

**Asianet Satellite Communications Limited**  
*(formerly known as Asianet Satellite Communications Private Limited)*  
**Special Purpose Consolidated Balance Sheet**  
 (All amounts are in Indian Rupees in millions, unless otherwise stated)

	Notes	As at 30 September 2021	As at 31 March 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	4,928.90	4,653.51
Capital work-in-progress	4	253.81	350.26
Right-of-use assets	36	74.23	75.94
Intangible assets	5	13.68	15.93
Intangible assets under development	5	26.32	26.27
<b>Financial assets</b>			
Trade receivables	10	115.10	-
Other financial assets	13	69.72	41.95
Deferred tax assets	29	156.67	155.58
Income tax assets, net	29	4.84	36.46
Other non-current assets	7	36.73	49.96
<b>Total non-current assets</b>		<b>5,680.00</b>	<b>5,405.86</b>
<b>Current assets</b>			
Inventories	8	17.17	8.74
<b>Financial assets</b>			
Investments	9	458.99	621.02
Trade receivables	10	462.40	410.64
Cash and cash equivalents	11	36.19	56.99
Bank balances other than cash and cash equivalents	12	123.05	146.78
Loans	6	5.57	8.55
Other financial assets	13	21.77	19.83
Other current assets	7	148.75	90.27
<b>Total current assets</b>		<b>1,273.89</b>	<b>1,362.82</b>
<b>Total assets</b>		<b>6,953.89</b>	<b>6,768.68</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	14	1,006.89	1,006.89
Other equity		1,299.49	1,116.09
<b>Total equity</b>		<b>2,306.38</b>	<b>2,122.98</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	15	751.03	872.83
Lease liabilities	36	65.75	67.47
Other financial liabilities	16	62.15	62.16
Provisions	17	299.79	315.21
Deferred tax liabilities	29	22.87	-
Other non-current liabilities	18	55.77	25.85
<b>Total non-current liabilities</b>		<b>1,257.36</b>	<b>1,343.52</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	15	1,471.51	1,191.02
Lease liabilities	36	17.23	15.86
Trade payables	19		
Total outstanding dues of micro and small enterprises		28.75	38.31
Total outstanding dues of creditors other than micro and small enterprises		930.38	1,209.24
Other financial liabilities	16	228.64	143.75
Provisions	17	34.65	38.68
Income tax liabilities	29	-	18.60
Other current liabilities	18	678.99	646.72
<b>Total current liabilities</b>		<b>3,390.15</b>	<b>3,302.18</b>
<b>Total liabilities</b>		<b>4,647.51</b>	<b>4,645.70</b>
<b>Total equity and liabilities</b>		<b>6,953.89</b>	<b>6,768.68</b>

**Significant accounting policies**

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

As per our report of even date attached

for **B S R & Associates LLP**

*Chartered Accountants*

Firm registration number: 116231W /W-100024

for and on behalf of the Board of Directors of

**Asianet Satellite Communications Limited**

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

CIN: U92132KL1992PLC006725

**Baby Paul**

*Partner*

Membership number: 218255

Kochi

10 December 2021

**Viren Rajan Raheja**

*Chairman and Non-Executive Director*

DIN: 00037592

Mumbai

10 December 2021

**Sreerama Murthy Chaganti**

*Managing Director and CEO*

DIN: 09379784

Thiruvananthapuram

10 December 2021

**Suresh Pazhempallil Sivaraman Nair**

*Whole Time Director and CFO*

DIN: 08421313

Thiruvananthapuram

10 December 2021

**Joby Mathew**

*Company Secretary and Compliance Officer*

Membership number: A 24411

Thiruvananthapuram

10 December 2021

**Asianet Satellite Communications Limited**  
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**Special Purpose Consolidated Statement of Profit and Loss**  
 (All amounts are in Indian Rupees in millions, unless otherwise stated)

	Notes	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
<b>Income</b>			
Revenue from operations	20	2,912.95	5,100.68
Other income	21	31.22	53.88
<b>Total income</b>		<b>2,944.17</b>	<b>5,154.56</b>
<b>Expenses</b>			
Network, transmission and related expenses	22	1,225.04	2,021.98
Purchases of stock-in-trade	23	34.14	23.98
Changes in inventories of stock-in-trade	24	(8.43)	13.15
Employee benefits expense	25	371.48	682.75
Impairment losses on financial and contract assets	34C	37.98	39.14
Finance costs	26	91.25	202.90
Depreciation and amortisation expense	27	432.33	810.53
Other expenses	28	480.97	939.50
<b>Total expenses</b>		<b>2,664.76</b>	<b>4,733.93</b>
<b>Profit before tax</b>		<b>279.41</b>	<b>420.63</b>
<b>Income tax expense</b>	29		
Current tax		96.92	86.82
Deferred tax charge		15.76	23.46
<b>Total tax expense</b>		<b>112.68</b>	<b>110.28</b>
<b>Profit after tax for the period / year</b>		<b>166.73</b>	<b>310.35</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurement of net defined benefit plan income		22.68	17.93
Income tax charge relating to the above		(6.01)	(4.39)
<b>Other comprehensive income for the period/ year, net of income tax</b>		<b>16.67</b>	<b>13.54</b>
<b>Total comprehensive income for the period/ year</b>		<b>183.40</b>	<b>323.89</b>
<b>Earning per equity share</b> (Equity share of face value of Rs. 10 each)	31		
Basic and diluted earnings per share (Rs.)		1.66	3.08

Earnings per share for the period 1 April 2021 to 30 September 2021 has not been annualised.

**Significant accounting policies** 3  
 The accompanying notes form an integral part of these special purpose consolidated financial statements.

As per our report of even date attached

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

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

**Baby Paul**  
*Partner*  
 Membership number: 218255  
 Kochi  
 10 December 2021

**Viren Rajan Raheja**  
*Chairman and Non-Executive Director*  
 DIN: 00037592  
 Mumbai  
 10 December 2021

**Sreerama Murthy Chaganti**  
*Managing Director and CEO*  
 DIN: 09379784  
 Thiruvananthapuram  
 10 December 2021

**Suresh Pazhempallil Sivaraman Nair**  
*Whole Time Director and CFO*  
 DIN: 08421313  
 Thiruvananthapuram  
 10 December 2021

**Joby Mathew**  
*Company Secretary and Compliance Officer*  
 Membership number: A 24411  
 Thiruvananthapuram  
 10 December 2021

**A Equity Share Capital**

Particulars	Note	Amount
<b>Balance as at 1 April 2020</b>		1,006.89
Changes in equity share capital during the year	14	-
<b>Balance as at 31 March 2021</b>		<b>1,006.89</b>
Changes in equity share capital during the period 1 April 2021 to 30 September 2021	14	-
<b>Balance as at 30 September 2021</b>		<b>1,006.89</b>

**B Other equity**

Particulars	Equity component of compound financial instruments	Reserves and surplus		Items of other comprehensive income Remeasurement of net defined benefit liability/ (asset), net of tax	Total other equity attributable to equity holders of the Company
		Securities Premium	Retained earnings*		
<b>Balance as at 1 April 2020</b>	<b>3.44</b>	<b>969.86</b>	<b>(181.10)</b>	-	<b>792.20</b>
<b>Total comprehensive income for the year</b>	-	-	-	-	-
Profit for the year	-	-	310.35	-	310.35
Other comprehensive income, net of tax	-	-	-	13.54	13.54
<b>Total comprehensive income / (loss)</b>	-	-	<b>310.35</b>	<b>13.54</b>	<b>323.89</b>
Transferred to retained earnings	-	-	13.54	(13.54)	-
<b>Balance as at 31 March 2021</b>	<b>3.44</b>	<b>969.86</b>	<b>142.79</b>	-	<b>1,116.09</b>
<b>Total comprehensive income for the period 1 April 2021 to 30 September 2021</b>	-	-	-	-	-
Profit for the period 1 April 2021 to 30 September 2021	-	-	166.73	-	166.73
Other comprehensive income, net of tax	-	-	-	16.67	16.67
<b>Total comprehensive income</b>	-	-	<b>166.73</b>	<b>16.67</b>	<b>183.40</b>
Transferred to retained earnings	-	-	16.67	(16.67)	-
<b>Balance as at 30 September 2021</b>	<b>3.44</b>	<b>969.86</b>	<b>326.19</b>	-	<b>1,299.49</b>

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

**Equity component of compound financial instruments** represent the equity component of preference shares. Refer note 14.

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

**Retained earnings**

This represents the profits / losses of the Group earned till date, net of appropriations.

\*Revaluation reserve which arised out of revaluation of land prior to Ind AS adoption transferred to retained earnings since company had adopted deemed cost for all property, plant and equipment on transition to Ind AS amounting to Rs 167.61 million.

**Remeasurement of net defined benefit liability/ (asset)**

Remeasurement of net defined benefit liability (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

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

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Partner

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**Asianet Satellite Communications Limited**  
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**Special Purpose Consolidated Statement of Cash Flows**  
(All amounts are in Indian Rupees in millions, unless otherwise stated)

	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>	<b>279.41</b>	<b>420.63</b>
<i>Adjustments for:</i>		
Depreciation and amortisation	432.33	810.53
Gain on sale of property, plant and equipment (net)	-	(0.01)
Net gain on fair value changes on financial assets measured at FVTPL	(11.87)	(30.43)
Finance costs	91.25	202.90
Interest income under the effective interest method	(4.65)	(7.77)
Liabilities no longer required written back	(12.58)	-
Impairment losses on financial and contract assets	37.98	39.14
Unrealised foreign exchange loss	2.22	11.02
<b>Operating cash flow before working capital changes</b>	<b>814.09</b>	<b>1,446.01</b>
Decrease / (increase) in inventories	(8.43)	13.15
Decrease / (increase) in trade receivables	(213.34)	206.01
(Increase) / decrease in financial assets and other assets	(14.23)	(1.04)
Increase / (decrease) in financial liabilities and other liabilities	(390.22)	291.08
<b>Net cash generated from operating activities before taxes</b>	<b>187.87</b>	<b>1,955.21</b>
Income tax paid, net	(83.89)	(43.28)
<b>Net cash generated from operating activities (A)</b>	<b>103.98</b>	<b>1,911.93</b>
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment	(491.47)	(1,159.20)
Proceeds from sale of property, plant and equipment	132.57	0.31
Investments in mutual funds	(100.00)	(980.00)
Proceeds from sale of mutual funds	273.90	912.33
Redemption of fixed deposits not considered as cash and cash equivalents	17.53	14.43
<b>Net cash used in investing activities (B)</b>	<b>(167.47)</b>	<b>(1,212.13)</b>
<b>Cash flow from financing activities</b>		
Long term secured loans availed	529.50	992.60
Long term secured loans repaid	(653.71)	(1,214.30)
Current borrowings availed, net	280.39	(245.38)
Payment of lease liabilities	(12.06)	(24.68)
Finance costs	(101.43)	(201.07)
<b>Net cash (used in)/ generated from financing activities (C)</b>	<b>42.69</b>	<b>(692.83)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(20.80)</b>	<b>6.97</b>
Cash and cash equivalents at the beginning of the period/ year	56.99	50.02
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>36.19</b>	<b>56.99</b>
Refer to note 11 - cash and cash equivalents		

