



Entertainment
Enrichment
Empowerment



7TH ANNUAL REPORT 2021-22

Asianet Digital Network Pvt Ltd



CONTENTS

Notice to Seventh Annual General Meeting	01
Directors Report	07
Annual Report on CSR Activities	14
Secretarial Audit Report	19
Independent Auditors Report	25
Balance Sheet as at 31 st March 2022	35
Statement of Profit and Loss for the year ended 31 st March 2022	36
Statement of Cash Flows for the year ended 31 st March 2022	37
Notes to Financial Statements	39



CORPORATE INFORMATION

BOARD OF DIRECTORS

SANKARANARAYANA GOPALAN
DIN: 07247965

SREERAMA MURTHY CHAGANTI
DIN: 09379784

SURESH PAZHEMPALLIL
SIVARAMAN NAIR
DIN: 08421313

COMPANY SECRETARY
Joby Mathew

REGISTERED & CORPORATE OFFICE

2A, 2nd Floor, Leela Infopark, Technopark, Kazhakuttom,
Thiruvananthapuram - 695 581,
Kerala, India;
Tel: + (91) 0471 – 2700244

STATUTORY AUDITORS

B S R & Associates LLP,
Chartered Accountants
49/179 A, 3rd Floor, Syama Business Centre
NH 47 Bypass Road, Vytilla, Kochi - 682 019

SECRETARIAL AUDITORS

CS Harshan Madhavan FCS
Neeranjnam, T. C. 91/1924 (1) Near Govt. High School,
Karikkakom Thiruvananthapuram - 695 021

COST AUDITORS

B.V. Subramaniam,
Cost Accountants, Lekshmi Niketan,
JPN-45, 4th Cross, J.P. Nagar, Trivandrum – 695 008

INTERNAL AUDITORS

Deloitte Haskins & Sells, Chartered Accountants

BANKERS

Federal Bank
HDFC Bank limited
ICICI Bank limited
Axis Bank Limited

**Asianet Digital Network Private Limited**

U74999KL2015PTC039405

2A, 2nd Floor, Carnival Technopark [Leela Infopark],
Technopark, Kazhakuttom, Thiruvananthapuram Kerala**NOTICE**

NOTICE is hereby given that the Seventh Annual General Meeting of the members of Asianet Digital Network Private Limited will be held on Wednesday, the 28th day of September 2022 at the registered office of the company at 2A, 2nd Floor, Carnival Technopark [Leela Infopark], Technopark, Kazhakuttom, Thiruvananthapuram Kerala 695581 At 11.00 AM to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2022, together with the reports of the Board of Directors and the Reports of Auditors thereon; and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolutions:**

"RESOLVED THAT the Audited Financial statement of the Company for the Financial year ended March 31, 2022, and the reports of the Board of Directors and the Report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

SPECIAL BUSINESS:

2. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2022, and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**

"RESOLVED THAT, in accordance with the provisions of Section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules 2014 (including any amendment thereto or modification thereof) the remuneration of Rs.50,000/- (Rupees Fifty Thousand only) plus out of pocket expenses, as fixed by the Board of Directors in its meeting held to B V Subramaniam and Co., Cost Auditors for conducting the Audit of Cost Records maintained in respect of all applicable Services of the Company, for the financial year 2021-22, be and hereby ratified.

By order of the Board of Directors
For **Asianet Digital Network Private Limited**

Joby Mathew
Company Secretary

Dated: 5th day of September 2022
Place: Thiruvananthapuram

NOTES

1. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Meeting is annexed.
2. **A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and, on a poll, to vote instead of himself and the Proxy need not be a Member of the company.**
3. **Proxies, in order to be effective, must be received in the enclosed Proxy Form at the Registered Office of the company not less than forty-eight hours before the time fixed for the Meeting.**
4. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A Member holding more than ten percent of total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.
6. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
7. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the company. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the company on all working days of the company between 11:00 a.m. and 1:00 p.m. upto the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.

EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO.02**

The Board of Directors of the Company ('the Board') has fixed the remuneration of Mr. BV Subramaniam, M/s B V Subramaniam and Co., Cost Auditors, Lekshmi Niketan, JPN 45, 4th Cross, JP Nagar, West Fort, Thiruvananthapuram-695008 for conducting the audit of Cost Records maintained by the Company, for the financial year 2021-22 as Rs.50,000/- (Rupees Fifty Thousand only) plus out of pocket expenses.

In terms of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, remuneration of the Cost Auditors needs ratification by the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Resolutions.

The Board recommends the resolution set forth in Item No. 02 for your approval.

By Order Of The Board of Directors
For **Asianet Digital Network Private Limited**

Joby Mathew
Company Secretary

Dated: 5th day of September 2022
Place: Thiruvananthapuram

Form No. MGT-11**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	U74999KL2015PTC039405
Name of the company	ASIANET DIGITAL NETWORK PRIVATE LIMITED
Registered office	2A, 2ND FLOOR, LEELA INFOPARK, TECHNOPARK, KAZHAKUTTOM, THIRUVANANTHAPURAM, KERALA, 695581

Name of the member (s): Registered address: E-mail Id: Folio No/ Client Id: DP ID:
--

I/We, being the member (s) of shares of the above-named company, hereby appoint

1. Name
Address
E-mail Id
Signature Or failing him

2. Name
Address
E-mail Id
Signature Or failing him

3. Name
Address
E-mail Id
Signature Or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **7th Annual General Meeting** of the company, to be held on **Wednesday, the 28th Day of September 2022** at the registered office of the company at **11:00 AM** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. 1
Signed this
Signature of shareholder
Signature of Proxy holder(s)

Affix Revenue Stamp

Resolution No. 2
Signed this
Signature of shareholder
Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP
7th Annual General Meeting held on Wednesday, 28th September 2022

Name of the member/Proxy in Block Letters: Folio No.: No. of shares held:

I certify that I am a member/proxy for the member of the company

I hereby record my presence at the 7th Annual General Meeting of the company on 28th September 2022 at the registered office of the company at 2A, 2nd Floor, Leela Infopark, Technopark, Kazhakuttom, Thiruvananthapuram, Kerala, 695581 at 11.00AM.

.....
Signature of the Member/Proxy

Note:
Please fill up the attendance slip and hand it over at the entrance of the meeting hall.

DIRECTORS REPORT

To
The Members of
Asianet Digital Network Private Limited
(Wholly owned subsidiary of Asianet Satellite Communications Limited)

Your directors have pleasure in presenting the Seventh Annual Report of the Company for the year ended March 31, 2022.

1.0. FINANCIAL RESULTS

The key financial highlights of the company are as follows:

(Rs. in Millions)

Particulars	2021-22	2020-21
Revenue from Operations	3139.13	3031.43
Other Income	31.99	45.63
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	411.10	455.57
Less: Depreciation/ Amortisation/ Impairment	347.90	340.91
Profit /loss before Finance Costs, Exceptional items and Tax Expense	63.20	114.66
Less: Finance Costs	58.00	56.13
Profit /loss before Exceptional items and Tax Expense	5.20	58.53
Add/(less): Exceptional items	-	-
Profit /loss before Tax Expense	5.20	58.53
Less: Tax Expense (Current & Deferred)	(2.60)	(1.91)
Profit /loss for the year (1)	7.80	60.44
Total Comprehensive Income/loss (2)	6.70	13.59
Total (1+2)	14.50	74.03
Balance of profit /loss for earlier years	148.11	74.08
Less: Transfer to Debenture Redemption Reserve	-	-
Less: Transfer to Reserves	-	-
Less: Dividend paid on Equity Shares	-	-
Less: Dividend paid on Preference Shares	-	-
Less: Dividend Distribution Tax	-	-
Balance carried forward	162.61	148.11

2.0. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Your company, being a wholly owned subsidiary of Asianet Satellite Communications Limited, has been continuing as one of the major multi system operator in cable TV business in Kerala. Presently, company has operations in the states of Kerala, Karnataka, Andhra Pradesh, Telangana and Odisha. In addition to Cable TV business, company is engaged in the business of telecasting cable TV channels. The subscriber base of the company's digital TV operations across all the states together as on 31.03.2022 is 10,85,657.

To become more competitive, company has implemented new DPO (Distribution Platform Operator) packages leveraging customer preferences. Your company is also facing competition/ threat from FTTH ((Fiber-to-Home), OTT (Over-the-top), DTH (Direct-to-Home) players in the market. In order to overcome these, company is planning to strengthen its FTTH network and migrate the customers from coaxial cable to FTTH.

Asianet Cable Vision is telecasting 13 channels through our cable network giving our customers diversified viewing experience.

2.1. Operations in Other States

Your Company has been strengthening its operations in the State of Karnataka, Andhra Pradesh, Telangana & Odisha by providing digital TV Services in tie up with Local Cable Operators.

2.2. Customer Care Services

Your Company has striven hard to ensure that high standards of operational parameters are maintained including operating a 24 x 7 customer care providing quality services to its subscribers.

3.0. CHANGE IN NATURE OF BUSINESS, IF ANY

There is no change in the nature of business in the previous financial year.

4.0. DIVIDEND

The Board has not recommended any dividend to its shareholders.

5.0. TRANSFER TO RESERVE

Not applicable

6.0. DEPOSITS

The company has not accepted any deposits during the year 2021-22.

7.0. INFORMATION ABOUT HOLDING/SUBSIDIARY/JV/ASSOCIATE COMPANY

Your company is a wholly owned subsidiary of Asianet Satellite Communications Limited.

8.0. ANNUAL RETURN

The annual return of the company shall be placed on the following web address of the company (Refer Section 134(3)(a) of the Companies Act, 2013).

www.asianet.co.in/about/Corporate-Information

9.0. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following changes have been made effective in the constitution of Board of Directors and Key Managerial personnel during the financial year 2021- 22 and up to the date of this report.

Sr. No.	Name	Designation	Date	Appointment/ Resignation
1	Mr. Sreerama Murthy Chaganti	Director	01.11.2021	Appointment
2	Sri. Ankit Rajiv Somani	Independent Director	01.12.2021	Appointment
3	Mr. P.S. Suresh	Executive Director & Chief Financial Officer	01.02.2022	Change in designation

10.0. MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2021-22, the Company held five meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

Sl. No.	Date of Meeting	Board Strength	No. of Directors Present
1	15.07.2021	2	2
2	28.08.2021	2	2
3	01.11.2021	3	3
4	01.12.2021	3	3
5	01.02.2022	4	3

11.0. AUDITORS

11.1. Statutory Auditors

M/s B S R & Associates LLP, Chartered Accountants (Firm Registration No. 116231 W/W-100024) were appointed as Statutory Auditors for a period of 5 years in the Annual General Meeting held on 20.09.2018.

