Asianet Satellite Communications Limited

Statutory Audit for the year ended 31 March 2022

B S R & Associates LLP, Kochi

August 2022

Quality Checks : Completed
Spelling / diction / comparison ✓
Indexing / pagination / paras ✓
Calculation / arithmetical accuracy/ rounding off errors ✓
Done by :
Name and Designation Firaz Ibrahim, Manager
Signature and Date 22nd August 2022
Engagement Partner Baby Paul
Project Code 16071995

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B S R & Associates LLP

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Independent Auditor's Report

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

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited) (the "Company") which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

Registered Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

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

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

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

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

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements.

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

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 44 (a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 44 (b) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231W/W-100024

Baby Paul

Partner

Membership No.: 218255

ICAI UDIN:22218255APOXAV8087

Place: Kochi

Date: 22 August 2022

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years other than cables and modems installed at subscribers' locations. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year. No material discrepancies were noticed on such verification. With respect to the cables and modems installed at subscribers' locations, management is of the view that it is not possible to physically verify these assets due to their nature and location. According to the information and explanations given to us, the existence of modems is verified on the basis of the 'active user' status in the system.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022 *(Continued)*

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Whether return / statement subsequently rectified
Q1	Federal Bank, HDFC Bank	Trade Receivables	233.93	202.50	(31.43)	Refer Note 16 to Standalone Financial Statements.
		Inventory and Capital Work in Progress	250.11	125.10	(125.01)	
Q2	Federal Bank, HDFC Bank	Trade Receivables	187.19	181.90	(5.29)	Refer Note 16 to Standalone Financial Statements
		Inventory and Capital Work in Progress	192.43	110.70	(81.73)	
		Trade Payables	365.09	182.70	(182.39)	
Q3	Federal Bank, HDFC Bank	Trade Receivables	175.35	180.60	5.25	Refer Note 16 to Standalone Financial Statements
		Inventory and Capital Work in Progress	175.61	118.30	(57.31)	
		Trade Payables	279.54	155.70	(123.84)	

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, secured or unsecured, or made any investments in companies, firms, limited liability partnership or any other parties during the year. Accordingly, provisions of clauses 3(iii)(c) to 3(iii)(f) of the Order are not applicable to the Company. The Company has provided guarantee and security to Companies during the year in respect of which the requisite information is as below. The Company has not provided any guarantee or security to limited liability partnership or any other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has stood guarantee, or provided security to any other entity as below:

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022 *(Continued)*

Particulars	Guarantees	Security
Aggregate amount during the year – Subsidiaries*	851.20	851.20
Balance outstanding as at balance sheet date – Subsidiaries*	515.05	515.05

**As per the Companies Act, 2013*

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, guarantees provided and security given during the year are, prima facie, not prejudicial to the interest of the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of cost of operation, cost of sales and margin of all services and products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022 *(Continued)*

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Amount paid under protest (in Rs.)	Forum where dispute is pending
The Kerala Value Added Tax	Sales Tax	7.88	FY 2011-12	1.58	Deputy Commissioner (Assessing Officer, State Goods and Services Tax) - Trivandrum
		8.38	FY 2012-13	1.05	Deputy Commissioner (Assessing Officer, State Goods and Services Tax) - Trivandrum
		8.86	FY 2013-14	1.22	Deputy Commissioner (Assessing Officer, State Goods and Services Tax) - Trivandrum
		8.18	FY 2014-15	1.20	Deputy Commissioner (Assessing Officer, State Goods and Services Tax) - Trivandrum
		7.68	FY 2016-17	0.95	Joint Commissioner (Appeals), Trivandrum
		13.21	FY 2015-16	1.56	Joint Commissioner (Appeals), Trivandrum
Finance Act 1994	Service Tax	60.37	FY 2009-10	1.80	Customs Excise & Service Tax Appellate Tribunal, Bangalore
		30.45	FY 2006-07 to FY 2010-	-	

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022 *(Continued)*

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Amount paid under protest (in Rs.)	Forum where dispute is pending
			11		
		36.39	FY 2010-11	2.50	
		8.04	FY 2015-16 to FY 2017-18	-	
		32.48	FY 2016-17	-	
Customs Act, 1962	Customs Duty	19.41	FY 2002-03	9.70	High Court, Madras
Income Tax Act, 1961	Income Tax	10.70	FY 2015-16	-	Commissioner of Income Tax (Appeals)
		22.40	FY 2016-17	-	
		0.45	FY 2017-18	-	

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not used funds raised on short-term basis for long-term purposes except Rs. 667.82 millions. Further, the funds raised on short-term basis during the year, prima facie, have not been utilised for long term purpose.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022 *(Continued)*

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explainations given to us, the Group does not have any CIC as part of the Group. Accordingly, clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022 *(Continued)*

supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231W/W-100024

Baby Paul

Partner

Membership No.: 218255

ICAI UDIN:22218255APOXAV8087

Place: Kochi

Date: 22 August 2022

Annexure B to the Independent Auditor's Report on the standalone financial statements of Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022

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

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited) ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Annexure B to the Independent Auditor's Report on the standalone financial statements of Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022 *(Continued)*

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231W/W-100024

Baby Paul

Partner

Place: Kochi

Membership No.: 218255

Date: 22 August 2022

ICAI UDIN:22218255APOXAV8087

Asianet Satellite Communications Limited
(formerly known as Asianet Satellite Communications Private Limited)
Standalone balance sheet as at 31 March 2022
(All amounts in Indian rupee millions)

	Notes	As at 31 March 2022	As at 31 March 2021
Assets			
Non-current assets			
Property, plant and equipment	4	3,883.58	3,216.75
Capital work-in-progress	4	194.14	269.24
Right-of-use assets	36	50.95	57.88
Intangible assets	5	5.62	8.61
Intangible assets under development	5	42.96	26.27
Financial assets			
Investments	6	801.16	801.16
Other financial assets	14	30.92	39.03
Deferred tax assets (net)	30	-	7.37
Income tax assets (net)	30	29.03	24.52
Other non-current assets	8	115.24	25.76
Total non-current assets		**5,153.60**	**4,476.59**
Current assets			
Inventories	9	0.42	0.90
Financial assets			
Trade receivables	11	147.51	62.05
Cash and cash equivalents	12	13.27	37.24
Other bank balances	13	107.42	130.08
Loans	7	9.04	5.33
Other financial assets	14	9.49	8.79
Other current assets	8	90.69	38.62
Total current assets		**377.84**	**283.02**
Assets classified as held for sale	42	-	137.08
Total assets		**5,531.44**	**4,896.69**
Equity and liabilities			
Equity			
Equity share capital	15	1,006.89	1,006.89
Other equity		1,373.16	968.00
Total equity		**2,380.05**	**1,974.89**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	890.02	589.48
Lease liabilities	36	46.78	51.18
Other financial liabilities	20	22.10	28.50
Provisions	17	211.20	218.71
Deferred tax liabilities (net)	30	85.04	-
Other non-current liabilities	18	1.89	150.77
Total non-current liabilities		**1,257.03**	**1,038.64**
Current liabilities			
Financial liabilities			
Borrowings	16	1,104.62	993.91
Lease liabilities	36	11.42	12.16
Trade payables	19		
Total outstanding dues of micro and small enterprises		12.27	18.89
Total outstanding dues of creditors other than micro and small enterprises		302.97	400.95
Other financial liabilities	20	126.89	85.28
Provisions	17	35.81	30.20
Income tax liabilities (net)	30	-	18.60
Other current liabilities	18	300.38	323.17
Total current liabilities		**1,894.36**	**1,883.16**
Total liabilities		**3,151.39**	**2,921.80**
Total equity and liabilities		**5,531.44**	**4,896.69**
Significant accounting policies	3		

The accompanying notes form an integral part of these standalone financial statements.

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

Baby Paul
Partner
Membership number: 218255

Kochi
22 August 2022

for and on behalf of the Board of Directors of
Asianet Satellite Communications Limited
(formerly known as Asianet Satellite Communications Private Limited)
CIN: U92132KL1992PLC006725

Viren Raheja
Chairman and
Non-Executive Director
DIN: 00037592
Mumbai
22 August 2022

Sreerama Murthy Chaganti
Managing Director and
Chief Executive Officer
DIN: 09379784
Thiruvananthapuram
22 August 2022

Suresh Pazhempallil Sivaraman Nair
Whole Time Director and
Chief Financial Officer
DIN: 08421313
Thiruvananthapuram
22 August 2022

Joby Mathew
Company Secretary and
Compliance Officer
Membership no: A 24411
Thiruvananthapuram
22 August 2022

Asianet Satellite Communications Limited
2A,II nd Floor
Carnival Technopark
Leela InfoPark
Kazhakuttom
Karyavattom.P.O
Trivandrum
PIN-695 581

Asianet Satellite Communications Limited
(formerly known as Asianet Satellite Communications Private Limited)
Standalone statement of profit and loss for the year ended 31 March 2022
(All amounts in Indian rupee millions)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	21	2,888.80	2,337.84
Other income	22	27.21	24.92
Total income		**2,916.01**	**2,362.75**
Expenses			
Network, transmission and related expenses	23	944.80	645.62
Purchases of stock-in-trade	24	1.15	0.33
Changes in inventories of stock-in-trade	25	0.48	10.84
Employee benefits expense	26	418.99	347.07
Impairment losses on financial and contract assets	34C	-	25.76
Finance costs	27	152.89	163.43
Depreciation and amortisation expense	28	535.43	469.62
Other expenses	29	284.59	337.98
Total expenses		**2,338.33**	**2,000.65**
Profit before tax		**577.68**	**362.10**
Tax expense	30		
Current tax		103.27	57.54
Deferred tax charge/ (credit)		85.67	54.64
Total tax expense		**188.94**	**112.18**
Profit for the year		**388.74**	**249.92**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of net defined benefit plan income/ (loss)		23.17	(0.07)
Income tax charge/ (credit) relating to the above		(6.75)	0.02
Other comprehensive income/ (loss) for the year, net of income tax		**16.42**	**(0.05)**
Total comprehensive income for the year		**405.16**	**249.87**
Earning per equity share (equity share of face value Rs.10 each)	32		
Basic and diluted (Rs.)		3.86	2.48
Significant accounting policies	3		

The accompanying notes form an integral part of these standalone financial statements.

