

**ENTERTAINMENT  
ENRICHMENT  
EMPOWERMENT**



**29<sup>TH</sup> ANNUAL  
REPORT 2021-22**

**Asianet Satellite Communications Limited**



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**BOARD OF DIRECTORS**

**VIREN RAJAN RAHEJA**

Chairman and  
Non-Executive Director  
DIN: 00037592

**SANKARANARAYANA GOPALAN**

Vice-Chairman and  
Non-Executive Director  
DIN: 07247965

**SREERAMA MURTHY CHAGANTI**

Managing Director and  
Chief Executive Officer  
DIN: 09379784

**SURESH PAZHEMPALLIL**

**SIVARAMAN NAIR**  
Executive Director and  
Chief Financial Officer  
DIN: 08421313

**JOSEPH CONRAD AGNELO  
DSOUZA**

Independent Director  
DIN:00010576

**ANKIT RAJEEV SOMANI**

Independent Director  
DIN: 01604948

**RAVINA VINAY RAJPAL**

Independent Director  
DIN: 09380471

**PRAVEEN SHARMA**

Independent Director  
DIN: 08673222

**COMPANY SECRETARY AND  
COMPLIANCE OFFICER**

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  
Neeranjanam, T. C. 91/1924 (1) Near Govt. High School, Karikkakom  
Thiruvananthapuram - 695 021

**COST AUDITORS**

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

**INTERNAL AUDITORS**

Deloitte Haskins & Sells, Chartered Accountants

**BANKERS**

Federal Bank Limited  
HDFC Bank limited  
ICICI Bank limited  
RBL Bank limited

**REGISTRAR AND SHARE TRANSFER AGENT**

Link Intime India Private Limited  
C-101, 247 Park, LBS Marg,  
Vikhroli West, Mumbai - 400 083.  
Tel: (022) 4918 6000,  
Fax: (022) 4918 6060  
Website: www.linkintime.co.in



# WAYS OF WORKING





## ASIANET SATELLITE COMMUNICATIONS LIMITED

CIN:U92132KL1992PLC006725

2A, 2nd Floor, Leela Infopark, Technopark, Kazhakkuttom,

Thiruvananthapuram - 695 581,

Kerala, India; Tel: + (91) 0471 – 2700244

Web: www.asianet.co.in

### NOTICE

NOTICE is hereby given that the Twenty-Ninth Annual General Meeting of the members of **ASIANET SATELLITE COMMUNICATIONS LIMITED** will be held on Tuesday, **the 27<sup>nd</sup> day of September 2022 at 6<sup>th</sup> Floor, 'Rahejas', Corner of V.P. Road & Main Avenue, Santacruz West, Mumbai – 54 at 11.00 AM** to transact the following businesses:

#### ORDINARY BUSINESS:

1. To consider and adopt (a) the Audited Standalone 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 (b) the Audited Consolidated financial statement of the Company for the financial year ended March 31, 2022, and the Report 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**:
  - a. **"RESOLVED THAT** the audited standalone 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."
  - b. **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2022, and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."
2. To re-appoint Mr. Viren Raheja, who retires by rotation as Director 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 152 and other applicable provisions of the Companies Act, 2013, Mr. Viren Raheja (DIN: 00037592), who retires by rotation at this meeting, be and is hereby appointed as Non-Executive Director of the Company

#### 3. Re-Appointment of Statutory Auditors of the Company

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution

**RESOLVED** that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s BSR & Associates LLP, Chartered Accountants (Firm Registration No. 116231 W/W-100024) be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting ("AGM") till the conclusion of the thirty-fourth Annual General Meeting to be held in the year 2027, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

#### 4. SPECIAL BUSINESS:

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 on 28.08.2021 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 Satellite Communications Limited**

**Joby Mathew**  
Company Secretary & Compliance Officer

Dated: 5<sup>th</sup> 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.

#### **STATEMENT PURSUANT TO REGULATION 36 (5) OF SEBI LISTING REGULATIONS**

The Members Company on twenty-fourth Annual General Meeting held on 26.09.2017 had approved the appointment of B S R & Co. LLP ("BSR"), Chartered Accountants (Firm Registration

No. 116231 W/W-100024) as Statutory Auditors of the Company, to hold office till the conclusion of the twenty-Ninth AGM.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on August 22, 2022, proposed the re-appointment of BSR, Chartered Accountants (Firm Registration No. 116231 W/W-100024), as the Statutory Auditors of the Company, for a term of five consecutive years from the conclusion of twenty-Ninth AGM till the conclusion of thirty-Fourth AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

BSR have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 3 of the Notice.

