopalan Chairman DIN: 01624555 Uttam Prakash Agarwal Director DIN: 00272983 Punit Goenka CEO

Mukund Galgali Deputy CEO and Chief Financial Officer Ashish Agarwal Company Secretary

Place: Mumbai Date: 19 May 2026

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

Zee Entertainment Enterprises Limited ('ZEEL' or 'the Company') (CIN No : L92132MH1982PLCO28767) is incorporated in the State of Maharashtra, India and is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. The registered office of the Company is 18th floor, A Wing, Marathon Futurex, N.M.Joshi Marg, Mumbai 400013, India. The Company along with its subsidiaries (collectively referred as 'the Group') and joint venture are engaged in the business of media and entertainment. The Group is mainly in the following businesses:

- (i) Broadcasting of Satellite Television Channels and digital media;
- (ii) Space Selling agent for other satellite television channels;
- (iii) Sale of Media Content i.e. programs / film rights / feeds / music rights;
- (iv) Movie production and distribution

2 MATERIAL ACCOUNTING POLICIES

a Statement of compliance

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

b Basis of preparation of consolidated financial statements

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

The accounting policies are applied consistently to all the periods presented in the consolidated financial statements, except where a newly issued accounting

standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements are presented in Indian Rupee which is also the functional currency of the Group. Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economics environment in which entity operates ('functional currency') unless the use of different currency is appropriate. All amounts disclosed in the consolidated financial statements and notes have been rounded-off to the nearest million as per the requirement of Schedule III, unless otherwise stated. Amount less than a million is presented as ₹ 0 million.

Assets and Liabilities are classified as Current or Non-Current as per the provisions of Schedule III to the Companies Act, 2013 and the Group's Normal Operating Cycle. Based on the nature of business, the Group has ascertained its operating cycle as 12 months for the classification of assets and liabilities.

Figures for the previous year have been regrouped and/or reclassified wherever considered necessary. The impact of such reclassification/regrouping is not material to Consolidated Financial Statements.

Previous year figures, where applicable have been indicated under brackets.

c Basis of consolidation

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

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

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

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



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

d Investment in joint venture

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

The profit/(loss) and assets and liabilities of joint venture are incorporated in these consolidated financial statements using equity method of accounting. Under the equity method, an investment in a joint venture is

initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of an joint venture exceeds the Group's interest in the joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligation or made payments on behalf of the joint venture.

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

Name of the Subsidiaries	Proportion of Interest (including beneficial interest) / Voting Power (either directly / indirectly or through Subsidiaries)	Principal place of business
Direct Subsidiaries		
ATL Media Limited	100 (100)	Mauritius
Zee Studios Limited	100 (100)	India
Zee Multimedia Worldwide (Mauritius) Limited	100 (100)	Mauritius
Margo Networks Private Limited	100(90)	India
Zbullet Enterprise Limited*	92 (Nil)	India
Rotate Onetouch Limited (formerly known as Advance Media Distribution Limited)**	100 (Nil)	India
Z-IPR Enterprises Limited @@	100 (Nil)	India
Indirect Subsidiaries		
Asia TV Limited	100 (100)	United Kingdom
OOO Zee CIS Holding LLC #	100 (100)	Russia
OOO Zee CIS LLC	100 (100)	Russia
Taj TV Limited	100 (100)	Mauritius
Asia Today Singapore Pte Limited	100 (100)	Singapore
Asia TV USA Limited, Wyoming	100 (100)	United States of America
Asia Today Limited	100 (100)	Mauritius
Zee Entertainment Middle East FZ-LLC	100 (100)	U.A.E.
ATL Media FZ-LLC	100 (100)	U.A.E.
Zee TV South Africa (Proprietary) Limited	100 (100)	South Africa
Asia Multimedia Distribution Inc.	100 (100)	Canada

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Name of the Subsidiaries	Proportion of Interest (including beneficial interest) / Voting Power (either directly / indirectly or through Subsidiaries)	Principal place of business
Asia TV GmbH &	100 (100)	Germany
Zee Entertainment UK Limited	100 (100)	United Kingdom
Z5X Global FZ-LLC	100 (100)	U.A.E.
Zee Media Kenya Limited \$	100 (100)	Kenya

Zero capital company

& liquidated w.e.f. 9 October 2025

\$ Incorporated w.e.f. 21 June 2024

* Incorporated w.e.f. 12 June 2025

** Incorporated w.e.f. 28 June 2025

@@ Incorporated w.e.f. 1 October 2025

Jointly controlled entity

Name of the jointly controlled entity	Percentage of holding	Principal place of business
Media Pro Enterprise India Private Limited *	50 (50)	India

* Through subsidiary, Zee Studios Limited

e Business Combinations

Business combinations have been accounted for using the acquisition method.

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

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial

statements of the transferee or is adjusted against general reserve.

- The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.
- The difference, if any, between the amounts recorded as Share capital issued plus any additional consideration in the form of cash or other assets and the amount of Share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.

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

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

When the consideration transferred by the Group in the business combination includes assets and liabilities resulting from the contingent consideration arrangement, the contingent consideration arrangement is measured at its acquisition date fair value and included as a part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional

information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

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

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

f Property, plant and equipment

- (i) Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price and related expenses and for qualifying assets, borrowing costs are capitalised based on the Group's accounting policy. Integrated Receiver Decoders (IRD) boxes are capitalised, when available for deployment.
- (ii) Capital work-in-progress comprises cost of property, plant and equipment and related expenses that are not yet ready for their intended use at the reporting date.
- (iii) Depreciation is recognised so as to write off the cost of assets (other than free hold land and capital work-in-progress) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each reporting period, with the effect of changes in estimate accounted for on a prospective basis.
- (iv) The estimate of the useful life of the assets has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, etc. The estimated useful life of items of property, plant and equipment is as mentioned below:

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Furniture and Fixtures – 5 years ^

Buildings – 60 years *

Computers – 3 and 6 years *

Equipment – 3 to 5 years ^

Plant and Machinery ^

Gas plant – 20 years

Others – 5 to 10 years

Vehicles – 5 years ^

Lease improvements – Period of lease term

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

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

g Investment property

- (i) Investment property are properties (land or a building—or part of a building—or both) held to earn rentals and/ or for capital appreciation (including property under construction for such purposes). Investment property is measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and impairment, if any.
- (ii) Depreciation on investment property is provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 on straight line basis.

h Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to the respective cash generating units that is expected to benefit from the synergies of the combination.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the

carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis, based on the carrying amount of each asset in the unit. Any impairment loss for the goodwill is recognised directly in consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On the disposal of the relevant cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

i Intangible assets

Intangible assets with finite useful lives that are acquired are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful lives.

The estimated useful life for intangible assets is 3 years. The estimated useful life and amortisation method are reviewed at each reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Intangible assets under development:

Expenditure incurred on acquisition/development of intangible assets which are not ready for their intended use at balance sheet date are disclosed under intangible assets under development.

Research and development of internally generated assets:

Research costs are expensed as incurred. Development expenditures on an internally generated assets are recognised as an intangible asset when the Group can demonstrate:

- I. The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- II. Its intention to complete and its ability and intention to use or sell the asset
- III. How the asset will generate future economic benefits
- IV. The availability of resources to complete the asset
- V. The ability to measure reliably the expenditure during development



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The cost of development on internally generated intangible asset includes the directly attributable expenditure of preparing the asset for its intended use. Expenditure on training activities, identified inefficiencies and initial operating losses is expensed as it is incurred.

The cost recognised is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria and prohibits reinstatement of expenditure previously recognised as an expense.

Directly attributable costs comprise all costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. The capitalisation cut off is determined by when the testing stage of the software has been completed and the software is ready to go live. Costs incurred after the final acceptance testing and launch have been successfully completed, is expensed.

Post the launch of the software, the cost is accounted for as part of the development phase only where there is the software platform development and activities to improve its functionality which enhance the asset's economic benefits potential and the cost meets the recognition criteria listed above for the recognition of development costs as an asset.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

- j Impairment of property, plant and equipment / right of use assets / other intangible assets / investment property

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

estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment loss is recognised in Consolidated Statement of profit and loss whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. Reversal of an impairment loss is recognised immediately in Consolidated Statement of profit and loss.

- k Derecognition of property, plant and equipment / right of use assets / other intangible assets / investment property

The carrying amount of an item of property, plant and equipment / right of use assets / other intangible assets / investment property is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment / right of use assets/other intangible assets / investment property is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the consolidated statement of profit and loss.

- l **Non-current assets held for sale**

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and the sale is highly probable. Management must be committed to the sale, which should be expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

criteria for held for sale classification is regarded as met only when the asset is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

Gains and losses on disposals of non-current assets are determined by comparing proceeds with carrying amounts, and are recognised in the consolidated statement of profit and loss.

A discontinued operation is a component of the entity that has been disposed off or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations and;
- is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The result of discontinued operations are presented separately as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

An impairment loss is recognised for any initial or subsequent write-down the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the asset is recognised at the date of de-recognition.

- m **Leases**

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116 on 'Leases'.

- (i) **The Group as a lessee:**

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease.

If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease. The lease liability is presented as a separate line item in the balance sheet.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- (i) The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- (ii) The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- (iii) A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets is presented as a separate line item in the balance sheet.

The Group applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

(ii) The Group as a lessor:

The Group enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

n Cash and cash equivalents

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

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

o Inventories

(i) Media Content :

Media content i.e. Programs, Film rights, Music rights (completed (commissioned / acquired) and under production) including content in digital form are stated at lower of cost / written down value or realisable value. Cost comprises acquisition / direct production cost. Where the realisable value of media content is less than its carrying amount, the difference is expensed. Programs, film rights, music rights are expensed as under :

- 1 Programs – reality shows, chat shows, events, game shows and sports rights etc. are fully expensed on telecast / upload.
- 2 Programs (other than (1) above) are expensed over three financial years starting from the year of first telecast/

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

upload, as per expected pattern of realisation of economic benefit.

- 3 Film rights are expensed based on expected pattern of realisation of economic benefit over the licensed period of sixty months from the commencement of rights, whichever is shorter.

- 4 The cost of educational content acquired is expensed based on consumption pattern over the license period or 60 months from the date of acquisition / right start date whichever is shorter.

- 5 Music rights are expensed over ten financial years starting from the year of commencement of rights, as per management estimate of future revenue potential.

- 6 Films produced and/or acquired for distribution/sale of rights :

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

- a) Satellite rights – Allocated cost of right is expensed immediately on sale.
- b) Theatrical rights – Expensed in the month of theatrical release.
- c) Intellectual Property Rights (IPRs) – Allocated cost of IPRs are expensed over 5 years from release of film.
- d) Music and Other Rights – Allocated cost of each right is expensed immediately on sale.

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

p Financial Instruments

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

(i) Initial Recognition

Financial assets (excluding Trade receivables which are initially measured at transaction price) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from

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

However, trade receivables that do not contain a significant financing component are measured at transaction price under Ind AS 115 "Revenue from Contracts with Customers".

(ii) Financial assets

1 Classification of financial assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit and loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Group's business model for managing the financial assets and the contractual terms of cash flows.

2 Subsequent measurement

– Debt Instrument – amortised cost

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

– Fair value through other comprehensive income (FVTOCI)

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

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.
- b) The asset's contractual cash flows represent solely payments of principle and interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the consolidated statement of profit and loss. On



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the effective interest rate method.

In case of “equity share” the Group has irrevocable election choice that can be exercised on an instrument by instrument basis to classify such instruments as FVOCI. Accordingly the Group has classified certain investment in equity instrument as Fair Value through other comprehensive income.

– Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’).

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of profit and loss.

– Equity investments

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

– Derivative financial instruments

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

3 Derecognition of financial assets

A financial asset is derecognised only when:

- The Group has transferred the rights to receive cash flows from the asset or the rights have expired or
- The Group retains the contractual rights to receive the cash flows of the financial asset, but assumes a

contractual obligation to pay the cash flows to one or more recipients in an arrangement.

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

4 Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Losses (“ECL”) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are debt instruments, and are measured at amortised cost, e.g. loans and deposits;
 - Financial assets that are debt instruments and are measured at fair value through other comprehensive income (FVTOCI)
 - Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- Expected Credit Losses are measured through a loss allowance at an amount equal to:
- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date), if the credit risk on a financial instrument has not increased significantly; or
 - Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument), if the credit risk on a financial instrument has increased significantly.

In accordance with Ind AS 109 – Financial Instruments, the Group applies ECL model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 – Revenue from Contracts with Customers.

For this purpose, the Group follows ‘simplified approach’ for recognition of impairment loss allowance on the

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

trade receivable balances, contract assets and lease receivables. The application of simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables based on lifetime ECLs at each reporting date.

In case of other assets, the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve months ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward looking information.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group’s procedures for recovery of amounts due.

The presumption under IND AS 109 with reference to significant increases in credit risk since initial recognition (when financial assets are more than 180 days past due) has been rebutted and is not applicable to the Group, as the Group is able to collect significant portion of its receivables that exceed the due date.

(iii) Financial liabilities and equity instruments

1 Classification of Debt & Equity

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

2 Subsequent measurement

– Financial liabilities measured at amortised cost

Financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognized in consolidated statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Consolidated Statement of profit and loss.

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

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

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

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit and loss are carried in the financial statements at fair value with changes in fair value recognized in other income or finance costs in the Consolidated Statement of profit and loss.

3 Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Consolidated Statement of profit and loss.

(iv) Foreign Currency Convertible Bond (FCCB)

The Group has classified foreign currency convertible bond (FCCB) denominated in USD that can be converted to ordinary shares at the option of the bondholder at a conversion price fixed in Group's functional currency (INR) as a compound financial instrument comprising of a liability component and an equity component.

Initial measurement

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent measurement

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured. Interest related to the financial liability is recognised in profit or loss under finance cost. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

(v) Fair value measurement

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

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

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

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

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

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

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

- Level 1— Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

(vi) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

q Borrowing costs

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

r Provisions, contingent liabilities and contingent assets

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that the outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the Consolidated financial statements.