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

Baby Paul
Partner
Membership number: 218255

Kochi
22 August 2022

for and on behalf of the Board of Directors of
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Asianet Satellite Communications Limited
(formerly known as Asianet Satellite Communications Private Limited)
Standalone statement of cash flows for the year ended 31 March 2022
(All amounts in Indian rupee millions)

	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from operating activities		
Profit before taxes	577.68	362.10
Adjustments for:		
Depreciation and amortisation	535.43	469.62
Gain on sale of property, plant and equipment (net)	(0.05)	(0.01)
Net gain on fair value changes on financial assets measured at FVTPL	-	(1.17)
Finance costs	152.89	163.43
Interest income under the effective interest method	(6.85)	(6.68)
Interest on loan due from subsidiary	-	(5.40)
Financial guarantee income	(3.07)	(2.20)
Liabilities no longer required written back	(12.58)	-
Impairment losses on financial and contract assets	-	25.76
Unrealised foreign exchange (gain)/ loss	(2.79)	7.09
Operating cash flow before working capital changes	**1,240.66**	**1,012.53**
Decrease in inventories	0.48	10.84
Increase in trade receivables	(85.46)	(18.92)
Decrease / (increase) in financial assets and other assets	(115.18)	177.74
Increase / (decrease) in financial liabilities and other liabilities	(227.19)	474.01
Net cash generated from operating activities before taxes	**813.31**	**1,656.19**
Income tax paid, net	(126.38)	(28.30)
Net cash generated from operating activities (A)	**686.92**	**1,627.89**
Cash flow from investing activities		
Acquisition of property, plant and equipment	(966.25)	(921.85)
Proceeds from sale of property, plant and equipment	(4.46)	0.31
Proceeds from sale of investment in mutual funds, net	-	119.98
Dividends received from mutual funds	-	0.47
Interest received	8.80	21.05
Net cash used in investing activities (B)	**(961.91)**	**(780.04)**
Cash flow from financing activities		
Long term secured loans availed	1,274.58	692.60
Long term secured loans repaid	(972.17)	(1,072.15)
Current borrowings availed, net	110.71	(262.65)
Payment of lease liabilities	(17.43)	(18.09)
Finance costs	(144.68)	(162.91)
Net cash generated used in financing activities (C)	**251.01**	**(823.20)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(23.97)**	**24.65**
Cash and cash equivalents at the beginning of the year	37.24	12.59
Cash and cash equivalents at the end of the year	**13.27**	**37.24**
Refer to note 12 cash and cash equivalents		

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 31 March 2022
			Fair value	Others*	
Non-current borrowings (including current maturities)	589.48	302.41	-	(1.87)	890.02
Current borrowings	993.91	110.71	-	-	1,104.62
Lease liabilities	63.33	(17.43)	-	12.30	58.20
Total	**1,646.72**	**395.69**	**-**	**10.43**	**2,052.84**

Particulars	As at 1 April 2020	Cash flows	Non cash changes		As at 31 March 2021
			Fair value	Others*	
Non-current borrowings	953.37	(379.55)	-	15.66	589.48
Current borrowings	1,262.18	(262.65)	-	(5.62)	993.91
Lease liabilities	74.66	(18.09)	-	6.77	63.33
Total	**2,290.20**	**(660.29)**	**-**	**16.81**	**1,646.72**

*Others includes finance cost accrued Rs. 4.91 million (31 March 2021: Rs. 6.20 million)

The accompanying notes form an integral part of these standalone financial statements.

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

Baby Paul
Partner
Membership No: 218255

Kochi
22 August 2022

for and on behalf of the Board of Directors of
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Asianet Satellite Communications Limited
(formerly known as Asianet Satellite Communications Private Limited)
Standalone statement of changes in equity for the year ended 31 March 2022
(All amounts in Indian rupee millions)

A Equity Share Capital

Particulars	Note	Amount
Balance as at 1 April 2020		**1,006.89**
Changes in equity share capital during the year	15	-
Balance as at 31 March 2021		**1,006.89**
Changes in equity share capital during the year	15	-
Balance as at 31 March 2022		**1,006.89**

B Other equity

Particulars	Equity component of compound financial instruments	Reserves and surplus		Items of other comprehensive income	Total other equity attributable to equity holders of the Company
		Securities Premium	Retained earnings	Remeasurement of net defined benefit liability/ (asset), net of tax	
Balance as at 1 April 2020	**3.44**	**969.86**	**(255.17)**	-	**718.13**
Total comprehensive income for the year					
Profit for the year	-	-	249.92	-	**249.92**
Other comprehensive loss, net of tax	-	-	-	(0.05)	**(0.05)**
Total comprehensive income	-	-	**249.92**	**(0.05)**	**249.87**
Transfer to retained earnings			(0.05)	0.05	-
Balance as at 31 March 2021	**3.44**	**969.86**	**(5.30)**	-	**968.00**
Balance as at 1 April 2021	**3.44**	**969.86**	**(5.30)**	-	**968.00**
Total comprehensive income for the year					
Profit for the year	-	-	388.74	-	**388.74**
Other comprehensive gain, net of tax	-	-	-	16.42	**16.42**
Total comprehensive income	-	-	**388.74**	**16.42**	**405.16**
Transfer to retained earnings			16.42	(16.42)	-
Balance as at 31 March 2022	**3.44**	**969.86**	**399.86**	-	**1,373.16**

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 15.

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 company earned till date, net of appropriations.

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

As per our report of even date attached

for **B S R & Associates LLP**
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1. Company overview

Asianet Satellite Communications Limited *(formerly known as Asianet Satellite Communications Private Limited*) is in the business of providing high speed broadband internet access through cable network, high bandwidth internet broadband service to enterprise management and infrastructure support to licensed telecommunication service providers in South India and Maharashtra. The Company was a private limited company and converted to public limited company on 20 October 2021.

2. Basis of preparation

A. Statement of compliance

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

The financial statements were authorised for issue by the Company's Board of Directors on 22 August 2022.

B. Functional and presentation currency

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

C. Basis of measurement

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

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

D. Use of estimates and judgements

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

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

Judgements

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

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2022 is included in the following notes:

- Note 4 and 5 - Measurement of useful life and residual value of property, plant and equipment and intangible assets;
- Note 33 - Measurement of defined benefit obligations: key actuarial assumptions;
- Note 30 - Recognition of deferred tax asset:
- Note 31- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

2. Basis of preparation (continued)

E. Measurement of fair values

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

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

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

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

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

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

- Financial instruments – Note 34

3. Significant accounting policies

3.1 Property, plant and equipment

i. Recognition and measurement

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

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

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

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

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

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

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

ii. Subsequent expenditure

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

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3. Significant accounting policies (continued)

3.1 Property, plant and equipment (continued)

iii. Depreciation

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

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

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

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

3.2 Intangible assets

Amortisation

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

Class of assets	Years
Software	4

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit or loss as incurred.

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3. Significant accounting policies (continued)

3.3 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories comprises purchase price, and other cost incurred in bringing the inventories to their present location and condition. The Company uses the weighted average method to determine the cost of inventory consisting of routers.

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

3.4 Impairment

i. Impairment of financial assets

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

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

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

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

Measurement of expected credit losses

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

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

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

Write-off:

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

ii. Impairment of non- financial assets

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

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).

