

B S R & Associates LLP

Chartered Accountants

49/179A, 3rd Floor,
Syama Business Centre,
NH-47 Bypass Road,
Vyttila, Kochi – 682 019 - India

Telephone: +91 484 4148 500
Fax: +91 484 4148 501

Independent Auditors' Report

To the Members of Asianet Digital Network Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Asianet Digital Network Private Limited (“the Company”), which comprise the balance sheet as at 31 March 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

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 Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the 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.

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Asianet Digital Network Private Limited Independent Auditors' Report (continued)

Other Information (continued)

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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Asianet Digital Network Private Limited Independent Auditors' Report *(continued)*

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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Asianet Digital Network Private Limited Independent Auditors' Report *(continued)*

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2.(A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company did not have any pending litigations which would impact its financial position - Refer Note 30 to the financial statements ;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note 30 to the financial statements.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

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Asianet Digital Network Private Limited Independent Auditors' Report (continued)

Report on Other Legal and Regulatory Requirements (continued)

- iv. The disclosures in the 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 these financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act, until the Company ceased to be a deemed public 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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by BABY PAUL
Date:
PAUL 2021.08.28
20:05:28 +05'30'

Baby Paul

Partner

Membership number: 218255

ICAI Unique Document Identification Number: 21218255AAAADF9387

Kochi

28 August 2021

B S R & Associates LLP

Asianet Digital Network Private Limited Annexure A to the Auditors' Report

The Annexure A referred to in our report to the members of the Company on the financial statements for the year ended 31 March 2021. We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except for certain particulars on quantitative details and location for certain assets capitalised in earlier years, which the management is in the process of updating the records.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years other than cables and Set Top Boxes ('STB') installed at subscribers' locations. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year. No material discrepancies were noticed on such verification. With respect to the cables and STB's installed at subscribers' locations, management is of the view that it is not possible to physically verify these assets due to their nature and location. According to the information and explanations given to us, the existence of STB's is verified on the basis of the 'active user' status in the system.
- (c) According to the information and explanations given to us, the Company does not hold any immovable property. Thus, paragraph 3 (i) (c) of the said Order is not applicable.
- (ii) The inventory, except goods-in-transit, has been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of such verification is reasonable.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the securities and guarantees given. The Company has not granted any loans and not made investments in companies, firms or other parties covered under section 185 and 186 of the Act.
- (v) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 of the Act in respect of cost of operation, cost of sales and margin of all services and products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

Asianet Digital Network Private Limited

Annexure - A to the Independent Auditors' Report (continued)

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, tax deducted at source, employees' state insurance, goods and services tax, customs duty, cess and any other material statutory dues have generally been regularly deposited with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, service tax, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, customs duty, employee state insurance, income tax, goods and services tax, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, sales tax or service tax, customs duty, value added tax which have not been deposited by the Company on account of disputes.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company did not have any outstanding loans or borrowings from government and there are no dues to debenture holders during the year.
- (ix) According to the information and explanations given to us and based on examination of the records of the Company, the term loans obtained during the year were applied for the purpose for which they were obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) According to the information and explanation given to us, no material fraud on the Company by its officers and employees or fraud by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us the Company is a private limited company and accordingly the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company.
- (xii) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Thus, paragraph 3(xiv) of the Order is not applicable.

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Asianet Digital Network Private Limited

Annexure - A to the Independent Auditors' Report (continued)

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Thus, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanation given to us and in our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

for B S R & Associates LLP

Chartered Accountants

ICAI Firm registration number: 116231W/W-100024

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PAUL

Digitally signed
by BABY PAUL
Date: 2021.08.28
20:05:57 +05'30'

Baby Paul

Partner

Membership number: 218255

ICAI Unique Document Identification Number: 21218255AAAADF9387

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28 August 2021

B S R & Associates LLP

Asianet Digital Network Private Limited Annexure B to the Independent Auditors' Report

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

Opinion

We have audited the internal financial controls with reference to financial statements of Asianet Digital Network Private Limited (“the Company”) as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 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 financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to financial statements.

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Asianet Digital Network Private Limited Annexure B to the Independent Auditors' Report (continued)

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for B S R & Associates LLP

Chartered Accountants

ICAI Firm registration number: 116231W/W-100024

BABY Digitally signed
by BABY PAUL
PAUL Date: 2021.08.28
20:06:22 +05'30'

Baby Paul

Partner

Membership number: 218255

ICAI Unique Document Identification Number: 21218255AAAADF9387

Kochi

28 August 2021

Asianet Digital Network Private Limited
Balance sheet as at 31 March 2021
(All amounts in Indian rupee lakhs)

	Notes	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	4	12,996.78	14,357.85
Capital work-in-progress	4	810.17	792.82
Right-of-use assets	36	180.58	230.80
Intangible assets	5	73.11	44.32
Financial assets			
Loans	6	29.21	29.46
Deferred tax assets (net)	29	1,482.06	1,214.29
Income tax assets (net)	29	119.48	262.48
Other non-current assets	7	1,541.95	15.79
Total non-current assets		17,233.34	16,947.81
Current assets			
Inventories	8	78.36	101.46
Financial assets			
Investments	9	6,210.15	4,036.38
Trade receivables	10	3,485.93	5,869.20
Cash and cash equivalents	11	197.47	374.27
Other bank balances	12	167.06	33.48
Loans	6	141.45	103.51
Other financial assets	13	1.13	0.03
Other current assets	7	1,158.37	360.01
Total current assets		11,439.92	10,878.34
Total assets		28,673.26	27,826.15
Equity and liabilities			
Equity			
Equity share capital	14	8,011.58	8,011.58
Other equity		1,481.07	740.80
Total equity		9,492.65	8,752.38
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	2,833.53	1,214.63
Lease liabilities	36	162.89	194.93
Other financial liabilities	16	621.55	645.56
Provisions	17	965.01	1,009.22
Other non-current liabilities	18	50.78	-
Total non-current liabilities		4,633.76	3,064.34
Current liabilities			
Financial liabilities			
Borrowings	15	691.76	2,936.61
Lease liabilities	36	37.05	45.53
Trade payables	19		
Total outstanding dues of micro and small enterprises		194.22	77.55
Total outstanding dues of creditors other than micro and small enterprises		6,879.05	5,645.84
Other financial liabilities	16	2,782.90	2,059.49
Provisions	17	84.81	101.09
Other current liabilities	18	3,877.06	5,143.32
Total current liabilities		14,546.85	16,009.43
Total liabilities		19,180.61	19,073.77
Total equity and liabilities		28,673.26	27,826.15

Significant accounting policies

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The accompanying notes form an integral part of these 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: 2021.08.28 19:54:21 +05'30'