### **EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

#### **Item No.04**

The Board of Directors of the Company ('the Board') in its meeting held on 28.08.2021, has fixed the remuneration of Mr. BV Subramaniam, M/s B V Subramaniam and Co., Cost Auditors, Lekshmi Niketan, JPN 45, 4<sup>th</sup> 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. 04 for your approval.

By Order Of The Board of Directors  
For **Asianet Satellite Communications Limited**

**Joby Mathew**  
**Company Secretary & Compliance Officer**

Dated: 5<sup>th</sup> day of September 2022

Place: Thiruvananthapuram

**ANNEXURE TO THE NOTICE****Details of Directors retiring by rotation and seeking re-appointment at the meeting:**

Name of Director	Mr. Viren Raheja
Age	38
Nationality	Indian
Date of First Appointment on the Board	21.12.2006
Qualification	B. Com, MBA from London Business School, CFA
Experience (including expertise in Specific Functional Area) / Brief resume	Holds Directorship in diversified industries including Real Estate, Cable TV, Retail and Software Development
Terms and Conditions of Re-appointment	In terms of Section 152(6) of the Act, Director liable to retire by rotation is being re-appointed.
Remuneration last drawn (FY 2021-22)	NIL
Remuneration proposed to be paid	NIL
Number of shares held in the Company as on March 31, 2022	84,96,503 Equity shares of Rs. 10 each. 92,91,818 Equity shares of Rs. 10 each jointly with Akshay Raheja.
Disclosure of relationships between directors inter-se/ Key Managerial Personnel	None
Number of meetings of the Board attended during the financial year (2021-22)	5
Names of listed entities in which the director holds the directorship and the membership of the Committees of the Board as on March 31, 2022	<ul style="list-style-type: none"> <li>• Listed entities in which the director holds the directorship</li> <li>a) Hathway Cable and Datacom Limited</li> <li>b) Sonata Software Limited</li> </ul>
Listed entities in which the director holds the membership of the Committees of the Board	<p>(a).Hathway Cable and Datacom Limited</p> <ul style="list-style-type: none"> <li>• Audit Committee-Member</li> <li>• Nomination and Remuneration Committee-Member</li> <li>• Stakeholders' Relationship Committee-Member</li> <li>• Investment and Loan Committee-Member</li> <li>• Administrative Cum Regulatory Committee-Member</li> <li>• Corporate Social Responsibility Committee-Chairman</li> <li>• Business Responsibility Committee-Member</li> </ul> <p>(b) Sonata Software Limited</p> <ul style="list-style-type: none"> <li>• Nomination and Remuneration Committee-Member</li> </ul>
Listed entities from which the Director has resigned in the past three years	NIL



## DIRECTORS REPORT

**To  
The Members of  
Asianet Satellite Communications Limited**

Your directors have pleasure in presenting the **Twenty Ninth** Board's Report together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended 31<sup>st</sup> March 2022.

### 1.FINANCIAL SUMMARY AND HIGHLIGHTS

(Rs. in Millions)

Particulars	(Consolidated)		(Standalone)	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	5,770.47	5,100.68	2,888.80	2337.84
Other Income	45.96	53.88	27.21	24.92
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	1,665.46	1,434.06	1,266.00	995.15
Less: Depreciation/ Amortisation/ Impairment	883.33	810.53	535.43	469.62
Profit /loss before Finance Costs, Exceptional items and Tax Expense	782.13	623.53	730.57	525.53
Less: Finance Costs	197.65	202.90	152.89	163.43
Profit /loss before Exceptional items and Tax Expense	584.48	420.63	577.68	362.10
Add/(less): Exceptional items	-	-	-	-
Profit /loss before Tax Expense	584.48	420.63	577.68	362.10
Less: Tax Expense (Current & Deferred)	186.34	110.28	188.94	112.18
Profit /loss for the year (1)	398.14	310.35	388.74	249.92
Total Comprehensive Income/loss (2)	23.12	13.54	16.42	(0.05)
Total (1+2)	421.26	323.89	405.16	249.87
Balance of profit /loss for earlier years	142.79	(181.10)	(5.30)	(255.17)
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	564.05	142.79	399.86	(5.30)

**2.AMOUNT, IF ANY, WHICH THE BOARD PROPOSES TO CARRY TO ANY RESERVES**

The Board of Directors of your company have decided not to transfer any amount to the Reserves for the year under review.

