Consolidated Financial Statement for the year ended on 31st March 2020

Asianet Satellite Communications Private Limited
(Formerly known as Asianet Satellite Communications Limited)

CIN: U92132KL1992PTC006725

Registered & Corporate Office
2A, 2nd Floor, Leela Infopark, Technopark,
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Chartered Accountants

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Independent Auditors' Report

To the Members of Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Asianet Satellite Communications Private Limited *(formerly known as Asianet Satellite Communications Limited)* (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate financial statements of a subsidiary as were audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2020, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Other Information

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

Other Information *(continued)*

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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 material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as required under the applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit / loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

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

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements *(continued)*

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information 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 other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. Nil lakhs as at 31 March 2020, total revenues of Rs. Nil lakhs and net cash flows amounting to Rs. Nil lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditor on separate financial statements of a subsidiary audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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 the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 of the subsidiaries, as noted in the 'Other Matters' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group. Refer Note 30 to the consolidated financial statements.

Report on Other Legal and Regulatory Requirements *(continued)*

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2020 - Refer Note 30 to the consolidated financial statements.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies during the year ended 31 March 2020.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2020.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding company and its subsidiary company to its directors during the current year is in accordance with the provisions of Section 197 of the Act, until the Holding company was converted into a private limited company. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/W-100024

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Baby Paul
Partner
Membership number: 218255
ICAI Unique Document Identification Number: 20218255AAAACH4677

Kochi
5 December 2020

Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)

Annexure A to the Independent Auditors' Report on the consolidated financial statements of Asianet Satellite Communications Private Limited for the year ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of Asianet Satellite Communications Private Limited *(formerly known as Asianet Satellite Communications Limited)* (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
Annexure A to the Independent Auditors' report *(Continued)*

Auditors' Responsibility (continued)

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements

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

Asianet Satellite Communications Limited
(formerly known as Asianet Satellite Communications Limited)
Annexure A to the Independent Auditors' report *(Continued)*

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary company which are companies incorporated in India, is based on the corresponding reports of the auditor's of such subsidiary company.

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/W-100024

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Baby Paul
Partner
Membership number: 218255
ICAI Unique Document Identification Number: 20218255AAAACH4677

Kochi
5 December 2020

Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
Consolidated balance sheet as at 31 March 2020
(All amounts in Indian rupee lakhs)

	Notes	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Assets				
Non-current assets				
Property, plant and equipment	4	44,430.51	42,926.78	39,151.70
Capital work-in-progress	4	3,344.49	4,640.10	4,545.94
Right-of-use assets	36	959.97	1,119.15	706.48
Intangible assets	5	108.94	96.45	149.37
Financial assets				
Loans	6	453.02	470.33	455.03
Deferred tax assets	29	1,834.23	2,358.64	2,619.60
Income tax assets	29	614.05	436.31	439.22
Other non-current assets	7	227.31	571.53	484.22
Total non-current assets		**51,972.52**	**52,619.29**	**48,551.56**
Current assets				
Inventories	8	218.89	9.88	25.80
Financial assets				
Investments	9	5,229.20	3,099.12	-
Trade receivables	10	6,011.81	4,767.73	3,300.68
Cash and cash equivalents	11	500.15	570.81	921.18
Other bank balances	12	1,224.18	1,230.63	1,804.91
Loans	6	285.33	245.70	263.81
Other financial assets	13	614.95	1,333.32	981.73
Other current assets	7	1,134.25	1,402.05	1,225.82
Total current assets		**15,218.76**	**12,659.24**	**8,523.93**
Total assets		**67,191.28**	**65,278.53**	**57,075.49**
Equity and liabilities				
Equity				
Equity share capital	14	10,068.92	10,068.92	10,068.92
Other equity		7,921.97	8,491.06	6,955.47
Total equity		**17,990.89**	**18,559.98**	**17,024.39**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	15	10,748.37	12,419.01	5,805.05
Lease liabilities	36	822.12	943.09	559.23
Other financial liabilities	16	645.56	655.39	675.89
Provisions	17	2,997.63	2,692.07	2,319.44
Other non-current liabilities	18	262.49	298.90	283.59
Total non-current liabilities		**15,476.17**	**17,008.46**	**9,643.20**
Current liabilities				
Financial liabilities				
Borrowings	15	4,019.87	4,448.83	5,196.21
Lease liabilities	36	164.92	138.94	122.87
Trade payables	19			
Total outstanding dues of micro and small enterprises		297.71	-	-
Total outstanding dues of creditors other than micro and small enterprises		7,442.84	4,202.83	3,221.82
Other financial liabilities	16	14,334.98	15,161.04	13,281.59
Provisions	17	202.11	159.19	178.45
Income tax liabilities (net)	29	-	-	522.93
Other current liabilities	18	7,261.79	5,599.26	7,884.03
Total current liabilities		**33,724.22**	**29,710.09**	**30,407.90**
Total liabilities		**49,200.39**	**46,718.55**	**40,051.10**
Total equity and liabilities		**67,191.28**	**65,278.53**	**57,075.49**
Significant accounting policies	3			

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W /W-100024

BABY PAUL Digitally signed by BABY PAUL Date: 2020.12.05 23:07:37 +05'30'

Baby Paul
Partner
Membership number: 218255

Kochi
5 December 2020

for and on behalf of the Board of Directors of
Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
CIN: U92132KL1992PTC006725

VIREN RAJAN RAHEJA Digitally signed by VIREN RAJAN RAHEJA Date: 2020.12.05 22:27:25 +05'30'

Viren Raheja
Chairman and Director
DIN: 00037592

Mumbai
5 December 2020

Vinayak Premchand Aggarwal Digitally signed by Vinayak Premchand Aggarwal Date: 2020.12.05 22:21:10 +05'30'

Vinayak Aggarwal
Director
DIN: 00007280

Mumbai
5 December 2020

SURESH PAZHEMPALLIL SIVARAMAN NAIR Digitally signed by SURESH PAZHEMPALLIL SIVARAMAN NAIR Date: 2020.12.05 22:01:35 +05'30'

P S Suresh
Executive Director
DIN: 08421313

Thiruvananthapuram
5 December 2020

JOBY MATHEW Digitally signed by JOBY MATHEW Date: 2020.12.05 22:02:29 +05'30'

Joby Mathew
Company Secretary
Membership no: A 24411

Thiruvananthapuram
5 December 2020

Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
Consolidated statement of profit and loss for the year ended 31 March 2020
(All amounts in Indian rupee lakhs)

Income	**Notes**	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Revenue from operations	**20**	45,090.51	41,398.60
Other income	**21**	560.85	1,432.85
Total income		**45,651.36**	**42,831.45**
Expenses			
Operating expenses	**22**	20,996.70	18,663.42
Purchases of stock-in-trade	**23**	286.84	57.00
Changes in inventories of stock-in-trade	**24**	(100.31)	15.92
Employee benefits expense	**25**	6,335.29	6,150.86
Finance costs	**26**	2,618.29	2,279.27
Depreciation and amortisation expense	**27**	7,883.73	8,126.22
Other expenses	**28**	7,337.30	5,392.74
Total expenses		**45,357.84**	**40,685.43**
Profit before tax		**293.52**	**2,146.02**
Tax expense	**29**		
Current tax (including MAT)		360.00	341.44
Current tax for earlier years		32.36	-
Deferred tax charge		485.99	265.20
Total tax expense		**878.35**	**606.64**
(Loss)/ profit for the year		**(584.83)**	**1,539.38**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit liability		21.80	(8.03)
Income tax relating to items that will not be reclassified to profit or loss		(6.06)	4.24
Other comprehensive income /(loss), net of taxes		**15.74**	**(3.79)**
Total comprehensive (loss) / income for the year		**(569.09)**	**1,535.59**
Earning per equity share (Equity share of face value of Rs. 10 each)	**31**		
Basic and diluted earnings per share (Rs.)		(0.58)	1.53
Significant accounting policies	**3**		

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W /W-100024

BABY PAUL Digitally signed by BABY PAUL Date: 2020.12.05 23:08:12 +05'30'

Baby Paul
Partner
Membership number: 218255

Kochi
5 December 2020

for and on behalf of the Board of Directors of
Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
CIN: U92132KL1992PTC006725

VIREN RAJAN RAHEJA Digitally signed by VIREN RAJAN RAHEJA Date: 2020.12.05 22:26:49 +05'30'

Viren Raheja
Chairman and Director
DIN: 00037592

Mumbai
5 December 2020

Vinayak Premchand Aggarwal Digitally signed by Vinayak Premchand Aggarwal Date: 2020.12.05 22:21:32 +05'30'

Vinayak Aggarwal
Director
DIN: 00007280

Mumbai
5 December 2020

SURESH PAZHEMPALLIL SIVARAMAN NAIR Digitally signed by SURESH PAZHEMPALLIL SIVARAMAN NAIR Date: 2020.12.05 22:03:21 +05'30'

P S Suresh
Executive Director
DIN: 08421313

Thiruvananthapuram
5 December 2020

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Joby Mathew
Company Secretary
Membership no: A 24411

Thiruvananthapuram
5 December 2020

ASIANET SATELLITE COMMUNICATIONS PRIVATE LIMITED

Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
Consolidated statement of cash flows for the year ended 31 March 2020
(All amounts in Indian rupee lakhs)

	Year ended 31 March 2020	Year ended 31 March 2019
Cash flows from operating activities		
Profit before tax	**293.52**	**2,146.02**
Adjustments for:		
Depreciation and amortisation	7,883.73	8,126.22
Gain on sale of property, plant and equipment (net)	(0.49)	(0.42)
Net gain on fair value changes on financial assets measured at FVTPL	(52.11)	(49.04)
Gain on sale of short-term investments (net)	(63.49)	(50.07)
Finance costs	2,618.29	2,279.27
Interest income under the effective interest method	(96.07)	(121.71)
Liabilities no longer required written back	(263.72)	(1,174.83)
Allowances for credit losses on financial assets	2,531.11	1,312.34
Dividend income	(82.61)	-
Unrealised foreign exchange loss	539.74	105.83
Operating cash flow before working capital changes	**13,307.90**	**12,573.61**
(Increase)/decrease in inventories	(209.01)	15.92
Increase in trade receivables	(3,623.11)	(2,446.01)
Decrease/(increase) in financial assets and other assets	1,279.90	(945.75)
Increase in financial liabilities and other liabilities	6,101.52	385.53
Net cash generated from operating activities before taxes	**16,857.20**	**9,583.30**
Income tax paid, net	(537.74)	(819.99)
Net cash generated from operating activities (A)	**16,319.46**	**8,763.31**
Cash flow from investing activities		
Acquisition of property, plant and equipment	(9,710.27)	(10,692.33)
Proceeds from sale of property, plant and equipment	305.24	3.15
Investments in mutual funds, net	(2,014.62)	(3,000.01)
Dividend received	82.61	-
Decrease in fixed deposits not considered as cash and cash equivalents	-	574.28
Interest received	295.36	66.55
Net cash used in investing activities (B)	**(11,041.68)**	**(13,048.36)**
Cash flow from financing activities		
Long term secured loans availed	9,252.10	16,900.00
Long term secured loans repaid	(10,651.82)	(9,830.85)
Current borrowings availed, net	(617.31)	(747.38)
Payment of lease liabilities	(241.76)	(154.33)
Finance costs	(2,866.38)	(2,263.78)
Net cash (used in)/ generated from financing activities (C)	**(5,125.17)**	**3,903.66**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**152.61**	**(381.39)**
Cash and cash equivalents at the beginning of the year	347.54	728.93
Cash and cash equivalents at the end of the year	**500.15**	**347.54**
Refer to note 11 - cash and cash equivalents		

The accompanying notes form an integral part of these consolidated financial statements

Changes in liabilities arising from financing activities for the year ended 31 March 2020

Particulars	As at 1 April 2019	Cash flows	Non cash changes: Acquisition	Non cash changes: Foreign exchange	As at 31 March 2020
Non-current borrowings (including current maturities)	22,208.26	(1,399.72)	-	340.16	21,148.70
Current borrowings	4,448.83	(617.31)	-	188.35	4,019.87
Total	**26,657.09**	**(2,017.03)**	**-**	**528.51**	**25,168.57**

Changes in liabilities arising from financing activities for the year ended 31 March 2019

Particulars	As at 1 April 2018	Cash flows	Non cash changes: Acquisition	Non cash changes: Foreign exchange	As at 31 March 2019
Non-current borrowings (including current maturities)	15,165.10	7,069.15	-	(25.99)	22,208.26
Current borrowings	5,196.21	(747.38)	-	-	4,448.83
Total	**20,361.31**	**6,321.77**	**-**	**(25.99)**	**26,657.09**