Baby Paul

Partner

Membership number: 218255

Kochi

28 August 2021



for and on behalf of the Board of Directors of

Asianet Digital Network Private Limited

CIN :U74999KL2015PTC039405

PAZHEMPALLIL
SIVARAMAN NAIR SURESH
Digitally signed by PAZHEMPALLIL SIVARAMAN NAIR SURESH
Date: 2021.08.28 19:16:35 +05'30'

P S Suresh

Executive Director

DIN: 08421313

Thiruvananthapuram

28 August 2021

G.SANKARANARAY
ANA
Digitally signed by G.SANKARANARAYANA
Date: 2021.08.28 19:12:11 +05'30'

G Sankaranarayana

Director

DIN: 07247965

Thiruvananthapuram

28 August 2021

JOBY MATHEW
Digitally signed by JOBY MATHEW
Date: 2021.08.28 19:19:42 +05'30'

Joby Mathew

Company Secretary

Membership no: A 24411

Thiruvananthapuram

28 August 2021

Asianet Digital Network Private Limited
Statement of profit and loss for the year ended 31 March 2021
 (All amounts in Indian rupee lakhs)

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
Income			
Revenue from operations	20	30,314.31	30,816.39
Other income	21	456.31	363.68
Total income		30,770.62	31,180.07
Expenses			
Operating expenses	22	18,340.35	16,919.76
Purchases of stock-in-trade	23	236.46	276.69
Changes in inventories of stock-in-trade	24	23.10	(95.65)
Employee benefits expense	25	2,866.11	2,521.29
Impairment losses on financial and contract assets	34C	133.80	2,171.04
Finance costs	26	561.30	572.26
Depreciation and amortisation expense	27	3,409.08	3,466.55
Other expenses	28	4,615.11	5,596.37
Total expenses		30,185.31	31,428.31
Profit/(loss) before tax		585.31	(248.24)
Tax expense	29		
Current tax		292.75	284.00
Deferred tax credit		(311.82)	(257.48)
Total tax expense		(19.07)	26.52
Profit/(loss) for the year		604.38	(274.76)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurement of net defined benefit liability		179.94	92.85
Income tax relating to items that will not be reclassified to profit or loss		(44.05)	(25.83)
Other comprehensive income, net of taxes		135.89	67.02
Total comprehensive (loss)/ income for the year		740.27	(207.74)
Earning per equity share (Equity share of face value of Rs. 10 each) Basic and diluted earnings per share (Rs.)	31	0.75	(0.34)

Significant accounting policies

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

for **BSR & Associates LLP**

Chartered Accountants

Firm registration number: 116231W /W-100024

BABY PAUL
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 Date: 2021.08.28 19:55:01 +05'30'

Baby Paul

Partner

Membership number: 218255

Kochi
 28 August 2021



for and on behalf of the Board of Directors of
Asianet Digital Network Private Limited
 CIN :U74999KL2015PTC039405

PAZHEMPALLIL SIVARAMAN
 NAIR SURESH
 Digitally signed by PAZHEMPALLIL SIVARAMAN NAIR SURESH
 Date: 2021.08.28 19:16:58 +05'30'

P S Suresh
 Executive Director
 DIN: 08421313

Thiruvananthapuram
 28 August 2021

G.SANKARANARAYANA
 Digitally signed by G.SANKARANARAYANA
 Date: 2021.08.28 19:13:30 +05'30'

G Sankaranarayana
 Director
 DIN: 07247965

Thiruvananthapuram
 28 August 2021

JOBY MATHEW
 Digitally signed by JOBY MATHEW
 Date: 2021.08.28 19:20:20 +05'30'

Joby Mathew
 Company Secretary
 Membership no: A 24411

Thiruvananthapuram
 28 August 2021

Asianet Digital Network Private Limited
Statement of cash flows for the year ended 31 March 2021
 (All amounts in Indian rupee lakhs)

	Year ended 31 March 2021	Year ended 31 March 2020
Cash flows from operating activities		
Profit before tax	585.31	(248.24)
<i>Adjustments for:</i>		
Depreciation and amortisation	3,409.08	3,466.55
Net gain on fair value changes on financial assets measured at FVTPL	(292.62)	(36.38)
Finance costs	561.30	572.26
Interest income under the effective interest method	(10.86)	(2.28)
Financial guarantee income	(90.60)	(82.33)
Liabilities no longer required written back	-	(242.69)
Impairment losses on financial and contract assets	133.80	2,171.04
Unrealised foreign exchange loss/(gain)	39.32	112.14
Operating profit before working capital changes	4,334.73	5,710.07
(Increase)/decrease in inventories	23.10	(95.65)
Increase in trade receivables	2,249.47	(3,332.08)
(Increase)/decrease in financial assets and other assets	(969.81)	809.92
Increase/(decrease) in financial liabilities and other liabilities	112.25	6,028.21
Net cash generated from/ (used in) operating activities before taxes	5,749.75	9,120.47
Income tax paid, net	(149.75)	(370.87)
Net cash generated from/(used in) operating activities (A)	5,599.99	8,749.60
Cash flow from investing activities		
Acquisition of property, plant and equipment	(3,673.46)	(2,891.73)
Investments in mutual funds	(9,800.00)	(4,000.00)
Proceeds from sale of mutual fund investments	7,918.85	-
Interest received	100.36	0.25
Net cash used in investing activities (B)	(5,454.26)	(6,891.48)
Cash flow from financing activities		
Long term secured loans availed	3,000.00	1,479.10
Repayment of long-term borrowings	(463.63)	-
Current borrowings availed, net	(2,244.85)	(2,516.55)
Payment of lease liabilities	(65.88)	(63.91)
Finance costs	(548.19)	(542.29)
Net cash generated from financing activities (C)	(322.55)	(1,643.65)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(176.81)	214.47
Cash and cash equivalents at the beginning of the year	374.27	159.80
Cash and cash equivalents at the end of the year	197.47	374.27
Refer to note 11 - cash and cash equivalents		

Changes in liabilities arising from financing activities for the year ended 31 March 2021

Particulars	As at 1 April 2020	Cash flows	Non cash changes		As at 31 March 2021
			Acquisition	Foreign exchange	
Non-current borrowings (including current maturities)	1,536.06	2,536.37	40.47		4,112.90
Current borrowings	2,936.61	(2,244.85)	-		691.76
Lease liabilities	240.46	(65.88)	25.34		199.92
Total	4,472.67	291.52	-	40.47	4,804.66