**Asianet Satellite Communications Limited**  
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**Annexure IV - Restated Consolidated Statement of Cash Flows (continued)**  
(All amounts are in Indian Rupees in millions, unless otherwise stated)

**Reconciliation of financial liabilities forming part of financing activities in accordance with Ind AS 7:**

Particulars	As at 1 April 2021	Cash flows	Non cash changes		As at 30 September 2021
			Fair value changes	Others*	
Non-current borrowings	872.83	(124.21)	-	2.41	751.03
Current borrowings	1,191.02	280.39	-	0.09	1,471.51
Lease liabilities (refer note 36)	83.33	(12.06)	-	11.71	82.98
<b>Total</b>	<b>2,147.18</b>	<b>144.12</b>	<b>-</b>	<b>14.21</b>	<b>2,305.51</b>

  

Particulars	As at 1 April 2020	Cash flows	Non cash changes		As at 31 March 2021
			Fair value changes	Others*	
Non-current borrowings	1,074.84	(221.71)	-	19.70	872.83
Current borrowings	1,442.02	(245.38)	-	(5.62)	1,191.02
Lease liabilities (refer note 36)	98.70	(24.68)	-	9.31	83.33
<b>Total</b>	<b>2,615.56</b>	<b>(491.77)</b>	<b>-</b>	<b>23.39</b>	<b>2,147.18</b>

\*Others includes finance cost accrued Rs. 3.67 million (31 March 2021: Rs. 8.16 million)

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

As per our report of even date attached

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## **Asianet Satellite Communications Limited**

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### **Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

## **3. Significant accounting policies (continued)**

### **3.8 Leases**

#### **a) Determining whether an arrangement contains a lease**

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

#### **b) Measurement of leases as a lessee**

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

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

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

### **3.9 Recognition of dividend income, interest income or interest expense**

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

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

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

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

## **Asianet Satellite Communications Limited**

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### **Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

## **3. Significant accounting policies (continued)**

### **3.10 Income tax**

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

#### **i. Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period/year and any adjustment to the tax payable or receivable in respect of previous periods/years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

#### **ii. Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets including Minimum alternative tax (MAT) are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets—unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

### **3.11 Borrowing cost**

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

### **3.12 Financial instruments**

#### **i. Recognition and initial measurement**

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

#### **ii. Classification and subsequent measurement**

##### *Financial assets*

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

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



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### **Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

## **3. Significant accounting policies (continued)**

### **3.12 Financial instruments (continued)**

#### **ii. Classification and subsequent measurement (continued)**

*Financial liabilities: Classification, subsequent measurement and gains and losses*

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

#### **iii. Derecognition**

*Financial assets*

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

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

*Financial liabilities*

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

#### **iv. Offsetting**

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

### **3.13 Compound financial instrument**

Compound financial instrument issued by the group comprises of Non-Cumulative Non-Convertible Redeemable Preference shares denominated in INR.

The liability component of compound financial instrument is initially recognized at the fair value. The equity component initially recognized at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction cost are allocated to liability and equity component in proportion to their initial carrying amount

Subsequent to initial recognition the liability component of the compound financial instrument is measured at amortised cost using effective interest method. The equity component of a compound financial instrument is not remeasured subsequently. Interest related to the financial liability is recognized in the profit or loss (unless it qualifies for inclusion in the cost of the asset)

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### **Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

## **3. Significant accounting policies (continued)**

### **3.14 Impairment**

#### **i. Impairment of financial assets**

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

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

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

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

#### *Measurement of expected credit losses*

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

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

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

#### *Write-off:*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off.

#### **ii. Impairment of non- financial assets**

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The Group's corporate assets providing support to various CGUs do not generate independent cash inflow. To determine impairment of a corporate asset, recoverable amount is determined for the CGU to which the corporate asset belongs. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

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

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

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

## **Asianet Satellite Communications Limited**

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

### **Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

## **3. Significant accounting policies (continued)**

### **3.15 Earnings per share**

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

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

### **3.16 Cash-flow statement**

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

### **3.17 Cash and cash equivalents**

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

### **3.18 Reverse factoring arrangements**

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

### **3.19 Operating cycle**

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

### **3.20 Operating segments**

#### **Basis for segmentation**

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

### **3.21 Recent Accounting Pronouncements**

#### **Amendments**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the special purpose interim consolidated Ind AS financial statements is required to be disclosed.



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**Notes to the special purpose consolidated financial statements (continued)**

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

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Electrical fittings	Computers	Servers	Total (A)	Capital work-in-progress (B)	Total (A+B)
<b>Gross carrying value</b>												
Balance as at 1 April 2020	176.93	7.17	5,709.19	9.67	3.02	8.62	29.76	23.88	26.24	5,994.46	311.55	6,306.01
Additions	-	-	971.44	2.50	-	3.11	8.60	3.78	4.82	994.25	1,485.60	2,479.85
Disposals	-	-	-	-	(0.51)	(0.02)	-	-	-	(0.53)	-	(0.53)
Capitalisation	-	-	-	-	-	-	-	-	-	-	(1,446.89)	(1,446.89)
<b>Balance as at 31 March 2021</b>	<b>176.93</b>	<b>7.17</b>	<b>6,680.63</b>	<b>12.17</b>	<b>2.51</b>	<b>11.71</b>	<b>38.36</b>	<b>27.66</b>	<b>31.06</b>	<b>6,988.18</b>	<b>350.26</b>	<b>7,338.44</b>
Balance as at 1 April 2021	176.93	7.17	6,680.63	12.17	2.51	11.71	38.36	27.66	31.06	6,988.18	350.26	7,338.44
Additions	-	-	814.13	0.62	-	0.97	7.28	2.98	1.24	827.21	456.25	1,283.46
Disposals	-	-	(187.29)	-	-	-	-	-	-	(187.29)	-	(187.29)
Capitalisation	-	-	-	-	-	-	-	-	-	-	(552.69)	(552.69)
<b>Balance as at 30 September 2021</b>	<b>176.93</b>	<b>7.17</b>	<b>7,307.46</b>	<b>12.79</b>	<b>2.51</b>	<b>12.68</b>	<b>45.64</b>	<b>30.64</b>	<b>32.30</b>	<b>7,628.10</b>	<b>253.81</b>	<b>7,881.91</b>
<b>Accumulated depreciation</b>												
Balance as at 1 April 2020	-	0.33	1,512.96	3.88	1.53	3.76	4.43	15.09	9.42	1,551.41	-	1,551.41
Depreciation expense	-	0.17	765.42	0.97	0.42	1.98	3.44	5.88	5.21	783.49	-	783.49
Disposals	-	-	-	-	(0.21)	(0.02)	-	-	-	(0.23)	-	(0.23)
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>0.50</b>	<b>2,278.38</b>	<b>4.85</b>	<b>1.74</b>	<b>5.72</b>	<b>7.87</b>	<b>20.97</b>	<b>14.63</b>	<b>2,334.67</b>	<b>-</b>	<b>2,334.67</b>
Balance as at 1 April 2021	-	0.50	2,278.38	4.85	1.74	5.72	7.87	20.97	14.63	2,334.67	-	2,334.67
Depreciation expense	-	0.08	410.14	0.55	0.14	1.11	2.11	2.40	2.72	419.25	-	419.25
Disposals	-	-	(54.72)	-	-	-	-	-	-	(54.72)	-	(54.72)
<b>Balance as at 30 September 2021</b>	<b>-</b>	<b>0.58</b>	<b>2,633.80</b>	<b>5.40</b>	<b>1.88</b>	<b>6.84</b>	<b>9.98</b>	<b>23.37</b>	<b>17.35</b>	<b>2,699.20</b>	<b>-</b>	<b>2,699.20</b>
<b>Net carrying amount</b>												
<b>As at 30 September 2021</b>	<b>176.93</b>	<b>6.59</b>	<b>4,673.66</b>	<b>7.39</b>	<b>0.63</b>	<b>5.84</b>	<b>35.66</b>	<b>7.28</b>	<b>14.95</b>	<b>4,928.90</b>	<b>253.81</b>	<b>5,182.71</b>
<b>As at 31 March 2021</b>	<b>176.93</b>	<b>6.67</b>	<b>4,402.25</b>	<b>7.32</b>	<b>0.77</b>	<b>5.99</b>	<b>30.49</b>	<b>6.69</b>	<b>16.43</b>	<b>4,653.51</b>	<b>350.26</b>	<b>5,003.77</b>

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

**Note:**

a) The company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable

**b) Title deeds of Immovable Properties not held in name of the Company:**

Description	As at 30 September 2021	As at 31 March 2021
Title deeds held in the name of		The Company
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director		Not Applicable
Reason for not being held in the name of the Company		Not Applicable

**c) Ageing of Capital work in progress (CWIP):**
**As at 30 September 2021**

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	179.33	44.01	30.47	-	253.81
Projects temporarily suspended	-	-	-	-	-
	<b>179.33</b>	<b>44.01</b>	<b>30.47</b>	<b>-</b>	<b>253.81</b>

**As at 31 March 2021**

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	296.13	16.09	35.98	2.06	350.26
Projects temporarily suspended	-	-	-	-	-
	<b>296.13</b>	<b>16.09</b>	<b>35.98</b>	<b>2.06</b>	<b>350.26</b>

There are no proceedings initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder, for the period 1 April 2021 to 30 September 2021 and year ended 31 March 2021.