11.2. Internal Auditors

Appointed M/s Deloitte Haskins & Sells, Chartered Accountants, Cochin as Internal Auditors under Section 138 of the Companies Act, 2013 in its Board meeting held on 28.08.2021.

11.3. Cost Auditors

Your company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 for the financial year 2018-19 onwards. The company has maintained all such records and appointed M/s. B.V. Subramaniam & Co, Cost Accountants, Lekshmi Niketan, JPN-45, 4th Cross, J.P. Nagar, Trivandrum – 695 008 as Cost Accountants of the company under section 148 (3) of the Companies Act, 2013 and Rule 6(2) of the Companies (Cost records and Audit Rules) 2014.

11.4. Secretarial Auditors

Your company, being a material subsidiary to Asianet Satellite Communications Limited, has appointed Sri. M Harshan M, Company Secretary [FCS No. 294 / CP No. 6749] as the Secretarial Auditor of the Company as per the provisions of Sub Section (1) of Section 204 of the Companies Act, 2013 read with Regulation 24A of SEBI(LODR) Regulations, 2015

The Secretarial Audit Report forms part of this Report and is attached as **Annexure III**.

12.0. AUDIT COMMITTEE

Your company, being a wholly owned subsidiary of Asianet Satellite Communications Limited is exempted from constituting Audit Committee.

13.0. NOMINATION AND REMUNERATION COMMITTEE

Your company, being a wholly owned subsidiary of Asianet Satellite Communications Limited is exempted from Constituting Nomination and Remuneration Committee.

14.0. WHISTLE BLOWER POLICY

The Company promotes safe, ethical and compliant conduct of all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. Since your company has not constituted Audit Committee, the Board has nominated Mr. Sreerama Murthy Chaganti, Director of the company to play the role of Audit Committee for the purpose of vigil mechanism to whom other directors and employees may report their concerns.

15.0. INTERNAL COMPLAINTS COMMITTEE CONSTITUTED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your company constituted internal complaints committee as per Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 in association with holding company Asianet Satellite Communications Limited as both companies have common workplace and offices.

The company has received a detailed report of the functioning of the committee. In accordance with section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the company is furnishing the following information, which is integral part of this report.

No. of cases reported during the financial year 2021-22	No. of cases disposed
Nil	Nil

16.0. CORPORATE SOCIAL RESPONSIBILITY

The CSR initiatives and activities are aligned to the requirements of Section 135 of the Companies Act, 2013. The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure II** of this report in the format prescribed in the

Companies (Corporate Social Responsibility Policy) Rules, 2014. Since the CSR Liability of the company does not exceed Rupees Fifty Lakhs, the Board of Directors of the Company in their meeting held on 01.02.2022 gave their consent to dissolve the CSR committee of the company with immediate effect. The Board of Directors shall exercise the powers of the CSR Committee till the CSR liability exceeds Rupees Fifty Lakhs.

17.0. PARTICULARS OF LOANS, GUARANTEE OR SECURITY AND INVESTMENT

The shareholders of the company in its meeting held on 25th March 2019 accorded its sanction to Board of Directors for giving loan or for issuing any corporate guarantee or provide security in connection with a loan to any other body corporate or person / entity for an amount not exceeding Rs.600 crore under section 186 of Companies Act, 2013.

The particulars of loans, guarantees and investments as per Section 186 of the Act by the Company, have been disclosed in the financial statements

18.0. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the financial year under review, company has entered into transactions with its holding company Asianet Satellite communications Limited, which was on arm's length basis and in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Management Personnel /Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. In terms of Section 188(1) of the Act and the rules made thereunder, Form AOC-2 [Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including arm's length transactions under third proviso thereto] is attached to this Report as **Annexure - I**. Shareholders may also refer to notes to the Financial Statements for details on Related Party Transactions

19.0. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

(A) Conservation of energy

(i) Steps taken for conservation of energy:

During the year under review, the Company was not engaged in any manufacturing or processing activity. Notwithstanding this, your company is in the process of upgradation of DOCSIS (Data Over Cable Service Interface Specifications) Technology to FTTH (Fiber-to- Home) Technology in the existing network. This conversion will cause significant savings of Power consumption.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

Nil

(iii) The capital investment on energy conservation equipment:

The company has incurred capital expenditure of Rs. 342.48 million for the purpose of upgrading existing network.

(B). Technology Absorption

(i) Major efforts made towards technology absorption:

The Company has not entered into any technology agreement or collaborations.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The upgradation of existing network from DOCSIS (Data Over Cable Service Interface Specifications) Technology to FTTH (Fiber-to- Home) exceptional QoS giving better viewing experience to customers. It optimizes capital expense, network maintenance costs, etc.

(iii) Information regarding imported technology (Imported during last three years):

The Company has not imported any technology during the last three years.

(iv) Expenditure incurred on research and development:

Nil

(C) Foreign exchange earnings and Outgo

(i) The CIF value of imports during the year 2021-22 – Rs 23.363 millions

(ii) Forex expenditure -NIL.

20.0. RISK MANAGEMENT

Your company has taken adequate steps for Risk identification, Risk evaluation, and Risk mitigation. The Board is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness.

21.0. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The company maintains appropriate system of internal control including monitoring procedures to ensure that all assets are safeguarded against loss from unauthorised use or disposition. Company policies, guidelines and procedures provide for adequate cheques and balances and are meant to ensure that all transactions are authorised, recorded and reported correctly.

The Head of the internal audit together with external audit consultants review the effectiveness and efficiency of the systems and procedures to ensure that all assets are protected against loss and that the financial and operational information is accurate and complete in all respect. The audits are conducted on an ongoing basis.

22.0. COMPLIANCE WITH SECRETARIAL STANDARDS

Your company has complied with all the provisions of the following Secretarial Standards

SS-1- Secretarial Standard on Board meetings

SS-2- Secretarial Standard on General meetings.

23.0. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that –

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24.0. ACKNOWLEDGEMENT

Your directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your directors also wish to place on record their deep sense of appreciation for the committed service of all the employees of the Company.

For and on behalf of the Board of Directors

Murthy Chaganti
Director
DIN: 09379784

P.S. Suresh
Executive Director & CFO
DIN: 08421313

Place: Thiruvananthapuram

Date: 22.08.2022

Annexures to the Directors Report

Annexure I	Form AOC.2-Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto
Annexure II	Annual Report on CSR Activities
Annexure III	Secretarial Audit Report

**ANNEXURE - I
FORM NO. AOC.2**

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis - Nil

- a. Name(s) of the related party and nature of relationship - Not Applicable
- b. Nature of contracts / arrangements / transactions - Not Applicable
- c. Duration of the contracts / arrangements / transactions - Not Applicable
- d. Salient terms of the contracts or arrangements or transactions including the value, if any - Not Applicable
- e. Justification for entering into such contracts or arrangements or transactions - Not Applicable
- f. Date(s) of approval by the Board - Not Applicable
- g. Amount paid as advances, if any - Not Applicable
- h. Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 - Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

Related Party	Nature of Relationship	Nature of contracts/ arrangements s/ transactions	Duration of the contracts/ arrangements s/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any. (In Lakhs)	Date(s) of approval by the Board, if any	Advance, if any paid
Asianet Satellite Communications Limited	Holding Company	Common expense Allocation Arrangement	Continuing	**Total value of transactions: Rs.549.30 Millions	14.10.2020	Not Applicable

**Refer Notes to the Financial Statements for details on Related Party Transactions.

For and on behalf of the Board of Directors

**Murthy Chaganti
Director
(DIN: 09379784)**

**P.S. Suresh
Executive Director & CFO
DIN: 08421313**

Place: Thiruvananthapuram

Date: 22.08.2022

ANNEXURE II**ANNUAL REPORT ON CSR ACTIVITIES****1. Brief outline on CSR policy of the company.**

Asianet Digital Network Private Limited, being a material subsidiary to Asianet Satellite Communications Limited (ASCL) follows the CSR policy of ASCL, by which the company intend to actively participate in the improvement of quality of life of people through health care, education, livelihoods and community development initiatives, giving preference to local areas of operation. Your Company proposes to implement all CSR initiatives jointly with ASCL.

The focus areas of Asianet CSR initiatives mainly centered on:

- (i) Hunger, poverty, malnutrition and health
- (ii) Education
- (iii) Rural development
- (iv) Welfare measures to armed force veterans, war widows etc.
- (v) Promotion of sports
- (vi) Disaster management

2. Composition of CSR Committee:

The constitution of Corporate Social Responsibility Committee shall not be applicable for companies where the total CSR obligation under Section 135 (5) does not exceed INR 50 lacs as per Companies (Amendment) Act, 2020 vide S.O. 325(E) with effect from 22nd January 2021. Accordingly, the Board of Directors at their meeting held on 01st February 2022 noted that the total CSR obligation under Section 135 (5) for the Company does not exceed INR 50 Lacs and the CSR Committee of the Company was dissolved. The Board also resolved that the powers and functions of the CSR Committee pursuant to the Companies Act, 2013 shall be vested with the Board of Directors of the Company.

As on date, the CSR Committee of the Company stands dissolved and the Board of Directors of the Company carryout the powers and functions of the CSR committee.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.

Web link: <https://asianet.co.in/about/CSR-Initiatives>

Members are informed that since the CSR obligations are carried out in collaboration with ASCL, the parent company, the projects as set out in the web link are the joint efforts of your Company along with ASCL.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Members are informed that the requirement of undertaking impact assessment as per sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 is applicable for companies having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years. The provision shall not be applicable to the Company.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1		Not applicable*	

*The Company have not paid any amount exceeding the CSR obligation under Section 135 (5) during the FY 2020-21. Accordingly, set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable for the Company.