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W /W-100024

BABY PAUL Digitally signed by BABY PAUL Date: 2020.12.05 23:08:49 +05'30'

Baby Paul
Partner
Membership number: 218255

Kochi
5 December 2020

for and on behalf of the Board of Directors of
Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
CIN: U92132KL1992PTC006725

VIREN RAJAN RAHEJA Digitally signed by VIREN RAJAN RAHEJA Date: 2020.12.05 22:26:25 +05'30'

Viren Raheja
Chairman and Director
DIN: 00037592

Mumbai
5 December 2020

Vinayak Premchand Aggarwal Digitally signed by Vinayak Premchand Aggarwal Date: 2020.12.05 22:21:52 +05'30'

Vinayak Aggarwal
Director
DIN: 00007280

Mumbai
5 December 2020

SURESH PAZHEMPALLIL SIVARAMAN NAIR Digitally signed by SURESH PAZHEMPALLIL SIVARAMAN NAIR Date: 2020.12.05 22:04:34 +05'30'

P S Suresh
Executive Director
DIN: 08421313

Thiruvananthapuram
5 December 2020

JOBY MATHEW Digitally signed by JOBY MATHEW Date: 2020.12.05 22:05:10 +05'30'

Joby Mathew
Company Secretary
Membership no: A 24411

Thiruvananthapuram
5 December 2020

Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
Consolidated statement of changes in equity for the year ended 31 March 2020
(All amounts in Indian rupee lakhs)

A Equity Share Capital

Particulars	Note	Amount
Balance As at 1 April 2018		10,068.92
Changes in equity share capital during 2018-19	14	-
Balance As at 31 March 2019		**10,068.92**
Changes in equity share capital during 2019-20	14	-
Balance As at 31 March 2020		**10,068.92**

B Other equity

Particulars	Other components of equity	Reserves and surplus			Items of other comprehensive income	Total other equity attributable to equity holders of the Company
		Securities Premium	Revaluation reserve	Retained earnings	Remeasurement of net defined benefit liability/ (asset), net of tax	
Balance as at 1 April 2018	**34.38**	**9,698.59**	**1,676.12**	**(4,453.62)**	**-**	**6,955.47**
Total comprehensive income for the year ended 31 March 2019						
Profit for the year	-	-	-	1,539.38	-	**1,539.38**
Other comprehensive loss, net of tax	-	-	-	-	(3.79)	**(3.79)**
Total comprehensive income	-	-	-	**1,539.38**	**(3.79)**	**1,535.59**
Transferred to retained earnings	-	-	-	(3.79)	3.79	-
Balance as at 31 March 2019	**34.38**	**9,698.59**	**1,676.12**	**(2,918.03)**	**-**	**8,491.06**
Total comprehensive income for the year ended 31 March 2020						
Loss for the year	-	-	-	(584.83)	-	**(584.83)**
Other comprehensive income, net of tax	-	-	-	-	15.74	**15.74**
Total comprehensive income	-	-	-	**(584.83)**	**15.74**	**(569.09)**
Transferred to retained earnings	-	-	-	15.74	(15.74)	-
Balance as at 31 March 2020	**34.38**	**9,698.59**	**1,676.12**	**(3,487.12)**	**-**	**7,921.97**

The description of the nature and purpose of each reserve within equity is as follows:

Other components of equity represent the equity component of preference shares. Refer note 14.

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings
Retained earnings or accumulated surplus represents total of all profits retained since Group's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend pay-outs, transfers to or any other appropriations to specific reserves.

Revaluation reserve
Revaluation reserve has been created on revaluation of land.

Other comprehensive income
Other comprehensive income (OCI) comprises of actuarial gains and losses that are recognised in other comprehensive income.

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W /W-100024

BABY PAUL Digitally signed by BABY PAUL Date: 2020.12.05 23:09:23 +05'30'

Baby Paul
Partner
Membership number: 218255

Kochi
5 December 2020

for and on behalf of the Board of Directors of
Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
CIN: U92132KL1992PTC006725

VIREN RAJAN RAHEJA Digitally signed by VIREN RAJAN RAHEJA Date: 2020.12.05 22:25:53 +05'30'

Viren Raheja
Chairman and Director
DIN: 00037592

Mumbai
5 December 2020

Vinayak Premchand Aggarwal Digitally signed by Vinayak Premchand Aggarwal Date: 2020.12.05 22:22:19 +05'30'

Vinayak Aggarwal
Director
DIN: 00007280

Mumbai
5 December 2020

SURESH PAZHEMPALLIL SIVARAMAN NAIR Digitally signed by SURESH PAZHEMPALLIL SIVARAMAN NAIR Date: 2020.12.05 22:05:52 +05'30'

P S Suresh
Executive Director
DIN: 08421313

Thiruvananthapuram
5 December 2020

JOBY MATHEW Digitally signed by JOBY MATHEW Date: 2020.12.05 22:06:51 +05'30'

Joby Mathew
Company Secretary
Membership no: A 24411

Thiruvananthapuram
5 December 2020

1. Group overview

The consolidated financial statements comprise financial statements of "Asianet Satellite Communications Private Limited" (formerly known as Asianet Satellite Communications Limited) ("the Holding Group" or "the Parent") and its subsidiaries (collectively referred to as "the Group") for the year ended 31 March 2020.

The principal activity of the group is providing high speed broadband internet access through cable network, high bandwidth internet broadband service to enterprise management and infrastructure support to licensed telecommunication service providers in South India and Maharashtra and to provide cable and satellite channels over a high quality state-of-art cable network to its subscribers. Asianet has a unique business model with end-to-end ownership of the network including the last mile.

Asianet Satellite Communications Private Limited ('Asianet') was a public limited company and converted to private limited company on 13 November 2019.

2. Basis of preparation

A. Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, with effect from 1 April 2019, the Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 for the purpose of consolidation of Group's financial statements with its Associate company. Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time adoption of Indian Accounting Standard, the Group has presented a reconciliation from the presentation of the financial statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at 31 March 2019 and 1 April 2018 being the transition date and of the total comprehensive income for the year ended 31 March 2019.

These financial statements have been prepared in accordance with Ind AS 1 - Presentation of financial statements as notified under the Companies (Indian Accounting Standards).

The financial statements were authorised for issue by the Group's Board of Directors on 5 December 2020.

B. Basis of consolidation

Subsidiaries

The consolidated financial statements has comprised financial statements of the Company and its subsidiaries, over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions within the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of changes in equity and balance sheet respectively. Statement of profit and loss including other comprehensive income (OCI) is attributable to the equity holders of the Holding company and to the non-controlling interest basis the respective ownership interest and such balance is attributed even if this results in controlling interest is having a deficit balance.

2. Basis of preparation (continued)

B. Basis of consolidation (continued)

Details of subsidiaries

Following subsidiary companies have been considered in the preparation of the consolidated financial statements.

Name of Entity	Country of Incorporation	Ownership held by	% of holding and voting power as at		
			31 March 2020	31 March 2019	31 March 2018
Asianet Digital Network Private Limited	India	Asianet Satellite Communications Private Limited	100%	100%	100%
Roseblossoms Vision Private Limited	India	Asianet Satellite Communications Private Limited	100%	100%	100%

C. Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Group's functional currency. All amounts are presented in Indian Rupees in lakhs, unless otherwise stated.

D. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	**Measurement basis**
Certain financial assets	Fair value
Net defined benefit liability	Fair value of plan asset less present value of defined benefit obligations

E. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements are included in the notes:

Note 9 - Valuation of investments

Note 36 - Lease classification

2. Basis of preparation (continued)

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2020 is included in the following notes:

- Note 4 and 5 - Measurement of useful life and residual value of property, plant and equipment and intangible assets;
- Note 32 - Measurement of defined benefit obligations: key actuarial assumptions;
- Note 29 - Recognition of deferred tax asset:
- Note 30- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 34 - Impairment of financial assets;

E. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. Significant valuation issues are reported to the Group's Board of directors.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Financial instruments – Note 34

F. First time adoption of Ind AS - mandatory exceptions and optional exemptions

Overall principle

The Group has prepared the opening balance sheet as per Ind AS as of 1 April 2018 ("the transition date") by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Group as mentioned below:

2. Basis of preparation (continued)

Mandatory exemptions

Estimates
As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS or at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Group's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- Determination of the discounted value for financial instruments carried at amortised cost
- Impairment of financial assets based on the expected credit loss model
- Fair valuation of financial instruments carried at FVTPL

Classification, measurement and impairment of financial assets
Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively.

Optional exemptions

Property, plant and equipment and intangible assets
The Group has elected to measure property, plant and equipment and intangible assets at its previous GAAP carrying amount. Accordingly the Group has used previous GAAP carrying amount as its deemed cost at the date of transition to Ind AS for property, plant and equipment and intangible assets.
As permitted by Ind AS 101, the Group has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets also.

Fair value measurement of financial assets and liabilities
The Group has applied the requirement of Ind AS 109 prospectively to transactions entered into on or after the date of transition.

Leases
The Group has availed the exemption to assess whether an arrangement contains a lease based on facts and circumstances existing on date of transition to Ind AS. For transition, the Group has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis.

Business combination
Ind AS 101 provides the option to apply Ind AS 103, Business Combinations (“Ind AS 103”) prospectively from the transition date or from a specified date prior to transition date. The Group has elected to apply Ind AS 103 from transition date. Business combinations occurring prior to the transition date have not been restated.

3. Significant accounting policies

3.1 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit or loss.

Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date are shown under other non-current assets. The cost of property, plant and equipment not ready for its intended use at each balance sheet date are disclosed as capital work-in-progress.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation on property, plant and equipment are provided on the straight-line method over the useful lives of the assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Class of assets	Useful life
Buildings	60
Plant and equipment*	4-18
Office equipments	5
Computers	3
Servers	6
Furniture and fixtures	10
Vehicles	8
Electrical fittings	10

* For the above mentioned classes of assets, the Group believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment and supported by technical advice, where necessary, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation method, useful lives and residual values are reviewed at each financial yearend and adjusted if appropriate.

3. Significant accounting policies (continued)

3.2 Intangible assets

Amortisation

Intangibles assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Group for its use and is included in depreciation and amortisation in statement of profit or loss.
The estimated useful lives are as follows:

Class of assets	Years
Software	4
Copyrights and trademarks	3-5

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit or loss as incurred.

3.3 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories comprises purchase price, and other cost incurred in bringing the inventories to their present location and condition. The Group uses the weighted average method to determine the cost of inventory consisting of tele-shopping products and television sets.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realisable values is made on an item-by-item basis.

3.4 Impairment

i. Impairment of financial assets

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is ‘credit impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

3. Significant accounting policies (continued)

3.4 Impairment of financial assets (continued)

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet:

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off:

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.

ii. Impairment of non- financial assets

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 such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount i.e. the higher of the fair value less cost to sell and the value-in-use is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

3. Significant accounting policies (continued)

3.5 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit or loss in the periods during which the related services are rendered by employees.

Defined Benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in other comprehensive income (OCI). The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit or loss.

Other long term employee benefits- Compensated absences

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognised in other comprehensive income in the period in which they arise.

3. Significant accounting policies (continued)

3.6 Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for. A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract 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 such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

3.7 Revenue

Revenue from contract with customers

The Group generates revenue from rendering of cable internet and related activities. Ind AS 115, Revenue from Contracts with Customers, establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services.

Disaggregation of revenue

The Group disaggregates revenue from cable internet services, cable television services, cable channel service, sale of tele-shopping products and television sets and sale of routers and GPONs and other operating income. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of Group's revenues and cash flows are affected by industry, market and other economic factors.

Contract balances

The Group classifies the right to consideration in exchange for sale of services as trade receivables and advance consideration as advance from customers. Unbilled receivable represents value of the services rendered on the balance sheet date and is not billed as at the same date.

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer. The following details provide information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

a) Cable internet, television and channel services services

Revenue from cable internet, television and channel services are recognised as revenue when the related services are rendered unless significant future uncertainties exist. Revenue is also recognised in relation to the services rendered to the customers to whom the services are rendered on the balance sheet date to the extent of the services rendered. Revenue is recognised net of discounts and concessions.

Unbilled receivable represents value to the extent of services rendered to the customers who are active on the balance sheet date and is not billed as at the balance sheet date.