**3.DIVIDEND**

The Board of Directors of your company, after considering the circumstances and keeping in view the company's dividend distribution policy, have decided that it would be prudent, not to recommend any Dividend for the year under review.

The Board of Directors of your company have approved and adopted the dividend distribution policy of the company. The dividend distribution policy is placed at **Annexure-II** to this Report and is also available on company's website at the web link:<https://asianet.co.in/about/Corporate-Information/>

**4.GENERAL INFORMATION****4.1. Overview of the Industry**

The fixed broadband industry has been growing at a fast rate in the last few years. The drivers of the industry are two-fold

- 1) From the consumer's side
  - a) Work from home
  - b) Video Streaming
  - c) Digitization
  - d) Industrial revolution 4.0
  - e) IOT - Internet of things

The impact of the pull drivers is such that the consumption of fixed broadband has gone up manifold. We have observed this in Asianet where the average data consumption has moved up from 39 Gb/ sub / month to 180 Gb/Sub/ month.

This has also resulted in an increased demand for broadband connections from across the length and breadth of the country.

- 2) From the Service Providers side, investments have been made in
  - a) Last mile QOS improvement through investment in NOC, backhaul, fiberisation etc.
  - b) Upgradation of technology to FTTH
  - c) Footprint expansion to new towns through both the direct and the indirect routes
  - d) Bundling of services

**4.2. Important Changes in the Industry during the Last Year;**

The industry has seen rapid evolution with some major directives/ drivers

- 1) The Government has driven the broadband expansion agenda and is working on various industry wide initiatives to expand footprint.
- 2) It has recommended a change in ROW pricing – suggesting a one-time fee of Rs 1000 per KM of fibre- this can save the industry significantly in the years to come.
- 3) DOT has amended the AGR rules and recommended that non internet revenue can be excluded from the purview of license fee.
- 4) From June 2021, the Government has mandated procurement of active network devices from trusted sources. Trusted sources are approved by National Security Council Directorate.

**4.3. External Environment and Economic Outlook**

After contracting in the first half because of a virulent second wave of Covid-19, the Indian economy rebounded in the second half, growing 0.5% and 1.6% on-year in the third and fourth quarters, respectively. While the economy shrank as a whole in fiscal 2021, agriculture and allied activities, and electricity, gas, water supply and other utility services were the outliers, logging positive growth. On the other hand, contact-intensive trade, hotels and transport sectors, and services related to broadcasting were hit the most and

continued to shrink in all the quarters. Construction – a labor-intensive sector – was also severely hit in the first half but rebounded in the second half.

The Indian economy is in recover mode, with GDP expanding 20.1% on-year in the first quarter of fiscal 2022 and 8.4% on year in the second quarter of fiscal 2022. In absolute terms GDP for the second quarter of fiscal 2022 has just crossed the GDP value reported in first quarter of fiscal 2020 (pre-covid), reporting a rise of 0.2%. The economic rebound comes on the back of reduced pandemic restrictions and improving vaccination coverage.

Fiscal 2022 is also seen emerging as a story of two halves. The first half is characterized by a base effect-driven recovery amid the challenge associated with resurgence in Covid-19 infections. But, the second half should see a more broad-based growth, as vaccine rollout and herd immunity support sectors that are lagging. The gains made by the economy in the fourth quarter of fiscal 2021 seem to have fizzled out in the first quarter of fiscal 2022 because of the fierce second wave of Covid-19, leading to localized lockdowns in most states. At the same time, monetary policy has begun normalizing, and some tightness in domestic financial conditions is inevitable. Against this backdrop, policy support remains critical, apart from action in the external environment.

## **5. COMPANY SEPECIFIC INFORMATION**

### **5.1. Segment-wise position of Business and its operations**

Your company has been continuing as one of the largest wired internet service provider and the total subscriber base has been increased from 2,92,798 to 3,92,094 as on 31.03. 2022. To offer high speed data and better Quality of service, your company has been upgrading the network to GPON (Gigabit Passive Optical Network) technology which will enable company to provide Fiber to Home-Network. Your company is offering upto 200 Mbps high speed internet services which are at par with the best in the ISP industry. The prices are also competitive to ensure subscriber satisfaction with our services.

GPON direct customer base has increased from 1,79,704 to 2,88,659 as on 31<sup>st</sup> March 2022.

