



**Consolidated Financial Statements for the  
Year ended on 31<sup>st</sup> March 2019**

Asianet Satellite Communications Limited  
CIN:U92132KL1992PLC006725

## INDEPENDENT AUDITORS' REPORT

To the Members of Asianet Satellite Communications Limited

Report on the Audit of Consolidated Financial Statements

### Qualified Opinion

We have audited the consolidated financial statements of Asianet Satellite Communications Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss, and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate financial statements of a subsidiary as were audited by the other auditor, except for the effects of the matter described in the basis for qualified opinion paragraph, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2019, of its consolidated profit and its consolidated cash flows for the year ended on that date.

### Basis for Qualified Opinion

Attention is drawn to Note 31 to the consolidated financial statements, wherein it is stated that one of its subsidiary ("the subsidiary") has an unbilled receivable of Rs. 865.84 lakhs as at 31 March 2019 from two of its customers with whom the subsidiary had filed a suit with National Company Law Tribunal on 11 June 2018. As per the facts/ circumstances of the case and based on the legal advice obtained, the management believes that there exists favourable chances of recovering the outstanding balance and therefore, no amount has been provided in the consolidated financial statements. In addition, the Company had discontinued the advertisement agreement on 23 October 2018 and does not have any continuing business relationship with the aforesaid customer. Given the inherently protracted and procedurally fraught legal recovery process, there remains an uncertainty over the ultimate outcome of the matter and the time frame involved for recovery or settlement, if any, of these amounts. Accordingly, we are unable to comment on the recoverability of unbilled receivable as at 31 March 2019.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

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

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

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

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

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

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

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

**Asianet Satellite Communications Limited**

**Independent Auditor's Report (Continued)**

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiaries) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.



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

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

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

**Other Matters**

- (i) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. Nil as at 31 March 2019, total revenues of Rs. Nil lakhs and net cash inflows amounting to Rs. Nil lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by another auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to the financial statements certified by the Management.

**Report on Other Legal and Regulatory Requirements**

1. (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of a subsidiary as were audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- a) We have sought and except for the effect of the matter described in the Basis for Qualified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) Except for the effect of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) Except for the effect of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act.

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

- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
  - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group entities. Refer Note 30 to the consolidated financial statements.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019.
  - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, incorporated in India during the year ended 31 March 2019.
  - iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March 2019.

**B S R & Associates LLP**

**Asianet Satellite Communications Limited**

**Independent Auditor's Report (Continued)**

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

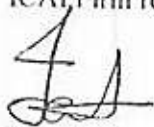
(C) With respect to the matter to be included in the Audit Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies 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



**Baby Paul**

*Partner*

Membership No: 218255

ICAI Unique Document Identification Number: 19218255AAAABV1525

Kochi

28 September 2019

**Asianet Satellite Communications Limited**

**Annexure A to the Independent Auditors' report on the consolidated financial statements of Asianet Satellite Communications Limited for the period ended 31 March 2019**

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

**Opinion**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Asianet Satellite Communications Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.



**Asianet Satellite Communications Limited**

**Annexure A to the Independent Auditors' report (Continued)**

**Auditors' Responsibility (continued)**

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

**Meaning of Internal Financial controls with Reference to Consolidated Financial Statements**

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

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

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

**B S R & Associates LLP**

**Asianet Satellite Communications Limited**

**Annexure A to the Independent Auditors' report (Continued)**

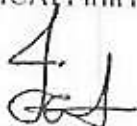
**Other Matters**

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

*for B S R & Associates LLP*

*Chartered Accountants*

ICAI Firm registration number: 116231W/W-100024



**Baby Paul**

*Partner*

Membership No: 218255

ICAI Unique Document Identification Number: 19218255AAAABV1525

Kochi

28 September 2019

# EQUITY AND LIABILITIES

## Shareholders' funds

Share capital

Reserves and surplus

## Non-current liabilities

Deferred tax liability (net)

Long-term borrowings

Other long-term liabilities

Long-term provisions

## Current liabilities

Short-term borrowings

Trade payables

Total outstanding dues of micro and small enterprises

Total outstanding dues of creditors other than micro and small enterprises

Other current liabilities

Short-term provisions

# ASSETS

## Non-current assets

Property, plant and equipment

Tangible assets

Intangible assets

Capital work-in-progress

Long-term loans and advances

## Current assets

Current investments

Inventories

Trade receivables

Cash and bank balances

Short-term loans and advances

Other current assets

## Significant accounting policies

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

for BSR & Associates LLP

Chartered Accountants

Firm's registration number: 116231W/W-100024



Baby Paul

Partner

Membership No: 218255

Kochi

28 September 2019

Notes	As at 31 March 2019	As at 31 March 2018
3	10,368.92	10,368.92
4	7,579.17	5,913.65
	<u>17,948.09</u>	<u>16,282.57</u>
40	565.68	241.88
5	12,190.23	5,565.50
6	298.90	283.59
7	2,692.07	2,319.44
	<u>15,746.88</u>	<u>8,410.41</u>
8	4,448.83	5,196.21
9	-	-
	4,247.68	3,239.76
10	21,414.51	21,851.96
11	159.19	701.38
	<u>30,270.21</u>	<u>30,989.31</u>
	<u>63,965.18</u>	<u>55,682.29</u>
12	42,926.78	39,151.70
12	167.10	149.37
	4,640.10	4,545.94
13	2,867.65	2,439.88
	<u>50,601.63</u>	<u>46,286.89</u>
14	3,050.08	-
15	9.88	25.80
16	4,580.19	3,588.07
17	1,801.44	2,726.09
18	1,701.08	1,519.53
19	2,220.88	1,535.91
	<u>13,363.55</u>	<u>9,395.40</u>
	<u>63,965.18</u>	<u>55,682.29</u>

2

for and on behalf of the Board of Directors of  
Asianet Satellite Communications Limited  
CIN: U92132KL1992PLC006725

Viren Ralheja

Director

DIN: 00037592

P.S. Suresh

Chief Financial Officer

Mumbai

28 September 2019

Vinayak Aggarwal

Director

DIN: 00007280

Joby Mathew

Company Secretary



Asianet Satellite Communications Limited  
Consolidated Statement of Profit and Loss for the year ended 31 March 2019  
(All amounts in Indian rupees in lakhs, except share data and where otherwise stated)

	Notes	Year ended 31 March 2019	Year ended 31 March 2018
<b>Income</b>			
Revenue from operations	20	41,398.60	43,005.34
Other income	21	1,380.36	232.40
<b>Total revenue</b>		<b>42,778.96</b>	<b>43,237.74</b>
<b>Expenses</b>			
Purchase of traded goods	22	57.00	144.02
Changes in inventories of traded goods	22	15.92	16.22
Operating expenses	23	18,663.42	17,025.99
Employee benefit expenses	24	6,158.89	5,878.44
Finance costs	25	2,232.57	1,884.55
Depreciation and amortisation expenses	26	7,973.22	7,619.07
Other expenses	27	5,688.62	5,048.11
<b>Total expenses</b>		<b>40,789.64</b>	<b>37,616.40</b>
<b>Profit before tax and prior period items</b>		<b>1,989.32</b>	<b>5,621.34</b>
Prior period item	29	-	573.26
<b>Profit before tax</b>		<b>1,989.32</b>	<b>5,048.08</b>
<b>Tax expenses</b>			
<b>Current year</b>			
Minimum alternate tax expense		341.44	712.96
Minimum alternate tax credit entitlement		(341.44)	(712.96)
Deferred tax		323.80	241.88
<b>Earlier years</b>			
Minimum alternate tax expense		-	353.97
Minimum alternate tax credit entitlement		-	(353.97)
Current tax for earlier years		-	21.77
<b>Profit for the year</b>		<b>1,665.52</b>	<b>4,784.43</b>
<b>Earnings per share (equity share of par value of Rs.10 each)</b>			
Basic and diluted	39	1.65	4.75