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		As at 31 March 2020
			Acquisition	Foreign exchange	
Non-current borrowings (including current maturities)	-	1,479.10	-	56.96	1,536.06
Current borrowings	5,398.36	(2,516.55)	-	54.80	2,936.61
Lease liabilities	236.81	(63.91)	-	67.56	240.46
Total	5,398.36	(1,037.45)	-	179.32	4,472.67

The accompanying notes form an integral part of these 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: 2021.08.28
 19:55:42 +05'30'

Baby Paul
 Partner
 Membership number: 218255
 Kochi
 28 August 2021



for and on behalf of the Board of Directors of
Asianet Digital Network Private Limited
 CIN :U74999KL2015PTC039405

PAZHEMPALLIL SIVARAMAN NAIR SURESH
 Digitally signed by PAZHEMPALLIL SIVARAMAN NAIR SURESH
 Date: 2021.08.28 19:17:24 +05'30'

P S Suresh
 Executive Director
 DIN: 08421313
 Thiruvananthapuram
 28 August 2021

G.SANKARANARAYANA
 Digitally signed by G.SANKARANARAYANA
 Date: 2021.08.28 19:13:52 +05'30'

G Sankaranarayana
 Director
 DIN: 07247965
 Thiruvananthapuram
 28 August 2021

JOBY MATHEW
 Digitally signed by JOBY MATHEW
 Date: 2021.08.28 19:20:49 +05'30'

Joby Mathew
 Company Secretary
 Membership no: A 24411
 Thiruvananthapuram
 28 August 2021

Asianet Digital Network Private Limited
Statement of changes in equity for the year ended 31 March 2021
(All amounts in Indian rupee lakhs)

A Equity Share Capital

	Note	Amount
Balance as at 1 April 2019		8,011.58
Changes in equity share capital during 2019-20	14	-
As at 31 March 2020		8,011.58
Changes in equity share capital during 2020-21	14	-
As at 31 March 2021		8,011.58

* Amount is below the rounding off norms adopted by the Company.

B Other equity

Particulars	Reserves and surplus	Items of other comprehensive income	Total other equity attributable to equity holders of the Company
	Retained earnings	Remeasurement of net defined benefit liability/ (asset), net of tax	
Balance as at 1 April 2019	948.54	-	948.54
Total comprehensive income for the year ended 31 March 2020			
Other comprehensive income for the year	(274.76)	-	(274.76)
Total comprehensive income	-	67.02	67.02
Transferred to retained earnings	(274.76)	67.02	(207.74)
Balance as at 31 March 2020	67.02	(67.02)	-
Total comprehensive income for the year ended 31 March 2021			
Profit for the year	740.80	-	740.80
Other comprehensive income for the year	604.38	-	604.38
Total comprehensive income	-	135.89	135.89
Transferred to retained earnings	604.38	135.89	740.27
Balance as at 31 March 2021	135.89	(135.89)	-
Balance as at 31 March 2021	1,481.07	-	1,481.07

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

Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company'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.

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 financial statements

As per our report of even date attached

for **BSR & Associates LLP**

Chartered Accountants

Firm registration number: 116231W /W-100024

BABY PAUL
Digitally signed by BABY PAUL
Date: 2021.08.28 19:56:15 +05'30'

Baby Paul

Partner

Membership number: 218255

Kochi

28 August 2021

for and on behalf of the Board of Directors of

Asianet Digital Network Private Limited

CIN :U74999KL2015PTC039405

PAZHEMPALLIL SIVARAMAN NAIR SURESH
Digitally signed by PAZHEMPALLIL SIVARAMAN NAIR SURESH
Date: 2021.08.28 19:18:06 +05'30'

P S Suresh
Executive Director

DIN: 08421313

Thiruvananthapuram

28 August 2021

G.SANKARANARAYANA
Digitally signed by G.SANKARANARAYANA
Date: 2021.08.28 19:14:22 +05'30'

G Sankaranarayana
Director

DIN: 07247965

Thiruvananthapuram

28 August 2021



JOBY MATHEW
Digitally signed by JOBY MATHEW
Date: 2021.08.28 19:18:47 +05'30'

Joby Mathew

Company Secretary

Membership no: A 24411

Thiruvananthapuram

28 August 2021

Asianet Digital Network Private Limited

Notes to the financial statements

(All amounts in Indian rupee lakhs)

1. Company overview

Asianet Digital Network Private Limited ('Asianet' or 'Company') is a private limited company incorporated on 30 October 2015 as a wholly owned subsidiary of Asianet Satellite Communications Private Limited (Holding and Ultimate Holding Company').

The Company provides 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 has commenced its operations on 1 March 2018 through a Business Transfer agreement with Holding company dated 25 March 2017, wherein the cable TV Business has been transferred to Asianet via slump sale after the closure of business hours on 28 February 2018.

2. Basis of preparation

A. Statement of compliance

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 Company's Board of Directors on 28 August 2021.

B. Functional and presentation currency

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

C. 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

D. 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

There are no judgements made by the Company that have significant effects on the amounts recognised in the financial statements.

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 2021 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;



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
(All amounts in Indian rupee lakhs)

2. Basis of preparation (continued)

D. Use of estimates and judgements (continued)

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

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.



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
 (All amounts in Indian rupee lakhs)

3. Significant accounting policies (continued)

3.1 Property, Plants and equipment (continued)

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 Company.

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
Plant and equipment*	6-18
Office equipments	5
Computers	3
Servers	6
Furniture and fixtures	10
Electrical fittings	10

* For the above mentioned classes of assets, the Company 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.

3.2 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 Company 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.



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
(All amounts in Indian rupee lakhs)

3. Significant accounting policies (continued)

3.2 Intangible Assets (continued)

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

At each reporting date, the Company 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 Company is exposed to credit risk.

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 Company in accordance with the contract and the cash flows that the Company 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 Company 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 Company'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.



3. Significant accounting policies (continued)

3.4 Impairment of non-financial assets (continued)

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.

3.5 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 Company 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 Company 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 Company'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.



3. Significant accounting policies (continued)

3.5 Employee benefits (continued)

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in other comprehensive income (OCI). The Company 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 Company'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.

3.6 Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Company 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 Company 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 Company recognises any impairment loss on the assets associated with that contract.

3.7 Revenue

Revenue from contract with customers

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

Contract balances

The Company classifies the right to consideration in exchange for sale of services as trade receivables and advance consideration as advance from customers.



3. Significant accounting policies (continued)

3.7 Revenue (continued)

Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Company 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 television and channel services

Revenue from cable 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.

b) Sale of products

Revenue from sale of tele-shopping items and television sets 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 Company'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 Company 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 Company 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 Company 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 Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company 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 company 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 Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company'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 Company 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 Company 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 Company’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 Company 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 Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company 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 Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company 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 Company 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 Company 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 Company has entered into reverse factoring arrangements for factoring its trade payables. 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.