Your company is also providing Broadband Services through local cable operators on revenue sharing basis. This is being done under a separate division Asianet Link Internet (ALI). The service of ALI is currently available in the states of Kerala, Tamil Nadu, Karnataka, Andhra Pradesh, Telangana, Maharashtra and Pondicherry. The subscriber base of ALI has increased from 61,591 to 89,486 as on 31<sup>st</sup> March 2022.

### **5.2. Key Business Developments**

The company continued its investment in the broadband business in the last financial year. The following are the drivers and the results

- 1) Capital expenditure rose to Rs 128 Crores, out of that Rs 113 Crores was invested in Broadband.
- 2) We rolled out 2.7 lac GPON home passes in the year, exiting the year with 8 lac home passes.
- 3) In an industry leading number -96 % of our subscribers were upgraded to the GPON network.
- 4) Overall revenue grew by 13% over the previous fiscal.
- 5) EBITDA grew from Rs 143 Crores to Rs 167 Crores, a growth of 16%.
- 6) PBT grew by 38% and PAT grew by 30%
- 7) Broadband revenue grew by 26% and EBITDA grew by 28%.

### **5.3. Change in the Status of the company;**

The constitutional status of your company has been changed from Private Limited to Public Limited vide resolution of shareholders dated 17<sup>th</sup> September 2021. The Ministry of Corporate Affairs issued fresh Certificate of Incorporation vide SRN T52289659 dated 20<sup>th</sup> October 2021. Consequently, the name of the Company has been changed from Asianet Satellite Communications Private Limited to Asianet Satellite Communications Limited.

### **5.4. Change in the Nature of Business**

There is no change in the nature of business during the Financial Year 2021-22.

## 5.5. Other Material Events having an Impact on the affairs of the Company

### Initial Public Offer of Equity Shares of the Company

Your Board of Directors at their meeting held on 21<sup>st</sup> day of October 2021 decided to go for an Initial Public Offer of Equity Shares of the Company. The shareholders vide resolution dated 28<sup>th</sup> October 2021 accorded their approval for Initial Public Offer of Equity Shares. Your Company filed Draft Red Herring Prospectus (DRHP) with Securities and Exchange Board of India (SEBI) on 21<sup>st</sup> December 2021, through Book Running Lead Managers Axis Capital Limited and Nomura Financial Advisory and Security (India) Private Limited. SEBI vide their letter No. SEBI/HO/CFD/DIL2/P/OW/2022/18475/I, dated 30<sup>th</sup> April 2022 approved Draft Red Herring Prospectus (DRHP). The Offer Comprises Fresh issue of Rs. 300 Crore and Offer for sale of Rs. 465 Crore aggregating Rs. 765 Crore.

Your Company has received in-principle approval from Bombay Stock Exchange (BSE) vide letter No. LO\IPO\SC\IP\346\2021-22 dated 14<sup>th</sup> January 2022 and from National stock exchange (NSE) vide letter No. NSE/LIST/1458 dated 12<sup>th</sup> January 2022.

### 5.6. Material changes and commitments, if any, affecting the financial position of the company, having occurred since the end of the Year and till the date of the Report

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

## 6. CAPITAL STRUCTURE OF THE COMPANY

### 6.1. Equity Share Capital

There is no Change in the equity Capital structure of the Company during the Financial year 2021-22.

### 6.2. Preference Share Capital.

Your Company converted 30,00,000 (Thirty Lakh) 8% Optionally Convertible Non-Cumulative Redeemable Preference Shares (“OCNCRPS”) of face value of Rs. 10/- (Rupees Ten Only) each, aggregating to Rs. 3,00,00,000/- (Rupees Three Crore only), to 8% Non-Convertible Non-Cumulative Redeemable Preference Shares (“NCNCRPS”) of Rs. 10/- each, fully paid up vide resolution of shareholders dated 17<sup>th</sup> day of September 2021.

## 7. MANAGEMENT

### 7.1. Directors and Key Managerial Personnel

Mr. Sreerama Murthy Chaganti (DIN: 09379784) took over as Managing Director and Chief Executive Officer of the Company for a period commencing from 1<sup>st</sup> November 2021 till 18<sup>th</sup> May 2025, in accordance with Section 196, 197 and Schedule V of the Companies Act, 2013, in place of Mr. G Sankaranarayana, (DIN:07247965). Mr. G Sankaranarayana was elevated to the position of Vice Chairman & Non- Executive Director of the Company w.e.f., 1<sup>st</sup> November 2021.