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**5 Intangible assets**

Particulars	Copyrights and operating rights	Computer software	Total (A)	Intangible Assets under development (B)	Total (A + B)
<b>Reconciliation of carrying amount</b>					
<b>Gross carrying value</b>					
Balance as at 1 April 2020	6.09	17.80	23.88	22.89	46.77
Additions	2.14	8.69	10.83	3.38	14.21
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>8.23</b>	<b>26.49</b>	<b>34.71</b>	<b>26.27</b>	<b>60.98</b>
Balance as at 1 April 2021	8.23	26.49	34.71	26.27	60.98
Additions	0.72	-	0.72	0.05	0.77
Disposals	-	-	-	-	-
<b>Balance as at 30 September 2021</b>	<b>8.94</b>	<b>26.49</b>	<b>35.43</b>	<b>26.32</b>	<b>61.75</b>
<b>Accumulated amortisation</b>					
Balance as at 1 April 2020	2.96	10.03	12.99	-	12.99
Amortisation expense	1.44	4.35	5.79	-	5.79
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>4.40</b>	<b>14.38</b>	<b>18.78</b>	<b>-</b>	<b>18.78</b>
Balance as at 1 April 2021	4.40	14.38	18.78	-	18.78
Amortisation expense	0.78	2.19	2.97	-	2.97
Disposals	-	-	-	-	-
<b>Balance as at 30 September 2021</b>	<b>5.18</b>	<b>16.56</b>	<b>21.75</b>	<b>-</b>	<b>21.75</b>
<b>Net carrying amount</b>					
<b>As at 30 September 2021</b>	<b>3.76</b>	<b>9.92</b>	<b>13.68</b>	<b>26.32</b>	<b>40.00</b>
<b>As at 31 March 2021</b>	<b>3.82</b>	<b>12.11</b>	<b>15.93</b>	<b>26.27</b>	<b>42.20</b>

**Note:**

a) The Company does not have any Intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence Intangible assets completion schedule is not applicable.

**b) Ageing of Intangible assets under development:**
**As at 30 September 2021**

Description	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.05	3.38	7.85	15.04	26.32
Projects temporarily suspended	-	-	-	-	-
	<b>0.05</b>	<b>3.38</b>	<b>7.85</b>	<b>15.04</b>	<b>26.32</b>

**As at 31 March 2021**

Description	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.38	7.85	15.04	-	26.27
Projects temporarily suspended	-	-	-	-	-
	<b>3.38</b>	<b>7.85</b>	<b>15.04</b>	<b>-</b>	<b>26.27</b>

Intangible assets under development pertains to the cost incurred with respect to ERP implementation, including license fee.

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(All amounts are in Indian Rupees in millions, unless otherwise stated)

	As at 30 September 2021	As at 31 March 2021
<b>6 Loans</b>		
<b>Current</b>		
<i>Unsecured, considered good</i>		
Loans and advances to employees	3.49	5.44
Other loans and advances*	2.08	3.11
	<u>5.57</u>	<u>8.55</u>
*The Company does not have any loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.		
<b>7 Other assets</b>		
<b>Non-current</b>		
<i>Unsecured, considered good</i>		
Advances for capital goods	2.73	26.76
Balances with government authorities (including amounts paid under protest)	34.00	23.20
	<u>36.73</u>	<u>49.96</u>
<b>Current</b>		
<i>Unsecured, considered good</i>		
Prepaid expenses	25.19	16.48
Balance with government authorities	88.76	51.01
Advance for supply of goods and services	34.80	22.78
	<u>148.75</u>	<u>90.27</u>
	<u>185.48</u>	<u>140.23</u>
<b>8 Inventories</b>		
<i>Valued at lower of cost and net realisable value</i>		
Stock-in-trade	17.17	8.74
	<u>17.17</u>	<u>8.74</u>
<b>9 Investments</b>		
<b>Current</b>		
<i>Investment in mutual funds measured at fair value through profit or loss</i>		
<i>Unquoted</i>		
Investments in liquid mutual funds	458.99	621.02
	<u>458.99</u>	<u>621.02</u>
Aggregate book value of unquoted investments	458.99	621.02
Aggregate book value of quoted investments	-	-
<b>10 Trade receivables</b>		
<b>Non Current</b>		
Unsecured, considered good	115.10	-
	<u>115.10</u>	<u>-</u>
<b>Current</b>		
Unsecured, considered good	833.10	743.36
	<u>833.10</u>	<u>743.36</u>
Less: allowances for expected credit loss	(370.70)	(332.72)
	<u>(370.70)</u>	<u>(332.72)</u>
<b>Net trade receivables</b>	<u>462.40</u>	<u>410.64</u>
	<u>577.50</u>	<u>410.64</u>
For details of trade receivables pledged, refer note 15		
The Group's exposure to credit and currency risks and loss allowances related to trade receivable are disclosed in note 34.		

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(All amounts are in Indian Rupees in millions, unless otherwise stated)

**10 Trade receivables (continued)**
**Ageing of trade receivables**
**As at 30 September 2021**

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	7.87	270.48	29.24	37.92	33.32	14.76	393.59
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	246.44	20.93	44.28	40.92	18.13	370.70
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vii) Unbilled dues	183.91	-	-	-	-	-	183.91
Less: allowances for expected credit loss	-	-	-	-	-	-	370.70
	<b>191.78</b>	<b>516.92</b>	<b>50.17</b>	<b>82.20</b>	<b>74.24</b>	<b>32.89</b>	<b>577.50</b>

**As at 31 March 2021**

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	14.38	154.38	48.06	82.92	31.54	15.75	347.03
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	159.72	46.58	80.42	30.68	15.32	332.72
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vii) Unbilled dues	63.61	-	-	-	-	-	63.61
Less: allowances for expected credit loss	-	-	-	-	-	-	332.72
	<b>77.99</b>	<b>314.10</b>	<b>94.64</b>	<b>163.34</b>	<b>62.22</b>	<b>31.07</b>	<b>410.64</b>

	As at 30 September 2021	As at 31 March 2021
<b>11 Cash and cash equivalents</b>		
<b>Balances with banks</b>		
Balance with banks	27.76	51.62
Cash on hand	8.43	5.37
	<b>36.19</b>	<b>56.99</b>
<b>12 Bank balances other than cash and cash equivalents</b>		
Balance in banks for margin money	123.05	146.78
	<b>123.05</b>	<b>146.78</b>
<b>13 Other financial assets</b>		
<b>Non current</b>		
<i>Unsecured, considered good</i>		
Security deposits - Rent and other deposits	41.23	41.95
Bank deposits with original maturity more than 12 months	28.49	-
	<b>69.72</b>	<b>41.95</b>
<b>Current</b>		
<i>Unsecured, considered good</i>		
Security deposits - Rent and other deposits	20.28	19.62
Interest accrued on fixed deposits with banks	1.49	0.21
	<b>21.77</b>	<b>19.83</b>
	<b>91.49</b>	<b>61.78</b>

For details of other financial assets pledged, refer note 15

The Group's exposure to credit and currency risks and loss allowances related to other financial assets are disclosed in note 34.

**14 Share capital**

Particulars	As at 30 September 2021		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised:</b>				
Equity shares of Rs. 10/- each	160,000,000	1,600.00	160,000,000	1,600.00
Preference shares of Rs. 10/- each	15,000,000	150.00	15,000,000	150.00
<b>Total</b>	<b>175,000,000</b>	<b>1,750.00</b>	<b>175,000,000</b>	<b>1,750.00</b>
<b>Issued, subscribed and paid-up capital</b>				
Equity shares of Rs. 10 each, fully paid up	100,689,225	1,006.89	100,689,225	1,006.89
<b>Total</b>	<b>100,689,225</b>	<b>1,006.89</b>	<b>100,689,225</b>	<b>1,006.89</b>

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

Particulars	As at 30 September 2021		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares of Rs. 10 each fully paid up</b>				
At the beginning of the reporting period/ year	100,689,225	1,006.89	100,689,225	1,006.89
Shares issued for cash	-	-	-	-
<b>At the end of the reporting period/ year</b>	<b>100,689,225</b>	<b>1,006.89</b>	<b>100,689,225</b>	<b>1,006.89</b>

**b) Rights, preferences and restrictions attached to equity shares**

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

**c) Rights, preferences and restrictions attached to preference shares**

The Company had 8% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs.10 each. During the period from 1 April 2021 to 30 September 2021, the terms were changed to 8% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs.10 each. Each holder of preference shares is entitled to one vote per share, in proportion to the amount paid on Preference shares held, only on resolutions placed before the Company which affects the rights attached to the preference shares. In the event of liquidation, the preference shareholders are eligible to receive the outstanding amount including dividend after distribution of all other preferential amounts. In the event of winding up of the Company before redemption of preference shares, the holders of preference shares will have priority over equity shares in the payment of dividend and the repayment of capital. The Company declares and pays dividends in Indian Rupees. The Board has not recommended and paid any dividend to the preference shareholders for the period from 1 April 2021 to 30 September 2021 (31 March 2021: Nil)

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

Name of the shareholder	As at 30 September 2021		As at 31 March 2021	
	Number of shares	%	Number of shares	%
<i>Equity shares of Rs.10/- each</i>				
Coronet Investments Private Limited	23,561,887	23.40%	23,561,887	23.40%
Bloomington Investments & Finance Private Limited	12,053,818	11.97%	12,053,818	11.97%
Hathway Investments Private Limited	17,077,651	16.96%	17,077,651	16.96%
Viren Raheja Jt. Akshay Raheja	9,291,818	9.23%	9,291,818	9.23%
Akshay Raheja Jt. Viren Raheja	9,290,224	9.23%	9,290,224	9.23%
Akshay Raheja	8,498,097	8.44%	8,498,097	8.44%
Viren Raheja	8,496,503	8.44%	8,496,503	8.44%
Satish Raheja	12,417,451	12.33%	12,417,451	12.33%
<i>Preference shares of Rs. 10/- each</i>				
Hathway Investments Private Limited	3,000,000	100.00%	3,000,000	100.00%

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

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

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

**g) Details of equity shares held by promoters at the end of the period/ year\***

Name of Promoter	As at 30 September 2021		As at 31 March 2021	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Akshay Raheja	8,498,097	8.44%	8,498,097	8.44%
Akshay Raheja jointly Viren Raheja	9,290,224	9.23%	9,290,224	9.23%
Viren Raheja	8,496,503	8.44%	8,496,503	8.44%
Viren Raheja jointly Akshay Raheja	9,291,818	9.23%	9,291,818	9.23%

\*The promoters of the Company does not hold any preference shares.