**Significant accounting policies**

The notes referred to above form an integral part of the consolidated financial statements

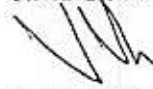
As per our report of even date attached

for BSR & Associates LLP  
Chartered Accountants  
Firm's registration number: 116231W/W-100024



Baby Paul  
Partner  
Membership No: 218255

for and on behalf of the Board of Directors of  
Asianet Satellite Communications Limited  
CIN: U92132KL1992PLC006725



Viren Raheja  
Director  
DIN: 00037592



Vinayak Aggarwal  
Director  
DIN: 00007280



J. S. Suresh  
Chief Financial Officer



John Mathew  
Company Secretary

Mumbai  
28 September 2019

Kochi  
28 September 2019





Aslanet Satellite Communications Limited  
Consolidated Cash Flow Statement for the year ended 31 March 2019  
(All amounts in Indian rupees in lakhs, except share data and where otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>Cash flow from operating activities</b>		
Profit before taxes	1,989.32	5,048.08
Adjustments for:		
Depreciation and amortisation (including prior period)	7,973.22	8,192.33
(Gain) / loss on sale / write off of property, plant and equipment	(0.42)	168.04
Gain on sale of investments	(50.07)	-
Finance costs	2,232.57	1,884.55
Interest income	(118.26)	(99.46)
Liabilities / provisions no longer required written back	(1,174.83)	(3.12)
Provision for doubtful trade receivables	715.85	749.22
Bad trade receivable written off	738.04	16.64
Net unrealised exchange loss/ (gain)	105.83	(74.48)
<b>Operating cash flow before working capital changes</b>	<b>12,411.25</b>	<b>15,881.80</b>
Decrease in inventories	15.92	233.95
Increase in trade receivables	(2,446.01)	(988.57)
Increase in loans and advances and other assets	(945.75)	(1,318.94)
Increase / (decrease) in trade payables, other current liabilities and provisions	393.57	(554.49)
<b>Net cash generated from operating activities before taxes</b>	<b>9,428.98</b>	<b>13,253.75</b>
Income tax paid (net)	(819.99)	(347.11)
<b>Net cash generated from operating activities (A)</b>	<b>8,608.99</b>	<b>12,906.64</b>
<b>Cash flow from investing activities</b>		
Expenditure incurred on property, plant and equipment, intangible assets and capital work in progress	(10,692.34)	(7,738.10)
Proceeds from sale of property, plant and equipment	3.15	-
Investment in mutual funds	(5,200.01)	-
Proceeds from sale of mutual fund investments	2,200.00	(718.07)
Decrease / (increase) in fixed deposits not considered as cash and cash equivalents	574.28	-
Interest received from banks	66.55	89.30
<b>Net cash used in investing activities (B)</b>	<b>(13,048.37)</b>	<b>(8,366.87)</b>
<b>Cash flow from financing activities</b>		
Proceeds from long-term borrowings	16,900.00	7,084.65
Repayment of long-term borrowings	(9,830.85)	(10,779.44)
Short-term borrowings (repaid) / availed, net	(747.38)	3,494.65
Finance costs	(2,263.78)	(1,790.63)
Issue of preference share capital	-	300.00
Redemption of preference shares	-	(3,000.00)
<b>Net cash flow generated from / (used in) financing activities (C)</b>	<b>4,057.99</b>	<b>(4,690.77)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(381.39)</b>	<b>(151.00)</b>
Cash and cash equivalents at the beginning of the year	728.93	879.93
<b>Cash and cash equivalents at the end of the year</b>	<b>347.54</b>	<b>728.93</b>
Refer to Note 17 - cash and bank balances		

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

for BSR & Associates LLP  
Chartered Accountants  
Firm's registration number: 116231W/W-100024

  
Baby Paul  
Partner  
Membership No: 218255

for and on behalf of the Board of Directors of  
Aslanet Satellite Communications Limited  
CIN: U92132KL1992PLC006725

  
Vikas Raheja  
Director  
DIN: 00037592

  
Vinayak Aggarwal  
Director  
DIN: 00007280

  
P/S Suresh  
Chief Financial Officer

  
John Mathew  
Company Secretary

Kochi  
28 September 2019

Mumbai  
28 September 2019



**1 Corporate Information**

Asianet Satellite Communications Limited ('the Company'/'the Holding Company') is a public limited company incorporated under the Indian Companies Act, 1956 and is the single largest cable TV operator in Kerala. It provides cable and satellite channels over a high quality state-of-art cable network to its subscribers and offers services like high speed internet access and local area content. The Company has a unique business model with end-to-end ownership of the network including the last mile, unlike other cable operators in the rest of the country who engage with subscribers primarily through third party owned last mile networks. The Company is also the first cable distribution company in India with a right of way agreement with the local power utility for use of electricity poles for laying its state-wide network. The Company has two wholly owned subsidiaries namely Asianet Digital Network Private Limited (ADNPL) and Roseblossoms Vision Private Limited (together referred to as subsidiaries). During the previous year, the company had transferred the cable TV division operations to Asianet Digital Network Private Limited with effect from 1 March 2018.

The consolidated financial statements of the Company as at and for the year ended 31 March 2019 comprise the Company and its subsidiaries (collectively referred to as the 'Group' and individually as 'Group entity').

**2 Significant accounting policies****2.1 Basis of accounting and preparation of consolidated financial statements**

These consolidated financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. All amounts included in the financial statements are reported in Indian rupees, except share and per share data, and have been rounded off to nearest lakhs.

**2.2 Use of estimates**

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed property, plant and equipment and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**2.3 Principles of consolidation**

The consolidated financial statements include the financial statements of the Holding Company and its subsidiaries in which the parent company has more than one-half of the voting power of an enterprise or where the parent company controls the composition of the board of directors or its governing body.

(i) The financial statements of the parent company and the subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intragroup balances / transactions and resulting unrealised profits / losses in full in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements" ('AS 21'). The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the subsidiaries.

(ii) The excess / deficit of cost to the Holding company of its investment in the subsidiaries over its portion of equity at the respective dates on which investment in such entities were made is recognized in the financial statements as goodwill / capital reserve. The holding company's portion of equity in such entities is determined on the basis of the book values of assets and liabilities as per the financial statements of such entities as on the date of investment and if not available, the financial statements for the immediately preceding period are adjusted for the effects of significant transactions, up to the date of investment.

(iii) The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the holding company for its separate standalone financial statements.

(iv) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The consolidated financial statements include the results of the following group entities as listed below:

Name of Entity	Net assets (Total assets – Total liabilities)		Share in profit or loss	
	As a % of consolidated net assets	Amount (in Lakhs)	As a % of consolidated profit or loss	Amount (in Lakhs)
Asianet Satellite Communications Limited (Holding company)	100%	17,918.06	66%	1,106.93
Asianet Digital Network Private Limited (Subsidiary company)	45%	8,041.76	34%	558.69
Roseblossoms Vision Private Limited (Subsidiary company)	0%	(0.10)	0%	(0.05)
Eliminations / Adjustments	-45%	(8,011.58)	0%	-
	100%	17,948.14	100%	1,665.57



**2.4 Inventories**

Inventories are valued at lower of cost and net realisable value. Goods-in-transit are stated 'at cost'. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the Company. The company uses the weighted average method to determine the cost of inventory.

**2.5 Cash and cash equivalents**

Cash and cash equivalents comprise cash and cash on deposit with banks and financial institutions. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

**2.6 Cash flow statement**

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

**2.7 Revenue recognition**

Revenue from sale of services is recognised on rendering of services as per the terms and conditions agreed with customers. Revenue from cable television services, television channel advertisement and cable internet services are recognised on completion of performance of service obligations to customers. Revenues exclude goods and service tax and other statutory levies.