3. Significant accounting policies (continued)

3.8 Revenue (continued)

b) Sale of routers, GPONs, tele-shopping items and television sets

Revenue from sale is recognised when the control in the goods are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount of revenue recognised is net of sales returns, taxes and duties, wherever applicable.

c) Other operating income

The Group's revenue from other operating income comprises primarily of income from expense sharing agreements and scrap sales and is recognised as per the agreement terms.

3.8 Foreign Currency Transactions

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit or loss.

3.9 Leases

a) Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.
The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

3. Significant accounting policies (continued)

3.9 Leases (continued)

b) Measurement of leases as a lessee

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116, Leases, to short-term leases of all assets that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

3.10 Recognition of dividend income, interest income or interest expense

Dividend income is recognised in statement of profit or loss on the date on which the right to receive payment is established.

Interest on deployment of surplus funds is recognized using the time proportionate method, based on the transactional interest rates.

Interest income or expense is recognised using the effective interest method.

The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability.
In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

3. Significant accounting policies (continued)

3.11 Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the statement of profit or loss. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.12 Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3. Significant accounting policies (continued)

3.13 Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.
A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at either at amortised cost, FVTPL or fair value in other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets 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.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at investment level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for each of such investments and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

3. Significant accounting policies (continued)

3.13 Financial instruments (continued)

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in statement of profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in statement of profit or loss.

i. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

3. Significant accounting policies (continued)

3.13 Financial instruments (continued

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.
The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit or loss.

ii. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.14 Earnings / (loss) per share

The basic earnings / (loss) per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The number of equity shares in computing the diluted earnings per share comprise the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earnings per share, only potential equity shares that are dilutive, i.e. which reduces earnings per share or increases loss per share are included.

3.15 Cash-flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Group are segregated.

3.16 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

3.17 Reverse factoring arrangements

The Group has entered into reverse factoring arrangements for factoring payables of Micro, Small and Medium enterprises. The fee payable under reverse factoring arrangements have been grouped under finance costs in the statement of profit and loss, as cash flows from financing activities in the statement of cash flows and the balance payable under factoring arrangement has been grouped under trade payable in the Balance sheet.

3. Significant accounting policies (continued)

3.18 Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

3.19 Operating segments

Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and expenses that relate to transactions with any of the Group's other components and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. The Group has three reportable segments. The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

3.20 Recent Accounting Pronouncements

Amendments

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

(All amounts in Indian rupee lakhs)

4 Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Electrical fittings	Computers	Servers	Total (A)	Capital work- in - progress (B)
Cost or deemed cost											
Balance as at 1 April 2018	**1,769.34**	**71.66**	**36,797.11**	**80.86**	**25.38**	**53.74**	**66.74**	**214.35**	**72.52**	**39,151.70**	**4,545.94**
Additions	-	-	11,407.04	6.30	-	14.45	103.41	45.21	102.65	11,679.06	10,588.48
Reclassification	-	-	-	-	-	-	-	(74.16)	74.16	-	-
Disposals	-	-	-	-	-	-	-	(0.07)	(2.66)	(2.73)	-
Capitalisation	-	-	-	-	-	-	-	-	-	-	(10,494.32)
Balance as at 31 March 2019	**1,769.34**	**71.66**	**48,204.15**	**87.16**	**25.38**	**68.19**	**170.15**	**185.33**	**246.67**	**50,828.03**	**4,640.10**
Balance as at 1 April 2019	**1,769.34**	**71.66**	**48,204.15**	**87.16**	**25.38**	**68.19**	**170.15**	**185.33**	**246.67**	**50,828.03**	**4,640.10**
Additions	-	-	8,887.76	9.63	4.75	17.95	127.35	53.47	15.74	9,116.65	6,977.04
Disposals	-	-	-	(0.12)	-	-	-	-	-	(0.12)	-
Reclassification	-	-	-	-	-	-	-	-	-	-	(108.70)
Capitalisation	-	-	-	-	-	-	-	-	-	-	(8,163.95)
Balance as at 31 March 2020	**1,769.34**	**71.66**	**57,091.91**	**96.67**	**30.13**	**86.14**	**297.50**	**238.80**	**262.41**	**59,944.56**	**3,344.49**
Accumulated depreciation											
Balance as at 1 April 2018	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	-
Depreciation expense	-	1.67	7,709.32	20.27	9.63	18.41	18.93	78.72	44.30	7,901.25	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	**-**	**1.67**	**7,709.32**	**20.27**	**9.63**	**18.41**	**18.93**	**78.72**	**44.30**	**7,901.25**	**-**
Balance as at 1 April 2019	**-**	**1.67**	**7,709.32**	**20.27**	**9.63**	**18.41**	**18.93**	**78.72**	**44.30**	**7,901.25**	-
Depreciation expense	-	1.67	7,420.33	18.50	5.66	19.20	25.36	72.18	49.90	7,612.80	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	**-**	**3.34**	**15,129.65**	**38.77**	**15.29**	**37.61**	**44.29**	**150.90**	**94.20**	**15,514.05**	-
Carrying amounts (net)											
As at 31 March 2020	**1,769.34**	**68.32**	**41,962.26**	**57.90**	**14.84**	**48.53**	**253.21**	**87.90**	**168.21**	**44,430.51**	**3,344.49**
As at 31 March 2019	**1,769.34**	**69.99**	**40,494.83**	**66.89**	**15.75**	**49.78**	**151.22**	**106.61**	**202.37**	**42,926.78**	**4,640.10**
As at 1 April 2018	**1,769.34**	**71.66**	**36,797.11**	**80.86**	**25.38**	**53.74**	**66.74**	**214.35**	**72.52**	**39,151.70**	**4,545.94**

For details of property, plant and equipment pledged, refer note 15

(All amounts in Indian rupee lakhs)

5 Intangible assets

Particulars	Copyrights and operating rights	Computer software	Total
Cost or deemed cost			
Balance as at 1 April 2018	38.39	110.98	149.37
Additions	11.57	7.46	19.03
Disposals	-	-	-
Balance as at 31 March 2019	**49.96**	**118.44**	**168.40**
Balance as at 1 April 2019	**49.96**	**118.44**	**168.40**
Additions	10.89	59.52	70.41
Disposals	-	-	-
Balance as at 31 March 2020	**60.85**	**177.96**	**238.81**
Accumulated amortisation			
Balance as at 1 April 2018	-	-	-
Amortisation expense	14.91	57.04	71.95
Disposals	-	-	-
Balance as at 31 March 2019	**14.91**	**57.04**	**71.95**
Balance as at 1 April 2019	14.91	57.04	71.95
Amortisation expense	14.70	43.22	57.92
Disposals	-	-	-
Balance as at 31 March 2020	**29.61**	**100.26**	**129.87**
Carrying amounts (net)			
As at 31 March 2020	**31.24**	**77.70**	**108.94**
As at 31 March 2019	**35.05**	**61.40**	**96.45**
As at 1 April 2018	**38.39**	**110.98**	**149.37**

Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
Notes to the consolidated financial statements (continued)
(All amounts in Indian rupee lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
6 Loans			
Non-current			
Unsecured, considered good			
Rent and other deposits			
Considered good	453.02	470.33	455.03
Credit impaired	-	-	1.05
	453.02	**470.33**	**456.08**
Allowances for expected credit losses	-	-	(1.05)
	-	-	**(1.05)**
	453.02	**470.33**	**455.03**
Current			
Unsecured, considered good			
Rent and other deposits	146.92	114.29	147.52
Loans and advances to employees	108.32	104.52	97.22
Other loans and advances	30.09	26.89	19.07
	285.33	**245.70**	**263.81**
	738.35	**716.03**	**718.84**
7 Other assets			
Non-current			
Unsecured, considered good			
Advances for capital goods	30.43	2.41	2.64
Balances with government authorities (including amounts paid under protest)	196.88	451.69	410.91
Prepaid expenses	-	117.43	70.67
	227.31	**571.53**	**484.22**
Current			
Unsecured, considered good			
Prepaid expenses	256.41	258.49	468.22
Balance with government authorities	712.43	896.33	288.15
Advance for supply of goods and services	165.41	247.23	469.45
	1,134.25	**1,402.05**	**1,225.82**
	1,361.56	**1,973.58**	**1,710.04**
8 Inventories			
Valued at lower of cost and realisable value			
Stock-in-trade	218.89	9.88	25.80
	218.89	**9.88**	**25.80**
9 Investments			
Investment in mutual funds measured at fair value through profit or loss			
Unquoted			
Nippon India Liquid Fund - Growth Plan (Units: 7,739; 31 March 2019: 7,739 units; 1 April 2018: Nil)	373.23	351.31	-
Aditya Birla Sun Life Arbitrage Fund - Dividend Reinvestment (Units: 6,271,373; 31 March 2019: Nil; 1 April 2018: Nil)	674.56	-	-
DSP Arbitrage Fund - Reg - Dividend Reinvestment (Units: 1,438,237; 31 March 2019: Nil, 1 April 2018: Nil)	145.03	-	-
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan (Units: 110,729; 31 March 2019: Nil; 31 March 2018: Nil)	353.85	-	-
Aditya Birla Sun Life Low Duration Fund - Growth - Direct Plan (Units: 118,194; 31 March 2019: Nil; 31 March 2018: Nil)	607.01	-	-
Axis Ultra Short Term Fund Direct Growth (Units: 2,669,942; 31 March 2019: Nil; 31 March 2018: Nil)	302.83	-	-
DSP Ultra Short Term Fund - Direct Plan - Growth (Units: 23,123; 31 March 2019: Nil; 31 March 2018: Nil)	629.33	-	-
HDFC Low Duration Fund - Direct Plan - Growth (Units: 1,654,003; 31 March 2019: Nil; 31 March 2018: Nil)	731.21	-	-
HDFC Ultra Short Term Fund - Direct Growth (Units: 2,697,454; 31 March 2019: Nil; 31 March 2018: Nil)	303.69	-	-
ICICI Prudential Liquid Fund - Direct Plan - Growth (Units: 103,056; 31 March 2019: Nil; 31 March 2018: Nil)	302.76	-	-
ICICI Prudential Ultra Short Term Fund - Direct Plan - Growth (Units: 1,171,185; 31 March 2019: Nil; 31 March 2018: Nil)	251.49	-	-
SBI Magnum Low Duration Fund - Direct Growth (Units: 21,073; 31 March 2019: Nil; 31 March 2018: Nil)	554.21	-	-
ICICI Prudential Ultra Short Term Fund - Growth (Units: Nil; 31 March 2019 : 3,204,495 units; 1 April 2018: Nil)	-	605.02	-
Kotak Savings Fund - Growth (Units: Nil; 31 March 2019: 2,018,802; 1 April 2018: Nil)	-	605.07	-
L&T Liquid Fund - Regular Growth (Units: Nil; 31 March 2019: 20,467; 1 April 2018: Nil)	-	522.66	-
Yes Liquid Fund Direct - Growth (Units: Nil; 31 March 2019: 100,000; 1 April 2018: Nil)	-	1,015.06	-
	5,229.20	**3,099.12**	**-**
Aggregate book value of unquoted investments	5,229.20	3,099.12	-
Aggregate book value of quoted investments	-	-	-

(All amounts in Indian rupee lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
10 Trade receivables			
Considered good	6,011.81	4,767.73	3,300.68
Credit impaired	3,408.04	1,626.91	2,115.44
	9,419.85	**6,394.64**	**5,416.12**
Allowances for expected credit loss	(3,408.04)	(1,626.91)	(2,115.44)
	(3,408.04)	**(1,626.91)**	**(2,115.44)**
Net trade receivables	**6,011.81**	**4,767.73**	**3,300.68**

For details of trade receivables pledged, refer note 15
The Group's exposure to credit and currency risks and loss allowances related to trade receivable are disclosed in note 34.

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
11 Cash and cash equivalents			
Balances with banks			
Balance with banks	441.46	398.89	820.55
Cash on hand	58.69	171.92	100.63
	500.15	**570.81**	**921.18**
Less: Book overdraft in current accounts	-	(223.27)	(192.25)
Cash and cash equivalents in the cash flow statement	**500.15**	**347.54**	**728.93**
12 Other bank balances			
Balance in banks for margin money	1,224.18	1,230.63	1,804.91
	1,224.18	**1,230.63**	**1,804.91**
13 Other financial assets			
Current			
Unsecured			
Unbilled receivables	671.48	2,191.93	1,517.20
Allowances for expected credit losses	(125.16)	(887.56)	(554.18)
	546.32	1,304.37	963.02
Interest accrued on fixed deposits with banks	68.63	28.95	18.71
	614.95	**1,333.32**	**981.73**

For details of other financial assets pledged, refer note 15
The Group's exposure to credit and currency risks and loss allowances related to other financial assets are disclosed in note 34.