6. Average net profit of the company as per section 135(5): 527.50 Lacs

7.

a.	Two percent of average net profit of the company as per section 135(5)	10.55 Lacs
b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years:	0.00
c.	Amount required to be set off from the previous financial year, if any	0.00
d.	Total CSR obligation for the financial year (7a+7b-7c)	10.55 Lacs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (Rs.in lacs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
14.56 lakhs	NA	NA	NA	NA	NA

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (Rs. in lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	10.55
(ii)	Total amount spent for the Financial Year	14.56
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4.01
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	4.01

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (Rs.in lacs)	Amount spent in the reporting Financial Year (Rs.in lacs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding financial years. (Rs.in lacs)	
				Name of the Fund	Amount (Rs in lacs).		
1.	2020-21	0.00	3.71	PM CARES fund	2.44	10.08.2021	0.00
2.	2019-20	0.00	0.00	NA	NA	NA	0.83
3.	2018-19	0.00	0.00	NA	NA	NA	0.00
	Total		3.71				

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (Rs.in lacs)	Amount spent on the project in the reporting Financial Year (Rs.in lacs)	Cumulative amount spent at the end of reporting Financial Year. (Rs.in lacs)	Status of the project - Completed /Ongoing.
	Total							

NOT APPLICABLE

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

Not applicable

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not applicable

For and on behalf of the Board of Directors

Murthy Chaganti
Director
(DIN: 09379784)

P.S. Suresh
Executive Director and CFO
(DIN: 08421313)

Place: Thiruvananthapuram

Date: 22.08.2022

ANNEXURE III**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To:

**The Members,
AsianetDigital Network Private Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Asianet Digital Network Private Limited [CIN: U74999KL2015PTC039405]** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Asianet Digital Network Private Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed, and other records maintained by Asianet Digital Network Private Limited for the financial year ended on 31st March 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) Most of the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not relevant for compliance as the company is not a listed company.
- (vi) Industrial and Labour Laws
- (vii) Cable Television Networks (Regulation) Act, 1995 and rules framed thereunder;
- (viii) Telecom Regulatory Authority of India Act, 1997 and applicable regulations framed thereunder viz (a)Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) Regulations, 2017; (b) Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection Regulations 2017; (c)Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017
- (ix) The Information Technology Act, 2000
- (x) The Trademarks Act, 1999

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under audit, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above satisfactorily.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The following changes were made effective in the constitution of Board of Directors during the financial year 2021- 22.

2	Name	Designation	Date	Appointment/ Resignation
1	Sri. Sree Ramamurthy Chaganti	Director	01.11.2021	Appointment
2	Sri. Ankit Rajiv Somani	Independent Director	01.12.2021	Appointment
3	Sri. P.S. Suresh	Executive Director & Chief Financial Officer	01.02.2022	Change in designation

Adequate notice was seen given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The minutes indicate that there had been no dissent expressed by any Director during the period under audit.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has:

- (1) Filed satisfaction of the following charge during the period under report.

Sl. No.	Charge Id	Date of Creation	Amount of Charge	Name of Charge Holder & address	Satisfied on
1	100232619	15/01/2019	28,00,00,000	Standard Chartered Bank, 19, Rajaji Salai, Chennai. TN 600001	06/08/2021
2	100273533	01/07/2019	30,00,00,000	RBL Bank Limited, Shahupuri, Kolhapur, Kolhapur-416001 India	24/11/2021

(2) Filed the creation and maintenance of the following Charge during the period under report.

Sl. No.	Charge Id	Date of Creation	Date of Modification	Amount of Charge	Name of Charge Holder	Address of Charge Holder
1	100560360	24/03/2022	-	50,00,00,000	ICICI Bank LIMITED	ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara, Gujarat-390007
2	100438246	26/03/2021	-	20,00,00,000.00	ICICI BANK LIMITED	ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara, Gujarat-390007
3	100437124	26/03/2021	-	30,00,00,000.00	ICICI BANK LIMITED	ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara, Gujarat-390007
4	100436632	26/03/2021	-	10,00,00,000.00	ICICI BANK LIMITED	ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara, Gujarat-390007
5	100418956	07/01/2021	-	50,00,00,000.00	RBL BANK LIMITED	Shahupuri, Kolhapur, MA-416001
6	100394182	29/02/2020	-	50,00,00,000.00	AXIS BANK LIMITED	Trishul, 3rd Floor, Opp. Samarsheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad, Gujarat-GJ-380006
7	100343048	08/06/2020	-	60,00,00,000.00	ICICI BANK LIMITED	Tower, Near Chakli Circle, Old Padra Road, Vadodara, Gujarat-390007
8	100312834	13/12/2019	04/05/2021	145,00,00,000.00	THE FEDERAL BANK LIMITED	PB No.2, First Floor, Federal Towers, MG Road, Thiruvananthapuram-695001
9	100273534	05/07/2019	-	50,00,00,000.00	RBL BANK LIMITED	Shahupuri, Kolhapur, MA-416001
10	100214124	15/10/2018	01/12/2021	130,00,00,000.00	HDFC Bank Limited	HDFC Bank House, Senapati Bapat Marg, Lower Parel, W Mumbai-MH-400013IN

- (3) Convened its 06th Annual General Meeting on 11/09/2021.
- (4) The company convened only one Extra-ordinary General Meeting on 23/02/2022 during the year.
- (5) There were the following changes in the composition of the Board of Directors during the year under report.
 - (a) Shri. P.S. Suresh was re-designated as Executive Director and Chief Financial Officer w.e.f. 01/02/2022.
 - (b) Shri. Sreerama Murthy Chaganti was appointed as Director w.e.f. 01/11/2021.
 - (c) Mr. Ankit Rajiv Somani was appointed as Independent Director w.e.f. 01/12/2021.
- (6) There were 5 meetings of the Board during the year under report on 15/07/2021; 28/08/2021, 01/11/2021, 01/12/2021 and 01/02/2022.

Place: Thiruvananthapuram

Date: 22.08.2022

Signature: Sd

Name of Company Secretary-

in Practice: Harshan Madhavan

Membership No.: FCS - 294

Certificate of Practice No.: 6749

UDIN No.: F000294D000815328

This Report is to be read with our letter of even date which is annexed as '**Annexure A**' and forms an integral part of this report.

'Annexure A'

To: **The Members, Asianet Satellite Communications Private Limited.**

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the company.

Place: Thiruvananthapuram
Date: 22.08.2022

Signature: Sd
Name of Company Secretary-in
practice: Harshan Madhavan
Membership No.: FCS - 294
Certificate of Practice No.: 6749
UDIN No.: F000294D000815328

Independent Auditor's Report

To the Members of Asianet Digital Network Private Limited

Report on the Audit of the Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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 balance sheet, the statement of profit and loss (including other comprehensive income), the statement of

changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 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 does not have any pending litigations which would impact its financial position.
 - 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 41(a) to the 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 41(b) to the 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 Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company.

For B S R & Associates LLP
Chartered Accountants
Firm’s Registration No.:116231W/W-100024

Baby Paul
Partner

Place: Kochi
Date: 22 August 2022

Membership No.: 218255
ICAI UDIN:22218255APOXEL9026

Annexure A to the Independent Auditor's Report on the Financial Statements of Asianet Digital Network 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 Set Top Boxes ('STB') installed at subscribers' locations. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year. No material discrepancies were noticed on such verification. With respect to the cables and STB's installed at subscribers' locations, management is of the view that it is not possible to physically verify these assets due to their nature and location. According to the information and explanations given to us, the existence of STB's is verified on the basis of the 'active user' status in the system.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (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 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:

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	Inventory and Capital Work in Progress	105.08	52.50	(52.58)	No. Refer Note 15 to Financial Statements
Q2	Federal Bank,	Trade Receivables	654.40	623.40	(31.00)	No. Refer Note 15 to Financial Statements
	HDFC Bank	Inventory and Capital Work in Progress	78.49	37.20	(41.29)	
		Trade Payables	594.04	163.50	(430.54)	
Q3	Federal Bank,	Trade Receivables	612.46	628.60	16.14	No. Refer Note 15 to Financial Statements
	HDFC Bank	Inventory and Capital Work in Progress	99.84	50.30	(49.54)	
		Trade Payables	521.76	158.50	(363.26)	

- (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:

Particulars	Guarantees	Security
Aggregate amount during the year		
– Holding company*	3,075.45	3,075.45
Balance outstanding as at balance sheet date		
– Holding company*	1,967.78	1,967.78

*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 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, there are no 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 with the appropriate authorities on account of any dispute.
- (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. 32.24 millions. Further, the funds raised on short-term basis during the year, prima facie, have not been utilised for long term purpose.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.

- (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).
- (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 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) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are 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 financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence 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) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (b) 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 ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No.:116231W/W-100024

Place: Kochi
Date: 22 August 2022

Baby Paul
Partner
Membership No.: 218255
ICAI UDIN:22218255APOXEL9026

Annexure B to the Independent Auditor's Report on the financial statements of Asianet Digital Network Private Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the 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 Digital Network Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 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 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.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For B S R & Associates LLP
Chartered Accountants
Firm's Registration No.:116231W/W-100024

Place: Kochi
Date: 22 August 2022

Baby Paul
Partner
Membership No.: 218255
ICAI UDIN:22218255APOXEL9026

Standalone balance sheet as at 31 March 2022

(All amounts are in Indian Rupees in millions)

Assets	Notes	As at 31 March 2022	As at 31 March 2021
Non-current assets			
Property, plant and equipment			
Capital work-in-progress			
Right-of-use assets	4	1,283.70	1,299.68
Intangible assets	4	99.57	81.02
Financial assets	36	28.56	18.06
Other financial assets	5	5.47	7.31
Deferred tax assets (net)			
Income tax assets (net)	13	38.62	2.92
Other non-current assets	29	177.10	148.21
Total non-current assets	29	43.27	11.95
Current assets			
Inventories	7	-	154.20
Financial assets			
	8	6.64	7.84
Investments	9	492.60	621.02
Trade receivables	10	312.92	348.59
Cash and cash equivalents	11	18.46	19.75
Other bank balances	12	18.05	16.71
Loans	6	3.24	3.22
Other financial assets	13	11.99	11.04
Other current assets	7	84.15	115.83
Total current assets		948.05	1,144.00
Total assets		2,624.34	2,867.35
Equity and liabilities			
Equity			
Equity share capital	14	801.16	801.16
Other equity		162.61	148.11
Total equity		963.77	949.27
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	221.64	283.35
Lease liabilities	36	24.05	16.29
Other financial liabilities	16	60.80	62.16
Provisions	17	95.75	96.50
Other non-current liabilities	18	37.04	5.08
Total non-current liabilities		439.28	463.38
Current liabilities			
Financial liabilities			
Borrowings	15	293.41	197.11
Lease liabilities	36	6.59	3.71
Trade payables	19		
Total outstanding dues of micro and small enterprises		18.70	19.42
Total outstanding dues of creditors other than micro and small enterprises		514.97	808.30
Other financial liabilities	16	40.15	29.97
Provisions	17	12.94	8.48
Other current liabilities	18	334.53	387.71
Total current liabilities		1,221.29	1,454.70
Total liabilities		1,660.57	1,918.08
Total equity and liabilities		2,624.34	2,867.35