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
(All amounts in Indian rupee lakhs)

3. Significant accounting policies (continued)

3.18 Operating segments

Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and expenses that relate to transactions with any of the Company'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 Company has two 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.

3.19 Operating cycle

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

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 2021.



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
(All amounts in Indian rupee lakhs)

4 Property, plant and equipment and capital work-in-progress

Particulars	Plant and equipment	Furniture and fixtures	Office equipments	Electrical fittings	Computers	Servers	Total (A)	Capital work-in-progress (B)
Cost as at 1 April 2019	19,335.33	0.13	1.72	1.75	9.12	2.66	19,350.71	673.38
Additions	1,934.06	3.27	1.84	1.69	18.12	10.14	1,969.12	1,644.34
Disposals	-	-	-	-	-	-	-	-
Capitalisation	-	-	-	-	-	-	-	(1,524.90)
Cost as at 31 March 2020	21,269.39	3.40	3.56	3.44	27.24	12.80	21,319.83	792.82
Cost as at 1 April 2020	21,269.39	3.40	3.56	3.44	27.24	12.80	21,319.83	792.82
Additions	1,947.60	5.43	1.87	0.40	11.16	-	1,966.46	3,514.99
Disposals	-	-	-	-	-	-	-	-
Capitalisation	-	-	-	-	-	-	-	(3,497.64)
Cost as at 31 March 2021	23,216.99	8.83	5.43	3.84	38.40	12.80	23,286.29	810.17
Accumulated depreciation as at 1 April 2019	3,566.17	0.01	0.19	0.15	1.22	0.42	3,568.16	-
Depreciation expense	3,385.77	0.10	0.49	0.25	5.97	1.24	3,393.82	-
Disposals	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2020	6,951.94	0.11	0.68	0.40	7.19	1.66	6,961.98	-
Accumulated depreciation as at 1 April 2020	6,951.94	0.11	0.68	0.40	7.19	1.69	6,962.01	-
Depreciation expense	3,312.49	0.47	0.81	0.38	11.22	2.13	3,327.50	-
Disposals	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2021	10,264.43	0.58	1.49	0.78	18.41	3.82	10,289.51	-
Carrying amounts (net)								
As at 31 March 2021	12,952.56	8.25	3.94	3.06	19.99	8.98	12,996.78	810.17
As at 31 March 2020	14,317.45	3.29	2.88	3.04	20.05	11.14	14,357.85	792.82

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



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
(All amounts in Indian rupee lakhs)

5 Intangible assets

Particulars	Computer software	Copyrights and operating rights	Total
Cost as at 1 April 2019	3.10	49.96	53.06
Additions	12.60	10.89	23.49
Disposals	-	-	-
Cost as at 31 March 2020	15.70	60.85	76.55
Cost as at 31 March 2020	15.70	60.85	76.55
Additions	32.85	21.36	54.21
Disposals	-	-	-
Balance as at 31 March 2021	48.55	82.21	130.76
Accumulated amortisation			
Accumulated depreciation as at 1 April 2019	0.33	14.91	15.24
Amortisation expense	2.29	14.70	16.99
Disposals	-	-	-
Accumulated depreciation as at 31 March 2020	2.62	29.61	32.23
Accumulated depreciation as at 31 March 2020	2.62	29.61	32.23
Amortisation expense	10.97	14.45	25.42
Disposals	-	-	-
Balance as at 31 March 2021	13.59	44.06	57.65
Carrying amounts (net)			
As at 31 March 2021	34.96	38.15	73.11
As at 31 March 2020	13.08	31.24	44.32



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
 (All amounts in Indian rupee lakhs)

	As at 31 March 2021	As at 31 March 2020
10 Trade receivables		
<i>Unsecured</i>		
Considered good	3,485.93	5,994.36
Credit impaired	2,867.40	2,608.44
	<u>6,353.33</u>	<u>8,602.80</u>
Allowances for expected credit loss	(2,867.40)	(2,733.60)
	<u>(2,867.40)</u>	<u>(2,733.60)</u>
Net trade receivables	<u>3,485.93</u>	<u>5,869.20</u>
For details of trade receivables pledged, refer note 15		
The Company's exposure to credit and currency risks and loss allowances related to trade receivable are disclosed in note 34		
11 Cash and cash equivalents		
Balance with banks	161.97	321.40
Cash on hand	35.50	52.87
	<u>197.47</u>	<u>374.27</u>
12 Other bank balances		
Balance in banks for margin money	167.06	33.48
	<u>167.06</u>	<u>33.48</u>
13 Other financial assets		
Current		
<i>Unsecured</i>		
Interest accrued on fixed deposits with banks	1.13	0.03
	<u>1.13</u>	<u>0.03</u>
For details of other financial assets pledged, refer note 15		
The Company's exposure to credit and currency risks and loss allowances related to other financial assets are disclosed in note 34		



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
(All amounts in Indian rupee lakhs)

	As at 31 March 2021	As at 31 March 2020
15 Borrowings		
Non-current		
<i>Secured</i>		
Term loans from banks	2,833.53	1,214.63
	2,833.53	1,214.63
Current		
<i>Secured</i>		
Cash credit and overdraft facilities from banks	691.76	382.77
Buyers credit	-	1,094.23
Current maturities of long-term borrowings	1,279.37	321.43
	1,971.13	1,798.43
Less: Amount included under 'other financial liabilities'	1,279.37	321.43
		1,477.00
<i>Unsecured</i>		
Dues to holding company	-	1,459.61
	691.76	2,936.61
	4,804.66	4,472.67

Information about the Company'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 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.

B 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. (Previous year : Interest rate is 1 year MCLR per annum.)

C Axis 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 current assets (both present and future). Corporate Guarantee of ASCPL. Repayment is in equal monthly installments commencing from April 2021 and ending on November 2024. Interest rate is 8.5% per annum (previous year : nil)

D 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 (previous year : LIBOR+0.40% to LIBOR+0.85% per annum)

16 Other financial liabilities

Non-current

Trade / security deposits received	621.55	645.56
	621.55	645.56

Current

Current maturities of long-term borrowings*	1,279.37	321.43
Interest accrued but not due on borrowings	1.54	8.06
Dues to creditors for expense and others	1,203.86	1,389.94
Accrued salaries and benefits	263.01	195.66
Dues to creditors for capital goods	35.12	144.40
	2,782.90	2,059.49
	3,404.45	2,705.05



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

Asianet Digital Network Private Limited
Notes to the financial statements (continued)
(All amounts in Indian rupee lakhs)

	As at 31 March 2021	As at 31 March 2020
17 Provisions		
Non-current		
<i>Provision for employee benefits</i>		
Net defined benefit liability - Gratuity	869.30	907.65
Compensated absences	95.71	101.57
	965.01	1,009.22
Current		
<i>Provision for employee benefits</i>		
Net defined benefit liability - Gratuity	36.32	51.86
Compensated absences	48.49	49.23
	84.81	101.09
	1,049.82	1,110.31

The Holding company's gratuity fund covers the employees of the Company and no separate gratuity fund for the Company.