(All amounts in Indian rupee lakhs)

14 Equity share capital

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Authorised:						
Equity shares of Rs. 10/- each	160,000,000	16,000.00	160,000,000	16,000.00	160,000,000	16,000.00
8% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs. 10/- each	3,000,000	300.00	3,000,000	300.00	3,000,000	300.00
5% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs. 10/- each	12,000,000	1,200.00	12,000,000	1,200.00	12,000,000	1,200.00
Total	**175,000,000**	**17,500.00**	**175,000,000**	**17,500.00**	**175,000,000**	**17,500.00**
Issued, subscribed and paid-up capital						
Equity shares of Rs. 10 each	100,689,225	10,068.92	100,689,225	10,068.92	100,689,225	10,068.92
Total	**100,689,225**	**10,068.92**	**100,689,225**	**10,068.92**	**100,689,225**	**10,068.92**

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

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each fully paid up						
At the beginning of the year	100,689,225	10,068.92	100,689,225	10,068.92	100,689,225	10,068.92
Shares issued for cash	-	-	-	-	-	-
At the end of the year	**100,689,225**	**10,068.92**	**100,689,225**	**10,068.92**	**100,689,225**	**10,068.92**

b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. All the equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to share of paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on the shares may lead to the forfeiture of shares. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, remaining after the distribution of all preferential amounts in proportion to the number of equity shares held.

c) Rights, preferences and restrictions attached to preference shares

The Company has 8% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs.10 each an the end of the reporting period. Each holder of preference shares is entitled to one vote per share, in proportion to the amount paid on Preference shares held, only on resolutions placed before the Company which affects the rights attached to the preference shares. In the event of liquidation, the preference shareholders are eligible to receive the outstanding amount including dividend after distribution of all other preferential amounts. In the event of winding up of the Company before redemption of preference shares, the holders of preference shares will have priority over equity shares in the payment of dividend and the repayment of capital. The Company declares and pays dividends in Indian Rupees. The Board has not recommended and paid any dividend to the preference shareholders for the year ended 31 March 2020 (31 March 2019: Nil). The holder of the shares have the right to redeem the shares at any time after 3 years upto 20 years upon mutual consent of the Company. On maturity, the holder has the right to redeem the shares.

d) Details of shareholders holding more than 5% shares of the Company in each class of shares

Name of the shareholder	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Number of shares	%	Number of shares	%	Number of shares	%
Equity shares of Rs.10/- each						
Coronet Investments Private Limited	23,561,887	23.40%	23,561,887	23.40%	23,561,887	23.40%
Bloomingdale Investments & Finance Private Limited	12,053,818	11.97%	18,756,269	18.62%	18,756,269	18.62%
Hathway Investments Private Limited	17,077,651	16.96%	17,077,651	16.96%	17,077,651	16.96%
Viren Raheja Jt. Akshay Raheja	9,291,818	9.23%	9,291,818	9.23%	9,291,818	9.23%
Akshay Raheja Jt. Viren Raheja	9,290,224	9.23%	9,290,224	9.23%	9,290,224	9.23%
Akshay Raheja	8,498,097	8.44%	8,498,097	8.44%	8,498,097	8.44%
Viren Raheja	8,496,503	8.44%	8,496,503	8.44%	8,496,503	8.44%
Satish Raheja	12,417,451	12.33%	5,715,000	5.68%	5,715,000	5.68%
8% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs. 10/- each						
Hathway Investments Private Limited	3,000,000	100.00%	3,000,000	100.00%	3,000,000	100.00%

e) Details of buyback, bonus shares, issue for consideration other than for cash for past 5 years

The Company has not allotted any fully paid-up equity shares by way of bonus shares nor has bought back any class of equity shares nor has there been any issue for consideration other than for cash during the period of five years immediately preceding the balance sheet date.

f) The Company does not have a Holding/Ultimate Holding Company.

15 Borrowings

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Non-current			
Secured			
Term loans from banks	10,318.67	11,561.51	5,028.50
Loans from other financial institutions	162.61	591.18	464.20
Long-term maturities of finance lease obligations	-	-	46.73
Unsecured			
Redeemable preference shares	267.09	266.32	265.62
	10,748.37	**12,419.01**	**5,805.05**
Current			
Secured			
Cash credit and overdraft facilities from banks	1,669.17	2,703.53	1,049.80
Buyers credit	2,350.70	1,745.30	4,146.41
Current maturities of long-term borrowings	10,400.32	9,719.38	8,400.41
Current maturities of finance lease obligations	-	69.81	959.64
	14,420.19	**14,238.02**	**14,556.26**
Less: Amount included under 'other financial liabilities'	(10,400.32)	(9,789.19)	(9,360.05)
	4,019.87	**4,448.83**	**5,196.21**
	25,168.56	**26,657.03**	**20,361.31**

Information about the Group's exposure to interest rate and liquidity risks are included in note 34

(i) Details of terms of repayment and security provided in respect of the secured long-term and short-term borrowings:

a) Parent

A *Yes Bank Limited (USD term loan)*
First pari passu charge on the current assets of the borrower both present and future. Second pari passu charge on all fixed assets both present and future of the borrower. Repayment is in 16 equal quarterly installments of Rs.312.50 lakhs commencing from 1 December 2015 and ending on 1 September 2019. Interest rate is LIBOR + 4.40% per annum.

B *HDFC Bank Limited (Rupee term loan)*
a) First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on entire current assets of the Company. Repayment commences from 7 November 2016 in equal quarterly installments and ends on 7 August 2019. Interest rate MCLR + 0.5% per annum.

b) First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on the entire current assets of the Company. Repayment on a quarterly basis commences from 7 November 2017 and ends on 20 August 2020. Fixed deposit of Rs. 250 lakhs was created against this loan. Interest rate is MCLR+0.7% per annum.

c) First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on the entire current assets of the Company. Corporate Guarantee from subsidiary. Repayment on a quarterly basis commences from 7 November 2018 and ends on 20 August 2021. Fixed deposit of Rs. 350 lakhs was created against this loan. Interest rate is 1 year MCLR + 0.60%.

d) First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on entire current assets of the Company. Corporate Guarantee of subsidiary. Repayment commences from 7 December 2019 in equal quarterly installments and ends on 7 September 2022. Interest rate is MCLR + 0.8% per annum.

C *IDFC Bank Limited (Rupee term loan)*
a) First pari passu charge on the movable fixed assets of the Company (both present and future). First pari passu charge on the immovable assets of the Company (both present and future). Second pari passu charge on current assets of the Company (both present and future). Repayment on a quarterly basis commences from 1 September 2018 and ends on 31 December 2020. Interest rate is 10.2% (previous year: 9.35%) per annum.

b) First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on the entire current assets of the Company. Corporate Guarantee from subsidiary. Repayment on a monthly basis commences from 30 March 2019 and ends on 30 March 2022. Interest rate is IDFC Bank 6 M MCLR + 0.25%.

c) First pari passu charge on the entire fixed assets of the Company. Repayment on a monthly basis commences from 28 February 2016 with quarterly repayment and ends on 7 May 2019. Interest rate is IDFC Bank 6 M MCLR + 2.5%

D *Federal Bank Limited (Rupee term loan)*
First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on the entire current assets of the Company. Repayment on a monthly basis commences from 5 Dec 2018 and ends on 5 June 2022. Interest rate is 8.85% (previous year: 8.75%) per annum.

E *ICICI Bank Limited (EURO term loan)*
EURO term loan, secured by first pari passu charge on the entire fixed assets of the borrower both present and future. Second pari passu charge on all current assets both present and future of the borrower. Corporate guarantee of subsidiary. Repayment is in 36 equal monthly installments commencing from 7 November 2019 and ending on 7 October 2022.

(All amounts in Indian rupee lakhs)

15 Borrowings *(continued)*

(i) Details of terms of repayment and security provided in respect of the secured long-term and short-term borrowings (continued):

F *RBL Bank Limited (Rupee term loan)*

a) First pari passu charge (except assets financed by CISCO) on all the movable and immovable fixed assets of the Company and its subsidiary (both present and future). Second pari passu charge on all ASCPL and ADNPL's current assets (both present and future). Corporate guarantee of subsidiary. Interest rate is 3 months MCLR per annum. Repayment on a quarterly basis commences from 25 January 2019 to 25 October 2021.

b) First pari passu charge (except assets financed by CISCO) on all the movable and immovable fixed assets of the Company and its subsidiary (both present and future). Second pari passu charge on all ASCPL and ADNPL's current assets (both present and future). Corporate guarantee of ADNPL. Interest rate is 3 months MCLR + 0.1% per annum. Repayment on a quarterly basis commences from 30 May 2019 to 28 February 2022.

The loan became repayable on demand as on 31 March 2020 in the absence of compliance of certain financial covenants as stipulated in the sanction letter. Based on the waiver provided by the lender after the year ended 31 March 2020, but before the date of signing of financial statements, the liability continues to be classified as non-current.

G *Cisco Systems Capital (India) Private Limited (Rupee term loan)*

Secured by way of first and exclusive charge of all right, title, interest, benefits, claims and demands of the Company in respect of assets financed together with all records, documents and instruments which represent such fixed assets together with all benefits, rights and incidentals attached thereto. Represents 4 separate loans taken on different dates whose repayment in quarterly installments is over a period of 3 years commencing from 10 August 2015 and ending on 15 September 2020. Interest rate varies from 7.96% to 9.09% (Previous year: 9.88% to 11.40% per) per annum.

H *Cisco Systems Capital (India) Private Limited (Finance lease obligation)*

Secured by way of first and exclusive charge of all right, title, interest, benefits, claims and demands of the Company in respect of assets financed together with all records, documents and instruments which represent such fixed assets together with all benefits, rights and incidentals attached thereto.

Represents 4 separate leases taken on different dates whose repayment in quarterly installments is over a period of 3 years commencing from 1 July 2016 and ending on 1 May 2019. Interest rate varies from 9.88% p.a. to 11.63% (Previous year: 9.88% to 11.63%) per annum.

I ***Short term borrowings***

The Company has availed overdraft and buyers credit facilities from banks secured by charge on all of Company's movable and immovable properties, both present and future, including land and building. The interest rate varies from LIBOR+0.40% to LIBOR+0.85% for buyers credit facilities and MCLR - MCLR + 0.8% per annum for overdraft facilities.

b) Asianet Digital Network Private Limited, Subsidiary

O *Federal Bank Limited (EURO term loan)*

First pari passu charge on the entire fixed assets (present and future) of Asianet Digital Network Private Limited (ADNPL) and Asianet Satellite Communications Private Limited (ASCPL). Second pari passu charge on all ASCPL and ADNPL's current assets (both present and future). Corporate guarantee of ASCPL. Repayment is in equal monthly installments commencing from 7 July 2020 and ending on 7 December 2023.

P *Federal Bank Limited (Rupee term loan)*

First pari passu charge on the entire fixed assets (present and future) of Asianet Digital Network Private Limited (ADNPL) and Asianet Satellite Communications Private Limited (ASCPL). Second pari passu charge on all ASCPL and ADNPL's current assets (both present and future). Corporate guarantee of ASCPL. Repayment is in equal monthly installments commencing from 7 July 2020 and ending on 7 December 2023.
Interest rate is 1 year MCLR per annum.

Q ***Short term borrowings***

The Company has availed cash credit and buyers credit facilities from banks secured by charge on entire current assets and fixed assets of the Company. The interest rate varies from LIBOR+0.40% to LIBOR+0.85% per annum.