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

A provision for onerous contracts is recognised in the statement of profit and loss when the expected benefits to be derived by the Group from a contract are lower

than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

s Revenue recognition

Ind AS 115 "Revenue from Contracts with Customers

As per Ind AS 115 "Revenue from contracts with customers" – A contract with a customer exists only when the parties to the contract have approved it and are committed to perform their respective obligations, the Group can identify each party's rights regarding the distinct goods or services to be transferred ("performance obligations"), the Group can determine the transaction price for the goods or services to be transferred, the contract has commercial substance and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Revenues are recorded for the amount of consideration to which the Group expects to be entitled in exchange for performance obligations upon transfer of control to the customer and is measured at the amount of transaction price net of returns, applicable tax and applicable trade discounts, allowances, Goods and Services Tax (GST) and amounts collected on behalf of third parties.

- (i) Broadcasting revenue – Advertisement revenue (net of discount and volume rebates) is recognised when the related advertisement or commercial appears before the public i.e. on telecast. Subscription revenue (net of share to broadcaster) is recognised on time basis on the provision of television broadcasting service to subscribers.
- (ii) Sales of media content – Revenue is recognised when the significant risks and rewards have been transferred to the customers in accordance with the agreed terms.
- (iii) Commission revenue – Commission of space selling is recognised when the related advertisement or commercial appears before the public i.e. on telecast.
- (iv) Revenue from other services is recognised as and when such services are completed / performed.



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- (v) Interest income from debt instruments is recognised using the effective interest rate (EIR) method.
- (vi) Dividend income is recognised when the Group's right to receive dividend is established.
- (vii) Rent income is recognised on accrual basis as per the agreed terms on straight line basis.

t Retirement and other employee benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, post-retirement medical benefits and other terminal benefits.

Short-term employee benefits:

Employee benefits such as salaries, wages, short-term compensated absences, cost of bonus, ex-gratia and performance linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service. The obligations are presented as current liability in the balance sheet if the entity does not have an unconditional right to defer the settlement for atleast 12 months after reporting date.

Payments to defined contribution plans viz. Government administered provident funds and pension schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined retirement benefit plans in the form of gratuity, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the consolidated balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to Consolidated Statement of profit and loss. Past service cost is recognised in consolidated statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- (i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- (ii) net interest expense or income; and
- (iii) remeasurement

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

The retirement benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

Long-term employee benefits:

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

u Transactions in foreign currencies

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

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

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- (iii) Non-monetary foreign currency items are measured in terms of historical cost in the foreign currency and are not retranslated.
- (iv) On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the exchange rate prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income (OCI). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to consolidated statement of profit and loss.

v Accounting for taxes on income

Current and deferred tax for the year:

Current and deferred tax are recognised in consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Tax expense comprises of current and deferred tax.

(i) Current tax:

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

Tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the

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

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

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

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

The Group recognises deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and Joint venture, except to the extent that both of the following conditions are satisfied:

- When the Group is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities.

(iii) Uncertain Tax positions:

Accruals for uncertain tax positions require management to make judgements of potential exposures. Accruals



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the tax positions will probably be accepted by the tax authorities. This is based upon management's interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

w Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares (including FCCBs), by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

x Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Group is treated as an exceptional item and the same is disclosed in the consolidated statement of profit or loss and in the notes forming part of the consolidated financial statements.

y Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at 31 March.

An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less

costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other available fair value indicators. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised in the profit or loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

z Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model as per Ind AS 109 – Financial Instruments; and

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of Ind AS 115 – Revenue from Contracts with Customers.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations. Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

aa Impairment of investments

The Group reviews its carrying value of investments carried at cost (net of impairment, if any) annually. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the consolidated statement of profit and loss.

ab Contract Balance

Contract assets: A Contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Key accounting judgements and estimates

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

carrying amount of assets or liabilities affected in future periods.

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

a Income taxes

The Group's major tax jurisdiction is India. Though the group companies also files tax returns in other foreign jurisdiction significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realisability of deferred tax assets, management considers whether some portion or all of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

b Property, plant and equipment

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



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

c Research and development for internally generated assets

Research costs are expensed as incurred. Development expenditures on an internally generated assets are recognised as an intangible asset when the Group can demonstrate criteria specified for capitalisation has been fulfilled. Significant judgements are involved for assessing recognition criteria and analyse that the cost incurred for subsequent development improve the functionality and enhance the asset's economic benefits potential.

d Defined Benefit Obligation

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

e Fair value measurement of financial instruments and ECL on other Financial Assets

When the fair values of financials assets and financial liabilities recorded in the consolidated balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

In accordance with Ind AS 109 – Financial Instruments, the Group applies ECL model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 – Revenue from Contracts with Customers.

For this purpose, the Group follows 'simplified approach' for recognition of impairment loss allowance on the trade receivable balances, contract assets and lease receivables. The application of simplified approach requires expected lifetime losses to be recognised from initial recognition of the receivables based on lifetime ECLs at each reporting date.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the

expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

In case of other assets, the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve months ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

f Leases

Ind AS 116 – Leases requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

g Provisions and contingent liabilities

The Group exercises judgement in determining if a particular matter is possible, probable or remote. The Group also exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

h Impairment of Goodwill

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

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

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

i Estimate of charge for inventories recoverability of inventories and content advance

Considering the inherent nature of the industry, particularly on the changing viewing patterns of the content and quality of content which is determined by viewers consuming content, determination of expected pattern of realisation of economic benefits and provision for net realisable value of inventories involves significant judgement and estimates since it is dependent on both external and internal factors.

The factors that the Group considers in determining the consumption has been derived basis management's

expectation of overall performance of content on historical trends and future expectations.

For inventory, the management assesses estimates of future revenue potential. Based on such assessment if the net realisable value of key item of inventory is below its carrying value, such inventories are written down to their net realisable value in accordance with the requirements of Ind AS 2, Inventories ('Ind AS 2').

Refer Note 53 for the changes in estimate for expensed of movie rights in the current year.

4 Recent Indian Accounting Standards (Ind AS)

a Standards issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2026, MCA has notified Amendment to following Ind AS, applicable to the Group w.e.f. 1st April, 2025.

- 1) Ind AS – 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability
- 2) Ind AS 12 – Income Taxes relating to International Tax Reform – Pillar Two Model Rules – Exception to recognition and disclosure of deferred tax.
- 3) Amendments to Ind AS 7 – Cash flow statement and Ind AS 107 – Financial Instrument – Disclosures relating to supplier finance arrangements
- 4) Ind AS 1-Presentation of Financial Statements-Classification of Liabilities as current or non- current and non- current liabilities with covenants.

The Group has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact on its Consolidated financial statements.

New and amended standards issued but not effective: The MCA has issued certain amendments to Indian Accounting Standards which are not yet effective as at 31st March, 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Description of Assets	Buildings	Plant and machinery	Furniture and fittings	Vehicles	Equipments	Computers	Leasehold improvements	Right-to-use assets	Total
I. Cost									(₹ Million)
As at 1 April 2024	1,920	5,083	495	250	1,384	2,308	1,727	3,704	16,871
Additions	53	199	14	24	124	321	18	449	1,202
Disposals/write offs	-	369	33	56	29	62	94	809	1,452
Translation	0	21	4	1	3	3	2	-	33
As at 31 March 2025	1,973	4,934	480	219	1,482	2,570	1,653	3,344	16,654
Additions	-	370	16	29	114	296	139	89	1,053
Disposals/write offs	-	387	177	56	326	115	104	334	1,499
Translation	-	63	6	3	8	9	5	3	97
As at 31 March 2026	1,973	4,980	325	195	1,278	2,760	1,693	3,102	16,305
II. Accumulated depreciation									
As at 1 April 2024	252	3,852	444	123	1,090	1,798	1,252	1,662	10,473
Depreciation charge for the year	32	334	30	32	126	291	198	646	1,690
Disposals/write offs	-	367	33	37	28	54	92	422	1,034
Translation	0	12	2	1	1	2	2	-	19
Upto 31 March 2025	284	3,831	443	119	1,189	2,037	1,360	1,886	11,148
Depreciation charge for the year	32	343	13	31	125	207	114	611	1,476
Disposals/write offs	-	384	174	45	325	115	97	228	1,368
Translation	-	51	6	2	5	9	5	-	78
Upto 31 March 2026	316	3,841	288	107	994	2,138	1,382	2,269	11,334
Net book value									
As at 31 March 2026	1,657	1,139	37	88	284	622	311	833	4,971
As at 31 March 2025	1,689	1,103	37	100	293	533	293	1,458	5,506

‘0’ (zero) denotes amounts less than a Million.

Particulars	(₹ Million)	
	Mar-26	Mar-25
Owned assets	4,138	4,048
Right-to-use assets	833	1,458
Net Block	4,971	5,506

- Notes:
- I Buildings include ₹ 114,100 (₹ 114,100) being the value of shares in a co-operative society and ₹ 4 Million for a flat whose title deed is lost in transit.
 - II Property, plant and Equipment written off during the year aggregating ₹ 3 Million (₹ 88 Million) is charged to the consolidated statement of profit and loss.
 - III Certain vehicles have been hypothecated against borrowings for vehicles aggregating to ₹ 33 Millions (₹ 47 Millions).
 - IV Disposals under Right-to-use assets represent the lease premises vacated by the Group.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

5b CAPITAL WORK-IN-PROGRESS (CWIP)

(₹ Million)		
Net book value	Mar-26	Mar-25
Capital work-in-progress	35	14

(₹ Million)		
Particulars	Mar-26	Mar-25
Opening balance	14	93
Additions during the year	32	12
Capitalised during the year	(11)	(91)
Closing balance	35	14

(₹ Million)					
Ageing of capital work-in- progress (CWIP)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2026	32	3	-	-	35
As at 31 March 2025	12	-	2	-	14

The projects are in progress and expected to be completed in the next financial year.

There are no capital work in progress, whose completion is either overdue or has exceeded its cost compared to its original plan as of 31 March 2026 and 31 March 2025.

6 INVESTMENT PROPERTY

(₹ Million)	
Description of assets	Land and Building
I. Cost	
As at 1 April 2024	601
Additions	-
As at 31 March 2025	601
Additions	-
As at 31 March 2026	601
II. Accumulated depreciation	
As at 1 April 2024	111
Depreciation charge for the year	10
Upto 31 March 2025	121
Depreciation charge for the year	10
Upto 31 March 2026	131
Net book value	
Upto 31 March 2026	470
Upto 31 March 2025	480

The fair value of the Group’s investment property aggregating ₹ 990 Million (₹ 1,010 Million) has been arrived at on the basis of a valuation carried out as at balance sheet date by independent valuers. Independent valuers have appropriate qualifications and experience in the valuation of properties in the relevant locations. The fair valuations of investment property in India is

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

based on the valuation by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

The fair valuation of the assets is based on the perception about the macro and micro economic factors presently governing the construction industry, location of property, existing market conditions, degree of development of infrastructure in the area, demand supply conditions, internal amenities, common amenities, etc.

Due to use of significant unobservable inputs to compute the fair value, it is classified as Level 3 in the fair value hierarchy as per the requirements of Ind AS 113 on 'Fair value measurement'.

7a Goodwill and other intangible assets

(₹ Million)					
Description of Assets	Goodwill	Other intangible assets			Total
		Trademark	Software	Channels	
I. Cost					
As at 1 April 2024	3,990	368	7,222	249	7,839
Additions	–	–	63	–	63
Disposals	–	–	21	–	21
Translation	1	–	107	–	107
As at 31 March 2025	3,991	368	7,371	249	7,988
Additions	–	–	220	–	220
Disposals	–	–	36	–	36
Translation	6	–	417	–	417
As at 31 March 2026	3,997	368	7,972	249	8,589
II. Accumulated amortisation/ impairment					
As at 1 April 2024	687	338	5,414	239	5,991
Amortisation for the year	–	3	1,167	3	1,173
Disposals	–	–	21	–	21
Translation	–	–	89	–	89
Upto 31 March 2025	687	341	6,649	242	7,232
Amortisation for the period	–	27	652	7	686
Disposals	–	–	36	–	36
Translation	–	–	402	–	402
Upto 31 March 2026	687	368	7,667	249	8,284
Net book value					
Upto 31 March 2026	3,310	–	305	–	305
Upto 31 March 2025	3,304	27	722	7	756

(₹ Million)		
Net book value	Mar-26	Mar-25
Goodwill	3,310	3,304
Other intangible assets	305	756

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The carrying amount of goodwill which is tested for impairment is allocated to following cash generating units:

(₹ Million)		
Cash generating unit	Mar-26	Mar-25
Regional Channel in India	621	621
International business	2,049	2,043
Online media business	640	640

Regional Channel in India and International business

The recoverable amount of this Cash Generating Unit (CGU) is determined based on a value in use. The estimated value in use of this CGU is based on the future cash flows using a 2% terminal growth rate for periods subsequent to the 5 years and discount rate of 19% (14.4%) for regional channel in India and 19% (19%) for international business. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rate and long-term growth rate), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

Online media business

The Group assessed the recoverable amount of Goodwill allocated to the Online Media Business which represent a separate CGU. The recoverable amount of this CGU was determined by an independent expert based on the fair value less cost of disposal. The fair value was determined based on revenue multiple of other companies in media industry which was higher than the carrying value of CGU accordingly no impairment is required.

Due to use of significant unobservable inputs to compute the fair value, it is classified as Level 3 in the fair value hierarchy as per the requirements of Ind AS 113 on 'Fair value measurement'.