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3. Significant accounting policies (continued)

3.4 Impairment of non-financial assets (continued)

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

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

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

3.5 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined Benefit plans

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

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

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

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3. Significant accounting policies (continued)

3.5 Employee benefits (continued)

Other long term employee benefits- Compensated absences

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

3.6 Provisions (other than employee benefits)

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

3.7 Revenue

Revenue from contract with customers

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

Disaggregation of revenue

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

Contract balances

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

Performance obligations and revenue recognition policies

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

3. Significant accounting policies (continued)

3.7 Revenue (continued)

a) Cable internet services

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

b) Sale of modems and routers

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

c) Other operating income

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

3.8 Foreign Currency Transactions

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

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

3.9 Leases

a) Determining whether an arrangement contains a lease

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

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3. Significant accounting policies (continued)

3.9 Leases (continued)

b) Measurement of leases as a lessee

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

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

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

3.10 Recognition of dividend income, interest income or interest expense

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

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

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

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

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3. Significant accounting policies (continued)

3.11 Income tax

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

i. Current tax

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

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

ii. Deferred tax

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

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

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

3.12 Borrowing cost

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

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3. Significant accounting policies (continued)

3.13 Financial instruments

i. Recognition and initial measurement

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

ii. Classification and subsequent measurement

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

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

Financial assets: Business model assessment

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

- the stated policies and objectives for each of such investments and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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

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

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3. Significant accounting policies (continued)

3.13 Financial instruments (continued)

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

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

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

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

Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

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

i. Derecognition

Financial assets

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

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

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3. Significant accounting policies (continued)

3.13 Financial instruments (continued)

Financial liabilities

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

ii. Offsetting

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

3.14 Earnings / (loss) per share

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

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

3.15 Cash-flow statement

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

3.16 Cash and cash equivalents

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

3.17 Reverse factoring arrangements

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

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3. Significant accounting policies (continued)

3.18 Operating cycle

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

3.19 Non-current assets classified as held for sale

Assets are classified as held for disposal and stated at the lower of carrying amount and fair value less costs to sell. To classify any asset as "Asset held for sale" the asset must be available for immediate sale and its sale must be highly probable. Such assets or group of assets are presented separately in the balance sheet, in the line "Assets held for sale". Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

3.20 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022, as below:

i) Ind AS 16 – Property, plant and equipment
The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The Company has evaluated the amendment and there is no impact on its financial statements.

ii) Ind AS 37 – Provisions, contingent liabilities and contingent assets
The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The Company has evaluated the amendment and there is no material impact on its financial statements.

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(All amounts in Indian rupee millions)

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)
Reconciliation of carrying amount											
Gross carrying value											
Balance as at 1 April 2020	176.93	7.17	3,581.25	9.33	3.01	8.26	29.41	21.16	24.96	3,861.47	232.27
Additions	-	-	776.68	1.96	-	2.92	8.56	2.66	4.82	797.61	800.28
Disposals/ transfers	-	-	(187.24)	-	(0.51)	(0.02)	-	-	-	(187.76)	-
Capitalisation	-	-	-	-	-	-	-	-	-	-	(763.31)
Balance as at 31 March 2021	**176.93**	**7.17**	**4,170.69**	**11.29**	**2.51**	**11.16**	**37.97**	**23.82**	**29.78**	**4,471.31**	**269.24**
Balance as at 1 April 2021	176.93	7.17	4,170.69	11.29	2.51	11.16	37.97	23.82	29.78	4,471.31	269.24
Additions	-	-	1,157.68	1.67	-	2.64	10.10	6.49	2.16	1,180.74	916.35
Disposals/ transfers*	-	-	(0.05)	-	(0.15)	-	-	-	-	(0.20)	-
Capitalisation	-	-	-	-	-	-	-	-	-	-	(991.45)
Balance as at 31 March 2022	**176.93**	**7.17**	**5,328.32**	**12.96**	**2.36**	**13.80**	**48.07**	**30.31**	**31.94**	**5,651.86**	**194.14**
Accumulated depreciation											
Balance as at 1 April 2020	-	0.33	816.77	3.87	1.53	3.69	4.39	14.37	9.25	854.20	-
Depreciation expense	-	0.17	434.17	0.92	0.42	1.90	3.41	4.76	5.00	450.75	-
Disposals/ transfers	-	-	(50.16)	-	(0.21)	(0.02)	-	-	-	(50.39)	-
Balance as at 31 March 2021	**-**	**0.50**	**1,200.78**	**4.79**	**1.74**	**5.58**	**7.80**	**19.13**	**14.25**	**1,254.56**	**-**
Balance as at 1 April 2021	-	0.50	1,200.78	4.79	1.74	5.58	7.80	19.13	14.25	1,254.56	-
Depreciation expense	-	0.17	501.60	1.04	0.26	2.13	4.38	3.69	5.15	518.42	-
Disposals/ transfers*	-	-	(4.56)	-	(0.15)	-	-	-	-	(4.71)	-
Balance as at 31 March 2022	**-**	**0.67**	**1,697.82**	**5.83**	**1.86**	**7.71**	**12.18**	**22.82**	**19.40**	**1,768.28**	**-**
Net carrying amount											
As at 31 March 2022	**176.93**	**6.50**	**3,630.50**	**7.14**	**0.50**	**6.10**	**35.89**	**7.49**	**12.54**	**3,883.58**	**194.14**
As at 31 March 2021	**176.93**	**6.67**	**2,969.91**	**6.51**	**0.76**	**5.59**	**30.17**	**4.69**	**15.53**	**3,216.75**	**269.24**

*Disposals / transfers for the year ended 31 March 2021 includes Rs 187.24 million and Rs 50.16 million (gross block and accumulated depreciation) reclassified to assets held for sale, also refer note 42.
For details of property, plant and equipment pledged, refer note 16

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 31 March 2022	As at 31 March 2021
Title deeds held in the name of	Asianet Satellite Communications Limited	
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	NA	
Reason for not being held in the name of the Company	NA	

c) Ageing of Capital work in progress (CWIP):
As at 31 March 2022

Description	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	130.46	29.86	33.76	0.06	194.14
Projects temperorily suspended	-	-	-	-	-

As at 31 March 2021

Description	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	217.30	13.90	35.98	2.06	269.24
Projects temperorily suspended	-	-	-	-	-

The Company has not revalued its property, plant and equipment during the current year and previous year.
d) 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 years ended 31 March 2022 and 31 March 2021.

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(All amounts in Indian rupee millions)

5 Intangible assets

Particulars	Computer software	Total (A)	Intangible assets under development (B)
Reconciliation of carrying amount			
Gross carrying value			
Balance as at 1 April 2020	16.23	16.23	22.89
Additions	5.40	5.40	3.37
Disposals	-	-	-
Balance as at 31 March 2021	**21.63**	**21.63**	**26.27**
Balance as at 1 April 2021	21.63	21.63	26.27
Additions	-	-	16.69
Disposals	-	-	-
Balance as at 31 March 2022	**21.63**	**21.63**	**42.96**
Accumulated amortisation			
Balance as at 1 April 2020	9.76	9.76	-
Amortisation expense	3.26	3.26	-
Disposals	-	-	-
Balance as at 31 March 2021	**13.02**	**13.02**	-
Balance as at 1 April 2021	13.02	13.02	-
Amortisation expense	2.99	2.99	-
Disposals	-	-	-
Balance as at 31 March 2022	**16.01**	**16.01**	-
Net carrying amount			
As at 31 March 2022	**5.62**	**5.62**	**42.96**
As at 31 March 2021	**8.61**	**8.61**	**26.27**

Note:

a) The Company does not have any Intangibe 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 31 March 2022

Description	Amount in Intangible assets under development for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	-	-	-	-	-
Projects temperorily suspended	16.69	3.38	7.85	15.04	**42.96**

As at 31 March 2021

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

Intangible assets under development includes SAP project which was planned to be launched in financial year 2021-22. However, the project management team ascertained that the implementation partner is to be changed due to commercial reasons and the project launch is rescheduled to financial year 2023-24.

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(formerly known as Asianet Satellite Communications Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2022
(All amounts in Indian rupee millions)

	As at 31 March 2022	As at 31 March 2021
6 Investments		
Non-current investments (unquoted)		
Investment in equity instruments of subsidiaries		
Asianet Digital Network Private Limited (formerly known as Asianet Broadband Private Limited)	801.16	801.16
80,115,832 (31 March 2021: 80,115,832) equity shares of face value of Rs.10 each fully paid up		
Roseblossoms Vision Private Limited	*	*
2 (31 March 2021: 2) equity shares of face value of Rs.10 each fully paid up		
	801.16	**801.16**

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

	As at 31 March 2022	As at 31 March 2021
7 Loans		
Current		
Unsecured, considered good		
Loans and advances to employees	4.55	2.23
Other loans and advances	4.49	3.11
	9.04	**5.33**

*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.

	As at 31 March 2022	As at 31 March 2021
8 Other assets		
Non-current		
Unsecured, considered good		
Advances for capital goods	1.44	2.57
Balances with government authorities (including amounts paid	113.80	23.20
	115.24	**25.76**
Current		
Unsecured, considered good		
Prepaid expenses	77.90	12.12
Balance with government authorities	3.77	22.39
Advance for supply of goods and services	9.02	4.12
	90.69	**38.62**
	205.93	**64.39**

Prepaid expenses include the expenditure incurred by the Company amounting to Rs. 62.70 million for the year ended 31 March 2022 towards the proposed initial public offer which has been classified under "other current assets" in the financial statements. The Company expects to recover certain amounts from the shareholders and the balance amount would be charged-off to securities premium account in accordance with Section 52 of the Companies Act, 2013 upon the shares being issued.