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

for and on behalf of the Board of Directors of

Asianet Digital Network Private Limited

CIN :U74999KL2015PTC039405

Baby Paul

Partner

Membership number: 218255

Kochi

22 August 2022

Suresh Pazhempallil Sivaraman Nair

Whole Time Director

DIN: 08421313

Thiruvananthapuram

22 August 2022

Sreerama Murthy Chaganti

Director

DIN: 09379784

Thiruvananthapuram

22 August 2022

Joby Mathew

Company Secretary

Membership no: A 24411

Thiruvananthapuram

22 August 2022

Standalone statement of profit and loss for the year ended 31 March 2022

(All amounts are in Indian Rupees in millions)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations			
Other income	20	3,139.13	3,031.43
Total income	21	31.99	45.63
		3,171.12	3,077.06
Expenses			
Network, transmission and related expenses			
Purchases of stock-in-trade	22	1,445.60	1,376.35
Changes in inventories of stock-in-trade	23	50.67	23.65
Employee benefits expense	24	1.20	2.31
Impairment losses on financial and contract assets	25	255.44	286.61
Finance costs	34C	53.91	13.38
Depreciation and amortisation expense	26	58.00	56.13
Other expenses	27	347.90	340.91
Total expenses	28	953.20	919.19
		3,165.92	3,018.53
Profit before tax			
Tax expense		5.20	58.53
	29		
Current tax		28.54	29.28
Deferred tax credit		(31.14)	(31.18)
Total tax expense		(2.60)	(1.91)
Profit for the year		7.80	60.44
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurement of net defined benefit plan income		8.95	17.99
Income tax credit relating to the above		(2.25)	(4.41)
Other comprehensive income for the year, net of income tax		6.70	13.59
Total comprehensive income for the year		14.50	74.03
Earning per equity share (Equity share of face value Rs. 10 each) Basic and diluted earnings per share (Rs.)	31	0.10	0.75

Significant accounting policies

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

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

Partner

Membership number: 218255

Kochi

22 August 2022

Suresh Pazhempallil Sivaraman Nair

Whole Time Director

DIN: 08421313

Thiruvananthapuram

22 August 2022

Sreerama Murthy Chaganti

Director

DIN: 09379784

Thiruvananthapuram

22 August 2022

Joby Mathew

Company Secretary

Membership no: A 24411

Thiruvananthapuram

22 August 2022

Standalone statement of cash flows for the year ended 31 March 2022

(All amounts are in Indian Rupees in millions)

	Year ended 31 March 2022	Year ended 31 March 2021
Cash flows from operating activities		
Profit before tax		
<i>Adjustments for:</i>	5.20	58.53
Depreciation and amortisation		
Net gain on fair value changes on financial assets measured at FVTPL	347.90	340.91
Finance costs	(19.10)	(29.26)
Interest income under the effective interest method	58.00	56.13
Financial guarantee income	(1.15)	(1.09)
Impairment losses on financial and contract assets	(10.17)	(9.06)
Unrealised foreign exchange loss/(gain)	53.91	13.38
Operating profit before working capital changes	0.19	3.93
Decrease in inventories	434.78	433.47
Increase in trade receivables	1.20	2.31
Increase in financial assets and other assets	(18.24)	224.95
Increase/ (decrease) in financial liabilities and other liabilities	(6.40)	(96.98)
Net cash generated from/ (used in) operating activities before taxes	(307.51)	11.23
Income tax paid, net	103.83	574.97
Net cash generated from /(used in) operating activities (A)	(59.86)	(14.97)
	43.97	560.00
Cash flow from investing activities		
Acquisition of property, plant and equipment		
Investments in mutual funds	(174.75)	(367.35)
Proceeds from sale of mutual fund investments	(689.76)	(980.00)
Interest received	837.27	791.88
Net cash used in investing activities (B)	11.39	10.04
	(15.85)	(545.43)
Cash flow from financing activities		
Long term secured loans availed		
Long term secured loans repaid	260.00	300.00
Current borrowings availed, net	(322.08)	(142.16)
Payment of lease liabilities	96.30	(128.69)
Finance costs	(7.58)	(6.59)
Net cash generated from financing activities (C)	(56.05)	(54.82)
	(29.41)	(32.25)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(1.29)	(17.68)
Cash and cash equivalents at the beginning of the year	19.75	37.43
Cash and cash equivalents at the end of the year	18.46	19.75
Refer to note 11 - 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)	283.35	(62.08)	-	0.37	221.64
Current borrowings	197.11	96.30	-	-	293.41
Lease liabilities	19.99	(7.58)	-	18.23	30.64
Total	500.45	26.64	-	18.60	545.69

Particulars	As at 1 April 2020	Cash flows	Non cash changes		As at 31 March 2021
			Fair value	Others*	
Non-current borrowings	121.46	157.84	-	4.05	283.35
Current borrowings	325.80	(128.69)	-	-	197.11
Lease liabilities	24.05	(6.59)	-	2.53	19.99
Total	471.31	22.56	-	6.58	500.45

*Others includes finance cost accrued Rs. 2.01 million (31 March 2021: Rs. 1.96 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

for and on behalf of the Board of Directors of

Asianet Digital Network Private Limited

CIN :U74999KL2015PTC039405

Baby Paul

Partner

Membership number: 218255

Kochi

22 August 2022

Suresh Pazhempallil Sivaraman Nair

Whole Time Director

DIN: 08421313

Thiruvananthapuram

22 August 2022

Sreerama Murthy Chaganti

Director

DIN: 09379784

Thiruvananthapuram

22 August 2022

Joby Mathew

Company Secretary

Membership no: A 24411

Thiruvananthapuram

22 August 2022

Statement of changes in equity for the year ended 31 March 2022

A Equity Share Capital

(All amounts are in Indian Rupees in millions)

	Note	Amount
Balance as at 1 April 2020		801.16
Changes in equity share capital during 2020-21	14	-
As at 31 March 2021		801.16
Balance as at 1 April 2021		801.16
Changes in equity share capital during 2021-22	14	-
As at 31 March 2022		801.16

B Other equity

Particulars	Reserves and surplus	Items of other comprehensive income	Total other equity attributable to equity holders of the Company
	Retained earnings	Remeasurement of net defined benefit liability/ (asset), net of tax	
Balance as at 01 April 2020	74.08	-	74.08
Total comprehensive income for the year			
Profit for the year	60.44		60.44
Other comprehensive income for the year	-	13.59	13.59
Total comprehensive income	60.44	13.59	74.03
Transferred to retained earnings	13.59	(13.59)	-
Balance as at 31 March 2021	148.11	-	148.11
Balance as at 01 April 2021	148.11	-	148.11
Total comprehensive income for the year			
Profit for the year	7.80		7.80
Other comprehensive income for the year	-	6.70	6.70
Total comprehensive income	7.80	6.70	14.50
Transferred to retained earnings	6.70	(6.70)	-
Balance as at 31 March 2022	162.61	-	162.61

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

Retained earnings

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

Other comprehensive income

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

The accompanying notes form an integral part of these 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

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

Baby Paul
Partner
Membership number: 218255
Kochi
22 August 2022

Suresh Pazhempallil Sivaraman Nair
Whole Time Director
DIN: 08421313
Thiruvananthapuram
22 August 2022

Sreerama Murthy Chaganti
Director
DIN: 09379784
Thiruvananthapuram
22 August 2022

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

NOTES

1. Company overview

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

The Company provides cable and satellite channels over a high quality state-of-art cable network to its subscribers. Asianet has a unique business model with end-to-end ownership of the network including the last mile.

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

2. Basis of preparation

A. Statement of compliance

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

The financial statements were authorised for issue by the Company's Board of Directors on 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 32 - Measurement of defined benefit obligations: key actuarial assumptions;
- Note 29 - Recognition of deferred tax asset:

2. Basis of preparation (continued)

D. Use of estimates and judgements (continued)

- Note 30- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 34 - Impairment of financial assets;

E. Measurement of fair values

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

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

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

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

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

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

- Financial instruments

3. Significant accounting policies

3.1 Property, plant and equipment

i. Recognition and measurement

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

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

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

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

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

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

3. Significant accounting policies (continued)

3.1 Property, Plants and equipment (continued)

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

ii. Subsequent expenditure

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

iii. Depreciation

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

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

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

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

3.2 Intangible Assets

Amortisation

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

The estimated useful lives are as follows:

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

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

3. Significant accounting policies (continued)

3.2 Intangible Assets (continued)

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

3.3 Inventories

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

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

3.4 Impairment

i. Impairment of financial assets

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

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

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

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

Measurement of expected credit losses

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

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

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

Write-off:

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

ii. Impairment of non- financial assets

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

3. Significant accounting policies (continued)

3.4 Impairment of non-financial assets (continued)

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

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

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

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

3.5 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined Benefit plans

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

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

3. Significant accounting policies (continued)

3.5 Employee benefits (continued)

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

Other long term employee benefits- Compensated absences

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

3.6 Provisions (other than employee benefits)

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

3.7 Revenue

Revenue from contract with customers

The Company generates revenue from rendering of cable television service, cable channel service, sale of tele-shopping products and television sets and other related activities. Ind AS 115, Revenue from Contracts with Customers, establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services.

Disaggregation of revenue

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

Contract balances

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

3. Significant accounting policies (continued)

3.7 Revenue (continued)

Performance obligations and revenue recognition policies

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

a) Cable television and channel services

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

b) Sale of products

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

c) Other operating income

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

3.8 Foreign Currency Transactions

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

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

3.9 Leases

a) Determining whether an arrangement contains a lease

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

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

3. Significant accounting policies (continued)

3.9 Leases (continued)

b) Measurement of leases as a lessee

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

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

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

3.10 Recognition of dividend income, interest income or interest expense

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

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

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

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

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

3. Significant accounting policies (continued)

3.11 Income tax

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

i. Current tax

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

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

ii. Deferred tax

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

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

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

3.12 Borrowing cost

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

3. Significant accounting policies (continued)

3.13 Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

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

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

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

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

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

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

Financial assets: Business model assessment

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

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

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

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

3. Significant accounting policies (continued)

3.13 Financial instruments (continued)

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

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

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

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

Financial assets: Subsequent measurement and gains and losses

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

Financial liabilities: Classification, subsequent measurement and gains and losses

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

i. Derecognition

Financial assets

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

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

3. Significant accounting policies (continued)

3.13 Financial instruments (continued)

Financial liabilities

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

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

ii. Offsetting

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

3.14 Earnings / (loss) per share

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

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

3.15 Cash-flow statement

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

3.16 Cash and cash equivalents

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

3.17 Reverse factoring arrangements

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

3. Significant accounting policies (continued)

3.18 Operating segments

Basis for segmentation

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

3.19 Operating cycle

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

3.20 Recent Accounting Pronouncements

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.