7b Intangible assets under development

(₹ Million)		
Net book value	Mar-26	Mar-25
Intangibles assets under development	23	–

(₹ Million)		
Particulars	Mar-26	Mar-25
Opening balance	–	–
Additions during the year	23	–
Capitalised during the year	–	–
Closing balance	23	–

Note:

(₹ Million)				
Ageing of Intangible assets under development (IUD)	Less than 1 year	1–2 years	More than 3 years	Total
As at 31 March 2026	23	–	–	23
As at 31 March 2025	–	–	–	–

There are no projects which are overdue or exceeded its cost compared to its original plan as at 31 March 2026 and 31 March 2025 and have got temporarily suspended.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

8a INVESTMENTS ACCOUNTED USING EQUITY METHOD

	(₹ Million)	
	Mar-26	Mar-25
i) In Joint venture – Unquoted		
2,500,000 (2,500,000) Equity shares of ₹10/- each of Media Pro Enterprise India Private Limited (extent of holding 50%(50%))	28	26
Total	28	26

8b NON CURRENT INVESTMENTS

	(₹ Million)	
	Mar-26	Mar-25
II Other investments		
i) Investments at fair value through other comprehensive income		
Investments in equity instruments – Unquoted		
1,111 (Nil) Equity shares of ₹ 10/- each of Ideabaaz Tech Private Limited (refer note below)	124	-
396,715 (396,715) Equity shares of USD 2.521/- each of Sensory Cloud Inc	9	10
Less: Transferred to "Non- current asset classified as held for sale"	(9)	(10)
	124	-
ii) Investments at fair value through profit and loss		
Others – Unquoted		
100 (100) Units of ₹ 474,256.90 (₹ 921,508 /-) each (fully paid) of Exfinity Technology Fund-Series II	293	357
Total	417	357
(All the above securities are fully paid-up)		
Aggregate amount and market value of quoted investments	-	-
Aggregate carrying value of unquoted investments	417	357
Aggregate amount of impairment in value of investments ₹ Nil (₹ Nil)	-	-

'O' (zero) denotes amounts less than a Million.

During the year, the Company have invested ₹ 0 mn in 1,111 Equity shares of ₹ 10 each in Ideabaaz Tech Private Limited and acquired 10% stake. The investment is accounted as fair value through other comprehensive income (FVOCI) as per Group's election in accordance with Ind AS 109 – Financial Instruments.

The Board of Directors of the Company at its meeting held on 17 April 2026, has approved the investment up to ₹ 1,160 million in the Compulsorily Convertible Debentures of Phantom Digital Effects Limited ("Phantom") on preferential allotment basis, in one of more tranches.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

9 OTHER FINANCIAL ASSETS

	(₹ Million)			
	Non-Current		Current	
	Mar-26	Mar-25	Mar-26	Mar-25
Deposits – (unsecured)				
Considered good				
- to related parties	311	285	2	0
- to others	139	203	217	136
Credit Impaired	-	-	96	96
	450	488	315	232
Less: Allowance for credit impaired deposits	-	-	96	96
	450	488	219	136
Unbilled revenue	-	-	3,010	2,945
Interest accrued	-	-	675	122
Other receivables				
Considered good				
- Related parties	-	-	0	0
- Others	97	657	791	202
Credit Impaired	466	424	1,338	1,275
	563	1,081	2,129	1,477
Less: Allowance for credit impaired other receivables (Refer note 44(d)(ii)(D) & (E))	466	424	1,338	1,275
	97	657	791	202
Total	547	1,145	4,695	3,405

'O' (zero) denotes amounts less than a Million.

For transactions relating to related party receivables, refer note 45.

10 DEFERRED TAX ASSETS (NET)

The components of deferred tax balances are as under:

	(₹ Million)	
	Mar-26	Mar-25
Deferred tax assets		
Employee retirement benefits obligation	386	411
Allowances for doubtful debts, loans, advances and others	3,594	3,181
Unutilised tax losses	311	297
Disallowances under section 40(a) of Income Tax-Act, 1961	419	397
	4,710	4,286
Deferred tax liabilities		
Depreciation and amortisation	82	63
Equity Component of FCCB	122	122
	204	185
Deferred tax assets (net)	4,506	4,101

Also refer note 31.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

11 OTHER ASSETS

(₹ Million)				
	Non-Current		Current	
	Mar-26	Mar-25	Mar-26	Mar-25
Capital advances (unsecured)	540	137	-	-
Trade advances (unsecured)				
Considered good				
- to others	-	-	2,522	2,742
Credit Impaired	-	-	1,458	1,350
	-	-	3,980	4,092
Less: Loss allowance for credit impaired advances	-	-	1,458	1,350
	-	-	2,522	2,742
Prepaid expenses	14	12	478	594
Balance with government authorities	1,736	-	2,507	4,300
Total	2,290	149	5,507	7,636

For transactions relating to related party advances, refer note 45.

12 INVENTORIES (VALUED AT LOWER OF COST / WRITTEN DOWN VALUE OR REALISABLE VALUE)

(₹ Million)		
	Mar-26	Mar-25
Raw stock – tapes	19	16
Media content *	61,018	63,847
Under production– Media content	4,086	3,885
Total	65,123	67,748

*Includes rights aggregating to ₹ 9,919 Millions (₹ 9,197 Millions), which will commence at a future date. Inventories expected to be amortised 12 months after the year-end is 66% (64%).

13 CURRENT INVESTMENTS

(₹ Million)		
	Mar-26	Mar-25
A Investments at amortised cost		
Others–Unquoted		
372 (372) 10.02% Secured redeemable non-convertible debentures of ₹ 684,785/ – Zee Learn Limited	255	255
Less: Provision for dimunition in value of investments	(255)	(255)
	-	-

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Million)		
	Mar-26	Mar-25
B Investments carried at fair value through profit and loss		
Mutual Funds – Quoted		
Nil (351,717)units of ₹ 1000/- each of HDFC Liquid Fund – Direct Plan Growth	-	1,792
246,138,262 (66,353,243) units of ₹ 10 each of HDFC Ultra Short Term Fund – Direct Plan Growth	3,985	1,007
Nil (249,335) units of ₹ 1000/- each of SBI Liquid Fund – Direct Plan- Growth	-	1,011
285,685 (135,014) units of ₹ 1000 each of SBI Ultra SDF – Direct Growth	1,817	805
Nil (545,610)units of ₹ 1000/- each of DSP Liquidity Fund – Direct Plan- Growth	-	2,023
Nil (787,238)units of ₹ 1000/- each of HSBC Liquid Fund – Direct Plan- Growth	-	2,035
Nil (326,092)units of ₹ 1000/- each of LIC MF Liquid Fund – Direct Plan- Growth	-	1,536
345,323 (494,683) units of ₹ 1000 each of Mirae Asset Liquid Fund – Direct Plan- Growth	1,005	1,355
2,665,102 (Nil) units of ₹ 100 each of Aditya Birla Sun Life Savings Fund- Direct Plan- Growth	1,559	-
1,353,990 (Nil) units of ₹ 100 each of Aditya Birla Sun Life Liquid Fund- Direct Plan- Growth	603	-
101,953 (Nil) units of ₹ 100 each of DSP Liquidity Fund- Direct Plan- Growth	402	-
187,737,450 (Nil) units of ₹ 10 each of Tata Ultra Short Term Fund- Direct Plan- Growth	2,932	-
	12,303	11,564
Total	12,303	11,564
(All the above securities are fully paid-up)		
Aggregate market value of quoted investments	12,303	11,564
Aggregate carrying value of unquoted investments	-	-
Aggregate value of dimunition in value of unquoted investment	255	255

14 TRADE RECEIVABLES (UNSECURED)

(₹ Million)		
	Mar-26	Mar-25
Considered good	17,656	15,638
With significant increase in credit risk*	714	388
Credit Impaired*	4,210	4,108
Trade receivables (gross)	22,580	20,134
Less: Loss allowance for doubtful debts	5,337	4,809
Total	17,243	15,325

For transactions relating to related party receivables, refer note 45. For ageing refer note 44(d)(ii).

* The amount of trade receivables where credit risk is assessed on individual basis aggregate ₹ 4,924 Million (₹ 4,496 Million) for which loss allowance has been fully recognised.

For unbilled revenue refer note 9.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

15 CASH AND BANK BALANCES

	(₹ Million)	
	Mar-26	Mar-25
a Cash and cash equivalents		
Balances with banks		
In Current accounts	5,812	3,358
In Deposit accounts	559	2,356
Cheques in hand	1,605	1,488
Cash in hand	2	2
Total	7,978	7,204
b Bank balances other than (a) above		
In deposit accounts*	6,921	5,249
In unclaimed dividend accounts		
– Preference shares	21	25
– Equity shares	15	22
Total	6,957	5,296

*Fixed deposits aggregating ₹ Nil Millions (₹ 738 Millions) is under lien on account of performance guarantee given by the bank on behalf of a subsidiary company. Fixed deposits aggregating to ₹ 150 millions (Nil) are earmarked pursuant to an ongoing aribtration matter.

16 EQUITY SHARE CAPITAL

	(₹ Million)	
	Mar-26	Mar-25
Authorised *		
2,000,000,000 (2,000,000,000) Equity shares of ₹1/- each	2,000	2,000
	2,000	2,000
Issued, subscribed and paid-up		
960,519,420 (960,519,420) Equity shares of ₹ 1/- each fully paid-up	961	961
Total	961	961

* Authorised capital of 2,100,000,000 (2,100,000,000) Redeemable Preference Shares of ₹ 10/- (₹ 10/-) each is not considered above.

a) Reconciliation of number of Equity shares and Share capital

	Mar-26		Mar-25	
	Number of Equity shares	₹ Millions	Number of Equity shares	₹ Millions
At the beginning of the year	960,519,420	961	960,519,420	961
Add : Issued during the year	–	–	–	–
Outstanding at the end of the year	960,519,420	961	960,519,420	961

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b) Terms / rights attached to Equity shares

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

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

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

As per the records of the Group, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, there are no shareholders holding equity shares more than 5% of the aggregate equity shares.

d) Shareholding of promoters

	Mar-26		
Name of the Promoters	Number of Equity shares	% Shareholding	% Change
Cyquator Media Services Private Limited	1,928,636	0.20%	–
Essel Corporate LLP	185,700	0.02%	–
Sprit Infrapower & Multiventures Private Limited.	400	0.00%	–
Essel Infraprojects Limited	100	0.00%	–
Essel International Limited	1,327,750	0.14%	–
Essel Holdings Limited	1,718,518	0.18%	–
Essel Media Ventures Limited	33,155,180	3.45%	–

	Mar-25		
Name of the Promoters	Number of Equity shares	% Shareholding	% Change
Cyquator Media Services Private Limited	1,928,636	0.20%	–
Essel Corporate LLP	185,700	0.02%	–
Sprit Infrapower & Multiventures Private Limited	400	0.00%	–
Essel Infraprojects Limited	100	0.00%	–
Essel International Limited	1,327,750	0.14%	–
Essel Holdings Limited	1,718,518	0.18%	–
Essel Media Ventures Limited	33,155,180	3.45%	–

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

17 OTHER EQUITY

	(₹ Million)	
	Mar-26	Mar-25
Capital Redemption Reserve*	20,231	20,231
Capital reserve*	340	340
General reserve*	2,879	2,879
Retained earnings		
As per last balance sheet	86,948	81,016
Add : Profit for the year	2,731	6,795
Add: Re-measurement gain on defined benefit plans	120	131
Less: Income-tax impact thereon	(31)	(33)
Less: Payment of dividend on Equity shares	(2,334)	(961)
	87,434	86,948
Equity portion of Foreign Currency Convertible Bonds (net of deferred tax) (refer note 18(c))*	363	363
Items of Other comprehensive income		
Foreign currency translation reserve		
As per last balance sheet	3,665	3,353
Add : Foreign currency translation gain for the year	1,404	313
	5,069	3,665
Equity instruments (FVOCI)		
As per last balance sheet	(52)	(52)
Add: on fair value of Equity instruments classified as fair value through other comprehensive income	124	-
Less: Income-tax impact thereon	(31)	-
	41	(52)

* There was no movement in the above reserves during the year ended 31 March 2026 and 31 March 2025.

Nature and purpose of reserves

- Capital Redemption Reserve is created on redemption of redeemable preference shares issued.
- General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends, or other distributions paid to shareholders. It includes impact of remeasurement gain/ (losses) net of taxes on defined benefit plans on account of changes in actuarial assumptions or experience adjustments within the plans.
- Other Comprehensive income includes:
 - Exchange differences relating to translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's reporting currency are directly recognised in other comprehensive income.
 - Cumulative gains and losses arising on the revaluation of investment in Equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those investments are disposed off.
- Capital Reserve is related to merger/demerger/acquisition of business undertaking.
- Equity portion of Foreign Currency Convertible Bonds: The equity portion is the residual amount after deducting the fair value of the financial liability portion from the net proceeds of the FCCBs (Net of deferred tax).

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

18 LONG-TERM BORROWINGS

	(₹ Million)	
	Mar-26	Mar-25
Unsecured		
5% Foreign Currency Convertible Bonds (FCCB) liability portion (refer note (c) below)	1,744	1,554
Total (a)	1,744	1,554
Term loans (Secured)		
Vehicle loan from banks, at amortised cost*	33	47
Less : Current maturities of long term borrowings	16	21
Total (b)	17	26
Total (a+b)	1,761	1,580

- a) *Secured against hypothecation of vehicles. The borrowings carry interest rates ranging from 7 % p.a.- 9.32% p.a. (31 March 2025: 7.00% p.a. – 9.32% p.a.) and are generally repayable on monthly basis upto February 2030 (December 2028).
- b) The Company and its Indian Subsidiaries has not been sanctioned any working capital limit by banks or financial institutions on the basis of security of current assets.

	(₹ Million)	
	Mar-26	Mar-25
c) Face Value of Bond issued	2,000	2,000
Opening	1,554	-
Equity component of convertible bonds – value of conversion rights#	-	(485)
Transaction costs	-	(15)
	1,554	1,500
Interest accrued but not due	35	22
Foreign exchange difference	155	32
Borrowings non-current	1,744	1,554

The equity component of convertible bonds issued in FY 25 had been presented in Other Equity net of deferred tax of ₹ 122 million.