	As at 31 March 2022	As at 31 March 2021
9 Inventories		
Valued at lower of cost and realisable value		
Stock-in-trade	0.42	0.90
	0.42	**0.90**
11 Trade receivables		
Unsecured		
Considered good	147.51	62.05
Credit impaired	33.45	45.98
	180.96	**108.03**
Allowances for expected credit loss	(33.45)	(45.98)
	(33.45)	**(45.98)**
Net trade receivables	**147.51**	**62.05**

For details of trade receivables pledged, refer note 16
The Company's exposure to credit risks and loss allowances related to trade receivables are disclosed in note 34

Trade receivables ageing schedule

As at 31 March 2022

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	136.99	-	-	-	-	136.99
(ii) Undisputed trade Receivables – credit impaired	-	13.88	3.30	15.83	0.43	0.01	33.45
(iii) Unbilled dues	10.52	-	-	-	-	-	10.52
Less: allowances for expected credit loss							33.45
	10.52	**150.87**	**3.30**	**15.83**	**0.43**	**0.01**	**147.51**

As at 31 March 2021

Particulars	Not due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	-	52.72	-	-	-	-	52.72
(ii) Undisputed trade Receivables – credit impaired	-	41.03	1.77	2.73	0.31	0.14	45.98
(iii) Unbilled dues	9.33	-	-	-	-	-	9.33
Less: allowances for expected credit loss							45.98
	9.33	**93.75**	**1.77**	**2.73**	**0.31**	**0.14**	**62.05**

Asianet Satellite Communications Limited
(formerly known as Asianet Satellite Communications Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2022
(All amounts in Indian rupee millions)

	As at 31 March 2022	As at 31 March 2021
12 Cash and cash equivalents		
Balance with banks	12.66	35.43
Cash on hand	0.61	1.81
	13.27	**37.24**
13 Other bank balances		
Balance in banks for margin money	107.42	130.08
	107.42	**130.08**
14 Other financial assets		
Non current		
Unsecured, considered good		
Rent and other deposits	2.43	39.03
Bank deposits with original maturity more than 12 months	28.49	-
	30.92	**39.03**
Current		
Unsecured, considered good		
Rent and other deposits	8.27	8.70
Interest accrued on fixed deposits with banks	1.22	0.10
	9.49	**8.79**

For details of other financial assets pledged, refer note 16.
The Company's exposure to credit risks and loss allowances related to other financial assets are disclosed in 34.

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15 Share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised:				
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
Total	**175,000,000**	**1,750.00**	**175,000,000**	**1,750.00**
Issued, subscribed and paid-up				
Equity shares of Rs. 10 each	100,689,225	1,006.89	100,689,225	1,006.89
Total	**100,689,225**	**1,006.89**	**100,689,225**	**1,006.89**

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

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each fully paid up				
At the beginning of the year	100,689,225	1,006.89	100,689,225	1,006.89
Shares issued for cash	-	-	-	-
At the end of the year	**100,689,225**	**1,006.89**	**100,689,225**	**1,006.89**

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 year ended 31 March 2022, 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 year ended 31 March 2022 (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 31 March 2022		As at 31 March 2021	
	Number of shares	%	Number of shares	%
Equity shares of Rs.10/- each				
Coronet Investments Private Limited	-	0.00%	23,561,887	23.40%
Bloomingdale Investments & Finance Private Limited	12,053,818	11.97%	12,053,818	11.97%
Hathway Investments Private Limited	40,639,538	40.36%	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%
Preference shares of Rs. 10/- each				
M/s 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 shares held by promoters at the end of the year

Name of Promoter	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding	Number of	% holding
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%

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	As at 31 March 2022	As at 31 March 2021
16 Borrowings		
Non-current		
Secured		
Term loans from banks	1,710.27	1,530.46
Less: Current maturities of long-term borrowings	(847.11)	(967.77)
	863.16	562.69
Unsecured		
Redeemable preference shares	26.86	26.79
	890.02	**589.48**
Current		
Secured		
Cash credit	257.51	26.14
Current maturities of long-term borrowings	847.11	967.77
	1,104.62	**993.91**
	1,994.64	**1,583.39**

Refer note 15(c) for details on terms of the preference shares.
Information about the Company's exposure to interest rate and liquidity risks are included in note 34.

(i) Details of securities, terms and conditions on borrowings from banks and others

Type of borrowings	Lender name	Tenure	Security and maturity terms	Repayment schedule and interest rates	Outstanding balance as on 31 March 2022	31 March 2021
Term Loan - INR	Ratnakar Bank	36 Months	First Paripassu charges on all movable and immovable fixed assets of ASCL. Second Paripassu charge on all current assets of ASCL. First Paripassu charges on all movable and immovable fixed assets of ADNPL. Second Paripassu charge on all current assets of ADNPL. Corporate Guarantee of ADNPL	12 equal Quarterly installments. ROI: 3 Months MCLR	-	75.90
					151.67	318.33
					216.41	212.64
Term Loan - INR	HDFC Bank	36 Months	First Paripassu charge on the entire fixed assets of ASCL. First Paripassu charge on the entire fixed assets of ADNPL. Second Paripassu charge on the entire current assets of ASCL and ADNPL. Fixed deposit of Rs 60 Mn. Corporate Guarantee of ADNPL	12 equal Quarterly installments. ROI: 1 Yr MCLR + 0.80%	-	74.32
					98.90	301.56
				12 equal Quarterly installments. ROI: 1 Yr MCLR + 0.55%	456.59	-
Term Loan - USD	IDFC Bank	42 Months	First Paripassu charge on the entire fixed assets of ASCL Paripassu charge on the entire current assets of ASCL. Corporate Guarantee of ADNPL	36 equal monthly installments (After 6 Months of Moratorium) ROI: 4.22%	-	118.76
Term Loan - INR	Federal Bank	42 Months	First Paripassu charge on the entire fixed assets of ASCL. First Paripassu charge on the fixed assets of ADNPL. Second Paripassu charge on the current assets of ASCL. Second Paripassu charge on the current assets of ADNPL. Corporate Guarantee of ADNPL	42 equal monthly installments. ROI: 1 Yr MCLR + 0.20%	19.05	133.30
		48 Months		48 equal monthly installments ROI: 1 Yr MCLR + 0.20%	240.25	-
					130.00	-
Term Loan - EURO	ICICI Bank	42 Months	First parispassu charge on movable and immovable fixed assets of ASCL. Second Paripassu charge by way of hypothecation on all the current assets of ASCL. First parispassu charge on movable and immovable fixed assets of ADNPL. Second Paripassu charge by way of hypothecation on all the current assets of ADNPL. Corporate Guarantee of ADNPL	36 equal monthly installments (After 6 Months of Moratorium). ROI: 3.75%/4.20%	124.20	284.76
Term Loan - USD				36 equal monthly installments (After 6 Months of Moratorium). ROI: 1 Yr MCLR + 0.50%	46.93	-
Term Loan - INR					229.17	-
Overdraft - Fund Based Facility	Federal Bank	Yearly renewal	First Paripassu charge on the current assets of ASCL. First Paripassu charge on the current assets of ADNPL. Second paripassu charge on entire fixed assets of ASCL. Second paripassu charge on entire fixed assets of ADNPL. Corporate Guarantee of ADNPL	Lumpsum Repayment, ROI: 1 Yr MCLR + 0.20%	20.45	12.10
					109.25	-
Overdraft - Fund Based Facility	HDFC Bank	Yearly renewal	First Paripassu charge on the entire fixed assets of ASCL. Second Paripassu charge on the entire current assets of ASCL. Second Paripassu charge on the entire fixed assets of ADNPL. Second Paripassu charge on the entire current assets of ADNPL. Fixed deposit of Rs 35 Mn. Corporate Guarantee of ADNPL	Lumpsum Repayment ROI: 1 Yr MCLR + 0.80%	41.49	-
Overdraft - Fund Based Facility	ICICI Bank	Yearly renewal	First Paripassu charge on current assets of ASCL. Second paripassu charge on moveable and immoveable fixed assets of ASCL. First Paripassu charge on current assets of ADNPL. Second paripassu charge on the moveable fixed assets of ADNPL. Corporate Guarantee of ADNPL	Lumpsum Repayment ROI: 6 M MCLR + 0.80%	90.99	14.00
Term Loan - INR	Cisco Capital	Yearly renewal	Charge on the assets financed by CISCO	12 equal Quarterly installments. ROI: 7.96% to 9.09%	-	16.26
Letter of Credit, Bank Guarantee - Non- Fund Based Facility	Federal Bank	Yearly renewal	First Paripassu charge on the current assets of ASCL. Second Paripassu charge on the current assets of ASCL and ADNPL. First paripassu charge on fixed assets of ADNPL. Corporate Guarantee of ADNPL	Unfunded borrowing	110.60	51.80

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16 Borrowings (continued)

The Company has availed working capital facilities from banks on the basis of security of current assets and have submitted monthly returns of current assets to the bankers. Following is the summary of reconciliation and reasons for differences between such returns and books of account:

Quarter ended	Name of the bank	Particulars of security provided	Amount as per statement to bank	Amount as per books	Difference if any	Reason for discrepancies if any
30 June 2021	Federal Bank, HDFC Bank	Trade Receivables	202.50	233.93	(31.43)	Refer note below
		Inventory and CWIP	125.10	250.11	(125.01)	
		Trade Payables	160.30	160.30	-	
30 September 2021	Federal Bank, HDFC Bank	Trade Receivables	181.90	187.19	(5.29)	
		Inventory and CWIP	110.70	192.43	(81.73)	
		Trade Payables	182.70	365.09	(182.39)	
31 December 2021	Federal Bank, HDFC Bank	Trade Receivables	180.60	175.35	5.25	
		Inventory and CWIP	118.30	175.61	(57.31)	
		Trade Payables	155.70	279.54	(123.84)	

Reasons for discrepancies: Post closure entries including reclassifications, accruals and provisions considered based on the actuals identified subsequently, etc were considered in the books of accounts on a later date. Effect of these entries were not considered in the statements presented to the Bankers.