Revenue from sale of goods is recognised on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods and stated at net of trade discounts and exclusive of goods and service tax, but inclusive of freight and insurance recoveries.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**2.8 Property, plant and equipment and depreciation**

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any other than land which has been carried at revalued amount. Cost includes the purchase price and any directly attributable cost to bring the asset to working condition for its intended use. Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of profit and loss.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of profit and loss.

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.

Depreciation on property, plant and equipment is provided on a pro-rata basis on the straight line method over the estimated useful lives of the assets as prescribed under Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the estimated useful lives has been determined based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Network assets - Electromechanical equipment - 12 years  
Network assets - Batteries - 6 years  
Customer premises equipment - modems - 4 years  
Customer premises equipment - set top boxes - 8 years  
Other plant and machinery - 6 to 18 years

Leasehold improvements are amortised over the lease term or useful lives of assets, whichever is lower.

Depreciation for assets purchased/ sold during the year is proportionately charged.



## 2.9 Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as income or expense in the Statement of profit and loss.

The useful lives used are:

Goodwill - 5 years

Trademarks - 10 years

Computer Software - 4 years

Cable rights of films/serials/others - 5 years or over the actual period as per agreement, whichever is lower

## 2.10 Foreign currency transactions and translations

Transactions denominated in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the statement of profit and loss.

Foreign currency monetary assets and liabilities at the year end are translated at the year end exchange rate, and the resultant exchange difference is recognised in the statement of profit and loss.

## 2.11 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at cost or fair value, whichever is lower. Non-current investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

## 2.12 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. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

### Post-employment benefits

#### Defined contribution plans

Contributions payable to the recognised provident fund and superannuation fund, which is a defined contribution scheme, is made monthly at predetermined rates to the appropriate authorities and charged to the statement of profit and loss on an accrual basis. There are no other obligations other than the contribution payable to the respective fund.

#### Defined benefit plan

Gratuity, a defined benefit scheme, is accrued based on an actuarial valuation at the balance-sheet date, carried out by an independent actuary. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional units of employee benefit entitlement and measures each unit separately to build up the final obligation.

#### Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed beyond twelve months from the end of the year are treated as long term employee benefits. The company's liability is actuarially determined (using the projected unit credit method) as at end of the year. Actuarial losses/gains are recognised in the statement of profit and loss in the year in which they arise.

## 2.13 Borrowing costs

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

## 2.14 Segment reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted by the company. Further, inter-segment revenue has been accounted for based on the transaction price agreed to between segments on the basis of their relationship to the operating activities of the segment. Expenses which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocable expenses".





**2.15 Leases**

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Leases in which a significant portion of the risks and rewards of ownership are not retained by the Company in its capacity as lessee are classified as operating leases. Payments made under operating leases are charged to the statement of profit and loss in accordance with the respective agreements on a straight line basis.

**2.16 Earnings per share**

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

**2.17 Income taxes**

The current income tax charge is determined in accordance with the relevant tax regulations applicable to the Company in India. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax charge or credit is recognised for the future tax consequences attributable to timing difference that result between the profit offered for income taxes and the profit as per the financial statements. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realised.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

**2.18 Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that an asset forming part of its cash generating units may be impaired. If any such indications exist, the Company estimates the recoverable amount of the asset or the group of assets comprising, a cash generating unit. For an asset or a group of assets that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the assets belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the book value that would have been determined; if no impairment loss has been recognized.

**2.19 Provisions, contingent liabilities and contingent assets**

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. Provision is not discounted and is determined based on best estimate required to settle the obligation at the year-end date. Contingent assets are not recognised or disclosed in the financial statements.

**2.20 Operating cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount
<b>3 Share capital</b>				
<b>Authorised:</b>				
Equity shares of Rs. 10/- each *	16,00,00,000	16,000.00	16,00,00,000	16,000.00
8% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs. 10/- each **	30,00,000	300.00	30,00,000	300.00
5% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs. 10/- each**	1,20,00,000	1,200.00	1,20,00,000	1,200.00
	<u>17,50,00,000</u>	<u>17,500.00</u>	<u>17,50,00,000</u>	<u>17,500.00</u>
<b>Issued, subscribed and paid-up</b>				
Equity shares of Rs. 10/- each	10,06,89,225	10,068.92	10,06,89,225	10,068.92
8% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs. 10/- each	30,00,000	300.00	30,00,000	300.00
	<u>10,36,89,225</u>	<u>10,368.92</u>	<u>10,36,89,225</u>	<u>10,368.92</u>

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

\*\*The Company has 8% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs.10 each at the end of the reporting period. Each holder of preference shares is entitled to one vote per share, in proportion to the amount paid on Preference shares held, only on resolutions placed before the company which affects the rights attached to the preference shares. The dividend is 8% p.a. when declared. In the event of liquidation, the preference shareholders are eligible to receive the outstanding amount including dividend after distribution of all other preferential amounts. In the event of winding up of the company before redemption of preference shares, the holders of preference shares will have priority over equity shares in the payment of dividend and the repayment of capital. The Company declares and pays dividends in Indian Rupees. The Board has not recommended and paid any dividend to the preference shareholders for the year ended 31 March 2019 (31 March 2018: Nil).

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares of Rs. 10/- each</b>				
Balance at the beginning and end of the year	10,06,89,225	10,068.92	10,06,89,225	10,068.92
<b>8% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs. 10/- each</b>				
Balance at the beginning of the year	30,00,000	300.00	-	-
Issued during the year	-	-	30,00,000	300.00
Balance at the end of the year	<u>30,00,000</u>	<u>300.00</u>	<u>30,00,000</u>	<u>300.00</u>
<b>5% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs. 10/- each</b>				
Balance at the beginning of the year	-	-	30,00,000	300.00
Redeemed during the year	-	-	(30,00,000)	(300.00)
Balance at the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>10,36,89,225</u>	<u>10,368.92</u>	<u>10,36,89,225</u>	<u>10,368.92</u>

(ii) During the previous year, the Company has redeemed 5% Non-Cumulative Non-Convertible Redeemable preference shares of Rs.10/- each at a premium of Rs.90/- each. The total premium utilised from the securities premium reserve for this purpose amounted to Rs. 2,700 lakhs.



### 3 Share capital (continued)

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

Class of shares / Name of shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares held	% of Holding	Number of shares held	% of Holding
<i>Equity shares of Rs. 10/- each</i>				
Coronet Investments Private Limited	2,35,61,887	23%	2,35,61,887	23%
Bloomingdale Investments & Finance Private Limited	1,87,56,269	19%	1,87,56,269	19%
Hathway Investments Private Limited	1,70,77,651	17%	1,70,77,651	17%
Viren Raheja Jt. Akshay Raheja	92,91,818	9%	92,91,818	9%
Akshay Raheja Jt. Viren Raheja	92,90,224	9%	92,90,224	9%
Akshay Raheja	84,98,097	8%	84,98,097	8%
Viren Raheja	84,96,503	8%	84,96,503	8%
Satish Raheja	57,15,000	6%	57,15,000	6%
<i>8% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs. 10/- each</i>				
M/s Hathway Investments Private Limited	30,00,000	100%	30,00,000	100%

(iv) Details of shares held by holding company/ultimate holding company - Nil

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

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

### 4 Reserves and surplus

#### Securities premium account

Balance at the beginning of the year	As at 31 March 2019	As at 31 March 2018
Less : Utilised during the year (refer Note 3(ii))	9,698.59	12,398.59
Balance at the end of the year	<u>9,698.59</u>	<u>(2,700.00)</u>
		9,698.59