In its meeting, held on 16 July 2024, the Board had approved issuance of 5% coupon unsecured, unlisted, foreign currency convertible bonds (FCCBs) of U.S.\$239 million equivalent to ₹ 19,970 million, maturing in 10 years on a private placement basis. Based on the regulatory approvals received, the Company had issued FCCBs aggregating USD 23.90 Million (equivalent to ₹ 2,000 million) consisting of 2,390 FCCBs of USD 1,000 each to three investors for the first tranche as per terms of issuance.

The investors can exercise the conversion option at any time during the 10 year maturity period subject to regulatory approvals. The Exchange rate for conversion of FCCBs into equity shares is fixed at ₹ 83.5658/USD. The price at which each of the Shares will be issued upon conversion shall be as adjusted from time to time, will initially be ₹ 160.20 subject to adjustments as per subscription agreement.

Pursuant to request letters received from the Bond Holders, the Board on 26 March 2026 approved redemption of outstanding Foreign Currency Convertible Bonds (FCCBs) amounting to USD 23.90 million along with cancellation of the unutilized commitment of USD 215.1 million which is subject to contractual and regulatory approval and will be accounted for upon receipt of such approvals.

	(₹ Million)	
	Mar-26	Mar-25
d) Current maturities of long term borrowings	16	21
Total	16	21

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

19 PROVISIONS

(₹ Million)				
	Non current		Current	
	Mar-26	Mar-25	Mar-26	Mar-25
Provision for employee benefits (Refer Note 42)				
– Gratuity	1,413	1,579	198	129
– Compensated absences	–	–	55	60
Total	1,413	1,579	253	189

20 OTHER FINANCIAL LIABILITIES – CURRENT

(₹ Million)		
	Mar-26	Mar-25
Deposits received	168	160
Unclaimed preference shares redemption / dividend #	21	25
Unclaimed equity dividends #	15	22
Creditors for capital expenditure	159	133
Employee benefits payable	1,033	1,210
Other payables (Refer note 44(d)(ii)(A) and note 52)	688	685
Total	2,084	2,235

For transactions relating to related party payables, refer note 45.

Dividend aggregating ₹ 11 Million (₹ 5 Million) unclaimed for a period of more than seven years is transferred to Investors' Education and Protection Fund during the year. Further, there are no amounts due and outstanding to be credited to Investors' Education and Protection Fund as at 31 March 2026.

21 OTHER CURRENT LIABILITIES

(₹ Million)		
	Mar-26	Mar-25
Revenues received in advance	699	212
Deferred revenue *	1,773	1,725
Statutory dues payable	1,189	810
Total	3,661	2,747

* Opening balance has been recognised as revenue from operation during the year.

For transactions relating to related party payables, refer note 45.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

22 REVENUE FROM OPERATIONS

(₹ Million)		
	Mar-26	Mar-25
Services – Broadcasting revenue		
Advertisement	32,243	35,911
Subscription	40,796	39,261
– Theatrical revenue	3,768	1,677
– Sale of media content	3,920	5,796
– Transmission revenue	73	148
– Commission	80	8
Other operating revenue	109	140
Total	80,989	82,941

For Unbilled revenue refer note 9 – Other financial assets

For contract liabilities refer note 21 – Other current liabilities

Revenue aggregating to ₹ 40,193 million is recognised at a point in time and ₹ 40,796 million is recognised on over period of time basis.

The above revenue from operations represents revenue recognised at contracted price and there are no variable considerations.

23 OTHER INCOME

(₹ Million)		
	Mar-26	Mar-25
Interest income from :		
– Bank deposits measured at amortised cost	391	471
– Other financial assets measured at amortised cost	7	3
– Others (includes tax refunds)	668	203
Dividend income from :		
– Investment classified as fair value through profit and loss account	0	–
Gain on sale of investments classified as fair value through profit and loss	127	151
Liabilities / excess provision written back	87	91
Profit on sale of property, plant and equipment (net)	29	5
Rent income	148	254
Miscellaneous income	4	56
Total	1,461	1,234

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

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

24 OPERATIONAL COST

	(₹ Million)	
	Mar-26	Mar-25
a) Media content		
Opening – Inventory	67,732	69,113
Add: Purchase of inventory	33,098	32,090
Less: Closing – Inventory	65,104	67,732
Charge for the year (Refer note 53)	35,726	33,471
Other production expenses	10,131	8,532
a) Media content	45,857	42,003
b) Telecast and technical cost	2,737	3,169
Total (a+b)	48,594	45,172

25 EMPLOYEE BENEFITS EXPENSE

	(₹ Million)	
	Mar-26	Mar-25
Salaries and allowances	7,870	8,585
Contribution to provident and other funds *	397	432
Staff welfare expenses	157	250
Less: Related to discontinued operations	-	(1)
Total	8,424	9,266

* Refer note 42 for contribution to provident and other funds and gratuity disclosure

26 FINANCE COSTS

	(₹ Million)	
	Mar-26	Mar-25
Interest expense		
– vehicle loans measured at amortised cost	4	5
– lease liabilities	117	176
– Foreign Currency Convertible Bonds amortised cost	152	92
– others (including contractual obligation)	-	0
Other financial cost (including contractual obligation)	20	23
Exchange loss on Foreign Currency Convertible Bonds	155	32
Total	448	327

27 DEPRECIATION AND AMORTISATION EXPENSE

	(₹ Million)	
	Mar-26	Mar-25
Depreciation on property, plant and equipment	1,476	1,690
Depreciation on investment property	10	10
Amortisation of intangible assets	686	1,173
Less: Classified as exceptional expenses	-	(88)
Total	2,172	2,785

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

	(₹ Million)	
	Mar-26	Mar-25
Fair value gain on financial assets (net)	(524)	(159)
Total	(524)	(159)

29 OTHER EXPENSES

	(₹ Million)	
	Mar-26	Mar-25
Rent	100	119
Repairs and maintenance		
– Buildings	9	8
– Plant and machinery	130	115
– Others	492	648
Insurance	60	69
Rates and taxes	129	205
Electricity and water charges	228	183
Communication charges	93	96
Printing and stationery	18	21
Travelling and conveyance expenses	243	222
Legal and professional charges	1,214	667
Payment to auditors (including subsidiaries)	55	58
Corporate Social Responsibility expenses	178	227
Hire and service charges	711	793
Advertisement and publicity expenses	14,251	11,466
Commission expenses	171	136
Marketing, distribution and promotion expenses	1,578	1,480
Allowances for doubtful debts, advances and others (Refer note 44(d)(ii))	712	(274)
Foreign exchange loss (net)	41	223
Miscellaneous expenses	95	81
Less: Related to discontinued operations	-	(2)
Total	20,508	16,541

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



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

30 EXCEPTIONAL ITEMS

	(₹ Million)	
	Mar-26	Mar-25
Reversal for trade and other receivables (Refer note 44(d)(ii)(A))	-	(220)
Provision for other receivables * (Refer note 37)	-	809
Provision for investments classified as held for sale (Refer note 37)	-	75
Other exceptional expenses (Refer Note 49) #	94	397
Less: Related to discontinued operations	-	(75)
Total	94	986

#The restructuring cost includes the employee termination and other restructuring related expenses aggregating to ₹ 94 million (₹ 397 million)

* Includes write off of other receivables aggregating to ₹ Nil (₹ 372 million)

31 TAX EXPENSE

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

	(₹ Million)	
	Mar-26	Mar-25
Income-tax related to items recognised directly in the consolidated statement of profit and loss		
Current tax – current year	375	2,094
– earlier years	49	(11)
Deferred tax expense/(benefit)	(401)	304
Total	23	2,387
Effective tax rate	0.9%	26.0%

A reconciliation of income-tax expense applicable to profit before income-tax at statutory rate to income-tax expense at the Group's effective income-tax rate for the year ended 31 March 2026 and 31 March 2025 is as follows:

	(₹ Million)	
	Mar-26	Mar-25
Profit before tax	2,736	9,182
Income-tax		
Statutory income-tax rate of 25.168% (25.168%) on profit	689	2,311
Effect of differential tax rates for subsidiaries	(275)	(155)
Tax effect on non-deductible expenses	327	220
Non creation of deferred tax asset on unused tax losses	213	362
Allowances for doubtful debts, advances and others (Refer note 37)	(1,004)	(604)
Effect of exempt income and income taxed at lower rates	24	252
Short provision for earlier years	49	(11)
Others	(0)	12
Tax expense recognised in the income statement	23	2,387

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Deferred tax recognized in consolidated statement of other comprehensive income

	(₹ Million)	
	Mar-26	Mar-25
For the year ended 31 March		
Employee retirement benefits obligation	31	33
Gain on fair value of Equity instruments classified as fair value through other comprehensive income (net)	31	-
Total	62	33

The applicable tax rate is the standard effective corporate income-tax rate in India. The tax rate is 25.168% (25.168%) for the year ended 31 March 2026.

Deferred tax assets and liabilities are offset where the Group has a legally enforceable right to do so.

Deferred tax recognized as on 31 March 2026

	(₹ Million)				
Deferred tax (liabilities) / assets in relation to:	Opening Balance	Recognised in profit or loss (continuing operations)	Recognised in other comprehensive income	Foreign Currency Translation reserve	Closing balance
Employee retirement benefits obligation	411	(56)	31	-	386
Allowances for doubtful debts, loans, advances and others	3,181	459	-	(46)	3,594
Unutilized tax losses	297	18	-	(4)	311
Depreciation and amortisation	(63)	(19)	-	-	(82)
Disallowances under section 40(a)	397	(1)	31	(8)	419
Equity Component of FCCB	(122)	-	-	-	(122)
Total	4,101	401	62	(58)	4,506

Deferred tax recognized as on 31 March 2025

	(₹ Million)				
Deferred tax (liabilities) / assets in relation to:	Opening Balance	Recognised in profit or loss (continuing operations)	Recognised in other comprehensive income	Foreign Currency Translation reserve	Closing balance
Employee retirement benefits obligation	424	20	(33)	-	411
Allowances for doubtful debts, loans, advances and others	3,767	(586)	-	14	3,181
Unutilized tax losses	216	81	-	1	297
Depreciation and amortisation	91	(154)	-	-	(63)
Disallowances under section 40(a)	44	335	-	3	397
Equity Component of FCCB	-	-	-	(122)	(122)
Total	4,542	(304)	(33)	(104)	4,101

The Group has unused tax losses of ₹ 889 Millions (₹ 1,326 Millions) with no expiry on carry forward whereas ₹ 6,120 Millions (₹ 7,253 Millions) are available for offsetting over a period of time till 2033–34. The losses are mainly in the nature of business / capital losses.

In December 2021, the Organisation for Economic Co-operation and Development (“OECD”) released the Model Rules under Pillar Two of the Base Erosion and Profit Shifting (“BEPS”), introducing a global minimum corporate tax rate of 15%

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for multinational enterprise(“MNE”) groups with consolidated revenue of €750 million or more. The Group has evaluated the applicability of the Pillar Two rules for the financial year ended 31st March 2026, including for jurisdictions in which it operates. In accordance with the amendments to Ind AS 12 – Income Taxes, the Group has applied the mandatory temporary exception in relation to the recognition and disclosure of deferred tax assets and liabilities arising from Pillar Two income taxes. Accordingly, the Group has not recognised and disclosed deferred tax assets and liabilities related to Pillar Two income taxes. Further, based on the Group’s preliminary assessment for the financial year ended 31st March 2026, and considering there are no significant changes to the existing business structure and scale of operations, management currently does not expect any material Pillar Two top-up tax liability to arise.

32 EARNINGS PER SHARE (EPS)

	(₹ Million)	
	Mar-26	Mar-25
a. Profit after Tax from continuing operations (₹/Millions)	2,713	6,874
b. Profit after Tax from discontinuing operations (₹/Millions)	-	(79)
c. Profit after Tax (₹/Millions)	2,713	6,795
d. Weighted average number of Equity shares for basic EPS (in numbers)	960,519,420	960,519,420
e. Nominal value of Equity shares (₹)	1	1
f. Basic EPS from continuing operations(₹)	2.82	7.16
g. Basic EPS from discontinuing operations(₹)	-	(0.08)
h. Basic EPS (₹)	2.82	7.08
i. Profit after Tax from continuing operations (₹/Millions)	2,713	6,874
j. Interest Expenses on Foreign Currency Convertible Bonds (net of tax)	-	69
k. Profit after Tax from continuing operations for diluted EPS (₹/Millions) (i+j)	2,713	6,943
l. Profit after Tax from discontinuing operations (₹/Millions)	-	(79)
m. Weighted average number of Equity shares for basic EPS (in numbers) as above	960,519,420	960,519,420
n. Dilutive impact of Foreign Currency Convertible Bonds *	-	7,924,267
o. Weighted average number of Equity shares for diluted EPS (in numbers)	960,519,420	968,443,687
p. Nominal value of Equity shares (₹)	1	1
q. Diluted EPS from continuing operations restricted to (₹)	2.82	7.16
r. Diluted EPS from discontinuing operations (₹)	-	(0.08)
s. Diluted EPS (₹)	2.82	7.08

* Dilutive impact of Foreign Currency Convertible Bonds is not considered during current year as the Board has approved redemption of outstanding Foreign Currency Convertible Bonds (FCCBs)

33 DISCLOSURES UNDER IND AS 116 ON LEASES

(a) The group as a lessee:

- (i) The following is the break-up of current and non current lease liabilities as at:

	(₹ Million)	
Particulars	Mar-26	Mar-25
Current lease liabilities	694	790
Non-current lease liabilities	180	818
Total (refer note 44(d)(iii))	874	1,608

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- (ii) The table below provides details regarding the contractual maturities of lease liabilities (on undiscounted basis) as at:

	(₹ Million)	
Particulars	Mar-26	Mar-25
Due in 1 st year	743	851
Due in 2 nd to 5 th year	201	922
Due after 5 years	-	-
Total	944	1,773

- (iii) The following is the movement in lease liabilities during the year ended:

	(₹ Million)	
Land and buildings	Mar-26	Mar-25
Opening Balance	1,608	2,248
Additions	89	449
Finance Expenses	117	176
Liabilities written back on account of lease changes	(187)	(357)
Payment of lease liabilities	(753)	(908)
Closing Balance	874	1,608

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

- (iv) The changes in the carrying amounts of ROU assets of land and buildings is as follows:

	(₹ Million)	
	Mar-26	Mar-25
Opening Balance	3,344	3,704
Additions	89	449
Reversals	(334)	(809)
Closing Balance	3,099	3,344
Reversal of accumulated depreciation	228	422
Depreciation for ROU assets	611	646

- (v) Expenses relating to short-term leases and leases of low-value assets is as follows:

	(₹ Million)	
	Mar-26	Mar-25
Rent	100	119

The Group has entered into various lease contracts at various premises used in its operations. Leases of premises generally have lease terms upto 5 years.