Periodic statements were not submitted for the quarter ended 31 March 2022 since the same was not required by the bankers owing to a conversion of working capital loans from Cash Credit facilities to Overdraft Facilities during the quarter ended 31 March 2022.

	As at 31 March 2022	As at 31 March 2021
17 Provisions		
Non-current		
Provision for employee benefits		
Net defined benefit liability - Gratuity	189.13	196.99
Compensated absences	22.07	21.73
	211.20	**218.71**
Current		
Provision for employee benefits		
Net defined benefit liability - Gratuity	8.35	-
Compensated absences	8.05	10.79
Provision for litigation	19.41	19.41
	35.81	**30.20**
	247.01	**248.91**

The gratuity fund held in the name of the Company covers employees of the Company and employees of one of its subsidiary company, Asianet Digital Network Private Limited.

	As at 31 March 2022	As at 31 March 2021
18 Other liabilities		
Non-current		
Advance for sale of assets*	-	130.00
Unearned income	1.89	20.77
	1.89	**150.77**
Current		
Unearned income	213.86	167.90
Statutory dues	45.86	48.48
Advances from customers**	40.66	106.79
	300.38	**323.17**
	302.27	**473.94**

*Pertains to advance for sale received from subsidiary. Refer note 41 for more details

	As at 31 March 2022	As at 31 March 2021
19 Trade payables		
Total outstanding dues of micro and small enterprises	12.27	18.89
Total outstanding dues of creditors other than micro and small enterprises	302.97	400.95
	315.24	**419.84**

The trade payables include Rs. 101.86 million (31 March 2021: Rs. 119.77 million) pertaining to a factoring arrangement and the gross cash payments under the agreement is Rs. 680.30 million (31 March 2021: 416.68 million) during the year ended 31 March 2022.

All trade payables are 'current'.

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

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2A, II nd Floor
Carnival Technopark
Leela InfoPark
Kazhakuttom
Kariyavattom.P.O
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Kochi

(All amounts in Indian rupee millions)

19 Trade payables (continued)

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

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the reporting period	12.27	18.89
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the reporting period	0.00	0.58
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	0.58	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act	0.00	0.51
(v) The amount of interest accrued and remaining unpaid at the end of the reporting period	-	-
(vi) The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Ageing of trade payables

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	-	12.27	-	-	-	12.27
ii) Others	-	223.92	2.03	0.81	0.20	226.96
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
v) Unbilled dues	76.01	-	-	-	-	76.01
	76.01	**236.19**	**2.03**	**0.81**	**0.20**	**315.24**

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	-	18.89	-	-	-	18.89
ii) Others	-	333.60	1.18	0.22	-	335.00
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
v) Unbilled dues	65.95	-	-	-	-	65.95
	65.95	**352.49**	**1.18**	**0.22**	**-**	**419.84**

	As at 31 March 2022	As at 31 March 2021
20 Other financial liabilities		
Non-Current		
Trade / security deposits received	22.10	28.50
	22.10	**28.50**
Current		
Dues to creditors for capital goods	45.64	27.76
Interest accrued but not due on borrowings	6.01	2.71
Accrued salaries and benefits	75.24	54.81
	126.89	**85.28**

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		Year ended 31 March 2022	Year ended 31 March 2021
21	**Revenue from operations**		
	Cable internet services	2,644.89	2,084.35
	Sale of modem and router	11.28	14.75
	Other operating revenues	232.63	238.74
		2,888.80	**2,337.84**
	Other operating revenues comprises:		
	Modem rental and others	2.15	4.70
	Scrap sales	4.83	3.63
	Expenses recovery from subsidiary company	225.65	230.42
		232.63	**238.74**
22	**Other income**		
	Interest income under the effective interest method on:		
	Fixed deposits with banks	6.58	6.36
	Lease deposits	0.27	0.32
	Interest on income tax refund	-	2.21
	Financial guarantee income	3.07	2.20
	Net gain on fair value changes on financial assets measured at FVTPL	-	1.17
	Net gain on account of foreign exchange fluctuations	0.97	-
	Interest on loan due from subsidiary	-	5.40
	Gain on sale of property, plant and equipment (net)	0.05	0.01
	Liabilities no longer required written back	12.58	-
	Insurance claims received	0.01	6.79
	Miscellaneous income	3.68	0.44
		27.21	**24.92**
23	**Network, transmission and related expenses**		
	Bandwidth charges	325.82	308.71
	Commission to selling agents	276.60	200.08
	Other direct internet expenses	7.32	8.34
	License fee to Department of Telecommunications (refer note 40)	212.14	-
	Customer care expenses	94.74	94.36
	Consumption of stores, spares and consumables	28.18	34.14
		944.80	**645.62**
24	**Purchases of stock-in-trade**		
	Modems and routers	1.15	0.33
		1.15	**0.33**
25	**Changes in inventories of stock-in-trade**		
	Opening stock	0.90	11.74
	Closing stock	0.42	0.90
		0.48	**10.84**
26	**Employee benefits expense**		
	Salaries and allowances	329.43	274.13
	Contributions to provident and other funds	61.31	47.32
	Staff welfare expenses	28.25	25.62
		418.99	**347.07**
27	**Finance costs**		
	Interest on bank borrowings	117.21	132.62
	Interest on lease liabilities (refer note 36)	4.91	6.20
	Net loss on account of foreign exchange fluctuations (classified as finance cost)	2.82	0.45
	Other borrowing costs	27.95	24.16
		152.89	**163.43**

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(All amounts in Indian rupee millions)

	Year ended 31 March 2022	Year ended 31 March 2021
28 Depreciation and amortisation expense		
Depreciation of property, plant and equipment (refer note 4)	518.42	450.75
Depreciation on right-of-use assets (refer note 36)	14.02	15.62
Amortisation of intangible assets (refer note 5)	2.99	3.26
	535.43	**469.62**
29 Other expenses		
Contract labour	40.47	39.12
Power and fuel	22.10	22.06
Rent	34.64	47.45
Repairs and maintenance - buildings	1.92	3.32
Repairs and maintenance - machinery	38.41	46.29
Repairs and maintenance - others	15.98	26.43
Insurance	3.79	4.88
Rates and taxes	5.59	6.59
Communication	6.41	5.87
Travelling and conveyance	7.37	5.23
Printing and stationery	2.94	2.47
Bank charges and commission	22.39	23.11
Advertising and marketing	36.41	31.52
Legal and professional	30.95	36.96
Payments to auditors (Refer note (i) below)	2.29	2.13
Office maintenance expenses	7.51	10.85
Corporate social responsibility expenses (Refer note (ii) below)	3.69	14.25
Net loss on account of foreign exchange fluctuations	-	7.05
Miscellaneous expenses	1.73	2.42
	284.59	**337.98**
(i) Payments to the auditors include payments to statutory auditor (net of taxes, where applicable) :		
Audit	2.29	2.13
	2.29	**2.13**
Details of Corporate social responsibility expenditure		
(i) Gross amount required to be spent by the Company during the year	3.49	3.53
(ii) Amount of expenditure incurred		
- construction/ acquisition of any asset	-	-
- on purpose other than above	5.39	11.87
(iii) (Shortfall) / Excess at the end of the year	1.90	8.34
(iv) Total of previous years shortfall	(2.38)	(10.72)
(v) Reason for shortfall: The Company was in the process of identifying prospective project as per schedule VII of the Companies Act, 2013		
(vi) Nature of CSR activities:		
a) Payment to Prime minister national relief fund	-	-
b) Skill development	-	-
c) Education	-	0.46
d) Rural development	-	-
e) Others	5.39	13.79
(vii) Details of related party transactions	NA	NA
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	(0.48)	2.38

The unspent amount as on 31 March 2022 has been transferred to a separate bank account on 20 April 2022.

Details of ongoing project and other than ongoing project

Particulars	Opening balance		Amount required to be spent	Amount spent during the year		Closing balance	
	With Company	In separate CSR unspent A/c		From Company's bank A/c	From separate CSR unspent A/c	With Company	In separate CSR unspent A/c
As at 31 March 2022	-	2.57	3.49	3.91	1.48	(0.42)	1.59
As at 31 March 2021	10.72	-	3.53	11.87	-	-	2.57

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Asianet Satellite Communications Limited
(formerly known as Asianet Satellite Communications Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2022
(All amounts in Indian rupee millions)

	As at 31 March 2022	As at 31 March 2021
30 Income taxes		
Income tax assets/ (liabilities) , net	29.03	24.52
Provision for income tax, net	-	(18.60)
Net income tax assets/ (liabilities) at the end of the year	**29.03**	**5.92**

(a) Amount recognised in statement of profit and loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax	103.27	57.54
Deferred tax charge/ (credit)	85.67	54.64
Tax expenses	**188.94**	**112.18**

(b) Amount recognised in other comprehensive income

Year ended 31 March 2022

Particulars	Before tax	Tax (expense) /	Net of tax
Remeasurement of the net defined plans	23.17	(6.75)	16.42
	23.17	**(6.75)**	**16.42**

Year ended 31 March 2021

Particulars	Before tax	Tax (expense) /	Net of tax
Remeasurement of the net defined plans	(0.07)	0.02	(0.05)
	(0.07)	**0.02**	**(0.05)**

(c) Reconciliation of effective tax rate

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	577.68	362.10
Statutory income tax rate	29.12%	29.12%
Tax using the Company's statutory tax rate	168.22	105.44
Permanent differences	1.90	2.51
Other temporary differences	18.82	0.96
Reduction in brought forward losses*	-	3.27
Tax expense	188.94	112.18
Effective tax rate	32.71%	30.98%

*The 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.