18 Other liabilities		
Non-current		
Unearned income	50.78	-
	50.78	-
Current		
Unearned income	1,318.33	1,395.19
Statutory dues payable	270.78	574.79
Advances from customers	2,287.95	3,173.34
	3,877.06	5,143.32
	3,927.84	5,143.32
19 Trade payables		
Total outstanding dues of micro and small enterprises	194.22	77.55
Total outstanding dues of creditors other than micro and small enterprises	6,879.05	5,645.84
	7,073.27	5,723.39

The trade payables include Rs. 937.39 lakhs (31 March 2020: Rs. 333.90 lakhs) pertaining to a factoring arrangement and the gross cash payments under the agreement is Rs. 2,678.56 lakhs during the year ended 31 March 2021.

All trade payables are 'current'.

The Company'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 Company are given below:

Particulars	As at 31 March 2021	As at 31 March 2020
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	192.72
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	1.50	0.13
(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	1.37	0.13
(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	-	-



	Year ended 31 March 2021	Year ended 31 March 2020
20 Revenue from operations		
Sale of services	29,619.89	30,355.35
Sale of products	306.88	275.15
Other operating revenues	387.54	185.89
	30,314.31	30,816.39
Sale of services comprises :		
Cable television services	29,018.25	29,369.15
Cable channel services	601.64	986.20
	29,619.89	30,355.35
Sale of product comprises :		
Household equipments, kitchen utensils, electronic items etc	306.88	275.15
	306.88	275.15
Other operating revenues comprises:		
Support service income	381.71	179.04
Scrap sales	5.83	6.85
	387.54	185.89
21 Other income		
Interest income under the effective interest method on		
Fixed deposits with banks	8.91	0.26
Lease deposits	1.95	2.02
Interest on income tax refund	22.18	-
Liabilities no longer required written back	-	242.69
Financial guarantee income	90.60	82.33
Net gain on fair value changes on financial assets measured at FVTPL	292.62	36.38
Insurance claims received	35.75	-
Miscellaneous income	4.30	-
	456.31	363.68
22 Operating expenses		
Cable television services		
Service charges to associates	2,280.40	2,942.89
Pay channel cost	10,519.60	8,231.56
Channel services		
Programme production expenses	455.95	406.20
Agency commission	30.65	59.91
Other expenses	11.24	13.53
Trading		
Packing and forwarding charges	10.78	20.47
Power	1,295.83	1,288.43
Pole rent / inspection charges	2,016.78	1,758.59
Lease/ bandwidth charges	339.33	328.66
Bill printing and despatch expense	0.76	41.42
Customer care expenses	408.59	504.73
Repairs and maintenance - machinery	924.11	1,118.03
Consumption of stores, spares and consumables	46.33	205.34
	18,340.35	16,919.76
23 Purchases of stock-in-trade		
Household equipments, kitchen utensils, electronic items etc	236.46	276.69
	236.46	276.69
24 Changes in inventories of stock-in-trade		
Opening stock	101.46	5.81
Closing stock	78.36	101.46
	23.10	(95.65)



	Year ended 31 March 2021	Year ended 31 March 2020
25 Employee benefits expense		
Salaries and allowances	2,098.04	1,934.46
Contributions to provident and other funds	505.52	301.33
Staff welfare expenses	262.55	285.50
	<u>2,866.11</u>	<u>2,521.29</u>
26 Finance costs		
Interest on bank borrowings	375.04	265.69
Interest on intercompany borrowings	54.01	240.99
Interest on lease liabilities (refer note 36)	19.63	21.91
Net loss on account of foreign exchange fluctuations	28.59	41.00
Other borrowing costs	84.03	2.67
	<u>561.30</u>	<u>572.26</u>
27 Depreciation and amortisation expense		
Depreciation on property, plant and equipment (refer note 4)	3,327.51	3,393.82
Depreciation on right-of-use assets (refer note 36)	56.15	55.74
Amortisation of intangible assets (refer note 5)	25.42	16.99
	<u>3,409.08</u>	<u>3,466.55</u>
28 Other expenses		
Contract labour	2,795.94	2,814.87
Electricity charges	15.43	17.03
Rent	96.35	146.86
Repairs and maintenance - buildings	2.64	8.53
Repairs and maintenance - others	191.84	33.37
Insurance	14.22	16.64
Rates and taxes	4.50	632.74
Communication	44.23	52.15
Travelling and conveyance	77.97	154.20
Printing and stationery	21.19	22.38
Bank charges and commission	157.63	139.84
Advertising and marketing	217.01	198.70
Legal and professional	40.29	222.88
Payments to auditors (Refer note (i) below)	12.70	12.65
Office maintenance expenses	43.23	65.93
Net loss on account of foreign exchange fluctuations	-	105.60
Corporate social responsibility expenses (Refer note (ii) below)	6.15	-
Asset usage charges	861.59	944.83
Miscellaneous expenses	12.20	7.17
	<u>4,615.11</u>	<u>5,596.37</u>

(i) Payments to the auditors include payments to statutory auditor (excluding reimbursement of expenses and taxes, where applicable)

To statutory auditors:

Audit	12.70	12.65
	<u>12.70</u>	<u>12.65</u>

(ii) 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 two directors. The Committee has approved a CSR Policy listing out activities specified in Schedule VII of the Companies Act, 2013.

31 March 2021

Details of unspent amount

Particulars	Opening Balance	Amount deposited in specified fund of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
Other than ongoing projects	0.83	-	5.32	3.71	2.44

31 March 2020

Particulars	Opening Balance	Amount deposited in specified fund of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
Other than ongoing projects	-	-	0.83	-	0.83



As at
31 March 2021 As at
31 March 2020

29 Income taxes

Income tax assets, net	119.48	262.48
Net income tax assets at the end of the year	119.48	262.48

(a) Amount recognised in statement of profit and loss

Particulars	Year ended	Year ended
	31 March 2021	31 March 2020
Current tax	292.75	284.00
Deferred tax (credit)/ charge	(311.82)	(257.48)
Tax expenses/ (income)	(19.07)	26.52

(b) Amount recognised in other comprehensive income

Particulars	Year ended 31 March 2021			Year ended 31 March 2020		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Remeasurement of net defined benefit liability	179.94	(44.05)	135.89	92.85	(25.83)	67.02
	179.94	(44.05)	135.89	92.85	(25.83)	67.02

(c) Reconciliation of effective tax rate

Particulars	Year ended	Year ended
	31 March 2021	31 March 2020
Profit before tax	585.31	(248.24)
Tax using the Company's statutory tax rate	25.17%	25.17%
Impact of change in deferred tax rate	147.31	(62.48)
Other permanent differences	-	128.59
Change in written down value*	2.41	(39.59)
Tax expense	(168.79)	-
Effective tax rate	(19.07)	26.52
	(3.26)%	(10.68)%

*The Parent Company had admitted disallowance on depreciation claimed for STBs from 60% to 15% and reduced the carried forward losses in AY 2019-20. The written down value as at 31 March 2020 increased by Rs. 670 lakhs in the income tax return in AY 2020-21.