(b) The Group as a lessor:

The Group has given part of its buildings / investment property under cancellable operating lease agreement. The initial term of the lease is for 9 to 12 months.

	(₹ Million)	
	Mar-26	Mar-25
Lease rental income	148	254

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

34ACONTINGENT LIABILITIES

(₹ Million)		
Particulars	Mar-26	Mar-25
a) Disputed Indirect Taxes \$	2,228	3,145
b) Disputed Direct Taxes *	888	888
c) Claims against the Group not acknowledged as debts ##	92	79
d) Legal cases against the Group @	Not ascertainable	Not ascertainable

\$ Indirect tax disputes primarily include disputes for the service tax demand, availment of inadmissible input tax credit under Goods and Service Tax (GST) and others. The Group has filed/ in the process of filing submission before the relevant authorities. The Group has reviewed all its pending indirect tax dispute litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its Consolidated financial statements.

During an earlier year, the Company had received show cause cum demand notice (SCN) from Indirect Tax Authorities in relation to availment of inadmissible input tax credit under Goods and Service Tax (GST) aggregating to ₹ 1,736 million (inclusive of consequential interest & penalty) which forms part of contingent liability. The Company had made payments / reversal of input credit of the SCN amount under protest and to ensure the interest accrual on the same are limited. During the year, Adjudicating Authority has passed orders upholding the demand. Based on the legal advice, the Management believes it has strong case on merits and has accordingly filed appeals against the aforesaid orders before the Commissioner of Central Tax (Appeals). The management believes that these balances are recoverable.

* Income-tax demands mainly include appeals filed by the Group before various appellate authorities against disallowance of expenses / claims, non-deduction / short deduction of tax at source, transfer pricing adjustments etc. The Management is of the opinion that its tax cases are likely to be decided in its favour and hence no provision is considered necessary.

The amount represents the best possible estimate arrived at on the basis of available information. The Group has engaged reputed advocates to protect its interests and has been advised that it has strong legal positions against such disputes.

@ The Group has received legal notices of claims / lawsuits filed against it relating to infringement of copyrights, defamation suits etc. in relation to the programs produced / other matters. In the opinion of the Management, no material liability is likely to arise on account of such claims / law suits.

During the previous year, a class action suit filed against the holding company and a subsidiary company in US Court with respect to digital data protection matter was dismissed by the Court during the year.

Further, during the year, separate class action suit has been filed against the holding company and a subsidiary company in US Court with respect to digital data protection matter. Based on the, past favourable order, available information and legal advice, the Management believes that no adjustments are required to the accompanying statements, as there are reasonable grounds of defence.

35 CAPITAL AND OTHER COMMITMENTS

(i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) ₹ 372 Million (₹ 318 Million).

(ii) Other Commitments as regards media content and others (net off advances) ₹ 15,887 Million (₹ 22,647 Million).

36 ATL Media Limited (ATL), an overseas wholly owned subsidiary of the Company incorporated in Mauritius, is engaged in broadcasting business. Living Entertainment Limited, Mauritius (LEL), a related party of the Company, was a content provider. During the financial year ended 31 March 2016, ATL had entered a Put Option agreement with LEL to acquire the issued share capital to the extent of 64.38% held by LEL in Veria International Limited (VIL) (another related party of the Company) at an exercise price of \$ 105 million. The exercise period of the Put Option was from the agreement date till the expiry date, i.e. 30 July 2019. In order to secure a borrowing, from Axis Bank Limited and Yes Bank Limited (Bank), LEL had assigned all its right, title, benefit and interest under the said Put Option agreement in favour of Axis Bank, DIFC branch, the security trustee for the benefit of Axis Bank Limited and Yes Bank Limited. The Put Option agreement was amended and renewed by the parties (ATL and LEL) on 29 July 2019 and extended till 30 December 2026 based on certain representations made by LEL and the exercise price was set at \$52.50 million (₹ 4,928 million as at 31 March 2026, ₹ 4,487 million as at 31 March 2025) for the same quantum of shares as per the earlier Put Option agreement and LEL extended the assignment of the Put Option to the security trustee.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

During the previous year, the Supreme Court of Mauritius, vide order dated 28 February 2025 has accepted the ATL's plea and declared that the amended Put Option agreement was rightfully rescinded and is null and void. Further, the prescribed period within which LEL may appeal against the judgement has expired and the Company has not been notified of any appeal against the judgement.

On 23 January 2024, the subsidiary had received a pre-litigation notice from security trustee in relation to this matter demanding the Company to fulfill its obligation under the Put Option agreement which the subsidiary had responded and denied all claims. Further, during the year ended 31 March 2026, communication has been received by the Company from security trustee which it has responded refuting the claims.

During the year, Axis Bank Limited has assigned its rights, title, interest and benefits to Yes Bank Limited IBU branch (Yes Bank).

Subsequent to the year-end, Yes Bank had issued a claim against LEL before the High Court of England and Wales (English Court) under the Facility Agreement and had amended its claim before the English Court to assert claims against the ATL under the Put Option agreement and the License Agreement.

Based on legal advise, Management believes that Yes Bank's claims under the Put Option agreement are not tenable and it has reasonable grounds to defend any claims made by Yes Bank. The subsidiary had during the earlier period received favourable order in the Supreme Court in Mauritius declaring that the Put Option Agreement has been rightfully rescinded and is null and void.

37 a) The management of the Group had as part of its portfolio rationalisation initiative was in the process of either liquidating / dissolving / restructuring of certain entities (primarily Margo Networks Private Limited) and there is no change in management intention. The management has classified the net assets in relation to these entities as Non-current Assets held for sale/disposal under IND AS 105 ("Non-current Assets Held for Sale and Discontinued Operations"). The results of the operation of these entities have been presented separately in the profit and loss account as discontinuing operations. Considering these assets are held for sale, the assets have been recorded at their respective realisable values.

During the previous year ended 31 March 2025, the Board approved the incremental closure costs amounting to ₹ 75 million. These closure costs had been accounted and presented as exceptional items within discontinuing operations.

Further, during the previous year ended 31 March 2025, the arbitration between Margo and its network partner had concluded and the arbitration order had not admitted the Company's claim. The Company had duly reviewed the order and considering the legal effect of the order, and to avoid protracted litigation, the Company had recorded a charge ₹ 809 million to the profit and loss account and presented the same under exceptional items.

During the year ended 31 March 2026, the Company has acquired remaining 10% equity shares in Margo, thereby making it a 100% subsidiary of the Company.

Current tax expense provision for the year ended 31 March 2026, includes credit of ₹ 969 million on account of write off of Margo investment, already impaired in the earlier years on account of management assessment which is supported by tax advice received by the Company that it was for furtherance of business.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The financial performance and cash flows for Discontinuing operations:

1 Analysis of profit and loss from discontinuing operation

	(₹ Million)	
Particulars	Mar-26	Mar-25
Revenue from operations	-	-
Expenses		
Employee benefits expense	-	1
Finance costs	-	1
Other expenses	-	2
Total Expenses	-	4
Loss before tax	-	(4)
Exceptional items (Refer note 30 and 37)	-	(75)
Loss before tax	-	(79)
Less : Tax expense		
Deferred tax	-	-
Profit for the year from discontinuing operations	-	(79)
Total comprehensive income for the year	-	(79)

2 Net cash flows attributable to the discontinuing operations:

	(₹ Million)	
Particulars	Mar-26	Mar-25
Net cash generated from operating activities	-	(76)
Net cash generated from investing activities	-	(8)
Net cash generated from financing activities	-	-
Total	-	(84)

3 Information of assets and associated liabilities classified as held for sale

	(₹ Million)	
Particulars	Mar-26	Mar-25
Non-current assets		
Goodwill	-	151
Non Current investments	10	10
Others non-current financial assets	6	6
Cash and cash equivalents	-	26
Other financial assets	3	6
Other current assets	-	327
Less: Fair value adjustment	-	(505)
Total assets classified as held for sale (also refer note 41 for buildings of the subsidiary classified as asset held for sale)	19	21
Non-current liabilities		
Borrowings	-	0

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	(₹ Million)	
Particulars	Mar-26	Mar-25
Current liabilities		
Trade payables	1	1
Other Financial Liabilities	27	26
Other current liabilities	0	0
Provisions	-	-
Liabilities directly associated with assets classified as held for sale	28	27

- b) During the year, the Board has approved, the sale and transfer of the Company's business of syndicating / licensing content together with all assets, liabilities, and all commercial and other rights forming part of the Business to its wholly owned subsidiary, ZI-IPR Enterprises Limited ("ZI-IPR"), by way of slump sale through execution of Business Transfer Agreement with effect from 1 April 2026 on a going concern basis.

- 38 Operational cost, employee benefits expense, advertisement and publicity expenses, electricity and water charges and repairs and maintenance (plant and machinery) are net off recoveries ₹ 105 Million (₹ 161 Million).

39 SEGMENT INFORMATION

a Business Segment

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

b Geographical Segment

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

	(₹ Million)	
	Segment revenue *	
	Mar-26	Mar-25
India	74,436	75,954
Rest of the world	6,553	6,987
Total	80,989	82,941

	(₹ Million)	
	Carrying cost of segment non-current assets(excluding investments accounted for using the equity method, deferred tax assets and financial assets) **	
	Mar-26	Mar-25
India	14,204	11,624
Rest of the world	2,080	1,819
Total	16,284	13,443

* The revenues are attributable to countries based on location of customers.

** Based on location of assets.

Considering the nature of business of the Group in which it operates, the Group deals with various customers including multiple geographies. Consequently, none of the customers contribute materially to the revenue of the Group.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- 40** i) The Company or any of the subsidiaries and joint venture has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entity(ies) (intermediaries) with the understanding that the intermediary shall;
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of the subsidiaries and joint venture (ultimate beneficiaries) or
 - provide any guarantee, security, or the like to or on behalf of the ultimate beneficiaries.
- ii) The Company or any of the subsidiaries and joint venture has not received any fund from any other person(s) or entity(ies), including foreign entity(ies) (funding party) with the understanding (whether recorded in writing or otherwise) that the funding party shall ;
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

41 NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

	(₹ Million)	
	Mar-26	Mar-25
Subsidiary assets held for sale	4	11
Other assets and Investments	9	10
Total assets (refer note 37)	13	21
Building (Refer Note (a) below)	198	70
Total	211	91
Liabilities directly associated with assets classified as held for sale/disposal (refer note 37)	28	27

Notes:

- The subsidiary had acquired certain flats during the year / earlier years which it does not intend to use and accordingly intends to sale the same which is expected to be completed in the next 12 months. Accordingly, the same has been classified as Non-current asset classified as held for sale.

42 EMPLOYEE BENEFITS

Disclosures as per Ind AS 19 on 'Employee Benefits' are as follows:

A Defined contribution plans

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

B Defined benefit plans

The present value of gratuity obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Indian entities:

	(₹ Million)	
	Mar-26	Mar-25
Gratuity (Non Funded)		
I. Expenses recognised during the year		
1 Current Service Cost	165	193
2 Interest Cost	78	117
Total Expenses	243	310
II. Amount recognised in other comprehensive income (OCI)		
Remeasurement during the period due to		
Experience adjustments		
- Changes in financial assumptions	(50)	52
- Changes in demographic Assumptions	(9)	(33)
- Changes in experience charges	(61)	(150)
Amount recognised in OCI	(120)	(131)
III. Net Liability recognised in the Balance Sheet as at 31 March		
1 Present value of defined benefit obligation (DBO)	1,463	1,551
2 Net Liability	1,463	1,551
IV. Reconciliation of Net Liability recognised in the Balance Sheet as at 31 March		
1 Net Liability at the beginning of year	1,551	1,615
2 Expense as per I above	243	310
3 Other comprehensive (income)/loss as per II above	(120)	(131)
4 Benefits paid	(211)	(243)
Net Liability at the end of the year	1,463	1,551
V. The following payments are expected to defined benefit plan in future years:		
1 Expected benefits for year 1	202	133
2 Expected benefits for year 2 to year 5	621	560
3 Expected benefits beyond year 5	1,388	2,048

As at 31 March 2026 the weighted average duration of the defined benefit obligation was 8.4 years (9.8 years).

	Mar-26	Mar-25
VI. Actuarial Assumptions		
1 Discount rate	7.14%	6.66%
2 Expected rate of salary increase	8.50%	8.50%
3 Mortality	IALM(2012-14)	IALM (2012-14)

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

VII. The defined benefit plans expose the Group to actuarial risks such as interest rate risk, longevity risk and salary risk:

Interest risk: A decrease in the bond interest rate will increase the plan liability.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of plan participants will increase the plan's liability.