	As at 31 March 2020	**As at 31 March 2019**	**As at 1 April 2018**
16 Other financial liabilities			
Non-current			
Trade / security deposits received	645.56	655.39	675.89
	645.56	**655.39**	**675.89**
Current			
Current maturities of long-term borrowings*	10,400.32	9,719.38	8,400.41
Current maturities of finance lease obligations*	-	69.81	959.64
Book overdraft in current account with banks	-	223.27	192.25
Interest accrued but not due on borrowings	91.92	108.50	139.71
Dues to creditors for expense and others	1,732.96	1,437.12	1,006.28
Dues to creditors for capital goods	1,196.02	2,682.24	1,511.85
Accrued salaries and benefits	592.22	597.60	330.71
Trade / security deposits received	276.69	278.27	722.80
Dues to related party	44.85	44.85	17.94
	14,334.98	**15,161.04**	**13,281.59**
	14,980.54	**15,816.43**	**13,957.48**

* The details of interest rates, repayment and other terms are disclosed in note 15

17 Provisions

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Non-current			
Provision for employee benefits			
Net defined benefit liability - Gratuity	2,675.11	2,378.10	2,019.63
Compensated absences	322.52	313.97	299.81
	2,997.63	**2,692.07**	**2,319.44**
Current			
Provision for employee benefits			
Net defined benefit liability - Gratuity	51.86	39.38	68.62
Compensated absences	150.25	119.81	109.83
	202.11	**159.19**	**178.45**
	3,199.74	**2,851.26**	**2,497.89**

18 Other liabilities

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Non-current			
Unearned income	262.49	298.90	283.59
	262.49	**298.90**	**283.59**
Current			
Unearned income	2,595.77	1,808.83	4,781.02
Statutory dues payable	1,018.96	1,527.81	532.41
Advances from franchisees	366.05	181.25	315.12
Advances from customers	3,281.01	2,081.37	2,255.48
	7,261.79	**5,599.26**	**7,884.03**
	7,524.28	**5,898.16**	**8,167.62**

19 Trade payables

	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Total outstanding dues of micro and small enterprises	297.71	-	-
Total outstanding dues of creditors other than micro and small enterprises	7,442.84	4,202.83	3,221.82
	7,740.55	**4,202.83**	**3,221.82**

The trade payables include Rs. 577.44 lakhs (31 March 2019: Rs. 287.6 lakhs and 31 March 2018 : Nil) pertaining to a factoring arrangement and the gross cash payments under the agreement is Rs. 2,399.85 lakhs during the year ended 31 March 2020.

All trade payables are 'current'.

The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 34

Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") based on the information available with the Group are given below:

Particulars	**As at 31 March 2020**	**As at 31 March 2019**	**As at 1 April 2018**
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	296.87	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.84	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	0.84	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-	-

Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
Notes to the consolidated financial statements (continued)
(All amounts in Indian rupee lakhs)

		Year ended 31 March 2020	Year ended 31 March 2019
20	**Revenue from operations**		
	Sale of services	44,721.65	41,184.53
	Sale of products	278.88	79.80
	Other operating revenues	89.98	134.27
		45,090.51	**41,398.60**
	Sale of services comprises :		
	Cable television services	29,319.11	26,525.78
	Cable internet services	14,416.34	13,550.61
	Cable channel services	986.20	1,108.14
		44,721.65	**41,184.53**
	Sale of products comprises :		
	Sale of modem and router	3.73	18.25
	Household equipments, kitchen utensils, electronic items etc	275.15	61.55
		278.88	**79.80**
	Other operating revenues comprises:		
	Modem rental	14.45	16.03
	Optical fibre cable duct rental	28.13	28.13
	Other internet income	8.24	10.20
	Set top box rental	-	8.95
	Scrap sales	39.16	36.98
	Other operating income	-	33.98
		89.98	**134.27**
21	**Other income**		
	Interest income under the effective interest method on:		
	Fixed deposits with banks	91.06	76.79
	Lease deposits	5.01	3.45
	Interest on income tax refund	2.36	41.47
	Net gain on account of foreign exchange fluctuations	-	4.83
	Net gain on fair value changes on financial assets measured at FVTPL	52.11	49.04
	Gain on sale of short-term investments (net)	63.49	50.07
	Gain on sale of property, plant and equipment (net)	0.49	0.42
	Dividend income	82.61	-
	Liabilities no longer required written back	263.72	1,174.84
	Insurance claims received	-	31.94
		560.85	**1,432.85**
22	**Operating expenses**		
	Cable television services		
	Service charges to associates	2,942.89	3,462.95
	Pay channel cost	8,231.56	5,519.21
	Operating lease rentals	-	23.19
	Broadband services		
	Bandwidth charges	1,502.01	1,708.30
	Commission to selling agents	1,046.04	715.17
	Other direct internet expenses	67.59	80.31
	Channel services		
	Programme production expenses	406.20	391.26
	Agency commission	59.91	37.10
	Other expenses	13.53	9.40
	Trading		
	Packing and forwarding charges	20.47	10.86
	Collection charges	-	2.14
	Power	1,303.60	1,198.35
	Pole rent / inspection charges	1,906.24	1,869.43
	Lease/ bandwidth charges	328.66	418.84
	Bill printing & despatch expense	80.29	83.08
	Customer care expenses	1,415.97	1,110.05
	Repairs & maintenance - machinery	1,289.71	1,459.80
	Consumption of stores, spares and consumables	382.03	563.98
		20,996.70	**18,663.42**
23	**Purchases of stock-in-trade**		
	Modems and routers	10.15	42.74
	Household equipments, kitchen utensils, electronic items etc	276.69	14.26
		286.84	**57.00**

		Year ended 31 March 2020	Year ended 31 March 2019
24	**Changes in inventories of stock-in-trade**		
	Opening stock	9.88	25.80
	Add: transferred from capital work-in-progress	108.70	-
	Closing stock	(218.89)	(9.88)
		(100.31)	**15.92**
25	**Employee benefits expense**		
	Salaries and allowances	4,984.49	4,826.32
	Contributions to provident and other funds	899.26	845.88
	Staff welfare expenses	451.54	478.66
		6,335.29	**6,150.86**
26	**Finance costs**		
	Interest on bank borrowings	2,194.38	1,993.80
	Interest on lease liabilities (refer note 36)	93.90	72.75
	Net loss on account of foreign exchange fluctuations	207.22	-
	Other borrowing costs	122.79	212.72
		2,618.29	**2,279.27**
27	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment (refer note 4)	7,612.80	7,901.25
	Depreciation on right-of-use assets (refer note 36)	213.01	153.00
	Amortisation of intangible assets (refer note 5)	57.92	71.97
		7,883.73	**8,126.22**
28	**Other expenses**		
	Contract labour	1,565.95	1,555.88
	Electricity charges	26.48	26.33
	Rent	163.87	201.03
	Repairs and maintenance - buildings	31.75	9.88
	Repairs and maintenance - others	85.67	46.55
	Insurance	38.80	30.10
	Rates and taxes (Refer Note (i) below)	836.03	117.22
	Communication	76.89	94.51
	Travelling and conveyance	197.41	234.71
	Printing and stationery	34.23	43.59
	Bank charges and commission	279.87	155.19
	Advertising and marketing	399.30	549.64
	Legal and professional	454.34	514.02
	Payments to auditors (Refer Note (ii) below)	31.17	28.09
	Office maintenance expenses	144.04	120.97
	Allowances for expected credit loss	2,531.11	1,312.34
	Corporate social responsibility expenses (Refer Note (ii) below)	14.41	28.99
	Net loss on account of foreign exchange fluctuations	395.47	311.49
	Miscellaneous expenses	30.51	12.21
		7,337.30	**5,392.74**

Notes:

(i) Rates and taxes include an amount of Rs. 740.10 lakhs paid by the Holding company under the Sabkka Viswas Scheme for settlement of pending service tax litigations.

(ii) Payments to the auditors include payments to statutory auditor (net of taxes, where applicable) :

Audit	29.50	25.05
Reimbursement of expenses	1.67	3.04
	31.17	**28.09**

(iii) Corporate Social Responsibility (CSR) expenditure

Pursuant to Section 135 of the Companies Act, 2013, the Company has formed a Corporate Social Responsibility ('CSR') committee of three directors. The Committee has approved a CSR Policy listing out activities specified in Schedule VII of the Companies Act, 2013.

Gross amount required to be spent during the year	51.81	40.00
Amount spent during the year on :		
Construction / acquisition of an asset	-	-
On CSR purposes other than above (paid in cash)	14.41	28.99
	14.41	**28.99**

(All amounts in Indian rupee lakhs)

	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
29 Income taxes			
Income tax assets	614.05	436.31	439.22
Income tax liabilities (net)	-	-	522.93

(a) Amount recognised in statement of profit and loss

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Current tax (including MAT)	360.00	341.44
Current tax for earlier years	32.36	-
Deferred tax charge	485.99	265.20
Tax expenses/ (income)	**878.35**	**606.64**

(b) Amount recognised in other comprehensive income

Particulars	Year ended 31 March 2020			Year ended 31 March 2019		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Remeasurement of the net defined benefit plans	21.80	(6.06)	15.74	(8.03)	4.24	(3.79)

(c) Reconciliation of effective tax rate

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Profit before tax	293.52	2,146.02
Statutory income tax rate	34.94%	34.94%
Tax using the statutory tax rate	126.84	687.14
Impact of change in deferred tax rate	(38.43)	294.82
Permanent differences	(28.27)	47.97
Income exempt from tax	(28.87)	-
Reduction in brought forward losses*	847.08	-
Unrecognised losses	-	(423.29)
Tax expense	878.35	606.64
Effective tax rate	299.25%	28.27%

*The Parent company has filed revised income tax return for Assessment Year 2019-20 on 25 September 2020 admitting various demands of the Income Tax Department, raised against the Company in earlier years. The admission of these losses has led to a reduction in carried forward losses for which deferred tax asset has been created in previous years.

The Taxation Laws (Amendment) Ordinance, 2019, provide domestic companies a non-reversible option to pay corporate tax at concessional rate effective from 1 April 2019, subject to certain conditions. The Parent company has elected not to exercise this option to pay income tax at reduced rate during the year ended 31 March 2020 due to availability of carried forward losses and MAT credit entitlements and the subsidiary company, Asianet Digital Network Private Limited has exercised the option.

(d) Recognised deferred tax assets and liabilities

(i) Deferred tax assets and liabilities are attributable to the following:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Deferred tax asset			
Allowance for expected credit loss	920.83	768.60	932.87
Provision for employee benefits	467.69	705.97	665.50
MAT credit entitlement	1,452.00	1,408.35	1,066.93
Lease liabilities, impact on account of Ind AS 116	7.50	-	-
Unabsorbed business losses	203.24	936.44	1,350.52
Total deferred tax assets (A)	**3,051.26**	**3,819.36**	**4,015.82**
Deferred tax liabilities			
Excess of depreciation on property, plant and equipment under Income Tax Act,1961	(1,175.96)	(1,399.89)	(1,368.67)
Borrowings	(28.02)	(28.36)	(19.03)
Investment	(13.05)	(17.14)	-
Lease assets, impact on account of Ind AS 116	-	(15.33)	(8.52)
Total deferred tax liability (B)	**(1,217.03)**	**(1,460.72)**	**(1,396.22)**
Deferred tax assets, net	**1,834.23**	**2,358.64**	**2,619.60**

The Group offsets tax assets and liabilities only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relating to income taxes levied by the same tax authority.

(ii) Movement in temporary differences

Particulars	Balances as at 1 April 2018	Recognised in Profit and loss during 2018-19	Recognised in OCI during 2018-19	Balances as at 31 March 2019	Recognised in Profit and loss during 2019-20	Recognised in OCI during 2019-20	Balances as at 31 March 2020
Allowance for expected credit loss	932.87	(164.27)	-	768.60	152.23	-	920.83
Provision for employee benefits	665.50	36.23	4.24	705.97	(232.22)	(6.06)	467.69
MAT credit entitlement	1,066.93	341.42	-	1,408.35	43.65	-	1,452.00
Carry forward losses	(8.52)	(6.81)	-	(15.33)	22.83	-	7.50
Lease liabilities, impact on account of Ind AS 116	(19.03)	(9.33)	-	(28.36)	0.34	-	(28.02)
Borrowings	1,350.52	(414.08)	-	936.44	(733.20)	-	203.24
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961	(1,368.67)	(31.22)	-	(1,399.89)	223.93	-	(1,175.96)
Investment	-	(17.14)	-	(17.14)	4.09	-	(13.05)
Net deferred tax assets/ (liabilities)	**2,619.60**	**(265.20)**	**4.24**	**2,358.64**	**(518.35)**	**(6.06)**	**1,834.23**

(All amounts in Indian rupee lakhs)

30 Contingent liabilities and commitments

Particulars	**As at 31 March 2020**	**As at 31 March 2019**	**As at 1 April 2018**
Contingent liabilities			
Claims against the Group not acknowledged as debt			
(i) Service tax demands pending in appeals (Note a)	133.20	2,359.96	2,285.77
(ii) VAT demands pending in appeals (Note b)	67.96	67.96	8.03
(iii) Customs duty demand (Note c)	-	194.01	194.01
Commitments			
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	14.81	-	-
	215.97	**2,621.93**	**2,487.81**

a) The parent company during the year 2019-20 settled pending demands from service tax authorities for financial years 2001-02 to 2016-17 under the Sabka Vishwas Scheme except for financial years 2009-10 and 2010-11. Management believes that, for the said years, the position taken by it is tenable and hence, no adjustment has been made in the financial statements. The parent company has filed an appeal against the demands received.

b) The parent company has pending demands from sales tax authorities of Kerala for financial year 2015-16 and 2016-17. Management believes that the position taken by it is tenable and hence, no adjustment has been made in the financial statements. The parent company has filed an appeal against the demands received.

c) The parent company has received demand from the custom authorities on account of non-fulfilment of foreign currency earnings obligations. The case is currently stayed by the High Court of Kerala and the management has provided for the full amount in FY 19-20.

d) The Group did not have any long term contracts including derivatice contracts for which there were any material foreseeable losses.