(d) Recognised deferred tax assets and liabilities

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

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax asset		
Allowance for expected credit loss	9.74	13.39
Provision for employee benefits	26.04	35.69
MAT credit entitlement	92.94	146.14
Lease liabilities, impact on account of Ind AS 116	2.11	1.59
Total deferred tax assets (A)	**130.83**	**196.81**
Deferred tax liabilities		
Excess of depreciation on property, plant and equipment under Income Tax Act,1961	(208.89)	(187.86)
Borrowings	(6.98)	(1.57)
Total deferred tax liability (B)	**(215.87)**	**(189.43)**
Deferred tax assets/ (liabilities), net	**(85.04)**	**7.37**

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

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(ii) Movement in temporary differences

Year ended 31 March 2022

Particulars	Balances as at 01 April 2021	Recognised in Profit and loss during 2021-22	Recognised in OCI during 2021-22	Balances as at 31 March 2022
Allowance for expected credit loss	13.39	(3.65)	-	9.74
Provision for employee benefits	35.69	(2.90)	(6.75)	26.04
MAT credit entitlement	146.14	(53.20)	-	92.94
Lease liabilities, impact on account of Ind AS 116	1.59	0.52	-	2.11
Borrowings	(1.57)	(5.41)	-	(6.98)
Excess of depreciation on property, plant and equipment under Income Tax Act,	(187.86)	(21.03)	-	(208.89)
Net deferred tax assets/ (liabilities)	**7.37**	**(85.67)**	**(6.75)**	**(85.04)**

Year ended 31 March 2021

Particulars	Balances as at 1 April 2020	Recognised in Profit and loss during 2020-21	Recognised in OCI during 2020-21	Balances as at 31 March 2021
Allowance for expected credit loss	23.28	(9.90)	-	13.39
Provision for employee benefits	37.51	(1.83)	0.02	35.69
MAT credit entitlement	145.20	0.94	-	146.14
Carry forward losses	20.32	(20.32)	-	-
Lease liabilities, impact on account of Ind AS 116	0.51	1.08	-	1.59
Borrowings	(1.89)	0.32	-	(1.57)
Excess of depreciation on property, plant and equipment under Income Tax Act,	(162.16)	(25.70)	-	(187.86)
Investment	(0.78)	0.78	-	-
Net deferred tax assets/ (liabilities)	**62.00**	**(54.64)**	**0.02**	**7.37**

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31 Contingent liabilities and commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Contingent liabilities		
Claims against the Company not acknowledged as debt		
(i) Service tax demands pending in appeals (Note a)	143.31	148.63
(ii) Income tax (Note b)	33.55	7.91
Corporate guarantees given by the Company (Note c)	515.05	483.38
Commitments		
Estimated amount remaining to be executed on capital account (net of advance and not provided for)	-	-
	691.91	639.91

a) The Company has ongoing disputes with Indirect tax authorities on account of service tax demand on import of OIDAR services. 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 31 March 2022, the Management estimates demands and show cause notices amounting to Rs. 143.31 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 Company has pending income tax demands pertaining to assessment years from 2016-17 to 2018-19 on account of disallowance of advances written off and delayed PF ESI payment, interest on belated remittance of Service tax, VAT and TDS and the Company has filed appeal against the disallowances. Management believes that the position taken by it is tenable and hence, no adjustment has been made in the financial statements. As at 31 March 2022, the Company has contingent liability of Rs. 33.55 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 has extended corporate guarantees in respect of loans availed by its subsidiary company.

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

32 Earnings per share (Basic and diluted)

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

i) Net profit attributable to equity share holders

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net profit for the period, attributable to the equity share holders	388.74	249.92

ii) Weighted average number of equity shares

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening balance (Refer note 15)	100,689,225	100,689,225
Shares issued for cash	-	-
Weighted average number of equity shares of Rs. 10 each for the period	100,689,225	100,689,225
Earnings per share, basic	3.86	2.48

The Company does not have any potentially dilutive equity shares.

(All amounts in Indian rupee millions)

33 Employee benefit obligations

a. Defined benefit plan

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

Particulars	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation liability	201.56	202.41
Plan assets	(4.08)	(5.42)
Net defined benefit liability	197.48	196.99
Compensated absences	30.12	32.52
Total employee benefit liability	**227.60**	**229.50**

B Reconciliation of present value of defined benefit obligation

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance at beginning of the reporting period	202.41	197.39
Benefit paid	(10.28)	(20.57)
Current service cost	14.01	13.24
Past service cost	5.38	-
Interest cost	13.97	13.03
Actuarial gain/(loss) recognised in other comprehensive income		
- changes in financial assumptions	(34.55)	(7.70)
- experience adjustments	10.63	7.03
Balance at the end of the reporting period	**201.56**	**202.41**

C Reconciliation of fair value of plan assets

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening fair value of plan assets	5.42	20.64
Contributions by employer	9.41	5.30
Benefits paid	(10.28)	(20.57)
Interest income on plan assets	0.28	0.79
Remeasurement on plan assets excluding amounts included in net interest on the net defined benefit liability/(asset)	(0.75)	(0.75)
Closing fair value of plan assets	**4.08**	**5.42**
Net defined benefit (liability)	**197.48**	**196.99**

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

Current service cost	14.01	13.24
Past service cost	5.38	-
Interest cost	13.69	12.24
Gratuity cost	**33.08**	**25.47**

(ii) Remeasurements recognised in other comprehensive income

Acturial (gain)/loss on defined benefit obligation	(23.17)	0.07

E Assumptions used to determine benefit obligations:

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

Particulars	31 March 2022	31 March 2021
Discount rate	7.30%	6.90%
Future salary growth	6.00%	7.00%
Attrition rate	2.00%	2.00%
Interest rate for interest on net DBO	6.90%	6.60%
Mortality Rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of defined benefit obligation	12.5 years	13 years

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

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other foreign defined benefit gratuity plans.

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(ii) Sensitivity analysis

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

31 March 2022

Particulars	31 March 2022	
	1% Increase	1% Decrease
Discount rate	(20.50)	23.91
Future salary growth	23.98	(20.92)
Attrition rate	2.16	(2.40)

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.

31 March 2021

Particulars	31 March 2021	
	1% Increase	1% Decrease
Discount rate	(23.05)	27.19
Future salary growth	26.89	(23.23)
Attrition rate	(0.21)	0.24

F Acturial assumptions for compensated absences

Particulars	31 March 2022	31 March 2021
Discount rate	7.30%	6.90%
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	31 March 2022	31 March 2021
Contribution to provident fund	27.22	25.78

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34 Financial Instruments - Fair values and risk management

A Accounting classifications and fair values

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

31 March 2022

Particulars	Note	Carrying amount				Fair value		
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total Carrying value	Level 1	Level 2	Level 3
Financial assets not measured at fair value								
Cash and cash equivalents	12	13.27	-	-	13.27	-	-	-
Other bank balances	13	107.42	-	-	107.42	-	-	-
Trade receivables	11	147.51	-	-	147.51	-	-	-
Loans	7	9.04	-	-	9.04	-	-	-
Other financial assets	14	40.41	-	-	40.41	-	-	-
Total		**317.65**	-	-	**317.65**	-	-	-
Financial liabilities not measured at fair value								
Trade payables	19	-	-	315.24	315.24	-	-	-
Borrowings	16	-	-	890.02	890.02	-	-	-
Lease liabilities	36	-	-	58.20	58.20	-	-	-
Other financial liabilities	20	-	-	148.99	148.99	-	-	-
Total		-	-	**1,412.45**	**1,412.45**	-	-	-

31 March 2021

Particulars	Note	Carrying amount				Fair value		
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total Carrying value	Level 1	Level 2	Level 3
Financial assets not measured at fair value								
Cash and cash equivalents	12	37.24	-	-	37.24	-	-	-
Other bank balances	13	130.08	-	-	130.08	-	-	-
Trade receivables	11	62.05	-	-	62.05	-	-	-
Loans	7	53.06	-	-	53.06	-	-	-
Other financial assets	14	47.82	-	-	47.82	-	-	-
Total		**330.24**	-	-	**330.24**	-	-	-
Financial liabilities not measured at fair value								
Trade payables	19	-	-	353.89	353.89	-	-	-
Borrowings	16	-	-	1,583.39	1,583.39	-	-	-
Lease liabilities	36	-	-	63.33	63.33	-	-	-
Other financial liabilities	20	-	-	113.78	113.78	-	-	-
Total		-	-	**2,114.39**	**2,114.39**	-	-	-

The Group has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables, etc., 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 31 March 2022 and 31 March 2021 has not been disclosed as it is not material to the Group.