VIII. Sensitivity Analysis

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to discount rate and future salary escalation rate. The following table summarises the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points

	(₹ Million)	
	Mar-26	Mar-25
Impact of increase in 50 bps on DBO – discount rate	(44)	(57)
Impact of decrease in 50 bps on DBO – discount rate	46	61
Impact of increase in 50 bps on DBO – salary escalation rate	48	61
Impact of decrease in 50 bps on DBO – salary escalation rate	(46)	(58)

Notes:

(a) The current service cost recognised as an expense is included in Note 25 'Employee benefits expense' as gratuity.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

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

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

	(₹ Million)	
Net Liability at the end of the year	Mar-26	Mar-25
Net Liability at the end of the year (refer note IV.) above	1,463	1,551
Foreign entities	148	157
Total Liability at the end of the year	1,611	1,708

C Compensated absence

The Group provides for accumulation of compensated absences by certain employees of subsidiaries. These employees can carry forward a portion of the unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof as per the Group's policy. The Group records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation for leave benefits (non-funded) is also recognised using the Projected Unit Credit Method. The total liability recorded by the Group towards this obligation was ₹55 million and ₹ 60 million as at 31 March 2026 and 31 March 2025, respectively.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

43 DISCLOSURE IN RESPECT OF JOINT VENTURE AND NON CONTROLLING INTEREST

(a) The summarised financial information of the Group's joint venture are set out below.

(b) The principal place of business for the joint venture is in India.

1 Media Pro Enterprise India Private Limited – Joint Venture

	(₹ Million)	
Particulars	Mar-26	Mar-25
Current assets	194	191
Current liabilities	(1)	(1)
Equity	193	190
Proportion of Group ownership	50%	50%
Proportion of Group share	97	95
Carrying amount of investment	28	26
Cash and cash equivalents	153	152

	(₹ Million)	
Particulars	Mar-26	Mar-25
Total revenue	7	12
Profit/(Loss) for the year	3	7
Total comprehensive Income/(loss)	3	7
Group's Share of Profit/(loss)	2	4

Group's share in contingent liabilities is ₹ Nil million (₹ 1 million).

2 Subsidiary with Non-controlling interests (NCI)

Name	Country of Incorporation and principal place of business	Proportion of ownership interests and voting rights held by NCI		Total comprehensive income allocated to NCI		Accumulated NCI	
		As at 31 March 2026	As at 31 March 2025	For the year ended 31 March 2026	For the year ended 31 March 2025	As at 31 March 2026	As at 31 March 2025
Zbullet Enterprise Limited	India	8%	–	(18)	–	(18)	–

Summarised Financial Information is not material hence not disclosed.

44 FINANCIAL INSTRUMENTS**a Capital management**

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

The following is net gearing ratio at the end of reporting period: (net debt divided by total 'equity').

Net debt = Total borrowings (including lease liabilities) less (Cash and cash equivalents + Bank balance other than cash and cash equivalents (excluding balance earmarked for unclaimed dividend) + Current investments).

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Gearing ratio:

	(₹ Million)	
	Mar-26	Mar-25
Total Debt *	2,651	3,209
Less: Cash and bank balance including mutual fund and excluding balance earmarked for unclaimed dividend	27,203	24,017
Net debt (A)	(24,552)	(20,808)
Total equity (B)	117,299	115,334
Net debt to equity ratio (A/B)	(0.2)	(0.2)

b Categories of financial instruments and fair value thereof

Particulars	(₹ Million)			
	Mar-26		Mar-25	
	Carrying amount	Fair value	Carrying amount	Fair value
A Financial assets				
i) Measured at amortised cost				
Trade receivables	17,243	17,243	15,325	15,325
Cash and cash equivalents	7,978	7,978	7,204	7,204
Other bank balances	6,957	6,957	5,296	5,296
Loans (net of provision) (refer note 44(d)(ii))	357	357	-	-
Other financial assets	5,242	5,242	4,550	4,550
	37,777	37,777	32,375	32,375
ii) Measured at fair value through profit and loss account				
Investments				
Investment in mutual funds	12,303	12,303	11,564	11,564
Exfinity Technology Fund-Series II	293	293	357	357
	12,596	12,596	11,921	11,921
iii) Measured at fair value through other comprehensive income				
Ideabaaz Tech Private Limited	124	124	9	9
B Financial liabilities				
i) Measured at amortised cost				
Trade payables	14,669	14,669	11,907	11,907
Other financial liabilities	2,084	2,084	2,235	2,235
Lease liabilities*	874	874	1,608	1,608
FCCB liability	1,744	1,744	1,554	1,554
Vehicle loans *	33	33	47	47
	19,404	19,404	17,351	17,351

* Includes current maturities.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

There have been no transfer between Level 1, Level 2 and Level 3 for year ended 31 March 2026 and 31 March 2025.

Financial instruments measured at amortised cost

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

c Fair value measurement

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantative disclosures of fair value measurement hierarchy for assets and liabilities as at:

	(₹ Million)			
	Mar-26	Mar-25	Valuation Technique(s) & key inputs used	
Financial assets at fair value through profit and loss				
Investment in Mutual funds	12,303	11,564	Level 1	Quoted in an active market
Exfinity Technology Fund-Series II	293	357	Level 3	NAV statements
Financial assets at fair value through Other Comprehensive Income				
Ideabaaz Tech Private Limited	124	-	Level 3	Based on valuation report – market multiple method

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

Reconciliation of Level 3 category of financial assets:

	(₹ Million)	
	Mar-26	Mar-25
Opening balance	357	368
Redeemed	(37)	-
Fair value gain recognised	97	(11)
Closing balance	417	357

d Financial risk management objective and policies

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

The Group is exposed to market risk, credit risk and liquidity risk. The Group's Senior Management oversees the management of these risks.

i Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

– Foreign Currency risk

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

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

(₹ Million)

Currency	Assets as at		Liabilities as at	
	Mar-26	Mar-25	Mar-26	Mar-25
Indian Rupees (INR)	97	133	15	14
United States Dollar (USD)	975	1,048	1,793	2,095
Euro (EUR)	1	1	3	2
Great Britain Pound (GBP)	1	1	–	4
Mauritian Rupee	2	2	7	9
Australian Dollar (AUD)	6	14	–	–
UAE Dirhams (AED)	–	25	–	–
Singapore Dollar (SGD)	22	20	4	2
Egypt Pound (EGP)	125	132	–	–
Japanese Yen (JPY)	2	2	–	–
South African Rand (ZAR)	106	89	–	–

– Foreign Currency sensitivity analysis

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

(₹ Million)

Currency	Sensitivity analysis			
	Mar-26		Mar-25	
	Decrease by 10%	Increase by 10%	Decrease by 10%	Increase by 10%
Indian Rupees (INR)	(8)	8	(12)	12
United States Dollar (USD)	82	(82)	105	(105)
Euro (EUR)	0	(0)	0	(0)
Great Britain Pound (GBP)	(0)	0	0	(0)
Mauritian Rupee	1	(1)	1	(1)
Australian Dollar (AUD)	(1)	1	(1)	1
UAE Dirhams (AED)	–	–	(2)	2
Singapore Dollar (SGD)	(2)	2	(2)	2
Egypt Pound (EGP)	(12)	12	(13)	13
Japanese Yen (JPY)	(0)	0	(0)	0
South African Rand (ZAR)	(11)	11	(9)	9

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

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

– Interest rate risk

The borrowing of the Group includes FCCB and vehicle loan which carries fixed coupon rate and consequently the Group is not exposed to interest rate risk.

The Group's investment in debt instruments and loans given by the Group are at fixed interest rates, consequently the Group is not exposed to interest rate risk.

The Group also invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the debt mutual fund schemes in which the Company has invested, such price risk is not significant.

– Other price risk

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

Price sensitivity analysis:

The sensitivity analysis below has been determined based on the exposure to price risks of the investments at the end of the reporting period. If the prices had been 10% lower / higher :

(₹ Million)

Fair value through profit and loss and Fair value through other comprehensive income	Sensitivity analysis			
	Mar-26		Mar-25	
	Decrease by 10%	Increase by 10%	Decrease by 10%	Increase by 10%
Fair value through profit and loss for the year ended would (decrease) / increase by	1,272	(1,272)	1,192	(1,192)

ii Credit risk management

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

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

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

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

Based on historical data, loss on collection of receivables is not material hence no additional provision considered.

The unsatisfied performance obligation is expected to be completed in one year or less.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Company considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The carrying amounts of trade receivables outstanding from the due dates as at 31 March 2026 is follows:

(₹ Million)							
Particulars	Not due	Less than 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years	Total
Undisputed							
(i) Considered good	7,774	9,460	272	46	64	40	17,656
(ii) which have significant increase in credit risk	0	24	117	445	127	1	714
(iii) Credit impaired	0	0	0	0	297	1,089	1,386
Disputed							
(i) Considered good	–	–	–	–	–	–	–
(ii) which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Credit impaired	–	–	–	7	7	2,810	2,824
Total	7,774	9,484	389	498	495	3,940	22,580

“O” (zero) denotes amounts less than a million.

The carrying amounts of trade receivables outstanding from the due dates as at 31 March 2025 is follows:

(₹ Million)							
Particulars	Not due	Less than 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years	Total
Undisputed							
(i) Considered good	7,148	7,628	586	172	26	78	15,638
(ii) which have significant increase in credit risk	–	–	–	340	2	46	388
(iii) Credit impaired	–	–	–	1	216	1,084	1,301
Disputed							
(i) Considered good	–	–	–	–	–	–	–
(ii) which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Credit impaired	–	0	7	6	–	2,794	2,807
Total	7,148	7,628	593	519	244	4,002	20,134

“O” (zero) denotes amounts less than a million.

Note: The default in collection as a percentage to total receivable is low.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

(₹ Million)		
	Mar–26	Mar–25
Movement in allowance for credit loss during the year was as follows :		
Balance at the beginning of the year	4,809	5,047
Add: Provided during the year	649	402
Less: Reversal / write offs during the year	(235)	(676)
Impact of Foreign Translation	114	36
Balance as at the end of the year	5,337	4,809
Net Trade receivable	17,243	15,325

Trade receivable consists of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of the accounts receivable.

- A The Company had provided commitments for funding shortfalls in Debt Service Reserve Account (DSRA guarantee) in relation to certain financial facilities availed from banks by Siti Networks Limited (SNL), an unrelated entity. During the year ended 31 March 2023, the Company had reached a settlement with certain lenders of SNL and payment were made as per agreed terms. The Company has stepped into the shoes of the lenders of SNL as per the applicable law to recover the amounts from SNL, as confirmed by the Insolvency Resolution Professional (IRP) of SNL. During the previous year ended 31 March 2025, the Company has assigned and transferred these rights to a third party for a consideration of ₹ 220 million. The Company had fully provided for payments made towards the settlement amounts in earlier years and therefore, the aforementioned consideration of ₹ 220 million has been accounted for as a gain and presented under exceptional items. The Company continues to carry adequate provisions for any remaining DSRA claim.

Further, the IRP of SNL has admitted the operational creditor claims of the Company under the ongoing resolution process.

Considering the financial condition of SNL, the Company without prejudice to its legal rights had fully provided for the balances recoverable from SNL till the date of admission of claim by IRP and continues to recognise revenue from SNL on conservative basis.

On 6 September 2025, IDBI Bank Limited has filed application under Section 7 of the Insolvency and Bankruptcy Code, 2016 before the Hon’ble National Company Law Tribunal, Mumbai Bench for initiation of Corporate Insolvency Resolution Process against the Company. The Company has filed its detailed reply seeking dismissal of IDBI’s petition and based on legal advice and precedence believes that the Company has a strong case in the matter.”

- B During the year, the Company has given an Inter–corporate Deposit (ICD) aggregating to ₹ 350 million carrying interest rate of 12% p.a. for a period of 4 months.

(₹ Million)		
	Mar–26	Mar–25
ICD given	350	–
Interest accrued on above ICD	7	–
Balance as at the end of the year	357	–

- C The Company, in an earlier year, had given an Inter–corporate Deposit (ICD) aggregating ₹ 1,500 Million. On account of delays in recovery of the amount, the ICD was assigned to certain related parties (refer note 45), to secure payment of ₹ 1,706 Million (including accrued interest up to the date of assignment). Further since, there are delays in receiving payment from these related parties, the aforesaid amount has been provided during an earlier year. The Company has initiated arbitration proceedings against the said parties for recovering the amounts and the the arbitrator granted an award in favour of the Company. During the previous year, the Company has filed execution application to enforce the award.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- D The carrying amount of allowance for credit impaired of current financial assets as below:

	(₹ Million)	
	Mar-26	Mar-25
Movement in allowance for credit impaired for other financial assets		
Balance at the beginning of the year	1,371	2,891
Add: Provided during the year	63	20
Less: Reversal/Write offs during the year	–	(1,540)
Balance as at the end of the year	1,434	1,371

- E During an earlier year, the group had filed a case against a competing indian broadcaster for recovery of the telecast rights money aggregating to USD 4.96 million equivalent to ₹ 466 million (USD 4.96 million equivalent to ₹ 424 million) which is currently being heard by the Supreme Court of India (“the Court”).Considering the significant passage of time, the management had made provision against the same.

Credit risk on cash and cash equivalents is limited as the Group generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. The credit risk on mutual funds is limited with high credit ratings assigned by credit rating agencies. Further, no major investments in external non-convertible debentures and other debt instruments.

iii Liquidity risk

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

The table below provides details regarding the contractual maturities of financial liabilities as at 31 March 2026 as per applicable IND AS:

	(₹ Million)				
	Due in 1 st year	Due in 2 to 5 th year	Due after 5 years	Total	Carrying value
Financial Liabilities					
Trade payables and other financial liabilities	16,753	–	–	16,753	16,753
Lease liabilities (Present value)	694	180	–	874	874
Borrowings	16	17	1,744	1,777	1,777
Total	17,463	197	1,744	19,404	19,404

The table below provides details regarding the contractual maturities of financial liabilities as at 31 March 2025 as per applicable IND AS:

	(₹ Million)				
	Due in 1 st year	Due in 2 to 5 th year	Due after 5 years	Total	Carrying value
Financial Liabilities					
Trade payables and other financial liabilities	14,142	–	–	14,142	14,142
Lease liabilities (Present value)	790	818	–	1,608	1,608
Borrowings	21	26	1,554	1,601	1,601
Total	14,953	844	1,554	17,351	17,351

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The amount of financial guarantees included in contingent liabilities are the maximum amounts the Group could be forced to settle under the arrangement for the full guaranteed amount if the amount is claimed by the counterparty to the guarantee.