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

All amounts are in Indian Rupees in millions)

Particulars	Plant and equipment	Furniture and fixtures	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	2,126.94	0.34	0.35	0.35	2.72	1.28	2,131.98	79.28
Additions	194.76	0.54	0.19	0.04	1.12	-	196.65	160.91
Disposals	-	-	-	-	-	-	-	-
Capitalisation	-	-	-	-	-	-	-	(159.17)
Balance as at 31 March 2021	2,321.70	0.88	0.54	0.39	3.84	1.28	2,328.63	81.02
Balance as at 1 April 2021	2,321.70	0.88	0.54	0.39	3.84	1.28	2,328.63	81.02
Additions	322.10	0.21	0.17	0.19	-	0.45	323.12	206.58
Disposals	-	-	-	-	-	-	-	-
Capitalisation	-	-	-	-	-	-	-	(188.03)
Balance as at 31 March 2022	2,643.80	1.09	0.71	0.58	3.84	1.73	2,651.75	99.57
Accumulated depreciation								
Balance as at 1 April 2020	695.19	0.01	0.07	0.04	0.72	0.17	696.20	-
Depreciation expense	331.25	0.05	0.08	0.04	1.12	0.21	332.75	-
Disposals	-	-	-	-	-	-	-	-
Balance at 31 March 2021	1,026.44	0.06	0.15	0.08	1.84	0.38	1,028.95	-
Balance as at 1 April 2021	1,026.44	0.06	0.15	0.08	1.84	0.38	1,028.95	-
Depreciation expense	337.40	0.10	0.13	0.05	1.16	0.26	339.10	-
Disposals	-	-	-	-	-	-	-	-
Balance at 31 March 2022	1,363.84	0.16	0.28	0.13	3.00	0.64	1,368.05	-
Carrying amounts (net)								
As at 31 March 2022	1,279.95	0.93	0.43	0.45	0.84	1.10	1,283.70	99.57
As at 31 March 2021	1,295.25	0.82	0.39	0.31	2.00	0.91	1,299.68	81.02

Capital work-in-progress ageing schedule:

Description	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	83.44	10.78	4.89	99.57
Projects temporarily suspended	-	-	-	-

As at 31 March 2021

Description	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	78.83	2.19	-	81.02
Projects temporarily suspended	-	-	-	-

The Company has not revalued its property, plant and equipment during the current year and previous year.

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.

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

5 Intangible assets

Particulars	Computer software	Copyrights and operating rights	Total
Reconciliation of carrying amount			
Gross carrying value			
Balance as at 1 April 2020	1.57	6.09	7.66
Additions	3.29	2.14	5.42
Disposals	-	-	-
Balance as at 31 March 2021	4.86	8.22	13.08
Balance as at 1 April 2021	4.86	8.22	13.08
Additions	-	0.81	0.81
Disposals	-	-	-
Balance as at 31 March 2022	4.86	9.03	13.89
Accumulated amortisation			
Balance as at 1 April 2020	0.26	2.96	3.22
Amortisation expense	1.10	1.45	2.54
Disposals	-	-	-
Balance as at 31 March 2021	1.36	4.41	5.76
Balance as at 1 April 2021	1.36	4.41	5.77
Amortisation expense	1.21	1.44	2.65
Disposals	-	-	-
Balance as at 31 March 2022	2.57	5.85	8.42
Carrying amounts (net)			
As at 31 March 2022	2.29	3.18	5.47
As at 31 March 2021	3.50	3.82	7.31

6 Loans

	As at 31 March 2022	As at 31 March 2021
Current		
<i>Unsecured, considered good</i>		
Loans and advances to employees	3.24	3.22
	3.24	3.22

*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.

7 Other assets

Non-current		
<i>Unsecured, considered good</i>		
Advances for capital goods*	-	154.20
	-	154.20

*includes advance for capital goods from holding company amounting to Nil as at 31 March 2022 (Rs 130 million as at 31 March 2021)

Current		
<i>Unsecured, considered good</i>		
Prepaid expenses	7.52	4.38
Balance with government authorities	30.66	28.62
Advance for supply of goods and services**	45.97	82.83
	84.15	115.83
	84.15	270.02

8 Inventories

<i>Valued at lower of cost and realisable value</i>		
Stock-in-trade	6.64	7.84
	6.64	7.84

9 Investments

Investment in mutual funds measured at fair value through profit or loss

<i>Unquoted</i>		
Investments in liquid mutual funds	492.60	621.02
	492.60	621.02
Aggregate book value of unquoted investments	492.60	621.02
Aggregate book value of quoted investments	-	-

10 Trade receivables

Current		
<i>Unsecured</i>		
Considered good	312.92	348.59
Credit impaired	322.56	286.74
	635.48	635.33

Allowances for expected credit loss	(322.56)	(286.74)
	(322.56)	(286.74)

Net trade receivables	312.92	348.59
------------------------------	---------------	---------------

For details of trade receivables pledged, refer note 15

The Company's exposure to credit and currency risks and loss allowances related to trade receivable are disclosed in note 34

Trade receivables ageing schedule

As at 31 March 2022

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	44.12	239.60	10.40	2.41	-	-	296.53
(ii) Undisputed Trade Receivables – credit impaired	43.32	118.56	11.81	7.87	82.54	32.34	296.44
(iii) Disputed Trade Receivables – credit impaired	-	-	-	-	26.12	-	26.12
(iv) Unbilled dues	16.40	-	-	-	-	-	16.40
Less: allowances for expected credit loss							322.56
	103.84	358.16	22.21	10.27	108.66	32.34	312.92

As at 31 March 2021

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	14.38	192.22	47.04	40.68	-	-	294.32
(ii) Undisputed Trade Receivables – credit impaired	-	28.13	45.83	93.82	61.91	30.93	260.62
(iii) Disputed Trade Receivables – credit impaired	-	-	-	26.12	-	-	26.12
(iv) Unbilled dues	54.28	-	-	-	-	-	54.28
Less: allowances for expected credit loss							286.74
	68.66	220.35	92.87	160.61	61.91	30.93	348.59

11 Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Balance with banks	13.35	16.20
Cash on hand	5.11	3.55
	18.46	19.75

12 Other bank balances

Balance in banks for margin money	18.05	16.71
	18.05	16.71

13 Other financial assets**Non current***Unsecured, considered good*

Rent and other deposits	38.62	2.92
	38.62	2.92

Current*Unsecured, considered good*

Rent and other deposits	11.95	10.93
Interest accrued on fixed deposits with banks	0.04	0.11
	11.99	11.04

For details of other financial assets pledged, refer note 15

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

14 Equity 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	80,250,000	802.50	80,250,000	802.50
Total	80,250,000	802.50	80,250,000	802.50
Issued, subscribed and paid-up				
Equity shares of Rs. 10 each	80,115,834	801.16	80,115,834	801.16
Total	80,115,834	801.16	80,115,834	801.16

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

Particulars	As at 31 March 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 reporting period	80,115,834	801.16	80,115,834	801.16
Shares issued for cash	-	-		
At the end of the reporting period	80,115,834	801.16	80,115,834	801.16

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

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	%	Number of shares	%
Asianet Satellite Communications Limited (Holding and Ultimate Holding Company)				
Equity shares of Rs. 10 each	80,115,834	100%	80,115,834	100%

d) 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.

15 Borrowings

	As at 31 March 2022	As at 31 March 2021
Non-current		
<i>Secured</i>		
Term loans from banks	462.64	411.29
Less: Current maturities of long-term borrowings	(241.00)	(127.94)
	221.64	283.35
Current		
<i>Secured</i>		
Cash credit and overdraft facilities from banks	52.41	69.18
Current maturities of long-term borrowings*	241.00	127.94
	293.41	197.11
	515.05	480.47

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

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	Axis Bank	48 Months	First Pari passu charge on entire fixed assets of ADNPL. Second pari passu charge on entire current assets of ADNPL. Paripassu charge over the following properties; 36.87 cents of land and commercial building at Door no 44/3323 Pallinada, Vytilla Kochi in the name of Asianet Satellite Communications Ltd. 17 cents of land and commercial building at Kadappakadda, Kollam in the name of Asianet Satellite Communications Ltd. 33.60 cents of land and commercial building at Thuruthy PO, Kottayam in the name of Asianet Satellite Communications Ltd. 50 cents of land and commercial building at Door no 17/2703, Near Devagiri Medical Collge Calicut, in the name of Asianet Satellite Communications Ltd. 20 cents of land and commercial building at Edapazhinji, Trivandrum in the name of Asianet Satellite Communications Ltd. Corporate Guarantee of ASCL	43 equal monthly installments (After 5 Months of Moratorium). ROI: 1 Yr MCLR (8.50%) + 1.05%	111.26	250.00
Term Loan - EURO	Federal Bank	48 Months	First Pari passu charge on fixed assets of ADNPL. Second Pari passu charge on current assets of ADNPL. First Paripassu charge on fixed assets of ASCL. Second Paripassu charge on current assets of ASCL. Corporate Guarantee of ASCL	43 equal monthly installments (After 5 Months of Moratorium). ROI: 3.40%	53.58	85.63
Term Loan - INR				43 equal monthly installments (After 5 Months of Moratorium). ROI: 1 Yr MCLR + 0.20%	50.00	78.57
Term Loan - INR				43 equal monthly installments (After 5 Months of Moratorium). ROI: 8.25%	89.58	-
Term Loan - INR	ICICI Bank	36 Months	First paripassu charge on movable and immovable fixed assets of ADNPL. Second Paripassu charge by way of hypothecation on all the current assets of ADNPL. First paripassu charge on movable and immovable fixed assets of ASCL. Second Paripassu charge by way of hypothecation on all the current assets of ASCL. Corporate Guarantee of ASCL	Lumpsum Repayment ROI: 1 Yr MCLR + 0.50%	160.00	-
Overdraft - Fund Based Facility	Federal Bank	Yearly renewal	First Paripassu charge on the current assets of ADNPL. First Paripassu charge on the current assets of ASCL. Second paripassu charge on entire fixed assets of ADNPL and ASCL. Corporate Guarantee of ASCL	Lumpsum Repayment ROI: 1 Yr MCLR + 0.20%	7.99	42.10
					3.23	-
Overdraft - Fund Based Facility	HDFC Bank	Yearly renewal	Pari passu charge on current assets of ADNPL. Paripassu charge on fixed assets of ASCL. Corporate Guarantee of ASCL	Lumpsum Repayment, ROI: 1 Yr MCLR + 0.80%	2.28	27.50
Overdraft - Fund Based Facility	ICICI Bank	Yearly renewal	First Paripassu charge by way of hypothecation on all the current assets of ADNPL. Second paripassu charge on movable and immovable fixed assets of ADNPL. First Paripassu charge by way of hypothecation on all the current assets of ASCL. Second paripassu charge on moveble and immoveble fixed assets of ASCL. Corporate Guarantee of ASCL.	Lumpsum Repayment ROI: 6 M MCLR + 0.80%	32.30	-
Letter of Credit - Non- Fund Based Facility	HDFC Bank	Yearly renewal	Pari passu charge on current assets of ADNPL. Paripassu charge on fixed assets of ASCL. Corporate Guarantee of ASCL	Unfunded borrowing	4.00	7.57