(d) Recognised deferred tax assets and liabilities

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

Particulars	As at	As at
	31 March 2021	31 March 2020
Deferred tax asset		
Allowances for expected credit loss	721.67	687.99
Provision for employee benefits	76.57	92.63
Excess of depreciation on property, plant and equipment under Companies Act, 2013	724.81	445.66
Lease liabilities, impact on account of Ind AS 116	4.87	2.43
Total deferred tax assets (A)	1,527.92	1,228.71
Deferred tax liability		
Investments	(38.53)	(9.16)
Borrowings	(7.33)	(5.26)
Total deferred tax liability (B)	(45.86)	(14.42)
Deferred tax assets (net)	-	1,482.06

The Company 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 2020	Recognised in Profit and loss during 2019-20	Recognised in OCI during 2019-20	Balances as at 31 March 2020	Recognised in Profit and loss during 2020-21	Recognised in OCI during 2020-21	Balances as at 31 March 2021
Allowance for expected credit loss	515.38	172.61	-	687.99	33.68	-	721.67
Provision for employee benefits	94.91	23.55	(25.83)	92.63	28.00	(44.05)	76.57
Excess of depreciation on property, plant and equipment under Companies Act, 2013	324.54	121.12	-	445.66	279.15	-	724.81
Unabsorbed business losses	18.95	(18.95)	-	-	-	-	-
MAT credit entitlement	32.35	(32.35)	-	-	-	-	-
Lease liabilities, impact on account of Ind AS 116	(3.49)	5.92	-	2.43	2.44	-	4.87
Investments	-	(9.16)	-	(9.16)	(29.37)	-	(38.53)
Borrowings	-	(5.26)	-	(5.26)	(2.07)	-	(7.33)
Net deferred tax (liabilities) / assets	982.64	257.48	(25.83)	1,214.29	311.82	(44.05)	1,482.06



30 Contingent liabilities and commitments

Particulars	As at	
	31 March 2021	31 March 2020
Contingent liabilities		
Corporate guarantees given by the Company (refer note (i) below)	15,619.99	19,128.46
	15,619.99	19,128.46
Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-

- (i) The Company has given corporate guarantees in respect of certain loans taken by the holding company.
(ii) The Company did not have any long term contracts including derivative 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 2021	Year ended 31 March 2020
Net profit for the year, attributable to the equity share holders	604.38	(274.76)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Opening balance (Refer note 14)	80,115,834	80,115,834
Equity shares issued during the year	-	-
Weighted average number of equity shares of Rs. 10 each for the year	80,115,834	80,115,834
Earnings per share, basic and diluted	0.75	(0.34)

The Company does not have potentially dilutive equity shares.

32 Employee benefits

The Company 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

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Defined benefit obligation liability	905.62	959.51
Plan assets	-	-
Net defined benefit liability	905.62	959.51
Compensated absences	144.20	150.80
Total employee benefit liability	1,049.82	1,110.31

B Reconciliation of present value of defined benefit obligation

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Balance at beginning of the year	959.51	920.69
Benefit paid	-	-
Current service cost	62.72	62.62
Past service cost	-	-
Interest cost	63.33	69.05
Actuarial (gain)/ loss recognised in other comprehensive income		
- changes in demographic assumptions	-	-
- changes in financial assumptions	(9.09)	(9.27)
- experience adjustments	(170.85)	(83.58)
Balance at the end of the year	905.62	959.51
Net defined benefit (liability)	905.62	959.51



32. Employee benefits (continued)

C (i) Expenses recognised in the statement of profit & loss account

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	62.72	62.62
Past service cost	-	-
Interest cost	63.33	69.05
Gratuity cost	126.05	131.67

(ii) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Actuarial (gain)/loss on defined benefit obligation	(179.94)	(92.85)

D Defined Benefit Obligation

(i) Assumptions used to determine benefit obligations:

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

Particulars	31 March 2021	31 March 2020
Discount rate	6.70%	6.60%
Future salary growth	7.00%	7.00%
Attrition rate	2.00%	2.00%
Interest rate for interest on net DBO	6.60%	7.50%
Mortality Rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of defined benefit obligation	10 years	11 years

Assumptions regarding future mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India.

The Company 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.

(ii) Sensitivity analysis

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

Particulars	31 March 2021		31 March 2020	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate (1% movement)	(84.18)	97.10	(90.02)	104.11
Future salary growth (1% movement)	95.85	(84.70)	102.66	(90.49)
Withdrawal rate (1% movement)	(2.13)	2.32	(2.62)	2.90

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

E Actuarial assumptions for compensated absences

Particulars	31 March 2021	31 March 2020
Discount rate	6.70%	6.60%
Future salary growth	7.00%	7.00%
Attrition rate	2.00%	2.00%

F Expense recognised in statement of profit or loss:

Defined contribution plan	Year ended 31 March 2021	Year ended 31 March 2020
Contribution to provident fund	303.56	253.04



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
(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 Company have been identified as the CODM as defined by Ind AS 108 "Operating Segments". All operating segments' operating results are reviewed regularly by the Company's CODM to make decisions about resources to be allocated to the segments and assess their performance.

The Company has structured its business broadly into two verticals – Cable Television Services and Others - includes Cable channel services, sale of goods and support service income. 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 Company 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 Company are used interchangeably between segments which have been disclosed as unallocated assets and liabilities.