Mr. Sreerama Murthy Chaganti is a graduate in Mechanical Engineering from Osmania University, Hyderabad and PGDBM from XLRI Jamshedpur. He joined the Company as Deputy Chief Executive officer w.e.f. 19.05.2021. Before joining the Company, he has spent more than 25 years across Airtel group, Aircel group, Vodafone, Colgate Palmolive and General Mills with leadership experience across India and abroad. In his last stint, he was the CEO of Airtel Ghana Limited. In an extra- Ordinary General meeting held on 15<sup>th</sup> November, Shareholders of the company approved the appointment of Mr. Sreerama Murthy Chaganti (DIN: 09379784) as Managing Director & Chief Executive Officer of the Company.

The Board places on record its appreciation to Mr. G Sankaranarayana, (DIN: 07247965) for his invaluable contribution and guidance during his tenure in the Company.

Mr. Vinayak Aggarwal [DIN: 00007280], Ms. Aneesha Akshay Raheja [DIN: 06560989] and Mr. Rakesh Desai [DIN: 00152982] resigned from the position of Non-Executive Directors, w.e.f. 29<sup>th</sup> October 2021 due to personal reasons. The Board places on record its appreciation to Mr. Vinayak Aggarwal [DIN: 00007280],

Ms. Aneesha Akshay Raheja [DIN: 06560989] and Mr. Rakesh Desai [DIN: 00152982] for their invaluable contribution and guidance during their tenure as Non-Executive Directors of the Company.

Pursuant to the provisions of Section 203 of the Companies Act 2013, Mr. Sreerama Murthy Chaganti, Managing Director and Chief Executive Officer, Mr. P.S. Suresh, Executive Director & Chief Financial Officer and Mr. Joby Mathew, Company Secretary & Compliance officer, are the Key Managerial Personnel of the Company as on March 31, 2022.

The details of various changes in Directors and Key Managerial Personnel during the financial year 2021- 22 and up to the date of this report are as follows;

Sr. No.	Name	Designation	Date of appointment/ Cessation	Appointment/ Resignation
1	G Sankaranarayana	Vice Chairman & Non-Executive Director	01.11.2021	Appointment <sup>##</sup>
2	Sreerama Murthy Chaganti	Managing Director & Chief Executive Officer	01.11.2021	Appointment
3	P.S. Suresh	Executive Director & Chief Financial Officer	01.12.2021	Appointed as Chief Financial Officer <sup>####</sup>
4	Joseph Conrad Agnelo D'Souza	Independent Director	01.12.2021	Appointment
5	Praveen Sharma	Independent Director	01.12.2021	Appointment
6	Ankit Rajiv Somani	Independent Director	01.12.2021	Appointment
7	Ravina Vinay Rajpal	Independent Director	01.12.2021	Appointment
8	Vinayak Aggarwal	Non-Executive Director	29.11.2021	Resignation
9	Rakesh Desai	Independent Director	29.11.2021	Resignation
10	Aneesha Akshay Raheja	Non-Executive Director	29.11.2021	Resignation

<sup>##</sup> Mr. G Sankaranarayana resigned from the position of Managing Director and Chief Executive Officer and re-appointed as Vice Chairman & Non-Executive Director vide resolution of Board of directors dated 01.11.2021.

<sup>####</sup> Mr. PS Suresh was appointed as Chief Financial Officer and re-designated as Executive Director & Chief Financial Officer vide resolution of Board of directors dated 01.12.2021.

## 7.2. Directors retiring by rotation at the ensuing Annual General Meeting

Mr. Viren Raheja, Chairman and Non-Executive Director, will retire by rotation at the ensuing Annual General Meeting as per provisions of Section 152(6) of the Companies Act, 1956, and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment along with other required details forms part of the Notice to the ensuing Annual General Meeting.

## 7.3. Independent Directors

Your company has appointed Mr. Joseph Conrad Agnelo D'Souza, Mr. Praveen Sharma, Mr. Ankit Rajiv Somani and Ms. Ravina Vinay Rajpal as independent Directors w.e.f. 1<sup>st</sup> December 2021.

## 7.4. Declaration by Independent Directors

Your company has received declaration with respect to independence from all Independent Directors of the company. They have complied with the Code of Conduct for Independent Directors as prescribed in Schedule IV to the Companies Act, 2013. Based on the confirmation /affirmation received from Independent Directors that he/she was not aware of any circumstances that are contrary to the declarations submitted by him/her, the Board has acknowledged the veracity of such confirmation and has taken on record the same.