The Company has availed working capital facilities from banks on the basis of security of current assets and have submitted quarterly 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	589.20	589.20	-	Refer note below
		Inventory and CWIP	52.50	105.08	(52.58)	
		Trade Payables	16.10	16.10	-	
30 September 2021	Federal Bank, HDFC Bank	Trade Receivables	623.40	654.40	(31.00)	
		Inventory and CWIP	37.20	78.49	(41.29)	
		Trade Payables	163.50	594.04	(430.54)	
31 December 2021	Federal Bank, HDFC Bank	Trade Receivables	628.60	612.46	16.14	
		Inventory and CWIP	50.30	99.84	(49.54)	
		Trade Payables	158.50	521.76	(363.26)	

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.

16 Other financial liabilities

Non-current

Trade / security deposits received

	As at 31 March 2022	As at 31 March 2021
	60.80	62.16
	60.80	62.16

Current

Interest accrued but not due on borrowings
Accrued salaries and benefits

Dues to creditors for capital goods

	0.09	0.15
	23.01	26.30
	17.05	3.51
	40.15	29.97

17 Provisions

Non-current

Provision for employee benefits

Net defined benefit liability - Gratuity

Compensated absences

	85.77	86.93
	9.98	9.57
	95.75	96.50

Current

Provision for employee benefits

Net defined benefit liability - Gratuity

Compensated absences

	8.60	3.63
	4.34	4.85
	12.94	8.48
	108.69	104.98

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

18 Other liabilities

Non-current

Unearned income

	37.04	5.08
	37.04	5.08

Current

Unearned income

Statutory dues payable

Advances from customers

	93.08	131.83
	31.34	27.08
	210.11	228.80
	334.53	387.71
	371.57	392.78

19 Trade payables

Total outstanding dues of micro and small enterprises

	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of creditors other than micro and small enterprises	18.70	19.42
	514.97	808.30
	533.67	827.72

The trade payables include Rs. 59.47 million (31 March 2021: Rs. 93.74 million) pertaining to a factoring arrangement and the gross cash payments under the agreement is Rs. 398.97 million (31 March 2021: Rs. 267.86 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

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	18.69
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the reporting period	0.01	0.15
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	0.15	-
(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	0.01	0.14
(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 year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

Trade payables ageing schedule

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	18.69	0.01	-	-	18.70
ii) Others	-	385.08	0.67	0.52	0.27	386.54
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
v) Unbilled dues	128.43	-	-	-	-	128.43
	128.43	403.77	0.68	0.52	0.27	533.67

As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	19.42	-	-	-	19.42
ii) Others	-	686.84	0.54	0.36	0.17	687.91
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
v) Unbilled dues	120.39	-	-	-	-	120.39
	120.39	706.26	0.54	0.36	0.17	827.72

20 Revenue from operations

	Year ended 31 March 2022	Year ended 31 March 2021
Sale of services	3,050.13	2,961.99
Sale of products	56.15	30.69
Other operating revenues	32.85	38.75
	3,139.13	3,031.43
Sale of services comprises :		
Cable television services	2,997.29	2,901.83
Cable channel services	52.84	60.16
	3,050.13	2,961.99
Sale of product comprises :		
Household equipments, kitchen utensils, electronic items etc	56.15	30.69
	56.15	30.69
Other operating revenues comprises:		
Support service income	31.81	38.17
Scrap sales	1.04	0.58
	32.85	38.75

21 Other income

Interest income under the effective interest method on:		
Fixed deposits with banks	0.76	0.89
Lease deposits	0.39	0.20
Interest on income tax refund	0.70	2.22
Financial guarantee income	10.17	9.06
Net gain on fair value changes on financial assets measured at FVTPL	19.10	29.26
Insurance claims received	-	3.58
Miscellaneous income	0.87	0.43
	31.99	45.63

22 Network, transmission and related expenses*

Cable television services		
Service charges to associates	214.13	228.04
Pay channel cost	1,160.53	1,051.96
Channel services		
Programme production expenses	30.76	45.60
Agency commission	3.71	3.07
Other expenses	0.93	1.12
Trading		
Packing and forwarding charges	2.19	1.08
Collection charges	0.31	-
Customer care expenses	30.20	40.86
Consumption of stores, spares and consumables	2.84	4.63
	1,445.60	1,376.35

*Network, transmission and related expenses includes Rs. 0.46 million for the year ended 31 March 2022 (Rs. 0.04 million for year ended 31 March 2021) pertaining to expense allocation from holding Company.

23 Purchases of stock-in-trade

Household equipments, kitchen utensils, electronic items etc	50.67	23.65
	50.67	23.65

24 Changes in inventories of stock-in-trade

Opening stock	7.84	10.15
Closing stock	6.64	7.84
	1.20	2.31

25 Employee benefits expense*

Salaries and allowances	199.04	209.80
Contributions to provident and other funds	32.66	50.55
Staff welfare expenses	23.74	26.26
	255.44	286.61

*Employee benefits expense includes Rs. 6.10 million for the year ended 31 March 2022 (Rs. 36.08 million for year ended 31 March 2021) pertaining to expense allocation from holding Company.

26 Finance costs

Interest on bank borrowings	47.89	37.50
Interest on intercompany borrowings	-	5.40
Interest on lease liabilities (refer note 36)	2.01	1.96
Net loss on account of foreign exchange fluctuations	(0.05)	2.86
Other borrowing costs	8.15	8.40
	58.00	56.13

*Finance costs includes Rs. 0.51 million for the year ended 31 March 2022 (Rs. 2.98 million for the year ended 31 March 2021) pertaining to expense allocation from holding Company

27 Depreciation and amortisation expense

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment (refer note 4)	339.10	332.75
Depreciation on right-of-use assets (refer note 36)	6.15	5.62
Amortisation of intangible assets (refer note 5)	2.65	2.54
	347.90	340.91

28 Other expenses*

Contract labour	297.06	279.59
Power and fuel	126.90	131.13
Rent	212.66	245.25
Repairs and maintenance - buildings	0.57	0.26
Repairs and maintenance - machinery	84.48	92.41
Repairs and maintenance - others	15.69	19.18
Insurance	2.35	1.42
Rates and taxes	2.15	0.45
Communication	5.13	4.42
Travelling and conveyance	9.02	7.80
Printing and stationery	2.11	2.20
Bank charges and commission	13.44	15.76
Advertising and marketing	41.14	21.70
Legal and professional	27.75	4.03
Payments to auditors (Refer note (i) below)	1.37	1.27
Office maintenance expenses	10.77	4.32
Corporate social responsibility expenses (Refer note (ii) below)	1.06	0.62
Asset usage charges	96.57	86.16
Miscellaneous expenses	2.98	1.22
	953.20	919.19

*Other expenses includes Rs. 313.67 million for the year ended 31 March 2022 (Rs. 301.93 million for the year ended 31 March 2021) pertaining to expense allocation from holding Company

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

To statutory auditors:

Audit	1.37	1.27
Reimbursement of expenses	-	0.04
	1.37	1.27

Details of Corporate social responsibility expenditure

(i) Gross amount required to be spent by the Company during the year	1.06	0.53
(ii) Amount of expenditure incurred		
- construction/ acquisition of any asset	-	-
- on purpose other than above	1.70	0.37
(iii) (Shortfall) / Excess at the end of the year	0.64	(0.16)
(iv) Total of previous years shortfall	(0.24)	(0.08)
(v) Reason for shortfall: For the year ending March 31, 2022: No shortfall; For the year ending March 31, 2021: The Company was in the process of identifying prospective project as per schedule VII of the Companies Act, 2013.		
(vi) Nature of CSR		
a) Payment to Prime minister national relief fund	-	0.62
b) Skill development	-	-
c) Education	-	-
d) Rural development	-	-
e) Others	1.70	-
(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	0.40	0.24

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	0.24	-	1.06	1.70	-	(0.40)	-
As at 31 March 2021	0.08	-	0.53	0.37	-	0.24	-

29 Income taxes

	As at 31 March 2022	As at 31 March 2021
Income tax assets, net	43.27	11.95
Net income tax assets at the end of the period/ year	43.27	11.95

(a) Amount recognised in statement of profit and loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax	28.54	29.28
Deferred tax (credit)/ charge	(31.14)	(31.18)
Tax expenses/ (income)	(2.60)	(1.91)

Year ended 31 March 2022

Particulars	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of the net defined plans	8.95	(2.25)	6.70
	8.95	(2.25)	6.70

Year ended 31 March 2021

Particulars	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of the net defined plans	17.99	(4.41)	13.59
	17.99	(4.41)	13.59

(c) Reconciliation of effective tax rate

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	5.20	58.53
Statutory income tax rate	25.17%	25.17%
Tax using the Company's statutory tax rate	1.31	14.73
Other permanent differences	0.27	0.24
Other temporary differences	(4.18)	-
Change in written down value*	-	(16.88)
Tax expense	(2.60)	(1.91)
Effective tax rate	(50.00)%	(3.26)%

(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		
Allowances for expected credit loss	81.18	72.17
Provision for employee benefits	8.59	7.66
Excess of depreciation on property, plant and equipment under Companies Act, 2013	88.79	72.48
Lease liabilities, impact on account of Ind AS 116	0.52	0.49
Total deferred tax assets (A)	179.08	152.79
Deferred tax liability		
Investments	(1.53)	(3.85)
Borrowings	(0.45)	(0.73)
Total deferred tax liability (B)	(1.98)	(4.59)
Deferred tax assets (net)	177.10	148.21

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

(ii) Movement in temporary differences

Year ended 31 March 2022

Particulars	Balances as at 1 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	72.17	9.02	-	81.18
Provision for employee benefits	7.66	3.18	(2.25)	8.59
Excess of depreciation on property, plant and equipment under	72.48	16.31	-	88.79
Lease liabilities, impact on account of Ind AS 116	0.49	0.04	-	0.52
Investments	(3.85)	2.32	-	(1.53)
Borrowings	(0.73)	0.28	-	(0.45)
Net deferred tax assets/ (liabilities)	148.21	31.14	(2.25)	177.10

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	68.80	3.37	-	72.17
Provision for employee benefits	9.26	2.80	(4.41)	7.66
Excess of depreciation on property, plant and equipment under	44.57	27.91	-	72.48
Lease liabilities, impact on account of Ind AS 116	0.24	0.24	-	0.49
Investments	(0.92)	(2.94)	-	(3.85)
Borrowings	(0.53)	(0.21)	-	(0.73)
Net deferred tax assets/ (liabilities)	121.43	31.18	(4.41)	148.21

30 Contingent liabilities and commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Contingent liabilities		
Corporate guarantees given by the Company (refer note (i) below)	1,967.78	1,545.74
	1,967.78	1,545.74
Commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-
(i) The Company has given corporate guarantees in respect of certain loans taken by the holding company.		
(ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.		