A. Business segments:

The business segments of the Company are as follows:

- i) Cable Television Services
- ii) Others

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Segment revenue		
Cable Television Services	29,018.25	29,369.15
Others	1,296.06	1,447.24
Total	30,314.31	30,816.39
Segment results before tax		
Cable Television Services	13,745.39	13,986.44
Others	510.83	716.06
Total	14,256.22	14,702.50
Less :		
Finance cost	(561.30)	(572.26)
Other unallocable expenditure net of un-allocable income	(13,109.61)	(14,378.48)
Profit before tax	585.31	(248.24)
Particulars		
	As at 31 March 2021	As at 31 March 2020
Segment assets		
Cable Television Services	18,063.88	20,814.32
Others	515.98	555.56
Unallocated	10,093.40	6,456.27
Total	28,673.26	27,826.15
Segment liabilities		
Cable Television Services	8,972.75	11,467.58
Others	147.26	118.34
Unallocated	10,060.60	7,487.85
Total	19,180.61	19,073.77

The Company operates in a single geographical location.

No major customer has contributed more than 10% of the Company's total revenue.



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 2021

Particulars	Note	Carrying amount				Fair value		
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total Carrying value	Level 1	Level 2	Level 3
Financial assets								
Cash and cash equivalents	11	197.47	-	-	197.47	-	-	-
Other bank balances	12	167.06	-	-	167.06	-	-	-
Trade receivables	10	3,485.93	-	-	3,485.93	-	-	-
Loans	6	170.66	-	-	170.66	-	-	-
Other financial assets	13	1.13	-	-	1.13	-	-	-
Investments	9	-	6,210.15	-	6,210.15	-	6,210.15	-
Total		4,022.25	6,210.15	-	10,232.40	-	6,210.15	-
Financial liabilities								
Trade payables	19	-	-	7,073.27	7,073.27	-	-	-
Borrowings (including current maturities)	15	-	-	4,804.66	4,804.66	-	-	-
Lease liabilities	36	-	-	199.94	199.94	-	-	-
Other financial liabilities (excluding current maturities of long term borrowings)	16	-	-	2,125.08	2,125.08	-	-	-
Total		-	-	14,202.95	14,202.95	-	-	-

31 March 2020

Particulars	Note	Carrying amount				Fair value		
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total Carrying value	Level 1	Level 2	Level 3
Financial assets								
Cash and cash equivalents	11	374.27	-	-	374.27	-	-	-
Other bank balances	12	33.48	-	-	33.48	-	-	-
Trade receivables	10	5,869.20	-	-	5,869.20	-	-	-
Loans	6	132.97	-	-	132.97	-	-	-
Other financial assets	13	0.03	-	-	0.03	-	-	-
Investments	9	-	4,036.38	-	4,036.38	-	4,036.38	-
Total		6,409.95	4,036.38	-	10,446.33	-	4,036.38	-
Financial liabilities								
Trade payables	19	-	-	5,723.39	5,723.39	-	-	-
Borrowings (including current maturities)	15	-	-	4,472.67	4,472.67	-	-	-
Lease liabilities	36	-	-	240.46	240.46	-	-	-
Other financial liabilities (excluding current maturities of long term borrowings)	16	-	-	2,383.62	2,383.62	-	-	-
Total		-	-	12,820.14	12,820.14	-	-	-



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
 (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 Company's activities expose it to a variety of financial risks: credit risk, market risk and liquidity risk.

i) Risk management framework

The Company's Board of directors have overall responsibility for the establishment and oversight of the risk management framework.

The Company'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 Company. The Board 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 Board.

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 Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and unbilled 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 Company's exposure to credit risk for trade receivables based on type of customers are as follows :-

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

Allowance for credit loss	As at 31 March 2021	As at 31 March 2020
Balance at the beginning	2,733.60	1,769.85
Impairment loss recognised	133.80	2,171.04
Bad debts written off	-	(1,207.29)
Balance at the end	2,867.40	2,733.60

No single customer accounted for more than 10% of the revenue as of 31 March 2021 and 31 March 2020. There is no significant concentration of credit risk.

Credit risk on cash and cash equivalent and other bank balances is limited as the Company 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 Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company'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 Company's reputation.

The Company 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 2021.

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	7,073.27		7,073.27
Current borrowings	691.76	-	691.76
Non current borrowings (including current maturities)	1,279.37	2,833.53	4,112.90
Lease liabilities	37.05	162.89	199.94
Other financial liabilities (excluding current maturities)	1,503.53	621.55	2,125.08
Total	10,584.98	3,617.97	14,202.95

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	5,727.03		5,723.39
Current borrowings	2,936.61	-	2,936.61
Non current borrowings (including current maturities)	321.43	1,214.63	1,536.06
Lease liabilities	45.53	194.93	240.46
Other financial liabilities (excluding current maturities)	1,738.06	645.56	2,383.62
Total	10,768.66	2,055.12	12,820.14

Financial assets carried at amortised cost includes cash and cash equivalents, deposits, etc. where the Company 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.



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
(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 Company 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 Company. The functional currency of company is Rs.. The currencies in which these transactions are primarily denominated is EUR and US dollar.

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

As at 31 March 2021	EUR	USD
Borrowings (current and non-current)	856.32	-
Trade payables	-	19.09
Other current financial liabilities	1.54	-
Net assets/(liabilities)	(857.86)	(19.09)

As at 31 March 2020	EUR	USD
Borrowings (current and non-current)	1,056.96	1,094.23
Other current financial liabilities	1.81	5.30
Net assets/(liabilities)	(1,058.77)	(1,099.53)

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 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
USD Sensitivity				
Rs./USD - Increase by 1%	(0.19)	(11.00)	(0.14)	(8.23)
Rs./USD - Decrease by 1%	0.19	11.00	0.14	8.23
EUR Sensitivity				
Rs./EUR - Increase by 1%	(8.58)	(10.59)	(6.42)	(7.92)
Rs./EUR - Decrease by 1%	8.58	10.59	6.42	7.92

Unhedged foreign currency exposure

At at 31 March 2021

Particulars	Foreign currency	Amount in foreign currency in lakhs	Amount in INR
Foreign currency liabilities	USD	0.26	19.09
	EURO	9.96	857.86

At at 31 March 2020

Particulars	Foreign currency	Amount in foreign currency in lakhs	Amount in INR
Foreign currency liabilities	USD	14.59	1,099.53
	EURO	12.75	1,058.77

Cash flow and fair value interest rate risk

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

(a) Interest rate risk exposure

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

Financial liabilities (bank borrowings)	As at 31 March 2021	As at 31 March 2020
Variable rate long term borrowings including current maturities	3,256.58	482.43

Sensitivity

Particulars	Impact on profit or (loss)		Impact on equity, net of tax	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Sensitivity				
1% increase	(32.57)	(4.82)	(24.37)	(3.61)
1% decrease	32.57	4.82	24.37	3.61

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 Company'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 Company 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 Company.

The capital structure as of 31 March 2021 and 31 March 2020 was as follows:

Particulars	As at 31 March 2021	As at 31 March 2020
Total liabilities	19,180.61	19,073.77
Less: cash and cash equivalents	(197.47)	(374.27)
Net debt (A)	18,983.14	18,699.50
Total equity (B)	9,492.65	8,752.38
Debt to equity ratio (A/B)	2.00	2.14

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

36 Leases

The Company has taken office premises 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.