#### Revaluation reserve

Balance at the beginning and end of the year	1,676.12	1,676.12
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#### Deficit in statement of profit and loss

Balance at the beginning of the year	(5,461.06)	(10,245.49)
Less: profit for the year	1,665.52	4,784.43
Balance at the end of the year	<u>(3,795.54)</u>	<u>(5,461.06)</u>

7,579.17 5,913.65

### 5 Long-term borrowings

#### Term loans - secured

From banks	11,599.05	5,054.57
From other financial institutions	591.18	464.20

#### Long-term maturities of finance lease obligations (Refer Note 38)

Secured		46.73
	<u>12,190.23</u>	<u>5,565.50</u>



5 Long term borrowings (continued)

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

Particulars	Nature of security and maturity terms	As at 31 March 2019	As at 31 March 2018
<b>Term loans from banks:</b>			
Yes Bank Limited	First pari passu charge on the on the current assets of the Borrower both present and future. Second pari passu charge on all fixed assets both present and future of the borrower. Repayment is in 16 equal quarterly instalments of Rs 312.50 lakhs commencing from 1 December 2015 and ending on 1 September 2019. Interest rate is LIBOR + 4.40% (Previous Year: LIBOR + 4.40%) per annum.	974.25	2,134.13
RBL Bank Limited	Secured by way of first charge on all the Company's fixed assets (both present and future), second charge on all the current assets (both present and future). Repayment commences from 30 April 2015 in equal quarterly instalments as follows: Interest rate is 10.50% (Previous year: 10.50%) per annum.	-	1,500.00
RBL Bank Limited	First pari passu charge (except assets financed by CISCO) on all the movable and immovable fixed assets of Asianet Satellite Communications Ltd (ASCL) and Asianet Digital Network Private Limited (ADNPL) (both present and future). Second pari passu charge on all ASCL and ADNPL's current assets (both present and future). Corporate Guarantee of ADNPL. Interest rate is 3 months MCLR per annum. Repayment on a quarterly basis commences from 25 January 2019 to 25 October 2021.	2,782.92	-
RBL Bank Limited	First pari passu charge (except assets financed by CISCO) on all the movable and immovable fixed assets of Asianet Satellite Communications Ltd (ASCL) and Asianet Digital Network Private Limited (ADNPL) (both present and future). Second pari passu charge on all ASCL and ADNPL's current assets (both present and future). Corporate Guarantee of ADNPL. Interest rate is 3 months MCLR + 0.1% per annum. Repayment on a quarterly basis commences from 30 May 2019 to 28 February 2022.	1,800.00	-
HDFC Bank Limited	First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on entire current assets of the company. Repayment commences from 7 November 2016 in equal quarterly instalments and ends on 7 August 2019. Interest rate is MCLR + 0.5% (Previous year: MCLR + 0.5%)	449.02	1,330.49
HDFC Bank Limited	First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on the entire current assets of the Company. Repayment on a quarterly basis commences from 7 November 2017 and ends on 20 August 2020. Fixed deposit of Rs. 2.5 Crores was created against this loan. Interest rate is MCLR+0.7% pa	1,601.35	2,553.07
IDFC Bank Limited	First pari passu charge on the movable and immovable fixed assets of the Borrower. Second pari passu hypothecation charge on the current assets of the Borrower. Repayment commences from 31 October 2016 in equal quarterly instalments and ends on 30 March 2019. Interest rate is MCLR + 0.15%	-	2,050.00
IDFC Bank Limited	First pari passu charge on the movable fixed assets of the company(both present and future). First pari passu charge on the immovable assets of the company(present and future). Second pari passu charge on current assets of the Company(present and future). Repayment on a quarterly basis commences from 1 September 2018 and ends on 31 December 2020. Interest rate is 9.85% (Previous Year: 9.85%) per annum.	2,190.00	2,900.00
IDFC Bank Limited	First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on the entire current assets of the Company. Corporate Guarantee from Subsidiary ( ADNPL). Repayment on a Monthly basis commences from 30th March 2019 and ends on 30th March 2022. Interest rate is IDFC Bank 6 M MCLR + 0.25%	3,888.89	-
HDFC Bank Limited	First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on the entire current assets of the Company. Corporate Guarantee from Subsidiary ( ADNPL). Repayment on a quarterly basis commences from 7 November 2018 and ends on 20 August 2021. Fixed deposit of Rs. 3.5 Crores was created against this loan. Interest rate is 1 Yr MCLR + 0.60%	3,405.24	-
Federal Bank Limited	First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on the entire current assets of the Company. Repayment on a Monthly basis commences from 5 Dec 2018 and ends on 5th June 2022. Interest rate is 8.75% per annum.	3,619.03	-
<b>Total - Term loans from banks</b>		<b>10,710.72</b>	<b>12,467.69</b>
<b>Term loans from other financial institution:</b>			
Housing Development Finance Corporation Limited.	The term loan is secured by way of first charge on all the Company's immovable and movable properties, both present and future. Repayment is in 60 equal quarterly instalments of ₹ 100 lakhs commencing from 1 December, 2013 and ending on 1 November, 2018. Interest rate is 12.80% (Previous Year: 12.80%) per annum.	-	700.00
Cisco Systems Capital (India) Private Limited	Secured by way of first and exclusive charge of all right, title, interest, benefits, claims and demands of the Company in respect of assets financed together with all records, documents and instruments which represent such fixed assets together with all benefits, rights and incidentals attached thereto. Represents 4 separate loans taken on different dates whose repayment in quarterly instalments is over a period of 3 years commencing from 10 August, 2015 and ending on 15 September, 2020. Interest rate varies from 9.88% to 11.40% (Previous Year: 9.88% to 11.63% per) per annum.	1,242.56	779.88
<b>Total - Term loans from other financial institutions</b>		<b>1,242.56</b>	<b>1,479.88</b>
<b>Finance lease obligations</b>			
Cisco Systems Capital (India) Private Limited	Secured by way of first and exclusive charge of all right, title, interest, benefits, claims and demands of the Company in respect of assets financed together with all records, documents and instruments which represent such fixed assets together with all benefits, rights and incidentals attached thereto. Represents 4 separate leases taken on different dates whose repayment in quarterly instalments is over a period of 3 years commencing from 1 July, 2016 and ending on 1 May, 2019. Interest rate varies from 9.88% to 11.63% (Previous Year: 9.88% to 11.63%) per annum.	69.81	1,006.37



Asianet Satellite Communications Limited

Notes forming part of the consolidated financial statements for the year ended 31 March 2019

(All amounts in Indian rupees in lakhs, except share data and where otherwise stated)

	As at 31 March 2019	As at 31 March 2018
<b>6 Other long-term liabilities</b>		
Unearned revenue	298.90	283.59
	<u>298.90</u>	<u>283.59</u>
<b>7 Long-term provisions</b>		
Provision for employee benefits		
Compensated absences	313.97	299.81
Gratuity (Refer Note 35)	2,378.10	2,019.63
	<u>2,692.07</u>	<u>2,319.44</u>
<b>8 Short-term borrowings</b>		
Loans repayable on demand from banks		
Cash credit	2,703.53	1,049.80
Buyers credit	1,745.30	4,146.41
	<u>4,448.83</u>	<u>5,196.21</u>

**Notes:**

(i) Details of security for short-term borrowings:

Particulars	Nature of security	As at 31 March 2019	As at 31 March 2018
<b>(a) Cash Credit</b>			
Federal Bank Limited	Secured by way of first charge on all of Company's movable and immovable properties, both present and future, including land and building Interest rate is 12.25% (Previous Year: 12.25%) per annum.	1,442.87	592.79
HDFC Bank Limited	First pari passu charge on the entire fixed assets of ADNPL. Second pari passu charge on the entire current assets of ADNPL. Corporate Guarantee backed by the Holding Company Interest rate is 9.50% per annum.	780.24	-
Yes Bank Limited	Secured by way of first charge on all of the Company's current assets, both present and future, and second charge on all the fixed assets, both present and future. Interest rate is 12.00% (Previous Year: 12.00%) per annum.	480.42	457.01
		<u>2,703.53</u>	<u>1,049.80</u>
<b>(b) Buyers Credit</b>			
Yes Bank Limited	Secured by way of first charge on all of the Company's current assets, both present and future, and second charge on all the fixed assets, both present and future. Interest rate varies from LIBOR+0.40% to LIBOR+0.85% (Previous Year: LIBOR + 0.40% to LIBOR+0.85%) per annum.	690.50	592.32
IndusInd Bank Limited	Secured by way of first charge on all of the Company's fixed assets, both present and future, and second charge on all the current assets, both present and future. Interest rate varies from LIBOR+0.40% to LIBOR+0.85% per annum	-	3,554.09
Standard Chartered Bank Limited	Secured by way of first charge on all of the Company's fixed assets, both present and future, and second charge on all the current assets, both present and future. Interest rate varies from LIBOR+0.40% to LIBOR+0.85% per annum	1,054.80	-
		<u>1,745.30</u>	<u>4,146.41</u>
<b>Total borrowings from banks</b>		<u>4,448.83</u>	<u>5,196.21</u>



**Asianet Satellite Communications Limited**

Notes forming part of the consolidated financial statements for the year ended 31 March 2019

(All amounts in Indian rupees in lakhs, except share data and where otherwise stated)

	As at 31 March 2019	As at 31 March 2018
<b>9 Trade payables</b>		
Dues to micro enterprises and small enterprises (Refer Note 34)	-	-
Dues to creditors other than micro enterprises and small enterprises	4,247.68	3,239.76
	<u>4,247.68</u>	<u>3,239.76</u>
<b>10 Other current liabilities</b>		
Current maturities of long-term borrowings	9,763.05	8,428.80
Current maturities of finance lease obligations (Refer Note 38)	69.81	959.64
Interest accrued but not due on borrowings	108.50	139.71
Trade / security deposits received	933.66	1,398.69
Unearned revenue	1,808.83	4,781.02
Payable to employees	597.60	330.71
Statutory dues payable	1,527.81	532.41
Due to creditors for capital goods	2,682.24	1,511.85
Advances from customers	2,262.62	2,570.60
Bank overdraft	223.27	192.25
Accrued expenses	1,437.12	1,006.28
	<u>21,414.51</u>	<u>21,851.96</u>
<b>11 Short-term provisions</b>		
Provision for employee benefits -		
Compensated absences	119.81	109.83
Gratuity (Refer Note 35)	39.38	68.62
Provision for income taxes (net)	-	522.93
	<u>159.19</u>	<u>701.38</u>

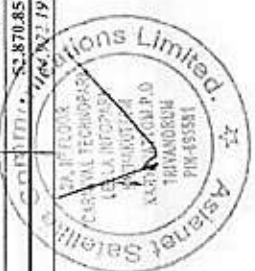


Property, plant and equipment

Intangible assets

Particulars	Gross block					Accumulated depreciation					Net block	
	As at 1 April 2018	Additions	Disposals	Reclassifications	As at 31 March 2019	As at 1 April 2018	For the year	Eliminated on disposal of assets	Reclassifications	As at 31 March 2019	As at 31 March 2018	
Leasehold land	1,769.34	-	-	-	1,769.34	-	-	-	-	1,769.34	1,769.34	
Buildings	1,769.34	-	-	-	1,769.34	-	-	-	-	-	-	
Plant and Equipment	99.71	-	-	-	99.71	28.05	1.67	-	-	69.99	71.66	
Investment	99.71	-	-	-	99.71	26.38	1.67	-	-	28.05	-	
Leasehold land	75,608.71	11,407.05	-	4,197.29	91,213.05	45,941.60	7,690.11	-	(2,830.35)	50,801.36	29,667.11	
Investment	74,296.34	10,222.11	(9,943.38)	1,023.64	75,608.71	48,223.36	6,897.19	(9,776.09)	597.14	45,941.60	-	
Leasehold land	4,197.29	-	-	(4,197.29)	-	2,830.35	-	-	2,830.35	-	7,027.64	
Investment	12,497.16	-	(7,276.23)	(1,023.64)	4,197.29	3,969.42	1,033.60	(7,276.23)	(597.14)	(2,830.35)	-	
Leasehold land	345.79	-	-	-	345.79	243.43	19.21	-	-	262.64	102.36	
Investment	345.79	-	-	-	345.79	224.22	19.21	-	-	243.43	-	
Plant and Equipment	459.21	6.30	-	-	465.51	378.35	20.27	-	-	398.62	80.86	
Investment	445.77	13.44	-	-	459.21	358.52	19.83	-	-	378.35	-	
Leasehold land	145.57	-	(2.59)	-	142.98	120.19	9.63	(2.59)	-	127.23	25.38	
Investment	152.56	-	(9.81)	2.82	145.57	113.25	13.23	(7.73)	1.44	120.19	-	
Leasehold land	-	-	-	-	-	-	-	-	-	-	-	
Investment	2.82	-	-	(2.82)	-	1.44	-	-	(1.44)	-	-	
Plant and Equipment	297.42	14.45	-	-	311.87	243.68	18.41	-	-	262.09	53.74	
Investment	277.32	20.10	-	-	297.42	227.41	16.27	-	-	243.68	-	
Computers and Data Processing Units	210.49	102.65	(2.66)	-	310.48	137.97	44.30	-	(74.16)	108.11	72.52	
Investment	76.65	133.84	-	-	210.49	70.42	67.55	-	-	137.97	-	
End user devices, such as, laptops, laptops, etc	831.02	45.21	(0.07)	-	876.16	616.67	78.72	-	74.16	769.55	214.35	
Investment	731.38	109.64	-	-	831.02	586.72	29.95	-	-	616.67	-	
Electrical Installations and Equipments	159.34	103.41	-	-	262.75	92.60	18.93	-	-	111.53	66.74	
Investment	143.37	15.97	-	-	159.34	81.92	10.68	-	-	92.60	-	
Total	84,123.89	11,679.07	(5,521)	-	95,297.64	44,972.19	7,901.25	(2.59)	-	52,870.85	39,151.70	
Previous year	90,828.21	10,525.10	(17,229.42)	-	84,123.89	53,903.06	8,129.18	(17,000.05)	-	42,926.78	39,151.70	

Figures in italics relates to the previous year



Act Satellite Communications Limited  
: forming part of the consolidated financial statements for the year ended 31 March 2019  
amounts in Indian rupees in lakhs, except share data and where otherwise stated)

Property, plant and equipment (continued)

Intangible assets

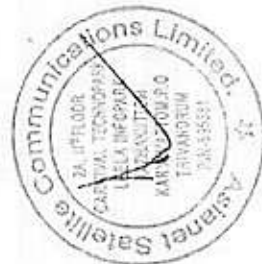
Particulars	Gross block			Accumulated amortisation			Net block	
	As at 1 April 2018	Additions	Disposals	As at 31 March 2019	As at 1 April 2018	For the year	As at 31 March 2019	As at 31 March 2018
Internally generated Programme content	-	-	(297.23)	-	297.23	-	-	-
Purchased Goodwill	297.23	-	-	-	-	-	-	-
	1,131.58	-	-	1,131.58	1,131.58	-	1,131.58	-
	1,131.58	-	-	1,131.58	1,131.58	-	1,131.58	-
Trademarks	36.55	-	-	36.55	36.55	-	36.55	-
	36.55	-	-	36.55	36.55	-	36.55	-
Computer software	463.11	78.13	-	541.24	352.13	57.06	409.19	110.98
	477.99	35.12	-	463.11	302.96	49.17	352.13	-
Copyrights and operating rights	39.66	11.57	-	51.23	1.27	14.91	16.18	38.39
	288.87	49.52	(298.73)	39.66	240.28	13.98	1.27	-
<b>Total - Purchased</b>	<b>1,670.90</b>	<b>89.70</b>	<b>-</b>	<b>1,760.60</b>	<b>1,521.53</b>	<b>71.97</b>	<b>1,593.50</b>	<b>149.37</b>
<i>Previous year</i>	<i>2,162.22</i>	<i>84.64</i>	<i>(595.96)</i>	<i>1,670.90</i>	<i>2,008.60</i>	<i>63.15</i>	<i>1,521.53</i>	<i>-</i>