31 Earnings per share (Basic and diluted)

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

i) Net profit attributable to equity share holders

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net profit for the reporting period, attributable to the equity share holders	7.80	60.44

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening balance (Refer note 14)	80,115,834	80,115,834
Equity shares issued during the year	-	-
Weighted average number of equity shares of Rs. 10 each for the year	80,115,834	80,115,834
Earnings per share, basic and diluted	0.10	0.75

The Company does not have potentially dilutive equity shares.

32 Employee benefits

The Company has a defined benefit gratuity plan as per the Payment of Gratuity Act, 1972 ('Gratuity Act'). Under the Gratuity Act, employee who has completed five years of service is entitled to specific benefit. The level of benefit provided depends on the employee's length of service and salary at retirement/termination age, carried out by an independent actuary. Compensated absences, a defined benefit plan, is accrued based on an actuarial valuation at the balance sheet date, carried out 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	Year ended 31 March 2022	Year ended 31 March 2021
Defined benefit obligation liability	94.37	90.56
Plan assets	-	-
Net defined benefit liability	94.37	90.56
Compensated absences	14.32	14.42
Total employee benefit liability	108.69	104.98

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	90.56	95.95
Current service cost	6.68	6.27
Interest cost	6.07	6.33
Actuarial (gain)/ loss recognised in other comprehensive income		
- changes in demographic assumptions	1.31	-
- changes in financial assumptions	(9.06)	(0.91)
- experience adjustments	(1.20)	(17.09)
Balance at the end of the reporting period	94.37	90.56
Net defined benefit (liability)	94.37	90.56

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current service cost	6.68	6.27
Interest cost	6.07	6.33
Gratuity cost	12.75	12.61

(ii) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Actuarial (gain)/loss on defined benefit obligation	(8.95)	(17.99)

D Defined Benefit Obligation

(i) Assumptions used to determine benefit obligations:

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

Particulars	31 March 2022	31 March 2021
Discount rate	6.70%	6.70%
Future salary growth	6.00%	7.00%
Attrition rate	7.00%	2.00%
Interest rate for interest on net DBO	6.70%	6.60%
Mortality Rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of defined benefit obligation	7 years	10 years

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

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

(ii) Sensitivity analysis

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

Particulars	31 March 2022	
	1% Increase	1% Decrease
Discount rate (1% movement)	(6.06)	6.78
Future salary growth (1% movement)	6.76	(6.15)
Withdrawal rate (1% movement)	0.19	(0.21)

31 March 2021

Particulars	31 March 2021	
	1% Increase	1% Decrease
Discount rate	(8.42)	9.71
Future salary growth	9.59	(8.47)
Attrition rate	(0.21)	0.23

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.

E Actuarial assumptions for compensated absences

Particulars	31 March 2022	31 March 2021
Discount rate	6.70%	6.70%
Future salary growth	6.00%	7.00%
Attrition rate	7.00%	2.00%

F Expense recognised in statement of profit or loss:

Defined contribution plan	Year ended 31 March 2022	Year ended 31 March 2021
Contribution to provident fund	18.27	30.36

33 Segment information

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

The Company has structured its business broadly into two verticals – Cable Television Services and Others - includes Cable channel services, sale of goods and support service income. The accounting principles consistently used in the preparation of the financial statements are also consistently applied to record income and expenditure in individual segments.

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

A. Business segments:

The business segments of the Company are as follows:

- i) Cable Television Services
- ii) Others

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Segment revenue		
Cable Television Services	2,997.29	2,901.83
Others	141.84	129.61
Total	3,139.13	3,031.43
Segment results before tax		
Cable Television Services	1,370.85	1,374.54
Others	50.65	51.08
Total	1,421.49	1,425.62
Less :		
Finance cost	(58.00)	(56.13)
Other un-allocable expenditure net of un-allocable income	(1,358.29)	(1,310.96)
Profit before tax	5.20	58.53
Particulars	As at 31 March 2022	As at 31 March 2021
Segment assets		
Cable Television Services	1,514.28	1,806.39
Others	41.93	51.60
Unallocated	1,068.13	1,009.34
Total	2,624.34	2,867.33
Segment liabilities		
Cable Television Services	794.25	897.28
Others	9.94	14.73
Unallocated	856.38	1,006.06
Total	1,660.57	1,918.06

The Company operates in a single geographical location.

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

34 Financial Instruments - Fair values and risk management

A Accounting classifications and fair values

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

31 March 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	11	18.46	-	-	18.46	-	-	-
Other bank balances	12	18.05	-	-	18.05	-	-	-
Trade receivables	10	312.92	-	-	312.92	-	-	-
Loans	6	3.24	-	-	3.24	-	-	-
Other financial assets	13	50.61	-	-	50.61	-	-	-
Financial assets measured at fair value								
Investments	9	-	492.60	-	492.60	-	492.60	-
Total		403.28	492.60	-	895.88	-	492.60	-
Financial liabilities not measured at fair value								
Trade payables	19	-	-	533.67	533.67	-	-	-
Borrowings	15	-	-	515.05	515.05	-	-	-
Lease liabilities	36	-	-	30.64	30.64	-	-	-
Other financial liabilities	16	-	-	100.95	100.95	-	-	-
Total		-	-	1,180.31	1,180.31	-	-	-

31 March 2021

Particulars	Note	Carrying amount			Fair value			
		Financial	Mandatorily	Other financial	Total	Level 1	Level 2	Level 3
Assets								
Financial assets not measured at fair value								
Cash and cash equivalents	11	19.75	-	-	19.75	-	-	-
Other bank balances	12	16.71	-	-	16.71	-	-	-
Trade receivables	10	348.59	-	-	348.59	-	-	-
Loans	6	3.22	-	-	3.22	-	-	-
Other financial assets	13	13.96	-	-	13.96	-	-	-
Financial assets measured at fair value								
Investments	9	-	621.02	-	621.02	-	621.02	-
Total		402.23	621.02	-	1,023.25	-	621.02	-
Financial liabilities not measured at fair value								
Trade payables	19	-	-	827.72	827.72	-	-	-
Borrowings	15	-	-	480.46	480.46	-	-	-
Lease liabilities	36	-	-	20.00	20.00	-	-	-
Other financial liabilities	16	-	-	92.13	92.13	-	-	-
Total		-	-	1,420.31	1,420.31	-	-	-

The Company 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 Company.

B Measurement of fair values

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

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

C Financial risk management

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

i) Risk management framework

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

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

ii) Credit risk

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

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

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

The Company's exposure to credit risk for trade receivables based on type of customers are as follows :-

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

Allowance for credit loss	As at	
	31 March 2022	31 March 2021
Balance at the beginning	286.74	273.36
Impairment loss recognised	53.91	13.38
Bad debts written off	(18.09)	-
Balance at the end	322.56	286.74

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	31 March 2021
Not due	41.72%	0.10%
Less than 6 months	33.10%	12.77%
6 months - 1 year	53.17%	49.35%
1 - 2 years	76.58%	74.67%
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	533.67	-	533.67
Borrowings	293.41	221.64	515.05
Lease liabilities	8.95	31.47	40.42
Other financial liabilities	40.15	60.80	100.95
Total	876.18	313.91	1,190.09

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	827.72	-	827.72
Borrowings	197.11	283.35	480.46
Lease liabilities	5.33	22.38	27.71
Other financial liabilities	29.97	62.16	92.13
Total	1,060.13	367.89	1,428.02

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

C Financial risk management (continued)

iii) Liquidity risk (continued)

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

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	EUR	USD
Borrowings (current and non-current)	53.58	-
Trade payables	-	16.40
Other current financial liabilities	0.09	-
Net assets/(liabilities)	(53.67)	(16.40)

As at 31 March 2021	EUR	USD
Borrowings (current and non-current)	85.63	-
Trade payables	-	1.91
Other current financial liabilities	0.15	-
Net assets/(liabilities)	(85.79)	(1.91)

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%	(0.16)	(0.12)
INR/USD - Decrease by 1%	0.16	0.12
EUR Sensitivity		
INR/EUR - Increase by 1%	(0.54)	(0.40)
INR/EUR - Decrease by 1%	0.54	0.40

As at 31 March 2021

Particulars	Impact on profit or (loss)	Impact on equity, net of tax
USD Sensitivity		
INR/USD - Increase by 1%	(0.02)	(0.01)
INR/USD - Decrease by 1%	0.02	0.01
EUR Sensitivity		
INR/EUR - Increase by 1%	(0.86)	(0.64)
INR/EUR - Decrease by 1%	0.86	0.64

Unhedged foreign currency exposure

As at 31 March 2022

Particulars	Foreign currency	Amount in foreign currency	Amount in INR
Foreign currency liabilities	USD	0.22	16.40
	EURO	0.63	53.67

As at 31 March 2021

Particulars	Foreign currency	Amount in foreign currency	Amount in INR
Foreign currency liabilities	USD	0.03	1.91
	EURO	1.00	85.79

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.