(i) *Lease liabilities*

Following are the changes in the lease liabilities for the year ended 31 March 2021 and 2020

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	240.46	236.81
Additions	5.71	45.65
Finance cost accrued during the period (refer note 26)	19.63	21.91
Payment of lease liabilities	(65.88)	(63.91)
Balance at the end of the year	199.92	240.46
Non-current lease liabilities	162.89	194.93
Current lease liabilities	37.05	45.53

(ii) *Maturity analysis – contractual undiscounted cash flows*

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	53.28	65.03
One to five years	122.71	150.35
More than five years	101.11	40.57
Total undiscounted lease liabilities	277.10	255.95

(iii) *Right-of-use assets*

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

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	230.80	240.06
Addition to right-of-use assets	5.93	46.48
Depreciation for the year (refer note 27)	(56.15)	(55.74)
Balance at the end of the year	180.58	230.80

(iv) *Amounts recognised in statement of profit or loss*

Particulars	As at 31 March 2021	As at 31 March 2020
Depreciation on right-of-use assets (refer note 27)	56.15	55.74
Interest on lease liabilities (refer note 26)	19.63	21.91

(v) *Amounts recognised in statement of cash flows*

Particulars	As at 31 March 2021	As at 31 March 2020
Total cash out flow for leases	65.88	63.91



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
 (All amounts in Indian rupee lakhs)

37 Related party transactions

(A) Related party relationships:

- (a) Holding and Ultimate holding company Asianet Satellite Communications Private Limited
 (b) Key managerial personnel (KMP) Mr. P.S Suresh, Executive Director (w.e.f 14 October 2020)
 G Sankaranarayana (Director)
 Joby Mathew, Company Secretary

(B) Details of related party transactions

Name of the Related Party	Nature of Transaction	Volume of transactions for the year ended		Outstanding balance as at	
		31 March 2021	31 March 2020	As at 31 March 2021	As at 31 March 2020
Asianet Satellite Communications Private Limited <i>(formerly known as Asianet Satellite Communications Limited)</i>	Expenses incurred by holding company on behalf of Company *			-	1,459.61
	Operating expenses				
	Consumption of stores, spares and consumables	(0.43)	(156.37)		
	Pole rent / inspection charges	(58.12)	(1,525.78)		
	Power (network)	(12.49)	(30.04)		
	Repairs & maintenance - machinery	(257.70)	(316.56)		
	Lease/ bandwidth charges	(54.64)	(215.76)		
	Programme production expenses		(0.02)		
	Service charges to associates		0.23		
	Finance costs				
	Interest on bank borrowings	(29.80)	(70.35)		
	Employee benefits expense				
	Salaries and allowances	(91.54)			
	Contributions to provident and other funds	(152.30)			
	Staff welfare expenses	(116.92)	(20.64)		
	Other expenses				
	Advertising and marketing	(4.98)	(80.29)		
	Asset usage charges	(861.59)	(944.83)		
	Communication	(37.97)	(45.80)		
	Electricity charges	(10.73)	(16.64)		
	Legal and professional	(8.20)	(171.94)		
	Miscellaneous expenses	(3.21)	(1.59)		
	Office maintenance expenses	(30.00)	(49.49)		
	Printing and stationery	(10.77)	(15.13)		
	Rates and taxes	(1.12)	(610.84)		
	Rent	-	(81.80)		
	Repairs and maintenance - buildings	(2.56)	(6.17)		
	Repairs and maintenance - others	(52.99)	(16.60)		
	Travelling and conveyance	(35.46)	(67.62)		
	Contract labour	(1,576.71)	(2,030.01)		
	Expenses incurred by the Company on behalf of holding company				
	Other operating revenues				
	Support service income	381.71	179.04		
	Operating expenses				
Customer care expenses	-	1.49			
Employee benefits expense					
Salaries and allowances	(274.54)	5.91			
Staff welfare expenses	-	91.48			
Other expenses					
Contract Labour	-	44.16			
Advance for capital goods	(1,300.00)	-			
Advance for supply of goods and services	(641.62)				
Purchase of capital goods		(660.90)			
Interest on loan	(54.01)	(240.99)			
Guarantee commission received	90.60	82.33			
Guarantee commission paid	(22.00)	(2.09)			
Guarantee given	3,508.47	3,277.75	(15,619.99)	(19,128.46)	
Guarantee received	(2,894.06)	(1,159.49)	4,833.79	1,939.73	

*The expenses incurred by the Holding company on behalf of the Company includes amount incurred in respect of short term employee benefits of KMP.



Asianet Digital Network Private Limited
Notes to the financial statements (continued)
 (All amounts in Indian rupee lakhs)

38 Revenue from contracts with customers

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Timing of Revenue Recognition		
Products and services transferred at a point in time	312.71	282.00
Products and services transferred over time	30,001.60	30,534.39
	30,314.31	30,816.39

(a) **Contract Balances**

The following table provides information about Contract assets and liabilities from contract with customers

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables (refer note 10)*	3,485.93	5,994.36
Advance from customers (refer note 18)	2,287.95	3,173.34
Unearned revenue (refer note 18)	1,369.11	1,395.19

* includes unbilled receivable of Rs. 542.80 lakhs (31 March 2020: Rs. 464.41 lakhs shown under other financial assets in the previous year)

39 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 Company'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 Company will continue to monitor any material changes to future economic conditions and consequential impact on these financial statements.

As per our report of even date attached

for **BSR & Associates LLP**

Chartered Accountants

Firm registration number: 116231W /W-100024

**BABY
PAUL**

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Date: 2021.08.28
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Baby Paul

Partner

Membership number: 218255

Kochi

28 August 2021

for and on behalf of the Board of Directors of

Asianet Digital Network Private Limited

CIN :U74999KL2015PTC039405

PAZHEMPALLIL
SIVARAMAN NAIR SURESH

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SIVARAMAN NAIR SURESH
Date: 2021.08.28 19:15:56 +05'30'

P S Suresh

Executive Director

DIN: 08421313

Thiruvananthapuram

28 August 2021

G.SANKARANARAYANA

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G.SANKARANARAYANA
Date: 2021.08.28 19:14:46 +05'30'

G Sankaranarayana

Director

DIN: 07247965

Thiruvananthapuram

28 August 2021



JOBY MATHEW

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Date: 2021.08.28 19:21:30 +05'30'

Joby Mathew

Company Secretary

Membership no: A 24411

Thiruvananthapuram

28 August 2021