### 7.5. Compliance of Code of Conduct by Directors and Senior Management Personnel

Your Directors and Senior Management have complied with the code of conduct for Directors and Senior Management Personnel. The code of conduct for Directors and Senior Management is available in the web link: <https://asianet.co.in/about/Corporate-Information/>

### 8. BOARD MEETINGS

The details of the Board meetings held during the year under review are furnished in the Corporate Governance Report attached as **Annexure IV**, which forms part of this Report.

### 9. BOARD COMMITTEES & COMMITTEE MEETINGS

#### 9.1. Board Committees

Your company has constituted/ reconstituted the following committees during the financial year 2021-22.

Sl. No.	Name of Board committee	Date of Constituted / Reconstituted	Members of the Committee
1	Audit committee <sup>##</sup>	01.12. 2021 (Re-Constituted)	Joseph Conrad Agnelo D'Souza - Independent Director (Chairman); Ankit Rajiv Somani - Independent Director (Member); and Viren Rajan Raheja – Chairman (Non-Executive Director) (Member)
2	Nomination and Remuneration Committee	01.12. 2021 (Re-Constituted)	Ankit Rajiv Somani - Independent Director (Chairman); Ravina Vinay Rajpal – Independent Director (Member); and Viren Rajan Raheja, - Chairman & Non-Executive Director (Member).
3	Risk Management Committee	01.12. 2021 (Constituted)	Praveen Sharma – Independent Director (Chairman); Sreerama Murthy Chaganti – Managing Director and CEO (Member) and PS Suresh – Executive Director & CFO (Member)
4	Stakeholders Relationship Committee	01.12. 2021 (Constituted)	Praveen Sharma - Independent Director (Chairman); Sankaranarayana Gopalan- Vice Chairman & Non-Executive Director (Member); and PS Suresh – Executive Director & CFO (Member)
5	Corporate Social Responsibility Committee	01.12. 2021 (Re-constituted)	Ravina Vinay Rajpal – Independent Director (Chairperson); Sreerama Murthy Chaganti – Managing Director and CEO (Member) and PS Suresh – Executive Director & CFO (Member)
6	Finance Committee	31.01.2022 (Constituted)	PS Suresh-Executive Director & CFO (Chairman) Sankaranarayana Gopalan- Vice Chairman & Non-Executive Director (Member); and Sreerama Murthy Chaganti – Managing Director and CEO (Member)

7	IPO Committee	01.11.2021 (Constituted)	Sreerama Murthy Chaganti – Managing Director and CEO (Chairman) Sankaranarayana Gopalan- Vice Chairman & Non-Executive Director (Member); PS Suresh-Executive Director & CFO (Member)
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##Mr. Joby Mathew, Company Secretary will act as Secretary to Audit Committee.

### 9.2. Meetings of Board Committees

During the Financial Year 2021-22, the Board Committees were convened their meetings as per details given hereunder.

Sl. No	Name of Board Committee	Date of Meeting	Number of members eligible to attend	Number of Members Attended
1	Audit committee	10.12.2021	3	3
		18.12.2021	3	2
2	Nomination and Remuneration Committee	11.12.2021	3	3
3	Risk Management Committee	NA		
4	Stakeholders Relationship Committee	NA		
5	Corporate Social Responsibility Committee	13.12.2021	3	2
6	Finance Committee	11.03.2022	3	3
7	IPO committee	19.12.2021	3	3

### 10. DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Appointment and Remuneration of Directors is available on the Company's website at <https://asianet.co.in/about/Corporate-Information/#>

The Director's remuneration and other connected matters have been disclosed in the Corporate Governance Report, attached as **Annexure IV**, which forms part of this report.

### 11. BOARD EVALUATION

Since our company was converted to Public Limited Company, the Board of Directors is required to carry out annual evaluation of its own performance, Board Committees, and individual Directors pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations.

The evaluation of the Board involves

1. Board as a whole
2. Committees of the Board
3. Individual Directors (including Chairperson, Independent Directors, Non-Independent directors, etc.

The method of evaluation shall be internal assessment: The Board reviews its own performance and performance of its committees and individual directors. The Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

The evaluation is in accordance with policy for performance evaluation of board of directors read with the Guidance Note on Board Evaluation, issued by the Securities and Exchange Board of India on January 5, 2017. The policy for performance evaluation of Board of Directors is available in company's website at the web link <https://asianet.co.in/about/Corporate-Information/#>

**12.AUDITORS****12.1. Statutory Auditors**

M/s BSR & Associates LLP, Chartered Accountants (Firm Registration No. 116231 W/W-100024) were appointed as Statutory Auditors for a period of 5 years in the twenty-fourth Annual General Meeting held on 26.09.2017 till the conclusion of the twenty-ninth Annual General Meeting of the Company.