**Asianet Satellite Communications Limited**  
*(formerly known as Asianet Satellite Communications Private Limited)*  
**Notes to the special purpose consolidated financial statements (continued)**  
 (All amounts are in Indian Rupees in millions, unless otherwise stated)

	As at 30 September 2021	As at 31 March 2021
<b>15 Borrowings</b>		
<b>Non-current</b>		
<i>Secured</i>		
Term loans from banks	724.19	846.04
<i>Unsecured</i>		
Redeemable preference shares	26.84	26.79
	<u>751.03</u>	<u>872.83</u>
<b>Current</b>		
<i>Secured</i>		
Cash credit and overdraft facilities from banks	370.01	95.31
Current maturities of long-term borrowings	1,101.50	1,095.71
	<u>1,471.51</u>	<u>1,191.02</u>
	<u>2,222.54</u>	<u>2,063.85</u>

Refer note 14 (c) for details on terms of the preference shares.

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

The Group has complied with the requirement of filing of quarterly returns or statements of current assets with the bank or financial institutions, wherever applicable, and these returns were in agreement with the books of accounts for the period 1 April 2021 to 30 September 2021 and year ended 31 March 2021.

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

**a) Parent**

**A HDFC Bank Limited (Rupee term loan)**

a) First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on the entire current assets of the Company including fixed deposit of Rs. 35 million created against the loan. Corporate Guarantee from Subsidiary (ADNPL). Repayment on a quarterly basis commences from 7 November 2018 and ends on August 2024. Interest rate is in the range of 1 year MCLR + 0.55% per annum to MCLR + 0.8% per annum.

**B IDFC Bank Limited (Rupee term loan)**

First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on the entire current assets of the Company. Corporate Guarantee from Subsidiary (ADNPL). Repayment on a monthly basis commences from 30 March 2019 and ends on 28 February 2022. Interest rate is IDFC Bank 6 months MCLR + 0.25%

**C Federal Bank Limited (Rupee term loan)**

First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on the entire current assets of the Company. Repayment on a monthly basis commences from December 2018 and ends on November 2023. Interest rate is in the range of 8.1% - 8.2% (Previous year: 8.6%) per annum.

**D ICICI Bank Limited (EURO term loan)**

EURO term loan, secured by first pari passu charge on the entire fixed assets of the borrower both present and future. Second pari passu charge on all current assets both present and future of the borrower. Corporate Guarantee of ADNPL. Repayment is in 36 equal monthly installments commencing from 7 November 2019 and ending on 7 October 2022. Interest rate is MCLR + 0.70% per annum.

**E ICICI Bank Limited (Rupee term loan)**

First pari passu charge on the entire fixed assets of the Company. Second pari passu charge on entire current assets of the Company. Corporate Guarantee of ADNPL. Repayment commences from January 2022 in equal quarterly installments and ends on June 2024. Interest rate is MCLR + 0.5% per annum.

**F RBL Bank Limited (Rupee term loan)**

First pari passu charge (except assets financed by CISCO) on all the movable and immovable fixed assets of Asianet Satellite Communications Limited (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 in the range of 3 months MCLR per annum to 3 months MCLR + 0.1% per annum. Repayment on a quarterly basis commencing from 25 January 2019 and ending on 30 January 2024.

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

Secured by way of first and exclusive charge of all right, title, interest, benefits, claims and demands of the Company in respect of assets financed together with all records, documents and instruments which represent such fixed assets together with all benefits, rights and incidentals attached thereto. Represents 4 separate loans taken on different dates whose repayment in quarterly installments is over a period of 3 years commencing from 10 August 2015 and ending on 15 February 2022. Interest rate varies from 7.96% to 9.09% (Previous year: 7.96% to 9.09% per annum).

**Cisco Systems Capital (India) Private Limited (Finance lease obligations)**

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% p.a. to 11.63% (Previous year: 9.88% to 11.63%) per annum.

**H Short term borrowings**

The Company has availed overdraft, secured by charge on all of Company's movable and immovable properties, both present and future, including land and building. The interest rate varies from MCLR - MCLR + 0.8% per annum for overdraft facilities. (Previous Year: MCLR - MCLR + 0.8% per annum)

**b) Asianet Digital Network Private Limited, Subsidiary**

**I Federal Bank Limited (EURO term loan)**

EURO Term Loan. First pari passu charge on the entire fixed assets (present and future) of Asianet Digital Network Private Limited (ADNPL) and Asianet Satellite Communications Limited (ASCL). Second pari passu charge on all ASCL and ADNPL's current assets (both present and future). Corporate Guarantee of ASCL. Repayment is in equal monthly installments commencing from 13 July 2020 and ending on 13 December 2023. Interest rate is 3.4% per annum.

**J Federal Bank Limited (Rupee term loan)**

First pari passu charge on the entire fixed assets (present and future) of Asianet Digital Network Private Limited (ADNPL) and Asianet Satellite Communications Limited (ASCL). Second pari passu charge on all ASCL and ADNPL's current assets (both present and future). Corporate guarantee of ASCL. Repayment is in equal monthly installments commencing from 7 July 2020 and ending on 7 December 2023. Interest rate is 8.2% per annum (Previous year 8.6%).

**Asianet Satellite Communications Limited***(formerly known as Asianet Satellite Communications Private Limited)***Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

**15 Borrowings (continued)****(i) Details of terms of repayment and security provided in respect of the secured long-term and short-term borrowings (continued):****K Axis Bank Limited (Rupee term loan)**

First pari passu charge on the entire fixed assets (present and future) of Asianet Digital Network Private Limited (ADNPL) and Asianet Satellite Communications Limited (ASCL).  
 Second pari passu charge on all ASCL current assets (both present and future). Corporate Guarantee of ASCL. Repayment is in equal monthly installments commencing from April 2021 and ending on November 2024. Interest rate is 1 year MCLR + 1.05% per annum. (Previous year: 1 year MCLR + 1.05%)

**L ICICI Bank Limited**

First pari passu charge on the entire fixed assets (present and future) of Asianet Digital Network Private Limited (ADNPL) and Asianet Satellite Communications Limited (ASCL).  
 Second pari passu charge on all ASCL current assets (both present and future). Corporate Guarantee of ASCL. Interest rate is MCLR + 0.5%.

**M Federal Bank Limited**

First pari passu charge on the entire fixed assets (present and future) of Asianet Digital Network Private Limited (ADNPL) and Asianet Satellite Communications Limited (ASCL).  
 Second pari passu charge on all ASCL and ADNPL's current assets (both present and future). Corporate Guarantee of ASCL. Interest rate is 8.1% per annum.

**N Short term borrowings**

The Company has availed cash credit secured by charge on entire current assets and fixed assets of the Company. The interest rate varies from 8.10 - 8.55%.

	As at 30 September 2021	As at 31 March 2021
<b>16 Other financial liabilities</b>		
<b>Non-current</b>		
Trade / security deposits received	62.15	62.16
	<b>62.15</b>	<b>62.16</b>
<b>Current</b>		
Interest accrued but not due on borrowings	3.17	2.86
Dues to creditors for capital goods	117.26	31.27
Accrued salaries and benefits	73.18	81.11
Trade / security deposits received	35.03	28.51
	<b>228.64</b>	<b>143.75</b>
	<b>290.79</b>	<b>205.91</b>
<b>17 Provisions</b>		
<b>Non-current</b>		
<i>Provision for employee benefits</i>		
Net defined benefit liability - Gratuity	272.52	283.92
Compensated absences	27.27	31.29
	<b>299.79</b>	<b>315.21</b>
<b>Current</b>		
<i>Provision for employee benefits</i>		
Net defined benefit liability - Gratuity	2.76	3.63
Compensated absences	12.48	15.64
Provision for litigation	19.41	19.41
	<b>34.65</b>	<b>38.68</b>
	<b>334.44</b>	<b>353.89</b>
<b>18 Other liabilities</b>		
<b>Non-current</b>		
Unearned income	55.77	25.85
	<b>55.77</b>	<b>25.85</b>
<b>Current</b>		
Unearned income	312.76	299.73
Statutory dues payable	84.20	75.57
Advances from customers	282.03	271.42
	<b>678.99</b>	<b>646.72</b>
	<b>734.76</b>	<b>672.57</b>
<b>Movement in unearned income</b>		
Opening balance as at the beginning of the period/ year	325.58	285.83
Less: Utilization during the period/ year	299.73	259.58
Add: Additions to unearned income during the period/ year	342.68	299.33
Closing balance as at the end of the period/ year	<b>368.53</b>	<b>325.58</b>
<b>Movement in advances from customers</b>		
Opening balance as at the beginning of the period/ year	271.42	364.71
Less: Revenue recognised during the period/ year	271.42	364.71
Add: Additions to advances from customers during the period/ year	282.03	271.42
Closing balance as at the end of the period/ year	<b>282.03</b>	<b>271.42</b>

**Asianet Satellite Communications Limited***(formerly known as Asianet Satellite Communications Private Limited)***Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

	As at 30 September 2021	As at 31 March 2021
<b>19 Trade payables</b>		
Total outstanding dues of micro and small enterprises	28.75	38.31
Total outstanding dues of creditors other than micro and small enterprises	930.38	1,209.24
	<u>959.13</u>	<u>1,247.55</u>

The trade payables include Rs. 141.60 million (31 March 2021: Rs. 213.51 million) pertaining to a factoring arrangement and the gross cash payments under the agreement is Rs. 538.97 million (31 March 2021: Rs. 684.54 million) during the period 1 April 2021 to 30 September 2021.

All trade payables are 'current'.