Note: Figures in italics relates to the previous year

Depreciation and amortisation:

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Depreciation for the year on tangible assets	7,901.25	8,129.18
Amortisation for the year on intangible assets	71.97	63.15
Less: depreciation pertaining to earlier years re-classified as prior period item	-	(573.26)
<b>Net Depreciation and amortisation for the year</b>	<b>7,973.22</b>	<b>7,619.07</b>

For details of property, plant and equipment pledged, refer Note 5 and Note 8





Asianet Satellite Communications Limited

Notes forming part of the consolidated financial statements for the year ended 31 March 2019

(All amounts in Indian rupees in lakhs, except share data and where otherwise stated)

	As at 31 March 2019	As at 31 March 2018
<b>13 Long-term loans and advances</b>		
<i>(Unsecured, considered good unless specified otherwise)</i>		
Capital advances	2.41	2.64
Security deposits		
Considered good	451.44	449.51
Considered doubtful	-	1.05
	453.85	453.20
Less: Provision for doubtful advances	-	(1.05)
	453.85	452.15
Advance income tax and tax deducted at source (net)	436.31	439.22
Balances with government authorities (including amounts paid under protest)	451.69	410.91
MAT credit entitlements	1,408.37	1,066.93
Prepaid expenses	117.43	70.67
	2,867.65	2,439.88
<b>14 Current investments</b>		
<i>Investment in Mutual funds</i>		
ICICI Prudential Ultra Short Term Fund - Growth (Units: 3,204,494.838, previous year: Nil)	600.00	-
Kotak Savings Fund - Growth (Units: 20,18,801.774, previous year: Nil)	600.00	-
L&T Liquid Fund - Regular Growth (Units: 20,467.217, previous year: Nil)	509.80	-
Reliance Liquid Fund - Growth Plan (Units: 7,739.347, previous year: Nil)	340.28	-
Yes Liquid Fund Direct - Growth (Units: 1,00,000, previous year: Nil)	1,000.00	-
	3,050.08	-
Aggregate book value of investments	3,050.08	-
Market value of mutual funds	3,099.11	-
<b>15 Inventories</b>		
<i>(Lower of cost and net realizable value)</i>		
Stock-in-trade	9.88	25.80
	9.88	25.80



Asianet Satellite Communications Limited

Notes forming part of the consolidated financial statements for the year ended 31 March 2019

(All amounts in Indian rupees in lakhs, except share data and where otherwise stated)

	As at 31 March 2019	As at 31 March 2018
<b>16 Trade receivables</b>		
<i>(Unsecured)</i>		
Debts outstanding for a period exceeding six months from the date they were due for payment		
Considered good	52.09	1,111.40
Considered doubtful	1,216.43	1,537.27
	<u>1,268.52</u>	<u>2,648.67</u>
Less: Provision for doubtful trade receivables	<u>(1,216.43)</u>	<u>(1,537.27)</u>
	52.09	1,111.40
Other debts		
Considered good	4,528.10	2,476.67
Considered doubtful	205.00	290.78
	<u>4,733.10</u>	<u>2,767.45</u>
Less: Provision for doubtful trade receivables	<u>(205.00)</u>	<u>(290.78)</u>
	<u>4,528.10</u>	<u>2,476.67</u>
	<u><u>4,580.19</u></u>	<u><u>3,588.07</u></u>
<b>17 Cash and bank balances</b>		
Cash on hand	171.92	100.63
Balances with banks		
(i) In current accounts	397.90	820.55
(ii) In fixed deposits	-	-
(iii) In earmarked accounts	0.99	-
Balances held as margin money or security against borrowings, guarantees and other commitments	1,230.63	1,804.91
	<u>1,801.44</u>	<u>2,726.09</u>
Less: deposits as margin money or security against borrowings	<u>(1,230.63)</u>	<u>(1,804.91)</u>
Less: bank overdrafts	<u>(223.27)</u>	<u>(192.25)</u>
Cash and cash equivalents in the cash flow statement	<u><u>347.54</u></u>	<u><u>728.93</u></u>
<b>18 Short-term loans and advances</b>		
<i>Unsecured, considered good</i>		
Security deposits	167.62	177.42
Loans and advances to employees	104.52	97.22
Prepaid expenses	258.49	468.22
Balance with government authorities	896.33	288.15
Advances to suppliers	247.23	469.45
Others	26.89	19.07
	<u>1,701.08</u>	<u>1,519.53</u>
<b>19 Other current assets</b>		
<i>Unsecured, considered good</i>		
Interest accrued on fixed deposits	28.95	18.71
Unbilled revenue	2,191.93	1,517.20
	<u>2,220.88</u>	<u>1,535.91</u>



**Asianet Satellite Communications Limited**

Notes forming part of the consolidated financial statements for the year ended 31 March 2019

(All amounts in Indian rupees in lakhs, except share data and where otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>20 Revenue from operations</b>		
Sale of services	41,184.53	42,514.73
Sale of products	79.80	121.90
Other operating revenues	134.27	368.71
	<u>41,398.60</u>	<u>43,005.34</u>
Sale of services comprises :		
Cable television services	26,525.78	27,315.18
Cable internet services	13,550.61	13,818.25
Cable channel services	1,108.14	1,381.30
	<u>41,184.53</u>	<u>42,514.73</u>
Sale of products comprises :		
<i>Traded goods</i>		
Modem and Router sales	18.25	17.22
Household equipments, kitchen utensils, computers, etc.	61.55	104.68
	<u>79.80</u>	<u>121.90</u>
Other operating revenues comprise:		
Set top box rental	8.95	16.31
Modem rental	16.03	20.35
Optical fibre cable duct rental	28.13	28.13
Other internet income	10.20	5.11
Other operating income	33.98	224.17
Sale of scrap	36.98	74.64
	<u>134.27</u>	<u>368.71</u>
<b>21 Other Income</b>		
Interest from banks on deposits	76.79	99.46
Interest on income tax refund	41.47	-
Net gain on foreign currency transactions and translation (other than considered as finance cost)	4.83	94.68
Gain on sale of short-term investments (net)	50.07	-
Gain on sale of property, plant and equipment (net)	0.42	-
Liabilities / provisions no longer required written back	1,174.84	3.12
Insurance claims received	31.94	34.84
Miscellaneous income	-	0.30
	<u>1,380.36</u>	<u>232.40</u>