31 Earnings per share (Basic and diluted)

The calculation of profit attributable to equity share holders and weighted average number of equity shares outstanding for the purpose of basic earnings per share calculations are as follows:

i) Net profit attributable to equity share holders

Particulars	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Net profit for the year, attributable to the equity share holders	(584.83)	1,539.38

ii) Weighted average number of equity shares

Particulars	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Opening balance (Refer note 14)	100,689,225	100,689,225
Shares issued for cash	-	-
Weighted average number of equity shares of Rs. 10 each for the year	100,689,225	100,689,225
Earnings per share, basic and diluted	(0.58)	1.53

The Group does not have potentially dilutive equity shares.

32 Employee benefit obligations

a. Defined benefit plan

The Group has a defined benefit gratuity plan as per the Payment of Gratuity Act, 1972 ('Gratuity Act'). Under the Gratuity Act, employee who has completed five years of service is entitled to specific benefit. The level of benefit provided depends on the employee's length of service and salary at retirement/termination age, carried out by an independent actuary. Compensated absences, a defined benefit plan, is accrued based on an actuarial valuation at the balance sheet date, carried out by an independent actuary.

A Based on an actuarial valuation, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at balance sheet date:

Particulars	**As at 31 March 2020**	**As at 31 March 2019**
Defined benefit obligation liability	2,933.40	2,692.79
Plan assets	(206.43)	(275.31)
Net defined benefit liability	2,726.97	2,417.48
Compensated absences	472.77	433.78
Total employee benefit liability	**3,199.74**	**2,851.26**

(All amounts in Indian rupee lakhs)

32 Employee benefit obligations (continued)

B Reconciliation of present value of defined benefit obligation

Particulars	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Balance at beginning of the year	2,692.79	2,379.58
Benefit paid	(124.42)	(57.44)
Current service cost	194.31	188.55
Past service cost	-	-
Interest cost	203.73	183.22
- changes in demographic assumptions	-	0.34
- changes in financial assumptions	(7.62)	42.08
- experience adjustments	(25.39)	(43.54)
Balance at the end of the year	**2,933.40**	**2,692.79**

C Reconciliation of fair value of plan assets

Particulars	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Opening fair value of plan assets	275.31	291.33
Contributions by employer	50.00	30.00
Benefits paid	(124.42)	(57.44)
Interest income on plan assets	16.75	20.57
Remeasurement on plan assets excluding amounts included in net interest on the net defined benefit liability/(asset)	(11.21)	(9.15)
Closing fair value of plan assets	**206.43**	**275.31**
Net defined benefit (liability)	**2,726.97**	**2,417.48**

D (i) Expenses recognised in the statement of profit and loss account

Particulars	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Current service cost	194.31	188.55
Past service cost	-	-
Interest cost	186.98	162.65
Gratuity cost	**381.29**	**351.20**

(ii) Remeasurements recognised in other comprehensive income

Particulars	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Acturial (gain)/loss on defined benefit obligation	(91.20)	(1.10)

E Assumptions used to determine benefit obligations:

Principal acturial assumptions at the reporting date (expressed as weighted average)

Particulars	**31 March 2020**	**31 March 2019**
Discount rate	6.60%	7.5% - 7.6%
Future salary growth	7.00%	8.00%
Attrition rate	2.00%	2.00%
Interest rate for interest on net DBO	7.5% - 7.6%	7.70%
Mortality Rate	IALM 2012-14(Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of defined benefit obligation	11-13 years	11-14 years

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India. The Group assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.
Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other foreign defined benefit gratuity plans.

(ii) Sensitivity analysis

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

Particulars	**31 March 2020**		**31 March 2019**	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate	(325.95)	384.39	(305.02)	360.99
Future salary growth	378.99	(327.64)	355.84	(306.52)
Weighted average duration of defined benefit obligation	(10.75)	12.05	(10.92)	12.27

Although the analysis does not take account of the full distribution of the cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumption shown.

F Acturial assumptions for compensated absences

Particulars	**31 March 2020**	**31 March 2019**
Discount rate	6.60%	7.50%
Future salary growth	7.00%	8.00%
Attrition rate	2.00%	2.00%

G Expense recognised in profit or loss:

Defined contribution plan	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Contribution to provident fund	486.86	466.11

(All amounts in Indian rupee lakhs)

33 Segment information

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). Members of Board of the Group have been identified as the CODM as defined by Ind AS 108 "Operating Segments". All operating segments' operating results are reviewed regularly by the Group's CODM to make decisions about resources to be allocated to the segments and assess their performance.

The Group has structured its business broadly into three verticals : (a) Cable Television services, called as Asianet Cable Services ('ACS'), (b) Cable Internet services, called as Asianet Dataline ('ADL'), and 'Others' including Cable Channel services. The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

Income and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis. Certain expenses are not specifically allocable to individual segments as the underlying services are used interchangeably. The Group therefore believes that it is not practical to provide segment disclosures relating to such expenses and accordingly such expenses are separately disclosed as unallocable and directly charged against total income. Similarly certain assets and liabilities of the Group are used interchangeably between segments which have been disclosed as unallocated assets and liabilities.

A. Business segments:

The business segments of the Group are as follows:
i) Asianet Cable Services ('ACS')
ii) Asianet Dataline ('ADL')
iii) Others - Comprising cable channel services, tele-shopping and electronics trading

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Segment revenue		
ACS	29,319.11	26,534.73
ADL	14,503.20	13,653.61
Others	1,268.20	1,210.26
Total	**45,090.51**	**41,398.60**
Segment results before income tax		
ACS	11,134.47	11,228.33
ADL	13,936.40	13,887.15
Others	537.02	782.75
Total	**25,607.89**	**25,898.23**
Less :		
Finance cost	(2,618.29)	(2,279.27)
Other unallocable expenditure net of un-allocable income	(22,696.08)	(21,472.94)
Profit before tax	**293.52**	**2,146.02**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Segment assets		
ACS	20,814.32	21,407.97
ADL	15,050.14	17,223.70
Others	555.56	436.15
Unallocated	30,771.26	26,210.71
Total	**67,191.28**	**65,278.53**
Segment liabilities		
ACS	11,467.58	6,359.40
ADL	31,586.21	36,038.61
Others	118.34	93.60
Unallocated	6,028.26	4,226.94
Total	**49,200.39**	**46,718.55**

The Group operates in a single geographical location.
No major customer contributed more than 10% of the Group's revenue.

(All amounts in Indian rupee lakhs)

34 Financial Instruments - Fair values and risk management

A Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31 March 2020

		Carrying amount				Fair value			
Particulars	**Note**	**Financial assets at amortised cost**	**Mandatorily at FVTPL**	**Other financial liabilities at amortised cost**	**Total Carrying value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets									
Cash and cash equivalents	11	500.15	-	-	500.15	-	-	-	-
Other bank balances	12	1,224.18	-	-	1,224.18	-	-	-	-
Trade receivables	10	6,011.81	-	-	6,011.81	-	-	-	-
Loans	6	738.35	-	-	738.35	-	-	-	-
Other financial assets	13	614.95	-	-	614.95	-	-	-	-
Investments	9	-	5,229.20	-	5,229.20	-	5,229.20	-	5,229.20
Total		**9,089.44**	**5,229.20**	-	**14,318.64**	-	**5,229.20**	-	**5,229.20**
Financial liabilities									
Trade payables	19	-	-	7,740.55	7,740.55	-	-	-	-
Borrowings (including current maturities)	15	-	-	25,168.56	25,168.56	-	-	-	-
Lease liabilities	36	-	-	987.04	987.04	-	-	-	-
Other financial liabilities (excluding current maturities of long term borrowings)	16	-	-	4,580.22	4,580.22	-	-	-	-
Total		-	-	**38,476.37**	**38,476.37**	-	-	-	-

31 March 2019

		Carrying amount				Fair value			
Particulars	**Note**	**Financial assets at amortised cost**	**Mandatorily at FVTPL**	**Other financial liabilities at amortised cost**	**Total Carrying value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets									
Cash and cash equivalents	11	570.81	-	-	570.81	-	-	-	-
Other bank balances	12	1,230.63	-	-	1,230.63	-	-	-	-
Trade receivables	10	4,767.73	-	-	4,767.73	-	-	-	-
Loans	6	716.03	-	-	716.03	-	-	-	-
Other financial assets	13	1,333.32	-	-	1,333.32	-	-	-	-
Investments	9	-	3,099.12	-	3,099.12	-	3,099.12	-	3,099.12
Total		**8,618.52**	**3,099.12**	-	**11,717.64**	-	**3,099.12**	-	**3,099.12**
Financial liabilities									
Trade payables	19	-	-	4,202.83	4,202.83	-	-	-	-
Borrowings (including current maturities)	15	-	-	26,657.03	26,657.03	-	-	-	-
Lease liabilities	36	-	-	1,082.03	1,082.03	-	-	-	-
Other financial liabilities (excluding current maturities of long term borrowings)	16	-	-	6,027.24	6,027.24	-	-	-	-
Total		-	-	**37,969.13**	**37,969.13**	-	-	-	-

1 April 2018

		Carrying amount				Fair value			
Particulars	**Note**	**Financial assets at amortised cost**	**Mandatorily at FVTPL**	**Other financial liabilities at amortised cost**	**Total Carrying value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets									
Cash and cash equivalents	11	921.18	-	-	921.18	-	-	-	-
Other bank balances	12	1,804.91			1,804.91				
Trade receivables	10	3,300.68	-	-	3,300.68	-	-	-	-
Loans	6	718.84	-	-	718.84	-	-	-	-
Other financial assets	13	981.73	-	-	981.73	-	-	-	-
Total		**7,727.34**	**-**	**-**	**7,727.34**	**-**	**-**	**-**	**-**
Financial liabilities									
Trade payables	19	-	-	3,221.82	3,221.82	-	-	-	-
Borrowings (including current maturities)	15	-	-	20,361.31	20,361.31	-	-	-	-
Lease liabilities	36	-	-	682.10	682.10	-	-	-	-
Other financial liabilities (excluding current maturities of long term borrowings)	16	-	-	4,597.43	4,597.43	-	-	-	-
Total		-	-	**28,862.66**	**28,862.66**	-	-	-	-

(All amounts in Indian rupee lakhs)

34 Financial Instruments- Fair values and risk management (continued)

B Measurement of fair values

The following methods and assumptions were used to estimate the fair values:
The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at balance sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

C Financial risk management

The Group's activities expose it to a variety of financial risks: credit risk, market risk and liquidity risk.

i) **Risk management framework**

The Group's Board of directors has overall responsibility for the establishment and oversight of the risk management framework.
The Group's Board of directors oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the audit and risk management committee.

ii) **Credit risk**

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.
The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and unbilled receivables.