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

**Ageing of trade payables****As at 30 September 2021**

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	28.75	-	-	-	28.75
ii) Others	-	651.93	2.27	0.91	0.39	655.50
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
v) Unbilled dues	274.88	-	-	-	-	274.88
	<b>274.88</b>	<b>680.68</b>	<b>2.27</b>	<b>0.91</b>	<b>0.39</b>	<b>959.13</b>

**As at 31 March 2021**

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	38.31	-	-	-	38.31
ii) Others	-	1,020.43	1.72	0.58	0.17	1,022.90
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
v) Unbilled dues	186.34	-	-	-	-	186.34
	<b>186.34</b>	<b>1,058.74</b>	<b>1.72</b>	<b>0.58</b>	<b>0.17</b>	<b>1,247.55</b>



**Asianet Satellite Communications Limited***(formerly known as Asianet Satellite Communications Private Limited)***Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
<b>20 Revenue from operations</b>		
Sale of services	2,857.55	5,046.33
Sale of products	49.87	45.44
Other operating revenues	5.53	8.91
	<b>2,912.95</b>	<b>5,100.68</b>
Sale of services comprises :		
Cable television services	1,548.06	2,901.82
Cable internet services	1,287.07	2,084.35
Cable channel services	22.42	60.16
	<b>2,857.55</b>	<b>5,046.33</b>
Sale of products comprises :		
Sale of modem and router	9.08	14.75
Household equipments, kitchen utensils, electronic items etc	40.79	30.69
	<b>49.87</b>	<b>45.44</b>
Other operating revenues comprises:		
Modem rental and others	1.95	4.70
Scrap sales	3.58	4.21
	<b>5.53</b>	<b>8.91</b>
Refer note 37 for disclosures with respect to Revenue from contracts with customers		
<b>21 Other income</b>		
Interest income under the effective interest method on:		
Fixed deposits with banks	4.41	7.25
Lease deposits	0.24	0.52
Interest on income tax refund	0.70	4.44
Net gain on fair value changes on financial assets measured at FVTPL	11.87	30.43
Gain on sale of property, plant and equipment (net)	-	0.01
Liabilities no longer required written back	12.58	-
Insurance claims received	-	10.37
Miscellaneous income	1.42	0.86
	<b>31.22</b>	<b>53.88</b>
<b>22 Network, transmission and related expenses</b>		
Cable television services		
Service charges to associates	105.76	228.04
Pay channel cost	604.03	1,051.96
Broadband services		
Bandwidth charges	158.68	308.71
Commission to selling agents	131.36	200.08
Other direct internet expenses	4.17	8.34
Channel services		
Programme production expenses	20.10	45.60
Agency commission	1.45	3.07
Others	0.43	1.12
License fee to Department of Telecommunications	108.40	-
Trading		
Packing and forwarding charges	1.50	1.07
Customer care expenses	68.71	135.22
Consumption of stores, spares and consumables	20.45	38.77
	<b>1,225.04</b>	<b>2,021.98</b>
<b>23 Purchases of stock-in-trade</b>		
Modems and routers	-	0.33
Household equipments, kitchen utensils, electronic items etc	34.14	23.65
	<b>34.14</b>	<b>23.98</b>
<b>24 Changes in inventories of stock-in-trade</b>		
Opening stock	8.74	21.89
Closing stock	(17.17)	(8.74)
	<b>(8.43)</b>	<b>13.15</b>
<b>25 Employee benefits expense</b>		
Salaries and allowances	287.43	547.31
Contributions to provident and other funds	51.19	89.58
Staff welfare expenses	32.86	45.86
	<b>371.48</b>	<b>682.75</b>
<b>26 Finance costs</b>		
Interest on bank borrowings	77.53	170.12
Interest on lease liabilities (refer Note 36)	3.67	8.16
Net loss on account of foreign exchange fluctuations (classified as finance cost)	2.37	3.31
Other borrowing costs	7.68	21.31
	<b>91.25</b>	<b>202.90</b>

**Asianet Satellite Communications Limited***(formerly known as Asianet Satellite Communications Private Limited)***Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

	<b>For the period 1 April 2021 to 30 September 2021</b>	<b>Year ended 31 March 2021</b>
<b>27 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment (refer note 4)	419.26	783.50
Depreciation on right-of-use assets (refer note 36)	10.10	21.23
Amortisation of intangible assets (refer note 5)	2.97	5.80
	<b>432.33</b>	<b>810.53</b>
<b>28 Other expenses</b>		
Contract labour	102.80	161.04
Power and fuel	66.50	140.08
Rent (Refer Note (i) below)	105.88	272.53
Repairs and maintenance - buildings	0.50	3.33
Repairs and maintenance - machinery	57.20	111.86
Repairs and maintenance - others	21.92	40.78
Insurance	2.76	6.30
Rates and taxes	2.46	6.97
Communication	4.89	7.50
Travelling and conveyance	5.76	10.49
Printing and stationery	1.84	3.93
Bank charges and commission	19.49	38.87
Advertising and marketing	55.13	52.74
Legal and professional	19.58	40.82
Payments to auditors (Refer Note (ii) below)	1.77	3.40
Office maintenance expenses	7.46	13.57
Corporate social responsibility expenses (Refer Note (iii) below)	2.35	14.86
Net loss on account of foreign exchange fluctuations	0.17	7.05
Miscellaneous expenses	2.51	3.38
	<b>480.97</b>	<b>939.50</b>
<b>Notes:</b>		
(i) Rent includes :		
Pole rent / inspection charges	80.64	222.89
Lease/ bandwidth charges	16.62	33.93
Others	8.62	15.71
	<b>105.88</b>	<b>272.53</b>
(ii) Payments to the auditors include payments to statutory auditor (net of taxes, where applicable) :		
Audit	1.77	3.40
	<b>1.77</b>	<b>3.40</b>

**(iii) Corporate Social Responsibility (CSR) expenditure**

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

	<b>For the period 1 April 2021 to 30 September 2021</b>	<b>Year ended 31 March 2021</b>
(i) Gross amount required to be spent by the Group during the year	4.55	4.06
(ii) Amount spent during the period/year (in cash)		
- construction/ acquisition of any asset	-	-
- on purpose other than above	4.97	12.24
(iii) (Shortfall) / Excess at the end of the period/year	0.42	8.18
(iv) Total of previous years shortfall	(2.38)	(10.80)
(v) Details of related party transactions	NA	NA
(vi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period/year	(2.62)	2.62
(vii) Reason for shortfall: The Company was in the process of identifying prospective project as per schedule VII of the Companies Act, 2013		
(viii) Nature of CSR activities:		
a) Payment to Prime minister national relief fund	-	0.62
b) Education	-	0.46
c) Others	2.35	13.78
	<b>2.35</b>	<b>14.86</b>

Represents CSR expenditure to be spent for the financial year ending 31 March 2022. Rs. 2.35 million has been incurred for the period 1 April 2021 to 30 September 2021 and the remaining amount is expected to be spend, before the year-end.

The unspent amount as on 31 March 2021 has been transferred to a separate bank account on 26 April 2021.

**Asianet Satellite Communications Limited**  
(formerly known as Asianet Satellite Communications Private Limited)  
**Notes to the special purpose consolidated financial statements (continued)**  
(All amounts are in Indian Rupees in millions, unless otherwise stated)

	As at 30 September 2021	As at 31 March 2021
<b>29 Income taxes</b>		
Income tax assets, net	4.84	36.46
Provision for income tax, net	-	(18.60)
<b>Net income tax assets at the end of the period/ year</b>	<b>4.84</b>	<b>17.86</b>

**(a) Amount recognised in statement of profit and loss**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Current tax	96.92	86.82
Deferred tax charge	15.76	23.46
<b>Tax expenses</b>	<b>112.68</b>	<b>110.28</b>

**(b) Amount recognised in other comprehensive income**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
<b>Remeasurement of the net defined plans</b>		
Gain/ (loss) before tax	22.68	17.93
Tax (expense) / benefit	(6.01)	(4.39)
<b>Net of tax</b>	<b>16.67</b>	<b>13.54</b>

**(c) Reconciliation of effective tax rate**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
<b>Profit before tax</b>	<b>279.41</b>	<b>420.63</b>
Statutory income tax rate	29.12%	29.12%
Tax using the statutory tax rate	80.97	120.17
Permanent differences - CSR expenditure and others	1.35	2.76
Reduction in brought forward losses*	-	(13.61)
MAT credit utilisation	31.38	-
Other temporary differences	(1.02)	0.96
Tax expense	112.68	110.28
<b>Effective tax rate</b>	<b>40.33%</b>	<b>26.22%</b>

\*The Parent company has admitted certain disallowances made by the Income tax department for Assessment years 2010-11, 2013-14 and 2016-17 under the Vivad Se Viswas Scheme and consequently reduced the carried forward losses to this extent. The Parent Company had admitted disallowance on depreciation claimed for STBs from 60% to 15% and reduced the carried forward losses in AY 2019-20. The written down value as at 31 March 2020 increased by Rs. 67.00 million in the income tax return of Asianet Digital Network Private Limited in AY 2020-21.

**(d) Recognised deferred tax assets and liabilities**

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

Particulars	As at 30 September 2021	As at 31 March 2021
<b>Deferred tax asset</b>		
Allowance for expected credit loss	95.92	85.56
Provision for employee benefits	40.74	43.35
MAT credit entitlement	114.76	146.13
Lease liabilities, impact on account of Ind AS 116	2.48	2.07
Borrowings	4.80	-
<b>Total deferred tax assets (A)</b>	<b>258.70</b>	<b>277.11</b>
<b>Deferred tax liability</b>		
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961	(118.86)	(115.38)
Borrowings	-	(2.30)
Investment	(6.04)	(3.85)
<b>Total deferred tax liability (B)</b>	<b>(124.90)</b>	<b>(121.53)</b>
Deferred tax asset	156.67	155.58
Deferred tax liability	(22.87)	-
<b>Deferred tax asset/ (liability) net (A+B)</b>	<b>133.80</b>	<b>155.58</b>

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

**Asianet Satellite Communications Limited***(formerly known as Asianet Satellite Communications Private Limited)***Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

**29 Income taxes (continued)****(d) Recognised deferred tax assets and liabilities (continued)****(ii) Movement in temporary differences****Year ended 31 March 2021**