**Asianet Satellite Communications Limited**
**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**

(All amounts in Indian rupees in lakhs, except share data and where otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>22 Purchase of traded goods</b>		
Modems and Routers	42.74	81.93
Household equipment, kitchen utensils, computers, etc.	14.26	62.09
	<b>57.00</b>	<b>144.02</b>
<b>Changes in inventories of stock-in-trade</b>		
Stock-in-trade at the end of the year	9.88	25.80
Stock-in-trade at the beginning of the year	25.80	42.02
Net movement in inventories	<b>15.92</b>	<b>16.22</b>
<b>23 Operating expenses</b>		
<u>Cable television services</u>		
Service charges to associates	3,462.95	3,637.74
Pay channel cost	5,519.22	4,430.55
Operating lease rentals (Refer Note 38)	23.19	31.36
<u>Internet services</u>		
Bandwidth charges	1,708.30	1,225.86
Commission to selling agents	715.17	536.09
Other expenses	80.31	120.90
<u>Channel services</u>		
Programme production expenses	391.26	411.47
Agency commission	37.10	76.36
Other expenses	9.40	10.55
<u>Trading</u>		
Packing and forwarding charges	10.86	12.26
Collection charges	2.14	4.37
Power	1,198.35	1,318.38
Pole rent / inspection charges	1,869.43	1,687.47
Lease/ bandwidth charges	418.84	460.41
Bill printing & despatch expense	83.08	128.48
Customer care expense	1,110.05	794.50
Repairs & maintenance - machinery (network)	1,459.80	1,659.43
Consumption of stores, spares and consumables	563.97	479.81
	<b>18,663.42</b>	<b>17,025.99</b>
<b>24 Employee benefit expenses</b>		
Salaries, wages and bonus	4,826.32	4,574.65
Contributions to provident and other funds (Refer Note 35)	853.91	879.05
Staff welfare expenses	478.66	424.74
	<b>6,158.89</b>	<b>5,878.44</b>
<b>25 Finance costs</b>		
Interest expense on:		
Borrowings	2,020.49	1,723.54
Interest on delayed payment of indirect taxes	36.19	62.82
Interest on delayed payment of direct tax	-	52.95
Other borrowing costs	175.89	45.24
	<b>2,232.57</b>	<b>1,884.55</b>
<b>26 Depreciation and amortisation</b>		
Depreciation on property, plant and equipment	7,901.25	7,555.92
Amortisation on intangible assets	71.97	63.15
	<b>7,973.22</b>	<b>7,619.07</b>



**Asianet Satellite Communications Limited**

Notes forming part of the consolidated financial statements for the year ended 31 March 2019

(All amounts in Indian rupees in lakhs, except share data and where otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
<b>27 Other expenses</b>		
Contract labour	1,555.88	1,801.58
Power	26.37	22.23
Rent	355.36	319.75
Repairs and maintenance - buildings	9.88	6.77
Repairs and maintenance - others	46.55	72.64
Insurance	30.10	24.63
Rates and taxes	117.22	189.09
Communication	94.51	109.60
Travelling and conveyance	234.71	208.38
Printing and stationery	43.59	43.99
Bank charges and commission	155.19	148.69
Advertising and marketing	549.64	562.72
Legal and professional	514.02	412.76
Payments to auditors (Refer Note (i) below)	28.09	27.55
Office maintenance expenses	120.97	115.36
Loose tools	2.71	17.57
Membership and subscription	-	18.48
Bad debts written-off (net of Rs. 1,175.29 adjusted against opening provision for doubtful receivables)	738.04	16.64
Provision for doubtful trade receivables	715.85	749.22
Corporate social responsibility expenses (Refer note 28)	28.99	1.20
Loss on discarded assets	-	168.04
Net loss on account of foreign exchange fluctuations	311.49	1.87
Miscellaneous expenses	9.46	9.35
	<b>5,688.62</b>	<b>5,048.11</b>

**Notes:**

(i) Payments to the auditors comprises (net of service tax input credit, where applicable):

(a) To statutory auditors

For audit	25.05	25.05
For certifications	0.04	-
For other services	3.00	2.50
Reimbursement of expenses	-	-
	<b>28.09</b>	<b>27.55</b>

**28 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.

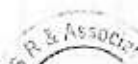
Gross amount required to be spent during the year	40.00	26.70
Amount spent during the year on :		
Construction / acquisition of an asset	-	-
On CSR purposes other than above (paid in cash)	28.99	1.20
	<b>28.99</b>	<b>1.20</b>

Out of the gross amount required to be spent during the year an amount of Rs. 14.83 is yet to paid in cash (Previous year: Rs. 25.50)

**29 Prior period item**

Depreciation pertaining to previous years	-	573.26
	<b>-</b>	<b>573.26</b>

Represents depreciation upto 31 March 2017 on cable modems which have been used in earlier years but has been capitalised in the books during FY 2017-18.





### 30 Contingent liabilities and commitments

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
<b>Contingent liabilities and commitments (to the extent not provided for)</b>		
<b>Contingent liabilities</b>		
Claims against the Company not acknowledged as debt		
(i) Disputed service tax demands pending in appeals (Note a)	2,359.96	2,285.77
(ii) VAT demands pending in appeals (Note b)	67.96	8.03
(iii) Customs demand towards non-fulfilment of foreign currency earnings obligation, stayed by the High Court of Kerala, (Note c)	194.01	194.01
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for property, plant and equipment.	-	-

a) The Company has pending demand from service tax authorities from financial year 2001-02 to 2016-17. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal against the demands received.

b) The Company has pending demand from sales tax authorities of Kerala from financial year 2011-12 to 2016-17. Management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements. The Company has filed an appeal against the demands received.

c) The Company has received demand from the custom authorities on account of non-fulfilment of foreign currency earnings obligations. The cases is currently stayed by the High Court of Kerala and the management believes that the position taken by it on the matter is tenable and hence, no adjustment has been made to the financial statements.

d) On 28th February 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. However, the Company has been legally advised that the application of the judgment is not retrospective. Based on such legal advice, the management believes that it is impracticable at this stage to reliably measure the provision required, if any, and accordingly, no provision has been made towards the same.

31 The Company has an unbilled receivable of Rs.865.84 lakhs as at 31 March 2019 (previous year Rs. 805.72 lakhs) from group of its customers with whom the Company had filed a suit with National Company Law Tribunal on 11 June 2018. In addition, the Company discontinued the advertisement agreement on 23 October 2018 and does not have any continuing business relationship with the aforesaid customers. As per the facts/ circumstances of the case and based on the legal advice obtained, the management believes that there exists favorable chances of recovering the outstanding balance and therefore, no amount has been provided in the financial statements.

32 The Company has filed an application to change its constitutional status to a Private Limited Company and the same is pending for approval with Ministry of Corporate affairs.

### 33 Details on unhedged foreign currency exposures

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	Year ended 31 March 2019		Year ended 31 March 2018	
	Payable in Rs.	Payable in USD	Payable in Rs.	Payable in USD
Trade payables	3,590.47	\$51.82	7,272.94	\$ 111.82

### 34 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(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	-	-
(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	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

### 35 Employee benefit plans

#### Defined contribution plan

The Company makes contribution to employees superannuation fund and provident fund for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company has recognised Rs. 299.94 lakhs (previous year: Rs. 281.08 lakhs) towards provident fund in the statement of profit and loss. The contributions payable to the plan is at the rates specified in the rules of the scheme.



Defined benefit plan - Gratuities

The following table sets out the funded status of the gratuity scheme and the amount recognised in the standalone financial statements:

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.



35 Employee benefit plans (continued)

Experience adjustments

Gratuity	2019	2018	2017	2016	2015
Present value of DBO	2,692.79	2,379.58	2,020.46	1,448.87	589.03
Fair value of plan assets	275.31	291.33	274.94	251.46	233.20
Funded status [Surplus / (Deficit)]	(2,417.48)	(2,088.25)	(1,745.52)	(1,197.41)	(355.83)
Changes in defined benefit obligations:					
Actuarial (gain) / loss	(1.12)	64.49	311.98	707.38	Not Available
Fair value of plan assets					
Actuarial gain / (loss)	9.15	9.11	(1.08)	(2.27)	Not Available

Actuarial assumptions for long-term compensated absences

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Actuarial assumptions		
Discount rate	7.50% - 7.60%	7.70%
Salary escalation	8.00%	8.00%
Attrition	2.00%	2.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

36 Related party transactions

(A) Name of related parties and description of relationship:

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

Note: Related parties have been identified by the Management.