(All amounts in Indian rupee millions)

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

B Measurement of fair values

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

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

C Financial risk management

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

i) Risk management framework

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

The Company's Board of directors oversees how management monitors compliance with the risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The 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 Board.

ii) Credit risk

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

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

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade 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 receivables during the year was as follows:

Impairment losses on financial and contract assets	As at 31 March 2022	As at 31 March 2021
Balance at the beginning	45.98	79.96
Impairment loss recognised	(5.46)	25.76
Bad debts written off	(7.07)	(59.75)
Balance at the end	**33.45**	**45.98**

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 31 March 2022 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 Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

The company 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 31 March 2022	Average loss rate 31 March 2021
Not due	0.00%	0.00%
Less than 6 months	9.20%	43.77%
6 months - 1 year	100.00%	100.00%
1 - 2 years	100.00%	100.00%
2 - 3 years	100.00%	100.00%
More than 3 years	100.00%	100.00%

iii) Liquidity risk

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

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

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2022.

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	315.24	-	315.24
Borrowings	1,104.62	890.02	1,994.64
Lease liabilities	16.03	57.05	73.08
Other financial liabilities	126.89	22.10	148.99
Total	**1,562.78**	**969.17**	**2,531.95**

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	419.84	-	419.84
Borrowings	993.91	589.48	1,583.39
Lease liabilities	17.32	60.66	77.98
Other financial liabilities	85.28	28.50	113.78
Total	**1,516.35**	**678.64**	**2,194.99**

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

(All amounts in Indian rupee millions)

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

iv) Market risk

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

Foreign currency risk

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

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

As at 31 March 2022	EURO	USD
Borrowings (current and non-current)	124.20	46.93
Trade payables	-	1.29
Net assets/(liabilities)	**(124.20)**	**(48.22)**

As at 31 March 2021	EURO	USD
Borrowings (current and non-current)	284.77	118.76
Trade payables	-	1.38
Net assets/(liabilities)	**(284.77)**	**(120.13)**

Sensitivity analysis

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

As at 31 March 2022

Particulars	Impact on profit or (loss)	Impact on equity, net of tax
USD Sensitivity		
INR/USD - Increase by 1%	(0.48)	(0.34)
INR/USD - Decrease by 1%	0.48	0.34
EUR Sensitivity		
INR/EUR - Increase by 1%	(1.24)	(0.88)
INR/EUR - Decrease by 1%	1.24	0.88

As at 31 March 2021

Particulars	Impact on profit or (loss)	Impact on equity, net of tax
USD Sensitivity		
INR/USD - Increase by 1%	(1.20)	(0.85)
INR/USD - Decrease by 1%	1.20	0.85
EUR Sensitivity	-	-
INR/EUR - Increase by 1%	(2.85)	(2.02)
INR/EUR - Decrease by 1%	2.85	2.02

Unhedged foreign currency exposure

At at 31 March 2022

Particulars	Foreign currency	Amount in foreign currency	Amount in INR
Foreign currency liabilities	USD	0.64	48.22
	EURO	1.47	124.20

At at 31 March 2021

Particulars	Foreign currency	Amount in foreign currency	Amount in INR
Foreign currency liabilities	USD	1.63	120.13
	EURO	3.31	284.77

Cash flow and fair value interest rate risk

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

(a) Interest rate risk

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

Financial liabilities (bank borrowings)	As at 31 March 2022	As at 31 March 2021
Variable rate long term borrowings including current maturities	1,176.70	1,004.14

Sensitivity

At at 31 March 2022

Particulars	Impact on profit or (loss)	Impact on equity, net of tax
1% increase	(11.77)	(8.34)
1% decrease	11.77	8.34

At at 31 March 2021

Particulars	Impact on profit or (loss)	Impact on equity, net of tax
1% increase	(10.04)	(7.12)
1% decrease	10.04	7.12

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

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35 Capital Management

Risk Management

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

The capital structure as of 31 March 2022 and 31 March 2021 were as follows:

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Total liabilities	3,151.39	2,921.79
Less: cash and cash equivalents	(13.27)	(37.24)
Net debt (A)	3,138.12	2,884.55
Total equity (B)	2,380.05	1,974.89
Debt to equity ratio (A/B)	1.32	1.46

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

36 Leases

The Company 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. When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate.

(i) Lease liabilities

Following are the changes in the lease liabilities for the year ended 31 March 2022 and 31 March 2021:

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Balance at the beginning of the year	63.33	74.66
Additions	7.39	0.57
Finance cost accrued during the year (refer note 27)	4.91	6.20
Payment of lease liabilities	(17.43)	(18.09)
Balance at the end of the year	**58.20**	**63.33**
Non-current lease liabilities	46.78	51.18
Current lease liabilities	11.42	12.16

(ii) Maturity analysis – contractual undiscounted cash flows

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Less than one year	16.03	17.32
One to five years	48.05	47.44
More than five years	9.00	13.22
Total undiscounted lease liabilities	**73.08**	**77.98**

(iii) Right-of-use assets

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

As at 31 March 2022

Particulars	**Building**	**Software**
Balance at the beginning of the year	50.11	7.77
Addition to right-of-use assets	7.09	-
Depreciation for the year (refer note 28)	(10.69)	(3.33)
Balance at the end of the year	**46.51**	**4.44**

As at 31 March 2021

Particulars	**Building**	**Software**
Balance at the beginning of the year	61.83	11.09
Addition to right-of-use assets	0.58	-
Depreciation for the year (refer note 28)	(12.29)	(3.33)
Balance at the end of the year	**50.11**	**7.77**

(iv) Amounts recognised in statement of profit or loss

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Depreciation on right-of-use assets (refer note 28)	14.02	15.62
Interest on lease liabilities (refer note 27)	4.91	6.20

(v) Amounts recognised in statement of cash flows

Particulars	**As at 31 March 2022**	**As at 31 March 2021**
Total cash out flow for leases	17.43	18.09

(All amounts in Indian rupee millions)

37 Revenue from contracts with customers

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Timing of Revenue Recognition		
Products and services transferred at a point in time	16.11	18.38
Products and services transferred over time	2,872.69	2,319.46
	2,888.80	**2,337.84**

(b) **Contract Balances**

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

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables (refer note 11) *	147.51	62.05
Advances from customers (refer note 18)	40.66	106.79
Unearned revenue (refer note 18)	215.75	188.67

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

39 Details of provision

The Company has made provision for various contractual obligations and disputed statutory and other liabilities based on its assessment of the amount it estimates to incur to meet such obligations which are as given below:

Particulars	As at 1 April 2021	Additions	Reversal	As at 31 March 2022
Provision for contingencies towards disputed dues (refer note (a) below)	19.40	-	-	19.40

Particulars	As at 1 April 2020	Additions	Reversal	As at 31 March 2021
Provision for contingencies towards disputed dues (refer note (a) below)	19.40	-	-	19.40

a) The Company has received demand from the custom authorities on account of non-fulfilment of foreign currency earnings obligations. The case is currently stayed by the High Court of

40 The 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. Further, TDSAT had in its order dated 28th February 2022 in Netmagic Solutions Private Limited, held that the stand taken by DOT in respect of PSUs would also equally apply to private companies, thus further strengthening our case.

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 211.77 million during the year ended 31 March 2022 and 0.37 million subsequently towards license fee on pure internet charges / revenue from broadband services, relating to the year ended 31 March 2022. This has been charged to the statement of profit and loss for the year ended 31 March 2022 – Refer Note 23.

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(All amounts in Indian rupee millions)

41 Related party transactions

(A) Related party relationships:

Description of relationship	Names of related parties
Subsidiary companies	Asianet Digital Network Private Limited
	Roseblossoms Vision Private Limited
Entity in which KMP has significant influence	M/s. Hathway Cable & Datacom Limited
Entity exercising significant influence on the Company	Coronet Investments Private Limited
Directors and 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)
	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

Name of the Related Party	Nature of transaction	Volume of transactions for the year ended 31 March 2022	Volume of transactions for the year ended 31 March 2021	Outstanding balance as at 31 March 2022	Outstanding balance as at 31 March 2021
Asianet Digital Network Private Limited	Expenses recovery from subsidiary company	225.65	230.42	7.91	(64.16)
	Expenses incurred on behalf of subsidiary				
	Operating expenses				
	Consumption of stores, spares and consumables	0.12	0.04		
	Lease/ bandwidth charges	4.01	5.46		
	Pole rent / inspection charges	0.93	5.81		
	Power (network)	1.81	1.25		
	Repairs & Maintenance - machinery	3.95	2.39		
	Finance costs				
	Interest on bank borrowings	0.51	2.98		
	Employee benefits expense				
	Salaries and allowances	49.31	77.04		
	Contributions to provident and other funds	13.64	6.94		
	Staff welfare expenses	6.18	1.16		
	Other expenses				
	Advertising and marketing	0.14	0.01		
	Communication	2.56	1.01		
	Electricity charges	1.01	1.07		
	Legal and professional	4.02	0.60		
	Miscellaneous expenses	1.23	0.04		
	Office maintenance expenses	1.27	2.80		
	Printing and stationery	0.51	0.35		
	Rates and taxes	0.13	0.04		
	Repairs and maintenance - buildings	0.04	0.00		
	Repairs and maintenance - others	1.17	0.54		
	Travelling and conveyance	2.55	1.06		
	Expenses reimbursed to subsidiary				
	Operating expenses				
	Repairs & maintenance - machinery	11.15	4.90		
	Power	21.37	13.11		
	Pole Rentals - KSEB	34.67	20.17		
	Employee benefits expense				
	Salaries and allowances	7.05	27.45		
	Other expenses				
	Contract labour	24.26	-		
	Sale of capital goods	165.44	14.25		
	Interest on loan	-	5.40		
	Guarantee commission received	3.07	2.20		
	Guarantee commission paid	(10.17)	(9.06)		
	Advance for sale of assets	-	(130.00)	-	(130.00)
	Guarantees received / (revoked)	422.04	(367.11)	(1,967.78)	(1,545.74)
	Guarantees given	(31.67)	(289.41)	515.05	483.38
Hathway Cable & Datacom Limited	Lease payments	-	4.49	-	-
Key Management Personnel (KMP)	Salaries and allowances*	23.08	13.53	-	-
Independent Directors	Sitting fees	1.43	-	-	-

* 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.