The Board has recommended the re-appointment of B S R & Co. LLP, Chartered Accountants as the statutory auditors of the Company, for a second term of five consecutive years, from the conclusion of the twenty-ninth Annual General Meeting till the conclusion of the thirty-fourth Annual General Meeting to be held in the year 2027, for approval of shareholders of the Company, based on the recommendation of the Audit Committee.

**12.2. Internal Auditors**

Your company has re-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.

**12.3. Cost Auditors**

Your company has appointed Ms. B.V. Subramaniam & Co, Cost Accountants, Lekshmi Niketan, JPN-45, 4<sup>th</sup> Cross, J.P. Nagar, Trivandrum-695 008 as Cost Auditors 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. The Cost Auditors have submitted their report to Board for the financial year 2021-22 within the prescribed time limit of 180 days/ such extended time as allowed by Ministry of Corporate Affairs from the closure of financial year. Your company has filed the Cost Audit Report for the financial year 2020-2021 with Central Government in time.

**12.4. Secretarial Auditors**

Your company 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.

**13.AUDITOR'S REPORT AND SECRETARIAL AUDIT REPORT**

The statutory auditor's report and the secretarial auditor's report do not contain any qualifications, reservations, or adverse remarks or disclaimer. During the period under review, the Auditors (Statutory Auditor, Secretarial Auditor or Cost Auditor) have not reported any fraud to Audit committee/ Board or Central Government.

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

**14.ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017, the Annual Return of the company shall be placed on the Company's website at the web link: [www.asianet.co.in/about/Corporate-Information](http://www.asianet.co.in/about/Corporate-Information)

**15.PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

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

**16.PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

During the financial year under review, company has entered into transactions with its wholly owned subsidiary Asianet Digital Network Private Limited, which were 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 certain arm's length transactions under third proviso thereto] is attached to this Report as



**Annexure - III.** Shareholders may also refer to notes to the Financial Statements for details on Related Party Transactions

#### **17. DEPOSITS FROM PUBLIC**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

#### **18. INTERNAL FINANCIAL CONTROLS**

The Company's internal as well as operational controls are commensurate with its size and the nature of its operations. Internal financial controls include policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including Statutory and regulatory compliance.

The Audit Committee quarterly reviews adequacy and effectiveness of Company's Internal Controls and monitors the implementation of audit recommendations, if any

#### **19. RISK MANAGEMENT**

The Board of Directors of the Company has formed a Risk Management Committee for Risk identification, Risk evaluation, and Risk mitigation. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The risk management policy is available on company's website at the link: [www.asianet.co.in/about/Corporate-Information](http://www.asianet.co.in/about/Corporate-Information)

#### **20. VIGIL MECHANISM/WHISTLE BLOWER POLICY**

As per Section 177(9) of the Companies Act, 2013, Rule 7 of Companies (Board and its powers) Rules, 2014, and Regulation 22 of SEBI Listing Regulations, your company has established Vigil Mechanism/ Whistle Blower policy for directors and employees to report genuine concerns in relation to any illegal or unethical practice, actual or suspected fraud or violation of the company's code of conduct, being carried out in the Company to Chairperson of the Audit Committee. There shall be adequate safeguards against victimisation of employees and Directors who avail the vigil mechanism.

The Vigil Mechanism/ Whistle blower policy is available on company's website at the link [www.asianet.co.in/about/Corporate-Information](http://www.asianet.co.in/about/Corporate-Information)

The Chairperson of the Audit Committee may be approached in the following address;

Mr. Joseph Conrad D'Souza,  
501, Hasmukh Mansion, Plot No.375,  
14th Road Khar (W), Mumbai-400 052.  
Email: [conrad.dsouza1@gmail.com](mailto:conrad.dsouza1@gmail.com)

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

(Rule 8(5)(x) of the Companies (Accounts) Rules 2014)

Your company has constituted an Internal Complaints Committee as per section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The committee comprises of the following members.

Mrs. Deepa Chandrababu (Presiding Officer)  
Mrs. Saleena S (Member)  
Mrs. Reena Thomas (Member)  
Mr. P.S. Rajeev (Member) and  
Mrs. Rejitha G (External Member)

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.

Sl. No	No. of cases reported during the Financial Year 2021-22	No. of cases disposed
	NIL	NIL

## 22.DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Your company has incorporated the following subsidiaries as part of decentralization of ACS (Asianet Cable Services) and allied divisions of our company.