(B) Details of related party transactions during the year ended 31 March 2019.

Name of the Related Party	Nature of transaction	Volume of transactions for the year ended		Outstanding balance as at	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
Mr. Rajan Raheja	Guarantees and collateral securities issued / (cancelled) (net)	(12,450.87)	(8,702.88)	-	12,450.87
Mr. Akshay Raheja	Guarantees and collateral securities issued / (cancelled) (net)	(3,057.77)	(2,717.02)	-	3,057.77
Mr. Viren Raheja	Guarantees and collateral securities issued / (cancelled) (net)	(11,213.94)	(10,030.20)	-	11,213.94
M/s. Hathway Cable & Datacom Limited	Lease payments	23.19	31.36	44.85	17.94
Key Management Personnel (KMP)	Remuneration	116.35	132.35	-	-



### 37 Segment information

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily (a) Cable Television services, called as Asianet Cable Services ('ACS'), (b) Cable Internet services, called as Asianet Dataline ('ADL'), and 'Others' including Cable Channel services. Revenues and expenses directly attributable to segments are reported under each reportable segment. All other revenues and expenses, which are not attributable or allocable to segments, have been disclosed as unallocable incomes and expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. The Company's operations are situated only in India and hence, separate geographical segment information is not disclosed.

Particulars	Business segments			Total
	ACS	ADL	Others	
Revenue	26,534.73	13,653.61	1,210.26	41,398.60
	27,630.30	13,871.84	1,503.20	43,005.34
Segment result	15,309.01	11,149.83	759.50	27,218.34
	19,215.53	11,842.87	882.92	31,941.32
Unallocable expenses (net)				(24,376.81)
				(24,667.63)
Net operating income				2,841.53
				7,273.49
Finance cost				(2,232.57)
				(1,884.55)
Interest income				118.26
				99.46
Other income				1,262.10
				132.94
Profit before taxes and prior period item				1,989.32
				5,621.34
Prior period expense				-
				(573.26)
Tax expense				(323.80)
				(262.65)
Profit after tax				1,665.52
				4,784.43
Segment assets	21,855.00	16,452.50	715.61	39,023.11
	21,718.84	16,489.12	135.30	38,343.26
Unallocable assets				24,942.07
				17,339.03
Total assets				63,965.18
				55,682.29
Segment liabilities	6,003.84	35,008.22	93.60	41,105.66
	9,318.52	28,436.24	121.42	37,876.18
Unallocable liabilities				4,911.43
				1,523.54
Total liabilities				46,017.09
				39,399.72
Other information				
Capital expenditure (allocable)	2,845.53	8,268.35	28.27	11,142.15
	3,609.54	3,952.73	4.35	2,649.92
Capital expenditure (unallocable)				718.07
				2,098.30
Depreciation and amortisation (allocable)	3,425.03	4,389.80	31.01	7,845.84
	3,395.74	1,165.34	20.93	3,607.01
Depreciation and amortisation (unallocable)				127.38
				3,253.16
Provision for doubtful trade and other receivables (allocable)	572.99	692.12	156.32	1,421.43
	1,352.35	364.47	111.23	1,828.05
Provision for doubtful trade and other receivables (unallocable)				-
				-

Note: Figures in italics relates to the previous year



**38 Leases**As Lessor

The Company has entered into operating lease arrangements for OFC duct facilities. The lease is non-cancellable for a period of 15 years starting from 1 April 2010 and may be renewed based on mutual agreement of the parties. Future minimum lease payments due under non-cancellable operating leases are as follows:

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Future minimum lease payments		
Not later than one year	28.13	28.13
Later than one year and not later than five years	112.54	112.54
Later than five years	28.13	56.26
	<b>168.80</b>	<b>196.93</b>

As Lessee

The Company has entered into finance lease arrangements for certain equipments, which provide the Company an option to purchase the assets at the end of the lease period. Future minimum lease payments of the finance lease and the present value of minimum lease payments are as follows:

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Future minimum lease payments		
Not later than one year	71.80	1,022.94
Later than one year and not later than five years	-	48.72
Later than five years	-	-
	<b>71.80</b>	<b>1,071.66</b>
Less: Unmatured finance charges	1.99	65.29
	<b>69.81</b>	<b>1,006.37</b>
Present value of minimum lease payments payable		
Not later than one year	69.81	959.64
Later than one year and not later than five years	-	46.73
	<b>69.81</b>	<b>1,006.37</b>

The Company has entered into operating lease arrangements with Hathway Cable & Datacom Limited for set top boxes for a period of 4 years from 22 December 2014 till 21 December 2018. Total rental expenses under such leases amounted to Rs. 23.19 Lakhs (Previous year : Rs.31.36 lakhs). Future minimum lease payments of the operating leases: NIL.

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Future minimum lease payments		
Not later than one year	-	23.19
Later than one year and not later than five years	-	-
Later than five years	-	-
	<b>-</b>	<b>23.19</b>

**39 Earnings per share**

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Net profit for the year attributable to the equity shareholders	1,665.52	4,784.43
Weighted average number of equity shares (in lakhs)	1,006.89	1,006.89
Par value per share	10.00	10.00
Basic and diluted earnings per share	<b>1.65</b>	<b>4.75</b>





**Asianet Satellite Communications Limited**

Notes forming part of the consolidated financial statements for the year ended 31 March 2019

(All amounts in Indian rupees in lakhs, except share data and where otherwise stated)

**40 Deferred tax (liability) / asset**

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of fixed assets	(1,937.31)	(1,071.58)
Tax effect of items constituting deferred tax liability	(1,937.31)	(1,071.58)
<u>Tax effect of items constituting deferred tax assets</u>		
Provision for employee benefits	921.57	581.91
Provision for doubtful trade receivables / advances	446.56	200.50
Unabsorbed depreciation carried forward (Refer Note below)	3.50	47.29
Tax effect of items constituting deferred tax assets	1,371.63	829.70
<b>Net deferred tax (liability) / asset</b>	<b>(565.68)</b>	<b>(241.88)</b>

In accordance with AS 22 - "Accounting for taxes on income" prescribed by the Companies (Accounting Standards) Rules, 2006, deferred tax assets on unabsorbed depreciation and carry forward losses have been recognized on the basis of prudence, only to the extent of above mentioned net deferred tax liability.

**41 Disclosure on Specified Bank Notes**

The disclosures 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 standalone financial statements since they do not pertain to the financial year ended 31 March 2019.

**42 Slump sale**

The Company had entered into a Business Transfer Agreement (dated 25th March, 2017) with its wholly owned subsidiary Asianet Digital Network Private Limited to transfer the digital cable TV business via Slump Sale and the transfer has taken place on the closure of business hours on 28 February 2018. Accordingly, the assets and liabilities directly identified against the Digital cable TV business were transferred to the subsidiary company on 1 March 2018.

43 Previous year's figures have been regrouped / reclassified wherever necessary to conform to the current year's classification / disclosure.

As per our report of even date attached

for BSR & Associates LLP

Chartered Accountants

Firm's registration number: 116231W/W-100024



**Baby Paul**

Partner

Membership No: 218255

for and on behalf of the Board of Directors of

Asianet Satellite Communications Limited

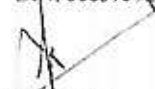
CIN :U92132KL1992PLC006725



**Viren Ralteja**

Director

DIN: 00037592



**J S Suresh**

Chief Financial Officer



**Vinayak Aggarwal**

Director

DIN: 00007280



**John Mathew**

Company Secretary

Kochi

28 September 2019

Mumbai

28 September 2019