The table below provides ageing of trade payables outstanding from due date of payments as at 31 March 2026:

Particulars	Accruals	Not due	Less than 1 year	1–2 years	2–3 years	More than 3 years	Total
Undisputed	3,485	6,612	3,526	113	164	146	14,046
Disputed	–	305	305	–	–	13	623
Total	3,485	6,917	3,831	113	164	159	14,669

The table below provides ageing of trade payables outstanding from due date of payments as at 31 March 2025:

Particulars	Accruals	Not due	Less than 1 year	1–2 years	2–3 years	More than 3 years	Total
Undisputed	3,273	4,259	3,361	542	257	204	11,896
Disputed	–	–	–	–	–	12	12
Total	3,273	4,259	3,361	542	257	216	11,908

45 RELATED PARTY DISCLOSURES

a Joint Venture

Media Pro Enterprise India Private Limited (extent of holding 50% through Zee Studios Limited)

b Other Related parties consist of companies controlled by key management personnel and its relatives with whom transactions have taken place during the year and balance outstanding as on the last day of the year:

Asian Satellite Broadcast Private Limited; Cyquator Media Services Private Limited; Digital Subscriber Management and Consultancy Services Private Limited; Diligent Media Corporation Limited; Edisons Infrapower & Multiventures Private Limited; Essel Corporate LLP; Essel Finance Business Loans Limited; Essel Finance Management LLP; Essel Infra Projects Limited; Elouise Green Mobility Limited (formerly known as Essel Green Mobility Limited); Essel Realty Private Limited; Essel Utilities Distribution Company Limited; Evenness Business Excellence Services Private Limited (Formerly known as Essel Business Excellence Services Limited); Konti Infrapower & Multiventures Private Limited; Living Entertainment Enterprises Private Limited; Omnitrade Marketing Services Private Limited; Pan India Network Infravest Limited; Pan India Network Limited; Real Media FZ-LLC; Veria International Limited; Widescreen Holdings Private Limited; Play Games 24x7 Private Limited; Kayhan Enterprises Private Limited; Creatorflux Media Private Limited;One Immersive Private Limited

Directors / Key Management Personnel

Mr. Punit Goenka, CEO (MD & CEO upto 17 November 24);Mr. Rohit Kumar Gupta (CFO upto 18 June 24); Mr Mukund Galgali, CFO (effective 19 June 24) & Deputy CEO ; Mr. Ashish Agarwal (Company Secretary); Mr. R Gopalan (Independent Director – Chairman); Uttam Prakash Agarwal (Independent Director); Shishir Babhubhai Desai (Independent Director); Deepu Bansal (Independent Director); Venkata Ramana Murthy Piniseti (Independent Director); Mr Saurav Adhikari (Independent Director– appointed w.e.f. 29 November 24); Divya Karani (Independent Director– appointed w.e.f. 23 January 25)

Relatives of Key Management Personnel

Amit Goenka

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- c Disclosure in respect of related party transactions and balances as at and during the year:

(₹ Million)		
Particulars	Mar-26	Mar-25
Transactions during the year		
i Revenue from operations		
Other operating income		
Other related parties	-	0
ii Other income		
Rent/miscellaneous income		
Other related parties	1	1
iii Purchase of media content		
Other related parties	64	60
iv Purchase of services and rent expenses		
Other related parties	541	548
v Recoveries/(reimbursement) (net)		
Other related parties	1	3
vi Trade advance given		
Other related parties	189	-
vii Remuneration to Key Management Personnel		
Short term employee benefits @	312	239
viii Remuneration to relative of Key Management Personnel		
Short term employee benefits @	213	187
ix Commission and sitting fees		
Non-executive directors*	67	58

All related party transactions entered during the year were in ordinary course of business and on arms length basis.

* Includes previous year's arrears of commission aggregating to ₹ 50 million (₹ Nil)



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Million)		
Particulars	Mar-26	Mar-25
Balance as at 31 March		
i Investment		
Joint venture	28	26
ii Trade receivables		
Other related parties	0	0
iii Loans, advances and deposits given (Refer note 44(D)(ii))		
Other related parties	347	342
iv Other receivables		
Other related parties	1	1
v Trade advances given		
Other related parties	189	-
vi Trade advances and deposits received		
Other related parties	0	0
vii Trade/other payables		
Other related parties	30	20

@ Does not include provision made for gratuity as they are determined on actuarial basis for all the employees together.

All outstanding balances are unsecured and are settled in cash in normal course of business.

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

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- d Disclosure in respect of material related party which account for 10% or more of the transactions and balances as at and during the year:

(₹ Million)		
Particulars	Mar-26	Mar-25
Transactions during the year		
i Revenue from operations		
Other operating income		
Play Games 24 x 7 Pvt Ltd	-	0
ii Other income		
Rent/miscellaneous income		
Diligent Media Corporation Limited	1	1
iii Purchase of media content		
Kayhan Enterprises Private Limited	29	0
Living Entertainment Enterprises Private Limited	35	60
iv Purchase of services and rent expenses		
Digital Subscriber Management and Consultancy Services Private Limited	507	524
Others	34	24
v Recoveries/(reimbursement) (net)		
Essel Corporate LLP	-	2
Diligent Media Corporation Limited	1	1
vi Trade advance given		
One Immersive Private Limited	189	-
vii Remuneration to Key Management Personnel		
Punit Goenka @	251	174
Rohit Kumar Gupta@	-	19
Ashish Agarwal@	28	27
Mukund Galgali@	33	19
viii Remuneration to relative of Key Management Personnel		
Amit Goenka @	213	187
ix Commission and sitting fees		
Non-executive directors*	67	58

All related party transactions entered during the year were in ordinary course of business and on arms length basis.

* Includes previous year's arrears of commission aggregating to ₹ 50 million (₹ Nil)

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Million)		
Particulars	Mar-26	Mar-25
Balance as at 31 March		
i Investment		
Equity Shares of Media Pro Enterprises India Private Limited	28	26
ii Trade receivables		
Play Games 24x7 Limited	0	0
iii Loans, advances and deposits given (Refer note 44(D)(ii))		
Digital Subscriber Management and Consultancy Services Private Limited	340	340
Widescreen Holdings Private Limited (Net of Provision)	-	-
Konti Infrapower & Multiventures Private Limited (Net of Provision)	-	-
Edisons Infrapower & Multiventures Private Limited (Net of Provision)	-	-
Others	7	2
iv Other receivables		
Other related parties	1	1
v Trade advances given		
One Immersive Private Limited	189	-
vi Trade advances and deposits received		
Essel Infra Projects Limited	-	-
Essel Finance Management LLP	-	-
Diligent Media Corporation Limited	0	0
vii Trade/other payables		
Real Media FZ LLC	22	20
Creatorflux Media Private Limited	5	-
Others	3	0

@ Does not include provision made for gratuity as they are determined on actuarial basis for all the employees together.

All outstanding balances are unsecured and are settled in cash in normal course of business.

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

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

46 ADDITIONAL INFORMATION, AS REQUIRED TO CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARIES / JOINT VENTURES FOR THE YEAR ENDED 31 MARCH 2026.

(₹ Millions)

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Zee Entertainment Enterprises Limited	84%	105,631	30%	1,206	100%	184	33%	1,390
SUBSIDIARIES								
Indian								
1 Zee Studios Limited (Formerly Essel Vision Productions Limited)	2%	2,026	–2%	(86)	0%	0	–2%	(86)
2 Margo Networks Private Limited	0%	–	33%	1,294	0%	–	32%	1,294
3 Zbullet Enterprise Limited ##	0%	(197)	–6%	(234)	0%	–	–6%	(234)
4 Rotate Onetouch Limited (formerly known as Advance Media Distribution Limited) @	0%	28	0%	13	0%	–	0%	13
5 Z–IPR Enterprises Limited *	0%	(1)	0%	(1)	0%	–	0%	(1)
Foreign								
1 ATL Media Limited	9%	11,635	14%	516	0%	–	14%	516
2 Zee Multimedia Worldwide (Mauritius) Limited	4%	5,338	0%	(1)	0%	–	0%	(1)
3 Asia TV Limited (UK)	0%	46	0%	17	0%	–	0%	17
4 OOO Zee CIS Holding LLC	0%	–	0%	–	0%	–	0%	–
5 OOO Zee CIS LLC	0%	2	0%	(3)	0%	–	0%	(3)
6 Taj TV Limited	0%	370	0%	(3)	0%	–	0%	(3)
7 Zee Entertainment Middle East FZ–LLC	1%	1,419	3%	129	0%	–	3%	129
8 ATL Media FZ–LLC	1%	933	–4%	(156)	0%	–	–4%	(156)
9 Zee TV South Africa (Proprietary) Limited	0%	261	1%	41	0%	–	1%	41
10 Asia Multimedia Distribution Inc.	0%	(70)	–1%	(22)	0%	–	–1%	(22)
11 Asia Today Singapore Pte Limited	0%	302	1%	21	0%	–	0%	21
12 Asia TV (USA) Limited, Wyoming	–1%	(1,603)	3%	134	0%	–	3%	134
13 Asia Today Limited	3%	3,730	–2%	(81)	0%	–	–2%	(81)
14 Z5X Global FZ – LLC	–5%	(6,268)	29%	1,150	0%	–	28%	1,150

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Millions)

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
15 Asia TV Gmbh \$	0%	–	0%	–	0%	–	0%	–
16 Zee Entertainment UK Limited (Formerly Zee UK Max Limited)	2%	1,964	1%	56	0%	–	1%	56
17 Zee Media Kenya Limited %	0%	4	0%	2	0%	–	0%	2
Non Controlling Interests in all subsidiaries	0%	(18)	0%	(18)	0%	–	0%	(18)
JOINT VENTURES (INVESTMENT AS PER THE EQUITY METHOD)								
Indian								
1 Media Pro Enterprise India Private Limited	0%	28	0%	2	0%	–	0%	2
TOTAL	100%	125,559	100%	3,975	100%	184	100%	4,160
Add/(Less): Effect of Elimination/consolidation adjustments		(8,278)		(1,263)		1,402		139
TOTAL		117,281		2,713		1,586		4,299

O’ (zero) denotes amounts less than a million.

@ Incorporated w.e.f. 28 June 2025

\$ liquidated on 9 October 2025

Incorporated w.e.f. 12 June 2025

% Incorporated w.e.f. 21 June 2024

* Incorporated w.e.f. 1 October 2025

The figures have been computed based on the respective audited financial statements of the Companies vis-à-vis consolidated figures. Impact of consolidation adjustments have not been considered.



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

46 ADDITIONAL INFORMATION, AS REQUIRED TO CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY/ JOINT VENTURE FOR THE YEAR ENDED 31 MARCH 2025.

(₹ Million)								
Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Zee Entertainment Enterprises Limited	90%	106,577	96%	7,013	101%	99	95%	7,112
SUBSIDIARIES								
Indian								
1 Zee Studios Limited (Formerly Essel Vision Productions Limited)	0%	(409)	(5%)	(371)	(1%)	(1)	(5%)	(372)
2 Margo Networks Private Limited	(1%)	(1,294)	(8%)	(574)	0%	-	(8%)	(574)
Foreign								
1 ATL Media Limited	8%	10,095	1%	46	0%	-	1%	46
2 Zee Multimedia Worldwide (Mauritius) Limited	4%	4,861	0%	(1)	0%	-	0%	(1)
3 Asia TV Limited (UK)	0%	86	0%	(7)	0%	-	0%	(7)
4 OOO Zee CIS Holding LLC	0%	-	0%	-	0%	-	0%	-
5 OOO Zee CIS LLC	0%	4	0%	(4)	0%	-	0%	(4)
6 Taj TV Limited	0%	340	2%	138	0%	-	2%	138
7 Zee Entertainment Middle East FZ-LLC	1%	1,168	4%	277	0%	-	4%	277
8 ATL Media FZ-LLC	1%	1,001	1%	110	0%	-	1%	110
9 Zee TV South Africa (Proprietary) Limited	0%	184	2%	167	0%	-	2%	167
10 Asia Multimedia Distribution Inc.	0%	(42)	0%	(9)	0%	-	0%	(9)
11 Asia Today Singapore Pte Limited	0%	255	0%	31	0%	-	0%	31
12 Asia TV (USA) Limited, Wyoming	(1%)	(1,589)	4%	278	0%	-	4%	278
13 Asia Today Limited	3%	3,475	1%	104	0%	-	1%	104
14 Z5X Global FZ - LLC	(6%)	(6,819)	2%	175	0%	-	2%	175
15 Asia TV Gmbh \$	0%	22	0%	-	0%	-	0%	-
16 Zee Entertainment UK Limited (Formerly Zee UK Max Limited)	1%	1,698	0%	37	0%	-	0%	37
17 Zee Media Kenya Limited %	0%	1	0%	1	0%	-	0%	1

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ Million)								
Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share in other comprehensive income		Share of total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Non Controlling Interests in all subsidiaries	0%	-	0%	-	0%	-	0%	-
JOINT VENTURES (INVESTMENT AS PER THE EQUITY METHOD)								
Indian								
1 Media Pro Enterprise India Private Limited	0%	26	0%	4	0%	-	0%	4
TOTAL	100%	119,640	100%	7,415	100%	98	100%	7,513
Add/(Less): Effect of Elimination/consolidation adjustments		(4,306)		(620)		313		(307)
TOTAL		115,334		6,795		411		7,206

O' (zero) denotes amounts less than a million.
\$ liquidated on 9 October 2025
% Incorporated w.e.f. 21 June 2024
The figures have been computed based on the respective audited financial statements of the Companies vis-à-vis consolidated figures. Impact of consolidation adjustments have not been considered.