<b>Particulars</b>	<b>Balances as at 1 April 2020</b>	<b>Recognised in Profit and loss during 2020- 21</b>	<b>Recognised in OCI during 2020-21</b>	<b>Balances as at 31 March 2021</b>
Allowance for expected credit loss	92.08	(6.53)	-	85.56
Provision for employee benefits	46.77	0.97	(4.39)	43.35
MAT credit entitlement	145.20	0.94	-	146.13
Carry forward losses	20.32	(20.32)	-	-
Lease liabilities, impact on account of Ind AS 116	0.75	1.32	-	2.07
Borrowings	(2.80)	0.50	-	(2.30)
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961	(117.60)	2.21	-	(115.38)
Investment	(1.31)	(2.55)	-	(3.85)
<b>Net deferred tax assets/ (liabilities)</b>	<b>183.41</b>	<b>(23.46)</b>	<b>(4.39)</b>	<b>155.58</b>

**Period 1 April 2021 to 30 September 2021**

<b>Particulars</b>	<b>Balances as at 1 April 2021</b>	<b>Recognised in Profit and loss during the six months ended 30 September 2021</b>	<b>Recognised in OCI during the six months ended 30 September 2021</b>	<b>Balances as at 30 September 2021</b>
Allowance for expected credit loss	85.56	10.36	-	95.92
Provision for employee benefits	43.35	3.41	(6.01)	40.74
MAT credit entitlement	146.13	(31.37)	-	114.76
Lease liabilities, impact on account of Ind AS 116	2.07	0.41	-	2.48
Borrowings	(2.30)	7.10	-	4.80
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961	(115.38)	(3.48)	-	(118.86)
Investment	(3.85)	(2.19)	-	(6.04)
<b>Net deferred tax assets/ (liabilities)</b>	<b>155.58</b>	<b>(15.76)</b>	<b>(6.01)</b>	<b>133.80</b>

**Asianet Satellite Communications Limited***(formerly known as Asianet Satellite Communications Private Limited)***Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

**30 Contingent liabilities and commitments**

Particulars	As at 30 September 2021	As at 31 March 2021
<b>Contingent liabilities</b>		
Claims against the Group not acknowledged as debt		
(i) Service tax demands pending in appeals (Note a)	148.80	148.63
(ii) Income tax (Note b)	22.85	7.91
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-
	<b>171.65</b>	<b>156.54</b>

a) The Parent company has ongoing disputes with Indirect tax authorities on account of disallowance of service tax on STB modem rental charges and revenue reconciliation. Further there are department appeals on account of denial of cenvat credit and bad debts reconciliation for the period from 2009-10 to 2017-18. Management believes that, for the said years, the position taken by it is tenable and hence, no adjustment has been made in the financial statements. As at 30 September 2021, the Company has demands and show cause notices amounting to Rs. 148.80 million (31 March 2021: Rs. 148.63 million) from various indirect tax authorities which are being contested by the Company based on the management evaluation and advice of tax consultants.

b) The Parent company has pending income tax demands pertaining to assessment years from 2017-18 to 2018-19 on account of disallowance of advances written off and delayed PF ESI payment and has filed an appeal against the demands received. Management believes that the position taken by it is tenable and hence, no adjustment has been made in the financial statements. As at 30 September 2021, the Company has contingent liability of Rs. 22.85 million (31 March 2021: Rs. 7.91 million) in respect of tax demands which are being contested by the Company based on the management evaluation and advice of tax consultants.

c) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

**31 Earnings per share (Basic and diluted)**

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

**i) Net profit attributable to equity share holders**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Net profit for the period/ year, attributable to the equity share holders	166.73	310.35

**ii) Weighted average number of equity shares**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Opening balance (Refer note 14)	100,689,225	100,689,225
Shares issued for cash	-	-
Weighted average number of equity shares of Rs. 10 each for the period/ year	100,689,225	100,689,225
Earnings per share, basic and diluted	1.66	3.08

Earnings per share for the period 1 April 2021 to 30 September 2021 has not been annualised.

The Group does not have potentially dilutive equity shares.

**32 Employee benefit obligations****a. Defined benefit plan**

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

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

Particulars	As at 30 September 2021	As at 31 March 2021
Defined benefit obligation liability	280.42	292.97
Plan assets	(5.13)	(5.42)
Net defined benefit liability	275.29	287.55
Compensated absences	39.75	46.94
<b>Total employee benefit liability</b>	<b>315.04</b>	<b>334.49</b>

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(All amounts are in Indian Rupees in millions, unless otherwise stated)

**32 Employee benefit obligations (continued)**
**B Reconciliation of present value of defined benefit obligation**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Balance at beginning of the period	292.97	293.34
Benefit paid	(10.11)	(20.57)
Current service cost	10.05	19.51
Interest cost	10.01	19.36
- changes in financial assumptions	(32.86)	(8.61)
- experience adjustments	10.35	(10.06)
<b>Balance at the end of the period</b>	<b>280.42</b>	<b>292.97</b>

**C Reconciliation of fair value of plan assets**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Opening fair value of plan assets	5.42	20.64
Contributions by employer	9.50	5.30
Benefits paid	(10.11)	(20.57)
Interest income on plan assets	0.15	0.79
Remeasurement on plan assets excluding amounts included in net interest on the net defined benefit liability/(asset)	0.17	(0.75)
<b>Closing fair value of plan assets</b>	<b>5.13</b>	<b>5.42</b>
<b>Net defined benefit (liability)</b>	<b>275.28</b>	<b>287.55</b>

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

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Current service cost	10.05	19.51
Interest cost	9.86	18.57
<b>Gratuity cost</b>	<b>19.92</b>	<b>38.08</b>

**(ii) Remeasurements recognised in other comprehensive income**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Actuarial (gain) on defined benefit obligation	(22.68)	(17.93)

**E Assumptions used to determine benefit obligations:**

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

Particulars	30 September 2021	31 March 2021
Discount rate	6.6%-6.9%	6.7%-6.9%
Future salary growth	6.00%	7.00%
Attrition rate	2.00%	2.00%
Interest rate for interest on net DBO	6.7%-6.9%	6.60%
Mortality Rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of defined benefit obligation	10-13 years	10-13 years

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

**(ii) Sensitivity analysis**

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

Particulars	30 September 2021		31 March 2021	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	(29.04)	33.88	(31.47)	36.90
Future salary growth	33.82	(29.52)	36.47	(14.76)
Attrition rate	1.83	(2.05)	(0.43)	0.47

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

**F Actuarial assumptions for compensated absences**

Particulars	30 September 2021	31 March 2021
Discount rate	6.6% - 6.9%	6.7% - 6.9%
Future salary growth	6.00%	7.00%
Attrition rate	2.00%	2.00%

**G Expense recognised in statement of profit or loss:**

Defined contribution plan	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Contribution to provident fund	27.80	56.14

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(All amounts are in Indian Rupees in millions, unless otherwise stated)

**33 Segment information**

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

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

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

**A. Business segments:**

The business segments of the Group are as follows:

- i) Cable Television Services
- ii) Cable Internet Services
- iii) Others including cable channel services and sale of goods

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
<b>Segment revenue</b>		
Cable Television Services	1,548.06	2,901.82
Cable Internet Services	1,301.02	2,107.42
Others	63.87	91.44
<b>Total</b>	<b>2,912.95</b>	<b>5,100.68</b>
<b>Segment results before income tax</b>		
Cable Television Services	721.24	1,581.37
Cable Internet Services	986.49	1,564.53
Others	13.25	2.07
<b>Total</b>	<b>1,720.98</b>	<b>3,147.97</b>
<b>Less :</b>		
Finance cost	(91.25)	(202.90)
Other unallocable expenditure net of un-allocable income	(1,350.32)	(2,524.44)
<b>Profit before tax</b>	<b>279.41</b>	<b>420.63</b>

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
<b>Segment assets</b>		
Cable Television Services	1,708.65	1,806.39
Cable Internet Services	1,581.13	1,410.42
Others	68.81	51.60
Unallocated	3,595.30	3,500.27
<b>Total</b>	<b>6,953.89</b>	<b>6,768.68</b>
<b>Segment liabilities</b>		
Cable Television Services	928.60	897.28
Cable Internet Services	2,847.62	2,791.79
Others	16.46	14.73
Unallocated	854.83	941.90
<b>Total</b>	<b>4,647.51</b>	<b>4,645.70</b>

The Group operates in a single geographical location.

No major customer contributed more than 10% of the Group's revenue.

**Asianet Satellite Communications Limited**

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**Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

**34 Financial Instruments - Fair values and risk management**

**A Accounting classifications and fair values**

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

**30 September 2021**

Particulars	Note	Carrying amount				Fair value		
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total Carrying value	Level 1	Level 2	Level 3
<b>Financial assets not measured at fair value</b>								
Cash and cash equivalents	11	36.19	-	-	36.19	-	-	-
Other bank balances	12	123.05	-	-	123.05	-	-	-
Trade receivables	10	577.50	-	-	577.50	-	-	-
Loans	6	5.57	-	-	5.57	-	-	-
Other financial assets	13	91.49	-	-	91.49	-	-	-
<b>Financial assets measured at fair value</b>								
Investments	9	-	458.99	-	458.99	-	458.99	-
<b>Total</b>		<b>833.80</b>	<b>458.99</b>	<b>-</b>	<b>1,292.79</b>	<b>-</b>	<b>458.99</b>	<b>-</b>
<b>Financial liabilities not measured at fair value</b>								
Trade payables	19	-	-	959.13	959.13	-	-	-
Borrowings	15	-	-	2,222.54	2,222.54	-	-	-
Other financial liabilities	16	-	-	290.79	290.79	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>3,472.46</b>	<b>3,472.46</b>	<b>-</b>	<b>-</b>	<b>-</b>

**31 March 2021**

Particulars	Note	Carrying amount				Fair value		
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total Carrying value	Level 1	Level 2	Level 3
<b>Financial assets not measured at fair value</b>								
Cash and cash equivalents	11	56.99	-	-	56.99	-	-	-
Other bank balances	12	146.78	-	-	146.78	-	-	-
Trade receivables	10	410.64	-	-	410.64	-	-	-
Loans	6	8.55	-	-	8.55	-	-	-
Other financial assets	13	61.78	-	-	61.78	-	-	-
<b>Financial assets measured at fair value</b>								
Investments	9	-	621.02	-	621.02	-	621.02	-
<b>Total</b>		<b>684.74</b>	<b>621.02</b>	<b>-</b>	<b>1,305.76</b>	<b>-</b>	<b>621.02</b>	<b>-</b>
<b>Financial liabilities not measured at fair value</b>								
Trade payables	19	-	-	1,247.55	1,247.55	-	-	-
Borrowings	15	-	-	2,063.85	2,063.85	-	-	-
Other financial liabilities	16	-	-	205.91	205.91	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>3,517.31</b>	<b>3,517.31</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Group has not disclosed the fair values for financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, trade payables, borrowings and other financial liabilities because their carrying amounts are a reasonable approximation of fair value.