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

C Financial risk management (continued)

iv) Market risk (continued)

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the year 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	409.06	325.66

Sensitivity

At at 31 March 2022

Particulars	Impact on profit or (loss)	Impact on equity, net of tax
Sensitivity		
1% increase	(4.09)	(3.06)
1% decrease	4.09	3.06

At at 31 March 2021

Particulars	Impact on profit or (loss)	Impact on equity, net of tax
Sensitivity		
1% increase	(3.26)	(2.44)
1% decrease	3.26	2.44

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

35 Capital Management

Risk Management

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

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

Particulars	As at 31 March 2022	As at 31 March 2021
Total liabilities	1,660.57	1,918.08
Less: cash and cash equivalents	(18.46)	(19.75)
Net debt (A)	1,642.11	1,898.33
Total equity (B)	963.77	949.27
Debt to equity ratio (A/B)	1.70	2.00

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

36 Leases

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

(i) Lease liabilities

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

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	19.99	24.05
Additions	16.22	0.57
Finance cost accrued during the year (refer note 26)	2.01	1.96
Payment of lease liabilities	(7.58)	(6.59)
Balance at the end of the year	30.64	19.99
Non-current lease liabilities	24.05	16.29
Current lease liabilities	6.59	3.71

(ii) Maturity analysis – contractual undiscounted cash flows

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	8.95	5.33
One to five years	19.41	12.27
More than five years	12.06	10.11
Total undiscounted lease liabilities	40.42	27.71

(iii) Right-of-use assets

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

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the reporting period	18.06	23.08
Addition to right-of-use assets	16.65	0.59
Depreciation for the reporting period (refer note 27)	(6.15)	(5.62)
Balance at the end of the reporting period	28.56	18.06

(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 27)	6.15	5.62
Interest on lease liabilities (refer note 26)	2.01	1.96

(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	7.58	6.59

37 Related party transactions

(A) Related party relationships:

- (a) Holding and Ultimate holding company Asianet Satellite Communications Limited
- (b) Key managerial personnel (KMP) Mr. P.S Suresh, Executive Director (w.e.f 14 October 2020)
G Sankaranarayana, Director
Joby Mathew, Company Secretary
Mr. Sreerama Murthy Chaganti, Director (w.e.f 1 November 2021)
Mr. Ankit Rajiv Somani, Independent Director (w.e.f 1 December 2021)

(B) Details of related party transactions

Name of the Related Party	Nature of Transaction	Volume of transactions for the year ended		Outstanding balance as at	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited)	Expenses incurred by holding company on behalf of Company *			7.91	(64.16)
	Operating expenses				
	Consumption of stores, spares and consumables	(0.46)	(0.04)		
	Pole rent / inspection charges	(15.74)	(5.81)		
	Power (network)	(2.38)	(1.25)		
	Repairs & maintenance - machinery	(5.13)	(25.77)		
	Lease/ bandwidth charges	(4.01)	(5.46)		
	Programme production expenses	(0.00)	-		
	Finance costs				
	Interest on bank borrowings	(0.51)	(2.98)		
	Employee benefits expense				
	Salaries and allowances	(1.09)	(9.15)		
	Contributions to provident and other funds	0.25	(15.23)		
	Staff welfare expenses	(5.25)	(11.69)		
	Other expenses				
	Advertising and marketing	(0.46)	(0.50)		
	Asset usage charges	(96.57)	(86.16)		
	Communication	(4.00)	(3.80)		
	Electricity charges	(1.85)	(1.07)		
	Legal and professional	(21.00)	(0.82)		
	Miscellaneous expenses	(1.25)	(0.32)		
	Office maintenance expenses	(4.54)	(3.00)		
	Printing and stationery	(1.08)	(1.08)		
	Rates and taxes	(0.93)	(0.11)		
	Repairs and maintenance - buildings	(0.80)	(0.26)		
	Repairs and maintenance - others	(2.18)	(5.30)		
	Travelling and conveyance	(3.75)	(3.55)		
	Contract labour	(148.00)	(157.67)		
	Expenses incurred by the Company on behalf of holding company				
	Other operating revenues				
	Support service income	(31.81)	(38.17)		
	Employee benefits expense				
Salaries and allowances	(7.05)	(27.45)			
Other expenses					
Contract Labour	(24.26)	-			
Purchase of capital goods	(165.44)	(14.25)			
Interest on loan	-	(5.40)			
Guarantee commission received	10.17	9.06			
Guarantee commission paid	(3.07)	(2.20)			
Advance for capital goods	-	130.00		130.00	
Guarantee given	422.04	(367.11)	(1,967.78)	(1,545.74)	
Guarantee received	(31.67)	(289.41)	515.05	483.38	

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

38 Revenue from contracts with customers

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Timing of Revenue Recognition		
Products and services transferred at a point in time	57.19	31.27
Products and services transferred over time	3,081.94	3,000.16
	3,139.13	3,031.43

- (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 10)	312.92	348.59
Advance from customers (refer note 18)	210.11	228.80
Unearned revenue (refer note 18)	130.12	136.91

39 Ratios as per the Schedule III requirements

(a) **Current Ratio**

Particulars	As at 31 March 2022	As at 31 March 2021
Total current assets	948.05	1,144.00
Total current liabilities	1,221.29	1,454.70
Current ratio	77.63%	78.64%
% Change from previous year	-1.29%	15.74%

(b) **Debt Equity Ratio**

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings	515.05	480.46
Total equity	963.77	949.27
Debt equity ratio	53.44%	50.61%
% Change from previous year	5.59%	-0.95%

(c) **Debt Service Coverage Ratio**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit after tax for the year	7.80	60.44
Add: Non cash operating expense and finance cost	405.90	397.04
Depreciation and amortisation expense	347.90	340.91
Finance costs	58.00	56.13
Earnings available for debt services	413.70	457.48
Interest on bank borrowings	47.89	37.50
Long term secured loans repaid	322.08	142.16
Total interest and principal repayments	369.97	179.66
Debt service coverage ratio	111.82%	254.63%
% Change from previous year	-56.09%	-84.55%

Reason for change more than 25%:

This ratio was reduced by 84.55% for the year ended 31 March 2021 since the repayment of long term secured loans started during the year ended that date. This ratio has reduced by 56.09% for the year ended 31 March 2022 due to lower profitability and higher loan repayment due to new loans availed during the year ended 31 March 2022.

(d) **Return on Equity Ratio**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit after tax for the year	7.80	60.44
Total equity	963.77	949.27
Return on equity ratio	0.81%	6.37%
% Change from previous year	-87.29%	64.40%

Reason for change more than 25%:

This ratio was increased by 64.40% for the year ended 31 March 2021 owing to the better profitability achieved in the year ended that date. This ratio has reduced by 87.29% for the year ended 31 March 2022 due to lower profitability owing to increase in network transmission expenses, impairment losses and competitive business environment in the cable television services segment.

(e) **Inventory Turnover Ratio**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Purchases of stock-in-trade	50.67	23.65
Stock-in-trade	6.64	7.84
Inventory turnover ratio	7.63	3.02
% Change from previous year	152.88%	10.65%

Reason for change more than 25%:

The ratio increased by 152.88% for the year ended 31 March 2022 due to the increase in the purchases of Household equipments, kitchen utensils, electronic items etc during the year ended 31 March 2022.

39 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	3,139.13	3,031.43
Net trade receivables	312.92	348.59
Trade receivables turnover ratio	1003.17%	869.63%
% Change from previous year	15.36%	65.63%

Reason for change more than 25%:

The ratio increased by 65.63% for the year ended 31 March 2021 due to the better collection policies adopted during the year.

(g) Trade Payables Turnover Ratio

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Purchases / expenses* (refer note below)	2,434.97	2,302.81
Trade payables	533.67	827.72
Trade payables turnover ratio	456.27%	278.21%
% Change from previous year	64.00%	-12.23%

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%:

Majority of the trade payables as on 31 March 2021 were paid through ATREDS during the year ended 31 March 2022 due to which the ratio increased by 64.00%. 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	3,139.13	3,031.43
Net working capital* (refer note below)	(273.24)	(310.70)
Net capital turnover ratio	-1148.85%	-975.68%
% Change from previous year	17.75%	62.46%

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

Reason for change more than 25%:

The ratio was increased by 62.46% in the year ended 31 March 2021 due to the improvements in the balances of net working capital during the year.

(i) Net profit ratio

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit after tax for the year	7.80	60.44
Revenue from operations	3,139.13	3,031.43
Net profit ratio	0.25%	1.99%
% Change from previous year	-87.54%	81.26%

Reason for change more than 25%:

This ratio was increased by 81.26% during the year ended 31 March 2021 due to the increased profitability achieved during the year. This ratio was decreased by 87.54% primarily due to lower profitability due to the increased competition in the cable television services segment.

(j) Return on Capital Employed

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax	5.20	58.53
Add: Finance costs	58.00	56.13
Less: Other income	31.99	45.63
Earnings before interest and tax	31.21	69.03
Capital employed	873.94	755.17
Total assets	2,624.34	2,867.35
Total current liabilities	1,221.29	1,454.70
Investments	492.60	621.02
Cash and cash equivalents	18.46	19.75
Bank balances other than cash and cash equivalents	18.05	16.71
Return on capital employed	3.57%	9.14%
% Change from previous year	-60.93%	-18.43%

Reason for change more than 25%:

This ratio was decreased by 60.93% primarily due to lower profitability owing to the increased competition in the cable television services segment.

- 40 Covid-19 pandemic has been rapidly spreading throughout the world, including India. Government in India has taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statements including but not limited to its assessment of Company's liquidity position and recoverable values of its property, plant and equipment. However, given the effect of these lockdowns on the overall economic activity, the impact assessment of COVID-19 on the above mentioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on these financial statements.
- 41 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.
- 42 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. 2.92 million have been reclassified from "Loans (non current)" to "Other financial assets (non current)" and Rs. 10.93 million have been reclassified from "Loans (current)" to "Other financial assets (current)". "Current maturities of long-term borrowings" amounting to Rs. 127.94 million have been reclassified from "Other financial liabilities (current)" to "Borrowings (current)". Further, "dues to creditors for expenses and others" amounting to Rs. 120.39 million have been reclassified from "Other financial liabilities (current)" to "Trade payables - Total outstanding dues of creditors other than micro and small enterprises".

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of

Asianet Digital Network Private Limited

CIN :U74999KL2015PTC039405

Baby Paul

Partner

Membership number: 218255

Kochi

22 August 2022

Suresh Pazhempallil Sivaraman Nair

Whole Time Director

DIN: 08421313

Thiruvananthapuram

22 August 2022

Sreerama Murthy Chaganti

Director

DIN: 09379784

Thiruvananthapuram

22 August 2022

Joby Mathew

Company Secretary

Membership no: A 24411

Thiruvananthapuram

22 August 2022