The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	**As at 31 March 2020**	**As at 31 March 2019**
Balance at the beginning	2,514.47	2,669.62
Impairment loss recognised	2,531.11	1,312.34
Bad debts written off	(1,512.38)	(1,467.49)
Balance at the end	**3,533.20**	**2,514.47**

No single customer accounted for more than 10% of the revenue as of 31 March 2020 and 31 March 2019. There is no significant concentration of credit risk.
Credit risk on cash and cash equivalent and other bank balances is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

iii) **Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.
The Group believes that the working capital along with its unutilised credit facilities are sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2020:

Particulars	**Less than 1 year**	**More than 1 year**	**Total**
Trade payables	7,740.55	-	7,740.55
Current borrowings	4,019.87	-	4,019.87
Non current borrowings (including current maturities)	10,400.32	10,748.37	21,148.69
Lease liabilities	164.92	822.12	987.04
Other financial liabilities (excluding current maturities)	3,934.66	645.56	4,580.22
Total	**26,260.32**	**12,216.05**	**38,476.37**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2019:

Particulars	**Less than 1 year**	**More than 1 year**	**Total**
Trade payables	4,202.83	-	4,202.83
Current borrowings	4,448.83	-	4,448.83
Non current borrowings (including current maturities)	9,789.19	12,419.01	22,208.20
Lease liabilities	138.94	943.09	1,082.03
Other financial liabilities (excluding current maturities)	5,371.85	655.39	6,027.24
Total	**23,951.64**	**14,017.49**	**37,969.13**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 1 April 2018:

Particulars	**Less than 1 year**	**More than 1 year**	**Total**
Trade payables	3,221.82	-	3,221.82
Current borrowings	5,196.21	-	5,196.21
Non current borrowings (including current maturities)	9,360.05	5,805.05	15,165.10
Lease liabilities	122.87	559.23	682.10
Other financial liabilities (excluding current maturities)	3,921.54	675.89	4,597.43
Total	**21,822.49**	**7,040.17**	**28,862.66**

Financial assets carried at amortised cost include cash and cash equivalents, deposits, etc. where the Group has assessed the counterparty credit risk. Trade receivables are carried at amortised cost and is valued considering provision for allowance using expected credit loss method (if any). In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the impact immediately seen in the demand outlook and the financial strength of the customers in respect of whom amounts are receivable.

(All amounts in Indian rupee lakhs)

34 Financial Instruments- Fair values and risk management (continued)

iv) 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, such as foreign exchange rates, interest rates and equity prices.

Foreign currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which transactions are denominated and the functional currency of the Group. The functional currency of Group is Rs. The currencies in which these transactions are primarily denominated is EUR and US dollar.

The summary quantitative data about the Group's exposure to currency risk (based on notional amounts) as reported to the management is as follows.

As at 31 March 2020	**EUR**	**USD**
Borrowings (current and non-current)	4,813.32	2,350.70
Trade payables	-	140.74
Other current financial liabilities	1.81	26.89
Net assets/(liabilities)	**(4,815.13)**	**(2,518.33)**
As at 31 March 2019		
Borrowings (current and non-current)	-	2,719.55
Trade payables	-	856.76
Other current financial liabilities	-	14.15
Net assets/(liabilities)	-	**(3,590.46)**
As at 1 April 2018		
Borrowings (current and non-current)	-	6,280.54
Trade payables	-	992.41
Net assets/(liabilities)	-	**(7,272.95)**

Sensitivity analysis

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	**Impact on profit or (loss)**			**Impact on equity, net of tax**		
	As at 31 March 2020	**As at 31 March 2019**	**As at 1 April 2018**	**As at 31 March 2020**	**As at 31 March 2019**	**As at 1 April 2018**
USD Sensitivity						
INR/USD - Increase by 1%	(25.18)	(35.90)	(72.73)	(17.46)	(23.78)	(47.31)
INR/USD - Decrease by 1%	25.18	35.90	72.73	17.46	23.78	47.31
EUR Sensitivity						
INR/EUR - Increase by 1%	(48.15)	-	-	(32.36)	-	-
INR/EUR - Decrease by 1%	48.15	-	-	32.36	-	-

Unhedged foreign currency exposure

At at 31 March 2020

Particulars	**Foreign currency**	**Amount in foreign currency**	**Amount in INR**
Foreign currency liabilities	USD	33.41	2,518.32
	EURO	57.98	4,815.13

At at 31 March 2019

Particulars	**Foreign currency**	**Amount in foreign currency**	**Amount in INR**
Foreign currency liabilities	USD	51.82	3,590.47

At at 31 March 2018

Particulars	**Foreign currency**	**Amount in foreign currency**	**Amount in INR**
Foreign currency liabilities	USD	111.82	7,272.94

Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The interest rate on the Group’s financial instruments is based on market rates. The Group monitors the movement in interest rates on an ongoing basis.

(a) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Financial liabilities (bank borrowings)	**As at 31 March 2020**	**As at 31 March 2019**	**As at 1 April 2018**
Variable rate long term borrowings including current maturities	19,230.54	20,687.45	18,309.44

Sensitivity

Particulars	**Impact on profit or (loss)**			**Impact on equity, net of tax**		
	As at 31 March 2020	**As at 31 March 2019**	**As at 1 April 2018**	**As at 31 March 2020**	**As at 31 March 2019**	**As at 1 April 2018**
Sensitivity						
1% increase	(192.31)	(206.87)	(183.09)	(125.58)	(134.59)	(119.11)
1% decrease	192.31	206.87	183.09	125.58	134.59	119.11

The interest rate sensitivity is based on the closing balance of secured term loans from banks.

35 Capital Management

Risk Management

The key objective of the Group's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence and to ensure future developments of the business. The Group is focused on maintaining a strong equity base to ensure independence, security as well as financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Group.

The capital structure as of 31 March 2020 and 31 March 2019 was as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Total liabilities	49,200.39	46,718.55
Less: cash and cash equivalents	(500.15)	(570.81)
Net debt (A)	48,700.24	46,147.74
Total equity (B)	17,990.89	18,559.98
Debt to equity ratio (A/B)	2.71	2.49

There are no changes in the Group's approach to capital management during the year. The Group is not subject to externally imposed capital requirements.

36 Leases

The Group has taken office premises and software on lease from various parties. The leases typically run for a period of 1 year -15 years. Lease payments are renegotiated nearing the expiry to reflect market rentals.

The Group has adopted Ind AS 116 Leases as notified by MCA. The entity has elected the modified retrospective approach from 1 April 2018, the transition date, for adopting Ind AS 116 in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards. On transition to Ind AS 116, the Group recognised Rs. 706.48 lakhs of right-of-use assets and Rs. 682.10 lakhs of lease liabilities. When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate.

(i) Lease liabilities

Following are the changes in the lease liabilities for the year ended 31 March 2020:

Particulars	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the year *	1,082.03	682.10
Additions	52.87	552.18
Finance cost accrued during the period (refer note 26)	93.90	72.75
Payment of lease liabilities	(241.76)	(225.00)
Balance at the end of the year	**987.04**	**1,082.03**
Non-current lease liabilities	822.12	943.09
Current lease liabilities	164.92	138.94

* Non current and current lease liabilities as at 1 April 2018 are Rs. 559.23 lakhs and Rs. 122.87 lakhs respectively.

(ii) Maturity analysis – contractual undiscounted cash flows

Particulars	As at 31 March 2020	As at 31 March 2019
Less than one year	245.28	241.77
One to five years	693.01	812.46
More than five years	271.92	397.74
Total undiscounted lease liabilities	**1,210.21**	**1,451.97**

(iii) Right-of-use assets

Right-of-use assets are presented on the balance sheet.

As at 31 March 2020

Particulars	Building	Software
Balance at the beginning of the year	974.88	144.27
Addition to right-of-use assets	53.83	-
Depreciation for the year (refer note 27)	(179.65)	(33.36)
Balance at the end of the year	**849.06**	**110.91**

As at 31 March 2019

Particulars	Building	Software
Balance at the beginning of the year	706.48	-
Addition to right-of-use assets	393.06	172.61
Depreciation for the year (refer note 27)	(124.66)	(28.34)
Balance at the end of the year	**974.88**	**144.27**

(iv) Amounts recognised in statement of profit or loss

Particulars	As at 31 March 2020	As at 31 March 2019
Depreciation on right-of-use assets (refer note 27)	213.01	153.00
Interest on lease liabilities (refer note 26)	93.90	72.75

(v) Amounts recognised in statement of cash flows

Particulars	As at 31 March 2020	As at 31 March 2019
Total cash out flow for leases	241.76	154.33

(All amounts in Indian rupee lakhs)

37 Revenue from contracts with customers

(a) Revenue is disaggregated by major products / service lines and timing of revenue recognition as follows:

Particulars	**Year ended 31 March 2020**	**Year ended 31 March 2019**
Timing of Revenue Recognition		
Products and services transferred at a point in time	318.04	116.78
Products and services transferred over time	44,772.47	41,281.82
	45,090.51	**41,398.60**

(b) Contract Balances

The following table provides information about unbilled revenue and deferred revenue from contract with customers

	As at 31 March 2020	**As at 31 March 2019**	**As at 1 April 2018**
Unbilled receivables (refer note 13)	671.48	2,191.93	1,517.20
Advance from franchisees (refer note 18)	366.05	181.25	315.12
Advance from customers (refer note 18)	3,281.01	2,081.37	2,255.48
Unearned revenue (refer note 18)	2,858.26	2,107.73	5,064.61

38 Related party transactions

(A) Related party relationships:

Description of relationship	**Names of related parties**
Entity exercising significant influence on the Company	Coronet Investments Private Limited
Entity in which KMP has significant influence	M/s. Hathway Cable & Datacom Limited
Key Management Personnel (KMP)	Mr. Vijay Aggarwal, Director Mr. Viren Raheja, Director Mr. Vinayak Aggarwal, Director Ms. Aneesha Akshay Raheja, Director Mr. Rakesh Thakor Desai, Director Mr. P.S Suresh, Chief Financial Officer (w.e.f 15 April 2019)* Mr. V S Moni, Chief Financial Officer (till 12 April 2019) Mr. Sankar T, Manager (till 15 January 2020) Mr. Joby Mathew, Company Secretary (w.e.f 30 March 2019)

* Mr. P.S Suresh is appointed as an executive director w.e.f 14 October 2020

(B) Details of related party transactions during the year ended 31 March 2020

Name of the Related Party	**Nature of Transaction**	**Volume of transactions for the year ended**		**Outstanding balance as at**	
		Year ended 31 March 2020	**Year ended 31 March 2019**	**As at 31 March 2020**	**As at 31 March 2019**
Mr. Rajan Raheja	Guarantees and collateral securities issued / (cancelled) (net)	-	(12,450.87)	-	-
Mr. Akshay Raheja	Guarantees and collateral securities issued / (cancelled) (net)	-	(3,057.77)	-	-
Mr. Viren Raheja	Guarantees and collateral securities issued / (cancelled) (net)	-	(11,213.94)	-	-
M/s. Hathway Cable & Datacom Limited	Lease payments	-	23.19	44.85	44.85
Key Management Personnel (KMP)	Salaries and allowances*	102.56	116.35	-	-

* The amounts does not include provision for gratuity and compensated absences as the same is determined for the Company as a whole based on an actuarial valuation.

39 Additional information pursuant to Paragraph 2 of Division II of Schedule III to the Companies Act - 'General instructions for the preparation of consolidated financial statements'

31 March 2020

Name of the entity	Net assets		Share in profit or (loss)		Share in other comprehensive income		Share in 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
Parent:								
Asianet Satellite Communications Private Limited	96%	17,250.21	53%	(310.05)	(326%)	(51.28)	63%	(361.33)
Subsidiaries:								
Asianet Digital Network Private Limited	49%	8,752.38	47%	(274.76)	426%	67.02	37%	(207.74)
Roseblossoms Vision Private Limited	0%	(0.12)	0%	(0.02)	0%	-	0%	(0.02)
Eliminations / adjustments	(45%)	(8,011.58)	0%	-	0%	-	0%	-
	100%	**17,990.89**	**100%**	**(584.83)**	**426%**	**15.74**	**100%**	**(569.09)**

31 March 2019

Name of the entity	Net assets		Share in profit or (loss)		Share in other comprehensive income		Share in 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
Parent:								
Asianet Satellite Communications Private Limited	95%	17,611.54	69%	1,057.42	563%	(21.33)	67%	1,036.09
Subsidiaries:								
Asianet Digital Network Private Limited	48%	8,960.12	31%	482.01	(463%)	17.54	33%	499.55
Roseblossoms Vision Private Limited	0%	(0.10)	0%	(0.05)	-	-	0%	(0.05)
Eliminations / adjustments	(43%)	(8,011.58)	0%	-	-	-	-	-
	100%	**18,559.98**	**100%**	**1,539.38**	**100%**	**(3.79)**	**100%**	**1,535.59**

40 Covid-19 pandemic has been rapidly spreading throughout the world, including India. Government in India has taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statements including but not limited to its assessment of Group's liquidity position and recoverable values of its property, plant and equipment. However, given the effect of these lockdowns on the overall economic activity, the impact assessment of COVID-19 on the above mentioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The Group will continue to monitor any material changes to future economic conditions and consequential impact on these financial statements.