(All amounts in Indian rupee millions)

42 Assets classified as held for sale

The Board of directors has approved to sell the below plant and equipment on 30 January 2021. Asset held for sale as on 31 March 2021 has been stated at carrying value (being lower of fair value less cost to sell or net book value).

Particulars of asset	As at 31 March 2022	As at 31 March 2021
Plant and equipment	-	137.08

Represents network assets held for sale to subsidiary company.

Particulars	As at 31 March 2022	As at 31 March 2021
Advances received towards sale of plant and equipment	-	130.00

43 Ratios as per the Schedule III requirements

(a) Current Ratio

Particulars	As at 31 March 2022	As at 31 March 2021
Total current assets	377.84	283.02
Total current liabilities	1,894.36	1,883.16
Current ratio	**19.95%**	**15.03%**
% Change from previous year	**32.71%**	**-51.03%**

Reason for change more than 25%:
This ratio has reduced by 51.03% as at 31 March 2021 due to reduction in the value of current investments. Further the ratio increased by 32.71% as at 31 March 2022 mainly due to proportionate increase in trade receivables with increase in revenue as well as increase in prepaid expense as at 31 March 2022.

(b) Debt Equity Ratio

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings	1,994.64	1,583.39
Total equity	2,380.05	1,974.89
Debt equity ratio	**83.81%**	**80.18%**
% Change from previous year	**4.53%**	**-37.58%**

Reason for change more than 25%:
This ratio was reduced by 37.58% as at 31 March 2021 due to reduction in term loans availed.

(c) Debt Service Coverage Ratio

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit after tax for the year	388.74	249.92
Add: Non cash operating expense and finance cost	**688.32**	**633.05**
Depreciation and amortisation expense	535.43	469.62
Finance costs	152.89	163.43
Earnings available for debt services	**1,077.06**	**882.97**
Interest on bank borrowings	117.21	132.62
Long term secured loans repaid	972.17	1,072.15
Total interest and principal repayments	**1,089.38**	**1,204.76**
Debt service coverage ratio	**98.87%**	**73.29%**
% Change from previous year	**34.90%**	**45.60%**

Reason for change more than 25%:
This ratio was increased by 45.60% during the year ended 31 March 2021 due to better profitability achieved in the year ended 31 March 2021. The ratio was further increased by 34.90% for the year ended 31 March 2022 due to better profitability and lower interest costs and repayments. Some of the new loans availed during the year ended 31 March 2022 had six months moratorium period which in turn caused a reduction in the repayment amounts.

(d) Return on Equity Ratio

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit after tax for the year	388.74	249.92
Total equity	2,380.05	1,974.89
Return on equity ratio	**16.33%**	**12.65%**
% Change from previous year	**29.07%**	**-804.08%**

Reason for change more than 25%:
This ratio was increased by 804.08% in the year ended 31 March 2021 due to the increased profits achieved for the year ended that date. The ratio was further increased by 29.07% for the year ended 31 March 2022 due to better profitability owing to increase in revenue.

(e) Inventory Turnover Ratio

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Purchases of stock-in-trade	1.15	0.33
Stock-in-trade	0.42	0.90
Inventory turnover ratio	**273.81%**	**36.50%**
% Change from previous year	**650.07%**	**322.34%**

Reason for change more than 25%:
This ratio was increased by 322.34 % in the year ended 31 March 2021 owing to lower stock in trade balance as at the end of financial year. The ratio further increased by 650.07% for the year ended 31 March 2022 due to the increase in the purchases of modems and routers during the year ended 31 March 2022.

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(All amounts in Indian rupee millions)

43 Ratios as per the Schedule III requirements (continued)

(f) Trade Receivables Turnover Ratio

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations	2,888.80	2,337.84
Net trade receivables	147.51	62.05
Trade receivables turnover ratio	**1958.38%**	**3767.54%**
% Change from previous year	**-48.02%**	**50.50%**

Reason for change more than 25%:
This ratio was increased by 50.50% in the year ended 31 March 2021 due to the better collection of receivables. The ratio was decreased by 48.02% for the year ended 31 March 2022 due to decrease in collection of receivables during the year ended 31 March 2022.

(g) Trade Payables Turnover Ratio

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Purchases / expenses* (refer note below)	1,204.46	939.53
Trade payables	315.24	419.84
Trade payables turnover ratio	**382.08%**	**223.78%**
% Change from previous year	**70.74%**	**-31.52%**

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.

Reason for change more than 25%:
This ratio was reduced by 31.52% in the year ended 31 March 2021 due to increase in credit periods. However, most of the payable amounts were paid through ATREDS during the year ended 31 March 2022 due to which the ratio increased by 70.74%. Payments made through ATREDS would be automatically posted on due dates and hence there was a reduction in the average credit period.

(h) Net Capital Turnover Ratio

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations	2,888.80	2,337.84
Net working capital* (refer note below)	(1,516.52)	(1,600.14)
Net capital turnover ratio	**-190.49%**	**-146.10%**
% Change from previous year	**30.38%**	**10.96%**

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

Reason for change more than 25%:
This ratio was increased by 30.38% for the year ended 31 March 2022 due to the overall better performance of the company in terms of revenue generation and working capital management.

(i) Net profit ratio

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit after tax for the year	388.74	249.92
Revenue from operations	2,888.80	2,337.84
Net profit ratio	**13.46%**	**10.69%**
% Change from previous year	**25.88%**	**-694.63%**

Reason for change more than 25%:
This ratio was increased by 694.63% in the year ended 31 March 2021 due to the improved overall performance of the Company which realised an after tax profit of Rs. 249.92 million when compared to a loss after tax of Rs. 31.00 million in the year ended 31 March 2020. This ratio was increased by 25.88% in the year ended 31 March 2022 primarily due to increase in revenue mix on account of improved performance of our broadband business.

(j) Return on Capital Employed

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	577.68	362.10
Add: Finance costs	152.89	163.43
Less: Other income	27.21	24.92
Earnings before interest and tax	**703.36**	**500.61**
Capital employed	**2,715.23**	**2,045.06**
Total assets	5,531.44	4,896.69
Total current liabilities	1,894.36	1,883.16
Investments	801.16	801.16
Cash and cash equivalents	13.27	37.24
Bank balances other than cash and cash equivalents	107.42	130.08
Return on capital employed	**25.90%**	**24.48%**
% Change from previous year	**5.82%**	**111.04%**

Reason for change more than 25%:
This ratio was increased by 111.04% in the year ended 31 March 2021 due to the improved overall performance of the Company when compared the year ended 31 March 2020.

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44 a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

45 Consequent to amendments made in Schedule III of Companies Act, 2013, being made effective from 1 April 2021, previous year numbers pertaining to rent and other deposits amounting to Rs. 39.03 million have been reclassified from "Loans (non current)" to "Other financial assets (non current)"and Rs. 8.70 million have been reclassified from "Loans (current)" to "Other financial assets (current)". "Current maturities of long-term borrowings" amounting to Rs. 967.77 million have been reclassified from "Other financial liabilities (current)" to "Borrowings (current). Further, "dues to creditors for expenses and others" amounting to Rs. 14.89 million have been reclassified from "Other financial liabilities (current)" to "Trade payables - Total outstanding dues of creditors other than micro and small enterprises". "Trade / security deposits received" amounting to Rs. 28.50 million have been reclassified from "Other financial liabilities (current)" to "Other financial liabilities (non current)". Further, Revaluation reserve which arised out of revaluation of land prior to Ind AS adoption have been transferred to retained earnings since Company has adopted deemed cost for all property, plant and equipment on transition to Ind AS amounting to Rs. 167.61 million.

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

Baby Paul
Partner
Membership number: 218255

Kochi
22 August 2022

for and on behalf of the Board of Directors of
Asianet Satellite Communications Limited
(formerly known as Asianet Satellite Communications Private Limited)
CIN: U92132KL1992PLC006725

Viren Raheja
Chairman and
Non-Executive Director
DIN: 00037592
Mumbai
22 August 2022

Sreerama Murthy Chaganti
Managing Director and
Chief Executive Officer
DIN: 09379784
Thiruvananthapuram
22 August 2022

Suresh Pazhempallil Sivaraman Nair
Whole Time Director and
Chief Financial Officer
DIN: 08421313
Thiruvananthapuram
22 August 2022

Joby Mathew
Company Secretary and
Compliance Officer
Membership no: A 24411
Thiruvananthapuram
22 August 2022

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