**Measurement of fair values**

The fair value of the financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

**Level 1 fair values**

Investment in equity shares that has a quoted price and which are actively traded on the stock exchanges. It is been valued using the closing price as at the reporting period on the stock exchanges

**Level 2 fair values**

Investment in mutual funds - is unquoted price and are observable for the asset or liability, either directly (i.e, as prices) or indirectly (i.e, derived from prices)

**Level 3 fair values**

If one or more of the significant inputs is not based on observable data, the instrument is included in level 3.

The quantitative sensitivity analysis of level 3 fair value of financial instrument as at 30 September 2021 and 31 March 2021 has not been disclosed as it is not material to the Group.



**Asianet Satellite Communications Limited***(formerly known as Asianet Satellite Communications Private Limited)***Notes to the special purpose consolidated financial statements (continued)**

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**34 Financial Instruments- Fair values and risk management (continued)****B Measurement of fair values**

The following methods and assumptions were used to estimate the fair values:

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

**C Financial risk management**

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

**i) Risk management framework**

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

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

**ii) Credit risk**

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

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables.

The movement in impairment loss in respect of trade and other receivables during the period / year was as follows:

Impairment losses on financial and contract assets	As at 30 September 2021	As at 31 March 2021
Balance at the beginning	332.72	353.32
Impairment loss recognised	37.98	39.14
Bad debts written off	-	(59.74)
<b>Balance at the end</b>	<b>370.70</b>	<b>332.72</b>

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

No single customer accounted for more than 10% of the revenue as of 30 September 2021 and 31 March 2021. There is no significant concentration of credit risk.

Credit risk on cash and cash equivalent and other bank balances is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

The group allocates each exposure to a credit risk grade based on the historic trend of receivables movement between the ageing buckets. The loss rates are calculated based on the simple average of the trend in receivable ageing.

Ageing period	Average loss rate	
	30 September 2021	31 March 2021
Not due	0.10%	0.10%
Less than 6 months	45.72%	49.00%
6 months - 1 year	47.72%	49.22%
1 - 2 years	56.86%	50.23%
2 - 3 years	58.12%	51.23%
More than 3 years	60.12%	58.67%

For ageing of trade receivables, refer Note 10.

**iii) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group believes that the working capital along with its unutilised credit facilities are sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 30 September 2021:

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	959.13	-	959.13
Borrowings	1,471.51	751.03	2,222.54
Lease liabilities	23.85	82.20	106.05
Other financial liabilities	228.64	62.15	290.79
<b>Total</b>	<b>2,683.13</b>	<b>895.38</b>	<b>3,578.51</b>

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2021:

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	1,247.55	-	1,247.55
Borrowings	1,191.02	872.83	2,063.85
Lease liabilities	22.65	74.98	97.63
Other financial liabilities	143.75	62.16	205.91
<b>Total</b>	<b>2,604.97</b>	<b>1,009.97</b>	<b>3,614.94</b>

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

**Asianet Satellite Communications Limited***(formerly known as Asianet Satellite Communications Private Limited)***Notes to the special purpose consolidated financial statements (continued)**

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**34 Financial Instruments- Fair values and risk management (continued)****C Financial risk management (continued)****iv) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

**Foreign currency risk**

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

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

Particulars	As at 30 September 2021		As at 31 March 2021	
	EUR	USD	EUR	USD
Borrowings (current and non-current)	274.80	104.57	370.40	118.76
Other current financial liabilities	0.27	8.64	0.15	3.29

**Sensitivity analysis**

Particulars	As at 30 September 2021		As at 31 March 2021	
	Impact on profit or (loss)	Impact on equity, net of tax	Impact on profit or (loss)	Impact on equity, net of tax
<b>USD Sensitivity</b>				
INR/USD - Increase by 1%	(1.13)	(0.80)	(1.22)	(0.87)
INR/USD - Decrease by 1%	1.13	0.80	1.22	0.87
<b>EUR Sensitivity</b>				
INR/EUR - Increase by 1%	(2.75)	(1.98)	(3.71)	(2.66)
INR/EUR - Decrease by 1%	2.75	1.98	3.71	2.66

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

**Unhedged foreign currency exposure**

Foreign currency	As at 30 September 2021		As at 31 March 2021	
	USD	EURO	USD	EURO
Amount in foreign currency (in millions)	1.52	3.19	1.66	4.30
Amount in INR	113.21	275.07	122.04	370.55

**Cash flow and fair value interest rate risk**

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

**(a) Interest rate risk exposure**

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

Financial liabilities (bank borrowings)	As at 30 September 2021	As at 31 March 2021
Variable rate long term borrowings including current maturities	1,236.22	1,329.80

Particulars	As at 30 September 2021		As at 31 March 2021	
	Impact on profit or (loss)	Impact on equity, net of tax	Impact on profit or (loss)	Impact on equity, net of tax
<b>Sensitivity</b>				
1% increase	(12.36)	(8.86)	(13.30)	(9.55)
1% decrease	12.36	8.86	13.30	9.55

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

**Asianet Satellite Communications Limited***(formerly known as Asianet Satellite Communications Private Limited)***Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

**35 Capital Management****Risk Management**

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

The capital structure as of 30 September 2021 and 31 March 2021 were as follows:

Particulars	As at	
	30 September 2021	31 March 2021
Total liabilities	4,647.51	4,645.70
Less: cash and cash equivalents	(36.19)	(56.99)
<b>Net debt (A)</b>	<b>4,611.32</b>	<b>4,588.71</b>
<b>Total equity (B)</b>	<b>2,306.38</b>	<b>2,122.98</b>
<b>Debt to equity ratio (A/B)</b>	<b>2.00</b>	<b>2.16</b>

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

**36 Leases**

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

*(i) Lease liabilities*

Following are the changes in the lease liabilities:

Particulars	As at	
	30 September 2021	31 March 2021
Balance at the beginning of the period/ year	83.33	98.70
Additions	8.04	1.15
Finance cost accrued during the period/ year (refer note 26)	3.67	8.16
Payment of lease liabilities	(12.06)	(24.68)
<b>Balance at the end of the period/ year</b>	<b>82.98</b>	<b>83.33</b>
Non-current lease liabilities	65.75	67.47
Current lease liabilities	17.23	15.86

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

Particulars	As at	
	30 September 2021	31 March 2021
Less than one year	23.85	22.65
One to five years	61.81	59.71
More than five years	20.39	15.27
<b>Total undiscounted lease liabilities</b>	<b>106.05</b>	<b>97.63</b>

*(iii) Right-of-use assets*

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

Particulars	As at 30 September 2021		As at 31 March 2021	
	Building	Software	Building	Software
Balance at the beginning of the period / year	68.17	7.77	84.91	11.09
Addition to right-of-use assets	8.39	-	1.17	-
Depreciation for the period / year (refer note 27)	(8.43)	(1.67)	(17.91)	(3.32)
<b>Balance at the end of the period / year</b>	<b>68.13</b>	<b>6.10</b>	<b>68.17</b>	<b>7.77</b>

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

Particulars	As at	
	30 September 2021	31 March 2021
Depreciation on right-of-use assets (refer note 27)	10.10	21.23
Interest on lease liabilities (refer note 26)	3.67	8.16

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

Particulars	As at	
	30 September 2021	31 March 2021
Total cash out flow for leases	12.06	24.68

**Asianet Satellite Communications Limited**
*(formerly known as Asianet Satellite Communications Private Limited)*
**Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

**37 Revenue from contracts with customers**

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

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
<b>Timing of Revenue Recognition</b>		
Products and services transferred at a point in time	53.45	49.65
Products and services transferred over time	2,859.50	5,051.03
	<b>2,912.95</b>	<b>5,100.68</b>

**(b) Contract Balances**

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

Particulars	As at 30 September 2021	As at 31 March 2021
Trade receivables (refer note 10)	577.50	410.64
Advance from customers (refer note 18)	282.03	271.42
Unearned revenue (refer note 18)	368.53	325.58

**38 Related party transactions**
**(A) Related party relationships:**

Description of relationship	Names of related parties
Entity exercising significant influence on the Company	Coronet Investments Private Limited
Entity in which KMP has significant influence	M/s. Hathway Cable & Datacom Limited M/s. Hathway Investments Private Limited
Key Management Personnel (KMP)	Mr. Vijay Aggarwal, Director (till 20 May 2021) Mr. Viren Rajan Raheja, Chairman and Non-Executive Director Mr. Vinayak Aggarwal, Director (till 30 November 2021) Ms. Aneesha Akshay Raheja, Director (till 30 November 2021) Mr. Rakesh Thakor Desai, Director (till 30 November 2021) Mr. Suresh Pazhempallil Sivaraman Nair, Whole Time Director and CFO (w.e.f 1 December 2021) Mr. Sankaranarayana Gopalan, Vice Chairman and Non executive Director (w.e.f 1 November 2021) (Managing Director and CEO till 31 October 2021) Mr. Sreerama Murthy Chaganti, Managing Director and CEO (w.e.f 1 November 2021) Mr. Ankit Rajiv Somani, Independent Director (w.e.f 1 December 2021) Mr. Joseph Conrad D'Souza, Independent Director (w.e.f 1 December 2021) Mr. Praveen Sharma, Independent Director (w.e.f 1 December 2021) Mrs. Ravina Vinay Rajpal, Independent Director (w.e.f 1 December 2021) Mr. Joby Mathew, Company Secretary and Compliance Officer

**(B) Details of related party transactions for the period 1 April 2021 to 30 September 2021**

Name of the Related Party	Nature of Transaction	Volume of transactions	
		For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
M/s. Hathway Cable & Datacom Limited	Lease payments	-	4.49
Key Management Personnel (KMP)	Salaries and allowances*	33.29	13.53

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

**(C) Balance receivable from / (payable) to related parties as at the balance sheet date**

Name of the Related Party	Nature of Transaction	Outstanding balance	
		As at 30 September 2021	As at 31 March 2021
M/s. Hathway Investments Private Limited	Redeemable preference shares	(26.84)	(26.79)

39 The Parent company was a Multi System Operator (MSO) under Section 2(c) of the Cable Television Networks Rules, 1994 and also has an Internet Service Provider (ISP) license from Department of Telecommunications ('DOT'). The Company has been assessed on yearly basis by the DOT, and provisional assessment had been completed up to the financial year ended 31 March 2015. During the previous year and current year, the Company has received demand orders from DOT, amounting Rs. 6,253.8 million (including license fee, interest, penalty and interest on penalty) for the period from 1 April 2008 to 31 March 2019. This was computed by including the revenue generated from cable TV and allied businesses, whereby the DOT contradicted its own stand which it had followed until then.