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

47 DETAILS OF STRUCK OFF COMPANIES

(₹ Million)

Name of the struck off company	Balance type	Balance outstanding as at 31 March 26	Balance outstanding as at 31 March 25
Atrix Educare Business Private Limited	Revenues received in advance	–	0
Bhusawal Cable Network Private Limited	Revenues received in advance	0	–
Viktoria Cineplex Private Limited	Revenues received in advance	–	0
Innamuri Venkat Yellow Production Private Limited	Trade Receivables	–	0
Kanir Constructions Private Limited	Revenues received in advance	–	0
Scod18 Networking Private Limited	Trade Payables	5	5
Yes India Digital Network Private Limited	Trade advances	0	0
Comstar Digital Networks Private Limited	Trade Payables	5	5
Nilgiri Cable Tv Private Limited	Trade Payables	0	0
Yes India Digital Network Private Limited	Trade receivables	2	2
Scod18 Networking Private Limited	Trade receivables	0	0
Alleppey Digital Private Limited	Trade receivables	0	0
Dhubri Cable Tv Network Private Limited	Trade receivables	0	0
Novabase Digital Entertainment Private Limited	Trade receivables	7	7
Kriarj Entertainment Private Limited	Trade receivables	0	3
Nilgiri Cable Tv Private Limited	Trade receivables	0	–
Malayora Digital Cable Vision Private Limited	Revenues received in advance	0	–
Shiv Digitek Private Limited	Revenues received in advance	0	–
Space Television Network Private Limited	Revenues received in advance	0	–

‘0’ (zero) denotes amounts less than a million.

None of the aforesaid companies are related parties in accordance with related party definition as per Section 2 (76) of the Companies Act, 2013.

48 ADDITIONAL DISCLOSURE WITH RESPECT TO AMENDMENT TO SCHEDULE III

- The Group has not been declared wilful defaulter by any bank or financial institution or any lender.
- There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- There are no loans or advances (Other than those already disclosed under Note 45) in the nature of loans granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

49 On 21 November 2025, the Government of India notified the four Labour Codes consolidating 29 existing labour laws. The Ministry of Labour & Employment has also issued draft Central Rules and FAQs to help assess the financial impact of these changes. Based on internal management assessment and the best information available, and in line with ICAI guidance, the incremental impact of these changes is not material to the financial statements of the Company and its Indian Subsidiaries for the year ended 31 March 2026. The Group continues to monitor the developments pertaining to the implementation of the new labour codes from the Government on other aspects of the Labour Code and would provide appropriate accounting effect subsequently on the basis of such developments as needed.

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

50 The Securities and Exchange Board of India (“SEBI”) had passed an ex-parte interim order dated 12 June 2023 and Confirmatory Order dated 14 August 2023 (SEBI Order) against one of the current Key Management Personnel (“KMP”) of the Company for alleged violation of Section 4(1) and 4(2)(f) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (“PFUTP”).

On 30 October 2023, the Hon’ble Securities Appellate Tribunal (SAT) set aside the above order passed by SEBI granting relief to the current KMP. The SAT order also recorded that the SEBI will continue with the investigation.

Pursuant to the above, SEBI had issued various summons and sought comments/ information/explanation from Company, its subsidiary, directors under period of consideration and KMPs who have been providing information to SEBI from time to time, as requested.

With respect to the ongoing enquiry being conducted by SEBI, a writ petition challenging the same was filed by an ex-director (Petitioner) before the Hon’ble Bombay High Court against SEBI during the year ended 31 March 2024, wherein, the Company was impleaded as a respondent. The Company had filed its reply to the writ petition. The Hon’ble Bombay High Court vide order dated 26 June 2024, provided certain reliefs to the Petitioner and this order has no implications with respect to the Company.

During the earlier year, the Company had received a follow-up communication from the Ministry of Corporate Affairs (“MCA”) for the ongoing inspection under section 206(5) of the Companies Act, 2013 against which the Company had submitted its response.

The management had informed the Board of Directors of the Company (“Board”) that based on its review of records of the Company / subsidiary, the alleged transactions (including refunds) relating to the Company/ subsidiary were against consideration for valid goods and services received.

On 23 February 2024, the Board had constituted an “Independent Investigation Committee” (“Committee”) headed by and under the chairmanship of Former Judge, Allahabad High Court and comprising of 2 independent directors of the Company, to review the allegations against the Company/subsidiary with a view to safeguard interest of the shareholders.

The Committee on 08 October 2024 submitted its report to the Board after carrying out an extensive fact-checking exercise with the help of reputed external experts to verify the documents and information provided by the Company during the investigations to SEBI. The Board has taken the aforesaid report on record and noted that the transactions under investigation were found to be a part of normal course of business and no material irregularities were reported within the same. The Committee did not find any need for further corrective and disciplinary measures, policy changes or legal steps to be implemented.

Based on approval of Board, the Company had filed settlement application with respect to the ongoing investigation which had been rejected during the year ended 31 March 2026.

SEBI vide its adjudicating order dated 02 January 2025 has disposed of the proceedings initiated under the show cause notice (SCN) dated 06 July 2022 and indicates that the content of the SCN will be treated as integral part of the further investigation report by SEBI.

On 07 August 2025, SEBI has issued a SCN against the Company, a current KMP and an ex-director alleging certain violations of SEBI Regulations relating to alleged lien on a property for the financial year 2018–19. Further, on 16 January 2026, SEBI has issued a SCN against the Company, a current KMP and ex-directors alleging certain violations of SEBI Regulations relating to investment made in inter-corporate deposits made and assigned in earlier years. The aforementioned ICDs were fully provided in the books of accounts in the earlier years. The Company has furnished its detailed reply denying all allegations against the Company in the SCN and the Company through its authorized representative attended hearing / shall be attending hearing before SEBI in this regard. Further on 12 February, 2026, SEBI issued an SCN against the Company, a current KMP and other noticees alleging certain violations of various Regulations with respect to film advances, related party transactions



NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

and disclosure/control issues relating to earlier periods. The Company believes that it has sufficient evidence to respond appropriately to the SCN.

The Company has been legally advised that it has adequate grounds of defence case against the SCNs, however to avoid protracted litigation, the Company has also filed settlement application in the said matters with SEBI in terms of the provisions of SEBI (Settlement Proceedings) Regulations, 2018 (“Settlement Regulations”), which is under consideration.

The Board continues to monitor the progress of aforesaid matters. Based on the above, the management does not expect any material adverse impact on the operations and financial statements of the Company / Group with respect to the above and accordingly, believes that no adjustments are required to the accompanying Consolidated financial Statement.

- 51** In an earlier year, Zee Studio Limited, a subsidiary had been allotted plot of land on lease for the purpose of construction of film studio by Rajasthan State Industrial Development & Investment Corporation Limited (RIICO), Jaipur. The subsidiary had constructed the studio on the aforesaid plot of land. This lease was subsequently cancelled by RIICO primarily on account of construction related dispute. The cancellation order was challenged by Zee Studios Limited by way of review application before the concerned authorities which was rejected vide order dated 16 October 2023.

Based on the legal opinion obtained, the subsidiary has taken necessary steps for obtaining relief in the matter and have filed writ petition at Rajasthan High Court. The management considering the merits and facts of the case including legal opinion believes it has a strong legal position to protect its rights and there is no impairment required to be carried out to the aforesaid assets.

The statutory auditors of the Group had put an Emphasis of Matter (EOM) paragraph on this matter for year ended 31 March 2026 based on a similar EOM by the auditors of Zee Studios Limited.

- 52** On 26 August 2022, the Company had entered into an agreement with Jiostar India Private Limited (“Jiostar”) (previously known as Star India Private Limited) which set out the basis on which Jiostar would be willing to grant sub–license rights to the Company in relation to television broadcasting rights of the International Cricket Council's (ICC) Men's and Under 19 (U–19) global events for a period of four years (ICC 2024–2027) on an exclusive basis (Alliance Agreement). The Company / Board had identified this acquisition as being of strategic importance ensuring the Company is present in all segments of the media and entertainment business. The performance of the Alliance Agreement was subject to certain conditions precedent including submission of financial commitments, provision of bank guarantee and corporate guarantee/confirmation and written ICC approval for sub–licensing the television broadcasting rights to the Company.

Jiostar had previously sent letters to the Company through its legal counsel alleging breach of the Alliance agreement on account of non–payment of dues for the rights in relation to first installment of the rights fee aggregating to US \$ 203.56 million along–with the payment for bank guarantee commission and deposit interest aggregating ₹ 170 million and financial commitments including furnishing of corporate guarantee/ confirmation as stated in the Alliance agreement. Based on the legal advice, the management believes that Jiostar by its conduct has acted in breach of the Alliance Agreement and is in default of the terms thereof. Since, Jiostar has acted in repudiatory breach of the Alliance Agreement and accordingly on 8 January 2024 the Company terminated the Alliance Agreement on account of such breach and has also sought refund of ₹ 685 million paid to Jiostar towards bank guarantee commission and interest expense.

Jiostar initiated arbitration proceedings before London Court of International Arbitration (LCIA) against the Company through its Notice of Arbitration dated 14 March 2024 (Arbitration Notice) by which it had sought specific performance of the Alliance Agreement by the Company or in the alternative compensation from the Company for damages that was not quantified at the time by Jiostar.

Subsequently, Jiostar through its communication dated 20 June 2024, terminated the Alliance Agreement and opted to only seek damages during the Arbitration proceedings.

As per the procedural order of the LCIA Arbitral Tribunal dated 18 July 2024 (Procedural Order), Jiostar on 16 September 2024, filed its Statement of Case before the LCIA Arbitral Tribunal, and has inter alia, sought for a ruling that the Alliance

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Agreement between Jiostar and the Company was validly terminated by Jiostar and also filed for damages to be determined as of the date of the Tribunal's award (with such damages quantified, as at 31 August 2024 as proxy date of the award, at US\$ 940 million) along with costs, expenses and applicable interest until full payment. Based on review of the Statement of Case, no additional legal grounds of claim have been made out.

During the previous year ended 31 March 2025, as per the Procedural Order the Company has filed its Statement of Defence and Counterclaim on the 23 December 2024 and categorically refuted all claims and assertions made by Jiostar including its claims for damages, and in the counterclaim the Company has claimed the payments made to Jiostar aggregating to US \$ 8 million plus interest. The Company is taking necessary steps to defend itself against Jiostar's claim in the Arbitration.

During the year ended 31 March 2026, due to certain developments/ disclosures made by Jiostar, the Tribunal has adjourned the hearing on Zee's application. Fresh hearing dates have been confirmed by the Tribunal.

During the year ended 31 March 2026, in line with Procedural Order of the tribunal the Company has filed further pleadings with its defence to which JioStar has responded subsequent to the year–end and increasing its damages claim to US\$ 1.097 billion. The Company is in the process of filing its rejoinder to JioStar's response and defend the claim.

The Board continues to monitor the progress of aforesaid matter. The management, based on a legal advice and its internal assessment, has determined that the Company is not in default of the Alliance Agreement and believes that the claims made by Jiostar are unfounded and legally not tenable. The Company has strong and valid grounds to defend any claims in respect of above matter.

Accordingly, the Company does not expect any material adverse impact with respect to the above as in its view the contract has been repudiated and no adjustments are required to the Consolidated financial Statement.

- 53** The Company has been consistently applying management estimates for recording consumption of inventories based on future economic benefits expected to be generated from the exploitation of the rights. Accordingly, the cost of movie rights is recognised as an expense in the statement of profit and loss on a straight line basis over the license period or 60 months from the date of acquisition / rights start date, whichever is shorter. During the year, the Company has revised its estimates of recording consumption of premiere movies to reflect changing business strategy, inventory utilization, exploitation and monetization pattern. The cost of inventory continues to be charged in the statement of profit and loss over the aforementioned period, however, the estimate of consumption has been revised, resulting in higher charge in the initial periods in the line with the changing business model, market scenarios and utilization of inventories across platforms. Based on this assessment, carrying value of change in inventory assets is adjusted by recognising an additional charge of ₹ 3,022 million during the quarter and year ended 31 March 2026, which has been debited in the Operational cost in the Statement of Profit and Loss. The inventory continues to be carried at the lower of cost / unamortised cost or realisable value.

- 54** Final dividend on Equity shares for the year ended 31 March 2025 of ₹ 2.43 per share (₹ 1 per share) aggregating to ₹ 2,334 Million (₹ 961 Million) was paid during the year.

The Board of Directors of the Company at its meeting held on 19 May, 2026 has recommended a final dividend of ₹ 2 /– per equity share (face value of ₹ 1 each) aggregating to ₹ 1,921 million for the financial year ended 31 March, 2026. The dividend is subject to shareholders approval at the ensuing annual general meeting of the Company.

- 55** The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the current financial year, the Company and its Indian subsidiaries has used accounting software for maintenance of revenue, digital subscription, payroll and other accounting records, which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Audit

NOTES

FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

trail has been preserved by the Company and its Indian subsidiaries in accordance with the statutory requirements for record retention, at both the application and database levels from the date of activation. Further, for accounting software used for maintenance of digital subscription records, audit trail feature have not been retained as per statutory requirements for record retention.

Further more, the accounting software used for maintenance of payroll database of the Holding Company and its 2 subsidiaries incorporated in India is operated by a third-party software service provider. There is no information on existence of audit trail (edit logs) for any direct changes made and preservations of the audit trail logs at the database level in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organisation).

Based on management's assessment, this does not pose any impact, as controls at the application layer are operating effectively. Additionally, the Company and its Indian subsidiaries is actively working to enhance the retention capability of audit trail logs for the said application.

- 56** Other than those disclosed elsewhere, there are no other subsequent events that occurred after the reporting date.
- 57** The consolidated financial statements of the Group for the year ended 31 March 2026, were approved by the Board of Directors on 19 May 2026.

In terms of our report attached
For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Ashish Gupta
Partner
Membership No: 504662

Place: Mumbai
Date: 19 May 2026

For and on behalf of the Board of Directors

R Gopalan
Chairman
DIN: 01624555

Mukund Galgali
Deputy CEO and
Chief Financial Officer

Place: Mumbai
Date: 19 May 2026

Uttam Prakash Agarwal
Director
DIN: 00272983

Ashish Agarwal
Company Secretary

Punit Goenka
CEO