41 The net current liability of the Group as at 31 March 2020 and 31 March 2019 was Rs 18,505.52 lakhs and Rs 17,050.91 lakhs respectively, including working capital borrowings which is expected to be renewed as and when due for renewal. Further, the Group has generated cash profits during the current and previous year and also the net worth is positive as at the year end. Management believes that, the Group will be able to continue its operations on a going concern basis and meet all its liabilities as they fall due for payment in the foreseeable future, at least for a period of twelve months from the balance sheet date based on business strategies and operating plans which will enable the Group to generate positive operating cash flows in the future.

42 The Company is a Multi System Operator (MSO) under Section 2(c) of the Cable Television Networks Rules, 1994 and also has an Internet Service Provider (ISP) license from Department of Telecommunications ('DOT'). The Company has been assessed on yearly basis by the DOT, and provisional assessment had been completed up to the financial year ended 31 March 2015. During the year and after the balance sheet date, the Company have received demand orders from DOT, amounting Rs. 62,538 lakhs (including license fee, interest, penalty and interest on penalty) for the period from 1 April 2008 to 31 March 2019. This was computed by including the revenue generated from cable TV and allied businesses, whereby the DOT contradicted its own stand which it had followed until then.

These orders are based on Hon. Supreme Court order on Adjusted Gross Revenue ('AGR') dues from telecom operators. Subsequently, the Hon. Supreme Court vide its orders dated 11 June 2020 and 18 June 2020, in the matter pertaining to public sector undertakings ('PSU's'), having licenses other than Unified license, clarified that the AGR judgement could not have been a basis for raising demands on the non-telecom PSU's and accordingly DOT withdrew the demands on the non-telecom PSUs. Further, the Company has appealed to the Telecom Disputes Settlement and Appellate Tribunal (TDSAT), which has granted stay on the demand till further hearings. Management believes, based on legal advice obtained by the Company and the Company's own internal evaluation, that the Company will be able to successfully defend its position and the demand will be disposed-off in favour of the Company. Management also believes that the legal proceedings will not have any adverse impact on the financial results and the functioning of the Company.

(All amounts in Indian rupee lakhs)

43 First time adoption of Ind AS

A. Comparative balance sheet as at 1 April 2018 and 31 March 2019

The following reconciliations provides the effect of transition to Ind AS from previous GAAP in accordance with Ind AS 101.

		As at 31 March 2019			As at 1 April 2018		
Particulars	**Note No.**	**Previous GAAP***	**Adjustments on transition to Ind AS**	**Ind AS**	**Previous GAAP***	**Adjustments on transition to Ind AS**	**Ind AS**
Assets							
Non-current assets							
Property, plant and equipment		42,926.78	-	42,926.78	39,151.70	-	39,151.70
Capital work-in-progress		4,640.10	-	4,640.10	4,545.94	-	4,545.94
Right-of-use assets	a	-	1,119.15	1,119.15	-	706.48	706.48
Intangible assets	a	167.10	(70.65)	96.45	149.37	-	149.37
Financial assets							
Loans	b	451.44	18.89	470.33	449.51	5.52	455.03
Deferred tax assets	c	1,408.37	950.27	2,358.64	1,066.93	1,552.67	2,619.60
Income tax assets		436.31	-	436.31	439.22	-	439.22
Other non-current assets		571.53	-	571.53	484.22	-	484.22
Total non-current assets		**50,601.63**	**2,017.66**	**52,619.29**	**46,286.89**	**2,264.67**	**48,551.56**
Current assets							
Inventories		9.88	-	9.88	25.80	-	25.80
Financial assets							
Investments	d	3,050.08	49.04	3,099.12	-	-	-
Trade receivables	e	4,580.19	187.54	4,767.73	3,588.07	(287.39)	3,300.68
Cash and cash equivalents		570.81	-	570.81	921.18	-	921.18
Other bank balances		1,230.63	-	1,230.63	1,804.91	-	1,804.91
Loans	b	299.03	(53.33)	245.70	293.71	(29.90)	263.81
Other financial assets	e	2,220.88	(887.56)	1,333.32	1,535.91	(554.18)	981.73
Other current assets		1,402.05	-	1,402.05	1,225.82	-	1,225.82
Total current assets		**13,363.55**	**(704.31)**	**12,659.24**	**9,395.40**	**(871.47)**	**8,523.93**
Total assets		**63,965.18**	**1,313.35**	**65,278.53**	**55,682.29**	**1,393.20**	**57,075.49**
Equity and liabilities							
Equity							
Equity share capital	f	10,368.92	(300.00)	10,068.92	10,368.92	(300.00)	10,068.92
Other equity		7,579.17	911.89	8,491.06	5,913.65	1,041.82	6,955.47
Total equity		**17,948.09**	**611.89**	**18,559.98**	**16,282.57**	**741.82**	**17,024.39**
Liabilities							
Non-current liabilities							
Financial liabilities							
Borrowings	f,g	12,190.23	228.78	12,419.01	5,565.50	239.55	5,805.05
Lease liabilities	a	-	943.09	943.09	-	559.23	559.23
Other financial liabilities		655.39	-	655.39	675.89	-	675.89
Provisions		2,692.07	-	2,692.07	2,319.44	-	2,319.44
Deferred tax liabilities	c	565.68	(565.68)	-	241.88	(241.88)	-
Other non-current liabilities		298.90	-	298.90	283.59	-	283.59
Total non-current liabilities		**16,402.27**	**606.19**	**17,008.46**	**9,086.30**	**556.90**	**9,643.20**
Current liabilities							
Financial liabilities							
Borrowings		4,448.83	-	4,448.83	5,196.21	-	5,196.21
Lease liabilities	a	-	138.94	138.94	-	122.87	122.87
Trade payables		4,202.83	-	4,202.83	3,221.82	-	3,221.82
Other financial liabilities	g	15,204.71	(43.67)	15,161.04	13,309.98	(28.39)	13,281.59
Provisions		159.19	-	159.19	178.45	-	178.45
Income tax liabilities (net)		-	-	-	522.93	-	522.93
Other current liabilities		5,599.26	-	5,599.26	7,884.03	-	7,884.03
Total current liabilities		**29,614.82**	**95.27**	**29,710.09**	**30,313.42**	**94.48**	**30,407.90**
Total liabilities		**46,017.09**	**701.46**	**46,718.55**	**39,399.72**	**651.38**	**40,051.10**
Total equity and liabilities		**63,965.18**	**1,313.35**	**65,278.53**	**55,682.29**	**1,393.20**	**57,075.49**

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note.

(All amounts in Indian rupee lakhs)

43 First time adoption of Ind AS (continued)

B. Comparative statement of profit and loss for the year ended 31 March 2019

Particulars	Note No.	Year ended 31 March 2019		
		Previous GAAP*	Adjustments on transition to Ind AS	Ind AS
Income				
Revenue from operations		41,398.60	-	41,398.60
Other income	d,b	1,380.36	52.49	1,432.85
Total income		**42,778.96**	**52.49**	**42,831.45**
Expenses				
Operating expenses		18,663.42	-	18,663.42
Purchases of stock-in-trade		57.00	-	57.00
Changes in inventories of stock-in-trade		15.92	-	15.92
Employee benefits expense	h	6,158.89	(8.03)	6,150.86
Finance costs	a,g,f	2,232.57	46.70	2,279.27
Depreciation and amortisation expense	a	7,973.22	153.00	8,126.22
Other expenses	a,e	5,688.62	(295.88)	5,392.74
Total expenses		**40,789.64**	**(104.21)**	**40,685.43**
Profit before tax		**1,989.32**	**156.70**	**2,146.02**
Tax expense				
Current tax (including MAT)		341.44	-	341.44
Deferred tax charge	c	(17.64)	282.84	265.20
Total tax expense		**323.80**	**282.84**	**606.64**
(Loss)/ profit for the year		**1,665.52**	**(126.14)**	**1,539.38**
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of net defined benefit liability		-	(8.03)	(8.03)
Income tax relating to items that will not be reclassified to profit or loss		-	4.24	4.24
Other comprehensive loss, net of taxes		**-**	**(3.79)**	**(3.79)**
Total comprehensive income for the year		**1,665.52**	**(129.93)**	**1,535.59**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

C. Reconciliation of other equity for 31 March 2019 and 1 April 2018

Particulars	Note No.	31 March 2019	1 April 2018
Other equity under previous GAAP		**7,579.17**	**5,913.65**
Increase / (decrease):			
Effect of expected credit losses	e	(700.02)	(841.57)
Effect of remeasuring borrowings	g	81.21	54.46
Effect of accounting non-cumulative preference share	f	33.68	34.38
Effect of measuring investments at fair value	d	49.04	-
Effect of application of lease accounting	a,b	(67.99)	-
Deferred tax adjustments	c	1,515.97	1,794.55
Other equity as reported under Ind AS		**8,491.06**	**6,955.47**

D. Statement of cash flows
There were no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

E. Notes to first time adoption

a Accounting for Leases
Ind AS 116 'Leases' requires the Group to recognise the right-of-use asset and corresponding lease liabilities at transition date. The Group has adopted Ind AS 116 from 1 April 2018 using the modified retrospective approach and recognised right-of-use assets and lease liabilities. Right-of-use assets are depreciated as per the requirements of Ind AS 116. Interest is recognised on the remaining balance of the lease liabilities during the lease term and disclosed under finance costs.
Under previous GAAP, the operating lease rentals was recognised as an expense on a straight line basis over the lease period. Under Ind AS, where the escalation rate is in line with the general inflation rate, straight lining of lease rentals is not required.

b Amortisation of security deposit
As per Ind AS 109, long term security deposits are recognised at amortised cost. Related interest income have also been recognised.

c Deferred tax
Under the previous GAAP, deferred tax was accounted using the income statement approach, based on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using balance sheet approach which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The difference in the approach has been adjusted in opening retained earnings. Various other transitional adjustments has also resulted in recognition of temporary differences.

d Net gain/loss on fair value changes
Under previous GAAP, investment in mutual funds was carried at lower of cost or net realisable value. Under Ind AS, these investments are measured at fair value through profit and loss (FVTPL).

Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
Notes to the consolidated financial statements (continued)
(All amounts in Indian rupee lakhs)

43 First time adoption of Ind AS (continued)

E. Notes to first time adoption (continued)

e Impairment of financial instruments

The Group has recognised impairment loss on trade receivables and unbilled receivables based on the expected credit loss model as required by Ind AS 109.

f Non-cumulative preference shares

As per Ind AS, below market rate preference shares are compound financial instruments with equity and liability component. Preference shares have thus been split into equity and liability components unlike previous GAAP, where they were fully treated as equity.

g Borrowings

Under previous GAAP, transaction cost incurred towards origination of borrowings were charged to statement of profit and loss upfront and the borrowings are measured as per their schedule of terms made. As per Ind AS 109, the transaction costs incurred towards origination of borrowings are deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the statement of profit and loss over the tenure of the borrowing as part of the interest expense by applying effective interest rate method (i.e amortised cost method). Accordingly the unamortised balance of transaction cost has been deducted from the carrying amount of the borrowings as on the date of transition.

h Remeasurement of net defined benefit liability/ asset

Under Ind AS, re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in other comprehensive income. Under previous GAAP, the Group has recognised actuarial gains and losses in profit or loss. However, this has no impact in the total comprehensive income and total equity as on 1 April 2018 and as on 31 March 2019.

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W /W-100024

BABY PAUL
Digitally signed by BABY PAUL
Date: 2020.12.05 23:10:15 +05'30'

Baby Paul
Partner
Membership number: 218255

Kochi
5 December 2020

for and on behalf of the Board of Directors of
Asianet Satellite Communications Private Limited
(formerly known as Asianet Satellite Communications Limited)
CIN: U92132KL1992PTC006725

VIREN RAJAN RAHEJA
Digitally signed by VIREN RAJAN RAHEJA
Date: 2020.12.05 22:24:21 +05'30'

Viren Raheja
Chairman and Director
DIN: 00037592

Mumbai
5 December 2020

Vinayak Premchand Aggarwal
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Date: 2020.12.05 22:23:39 +05'30'

Vinayak Aggarwal
Director
DIN: 00007280

Mumbai
5 December 2020

SURESH PAZHEMPALLIL SIVARAMAN NAIR
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Date: 2020.12.05 22:07:35 +05'30'

P S Suresh
Executive Director
DIN No: 08421313

Thiruvananthapuram
5 December 2020

JOBY MATHEW
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Date: 2020.12.05 22:08:20 +05'30'

Joby Mathew
Company Secretary
Membership no: A 24411

Thiruvananthapuram
5 December 2020