These orders are based on Hon. Supreme Court order on Adjusted Gross Revenue ('AGR') dues from telecom operators. Subsequently, the Hon. Supreme Court vide its orders dated 11 June 2020 and 18 June 2020, in the matter pertaining to public sector undertakings ('PSU's'), having licenses other than Unified license, clarified that the AGR judgement could not have been a basis for raising demands on the non-telecom PSU's and accordingly DOT withdrew the demands on the non-telecom PSUs. Further, the Company has appealed to the Telecom Disputes Settlement and Appellate Tribunal (TDSAT), which has granted stay on the demand till further hearings. The matter is currently pending before the TDSAT. During the previous year, pursuant to the representations made by AIDCF (All India Digital Cable Federation) to Ministry of Information and Broadcasting (MIB), MIB has sent an office memorandum to DOT dated 17 February 2021. As per the short affidavit filed by the DOT with TDSAT on 18 November 2021, an Inter-Ministerial Group (IMG) was constituted on 25 October 2021 to examine the representation made by the AIDCF.

Management believes, based on legal advice obtained by the Company and the Company's own internal evaluation, that the Company will be able to successfully defend its position and the demand will be disposed-off in favour of the Company. Accordingly, no provision is made in the books of accounts for this claim and Management also believes that the legal proceedings will not have any adverse impact on the financial results and the functioning of the Company.

The Company made a payment of 52.70 million during the period ended 30 September 2021 and 55.70 million subsequently, under protest to Department of Telecommunications towards license fee on pure internet charges / revenue from broadband services, relating to the period 1 April 2021 to 30 September 2021. This has been charged to the statement of profit and loss for the period ended 30 September 2021 – Refer Note 22.

**Asianet Satellite Communications Limited**
*(formerly known as Asianet Satellite Communications Private Limited)*
**Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

**40 Additional information pursuant to Paragraph 2 of Division II of Schedule III to the Companies Act - 'General instructions for the preparation of consolidated financial statements**
**30 September 2021**

Name of the entity	Net assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent:</b>								
Asianet Satellite Communications Limited	93%	2,148.86	98%	163.84	61%	10.11	95%	173.95
<b>Subsidiaries:</b>								
Asianet Digital Network Private Limited	42%	958.69	2%	2.89	39%	6.56	5%	9.45
Roseblossoms Vision Private Limited	0%	(0.01)	-	-	-	-	-	-
Eliminations / adjustments	-35%	(801.16)	-	-	-	-	-	-
	<b>100%</b>	<b>2,306.38</b>	<b>100%</b>	<b>166.73</b>	<b>100%</b>	<b>16.67</b>	<b>100%</b>	<b>183.40</b>

**31 March 2021**

Name of the entity	Net assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent:</b>								
Asianet Satellite Communications Limited	93%	1,974.89	81%	249.91	0%	(0.05)	77%	249.86
<b>Subsidiaries:</b>								
Asianet Digital Network Private Limited	45%	949.26	19%	60.44	100%	13.59	23%	74.03
Roseblossoms Vision Private Limited	0%	(0.01)	-	-	-	-	-	-
Eliminations / adjustments	-38%	(801.16)	-	-	-	-	-	-
	<b>100%</b>	<b>2,122.98</b>	<b>100%</b>	<b>310.35</b>	<b>100%</b>	<b>13.54</b>	<b>100%</b>	<b>323.89</b>

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

**42 Ratios as per the Schedule III requirements**
**(a) Current Ratio**

Particulars	As at	As at
	30 September 2021	31 March 2021
Total current assets	1,273.89	1,362.82
Total current liabilities	3,390.15	3,302.18
<b>Current ratio</b>	<b>37.58%</b>	<b>41.27%</b>
% Change from previous period / year	Not Applicable*	

**(b) Debt Equity Ratio**

Particulars	As at	As at
	30 September 2021	31 March 2021
Borrowings	2,222.54	2,063.85
Total equity	2,306.38	2,122.98
<b>Debt equity ratio</b>	<b>96.36%</b>	<b>97.21%</b>
% Change from previous period / year	Not Applicable*	

**(c) Debt Service Coverage Ratio**

Particulars	For the period	Year ended
	1 April 2021 to 30 September 2021	31 March 2021
Profit after tax for the period / year	166.73	310.35
<b>Add: Non cash operating expense and finance cost</b>	<b>523.58</b>	<b>1,013.43</b>
Depreciation and amortisation expense	432.33	810.53
Finance costs	91.25	202.90
<b>Earnings available for debt services</b>	<b>690.31</b>	<b>1,323.78</b>
Interest on bank borrowings	77.53	170.12
Long term secured loans repaid	653.71	1,214.30
<b>Total interest and principal repayments</b>	<b>731.24</b>	<b>1,384.42</b>
<b>Debt service coverage ratio</b>	<b>94.40%</b>	<b>95.62%</b>
% Change from previous period / year	Not Applicable*	

**42 Ratios as per the Schedule III requirements (continued)**

**(d) Return on Equity Ratio**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Profit after tax for the period / year	166.73	310.35
Total equity	2,306.38	2,122.98
<b>Return on equity ratio</b>	<b>7.23%</b>	<b>14.62%</b>
<b>% Change from previous period / year</b>	Not Applicable*	

**(e) Inventory Turnover Ratio**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Purchases of stock-in-trade	34.14	23.98
Stock-in-trade	17.17	8.74
<b>Inventory turnover ratio</b>	<b>198.84%</b>	<b>274.37%</b>
<b>% Change from previous period / year</b>	Not Applicable*	

**(f) Trade Receivables Turnover Ratio**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Revenue from operations	2,912.95	5,100.68
Net trade receivables	577.50	410.64
<b>Trade receivables turnover ratio</b>	<b>504.41%</b>	<b>1242.13%</b>
<b>% Change from previous period / year</b>	Not Applicable*	

**(g) Trade Payables Turnover Ratio**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Purchases / expenses* (refer note below)	1,718.14	2,924.68
Trade payables	959.13	1,247.55
<b>Trade payables turnover ratio</b>	<b>179.14%</b>	<b>234.43%</b>
<b>% Change from previous period / year</b>	Not Applicable*	

**Note:** Purchases / expenses is calculated by reducing expenditure on CSR activity, Net loss on account of foreign exchange fluctuations, bank charges and commission from the total of operating expenses, purchases of stock-in-trade and other expenses.

**(h) Net Capital Turnover Ratio**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Revenue from operations	2,912.95	5,100.68
Net working capital* (refer note below)	(2,116.26)	(1,939.36)
<b>Net capital turnover ratio</b>	<b>-137.65%</b>	<b>-263.01%</b>
<b>% Change from previous period / year</b>	Not Applicable*	

**Note:** Net working capital is calculated by reducing total current liabilities from total current assets.

**(i) Net profit ratio**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Profit after tax for the period / year	166.73	310.35
Revenue from operations	2,912.95	5,100.68
<b>Net profit ratio</b>	<b>5.72%</b>	<b>6.08%</b>
<b>% Change from previous period / year</b>	Not Applicable*	

**(j) Return on Capital Employed**

Particulars	For the period 1 April 2021 to 30 September 2021	Year ended 31 March 2021
Profit before tax	279.41	420.63
Finance costs	91.25	202.90
Other income	31.22	53.88
<b>Earnings before interest and tax</b>	<b>339.44</b>	<b>569.65</b>
<b>Capital employed</b>	<b>2,945.51</b>	<b>2,641.71</b>
Total assets	6,953.89	6,768.68
Total current liabilities	3,390.15	3,302.18
Investments	458.99	621.02
Cash and cash equivalents	36.19	56.99
Bank balances other than cash and cash equivalents	123.05	146.78
<b>Return on capital employed</b>	<b>11.52%</b>	<b>21.56%</b>
<b>% Change from previous period / year</b>	Not Applicable*	

\*Considered not applicable since the constituting amounts for the six months period ended 30 September 2021 has not been annualised.

**Asianet Satellite Communications Limited**

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

**Notes to the special purpose consolidated financial statements (continued)**

(All amounts are in Indian Rupees in millions, unless otherwise stated)

**43** With regard to the new amendments under “Division II of Schedule III” under “Part I – Balance Sheet - General Instructions for preparation of Balance Sheet” there are no balances that are required to be disclosed with regard to the following clauses L (ii), (iii), (iv), (v), (viii), (x), (xi), (xii), (xiii), (xv) and (xvi) for the Group.

With regard to the new amendments under “Division II of Schedule III” under “Part II – Statement of Profit and Loss - General Instructions for preparation of Statement of Profit and Loss” there are no transactions that are required to be disclosed with regard to the following clauses B(l) and B(n) for the Group.

As per our examination report of even date attached

for **B S R & Associates LLP**

*Chartered Accountants*

Firm registration number: 116231W /W-100024

for and on behalf of the Board of Directors of

**Asianet Satellite Communications Limited**

*(formerly known as Asianet Satellite Communications Limited)*

CIN: U92132KL1992PLC006725

**Baby Paul**

*Partner*

Membership number: 218255

Kochi

10 December 2021

**Viren Rajan Raheja**

*Chairman and Non-Executive Director*

DIN: 00037592

Mumbai

10 December 2021

**Sreerama Murthy Chaganti**

*Managing Director and CEO*

DIN: 09379784

Thiruvananthapuram

10 December 2021

**Suresh Pazhempallil Sivaraman Nair**

*Whole Time Director and CFO*

DIN: 08421313

Thiruvananthapuram

10 December 2021

**Joby Mathew**

*Company Secretary and Compliance Officer*

Membership number: A 24411

Thiruvananthapuram

10 December 2021