Sl. No.	Name	Status (Subsidiary/ JV/ Associate)	Date of becoming Subsidiary/ JV/ Associate	Date of ceasing as Subsidiary/ JV/ Associate
1	Asianet Digital Network Private Limited [Formerly known as Asianet Digital Cable TV Private Limited/Asianet Broadband Private Limited)	Wholly Owned Subsidiary	30.10.2015	NA
2	Roseblossoms Vision Private Limited	Wholly Owned Subsidiary	06.03.2017	NA

In accordance with Rule 8(1) of the Companies (Accounts) Rules, 2014, a separate section of report of performance and financial position of its wholly owned subsidiaries, Asianet Digital Network Private Limited and Roseblossoms Vision Private Limited is Annexed as **Annexure I**.

## 23.CORPORATE SOCIAL RESPONSIBILITY (CSR)

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 V** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. This Policy is available on the Company's website at [www.asianet.co.in/about/Corporate-Information](http://www.asianet.co.in/about/Corporate-Information)

## 24.CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE 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 existing Network to GPON (Gigabit Passive Optical Network) Technology. This conversion will cause significant savings of Power consumption and have switched off 121 power stations in FY22 in the power saving section.

#### (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. 776.68 m for the purpose of upgrading existing network. The work- in- progress amounts to Rs. 800.28 m

**(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 GPON (Gigabit Passive Optical Network) offers exceptional QoS, flexibility and dynamic bandwidth allocation, proficiency to deliver modern broadband to homes and businesses. It provides a reliable roadmap to company to meet customer demands and optimize 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

**(A) Conservation of energy and Technology absorption**

Nil

**(B) Foreign exchange earnings and Outgo**

The CIF value of imports during the year 2021-22 amounted to Rs. 928.75 lakhs and Forex expenditure amounted to Rs. 5,59,702.

**25.COMPLIANCE WITH SECRETARIAL STANDARDS**

During the year under review, your Company has ensured compliance with the all provisions of Secretarial Standard-1 (Board meetings) and Secretarial Standard 2 (General Meetings) issued by the Institute of Company Secretaries of India.

**26.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 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 the 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;
- (e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively;
- (f) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively

**27.CORPORATE GOVERNANCE REPORT**

The Report on Corporate Governance for the year under review, is forming part of this report and is attached as **Annexure IV**.

**28.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 the Executives, Staff and Workers of the Company.

**For and on behalf of the Board of Directors**

**Viren Raheja**  
**Chairman & Non-Executive Director**  
**(DIN: 00037592)**

**Murthy Chaganti**  
**Managing Director & CEO**  
**(DIN: 09379784)**

Place: Mumbai  
 Date: 22.08.2022

**Annexures to the Directors Report**

Annexure I	Report of performance and financial position of Subsidiary companies
Annexure II	Dividend distribution policy
Annexure – III	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 IV	Corporate Governance Report
Annexure V	Annual Report on CSR Activities
Annexure VI	Secretarial Audit Report

**Annexure I**  
**REPORT OF PERFORMANCE AND FINANCIAL POSITION OF**  
**SUBSIDIARY COMPANIES**

**ASIANET DIGITAL NETWORK PRIVATE LIMITED**

The key financial highlights of the subsidiary company M/s Asianet Digital Network Private Limited is as follows:

<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
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

**ROSEBLOSSOMS VISION PRIVATE LIMITED**

M/s Roseblossoms Vision Private Limited has been declared as Dormant company with effect from 28.12.2020 as per the provisions of Section 455(2) of the Companies Act, 2013 on the basis of application filed by the company under section 455(1) vide SRN R74380478 dated 10.12.2020

## Annexure II DIVIDEND DISTRIBUTION POLICY

### 1. Introduction:

Regulation 43A of the SEBI(LODR) Regulations, 2015 requires the top 1000 listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their annual reports. The other listed companies may disclose their dividend distribution policies on a voluntary basis on their websites and provide a web-link in their annual reports.

The Board of Directors (“the Board”) of Asianet Satellite Communications Limited (“the Company”) has adopted the following policy and the Board may amend this policy from time to time.

### 2. Definitions

In this Policy:

- (a) Act means the Companies Act, 2013 & rules and any amendment(s) or modification(s) or circular(s) or notification(s) or order(s) thereof made there under.
- (b) Applicable Laws shall mean the Companies Act, 2013 and rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, together with the circulars issued thereunder; and such other act, rules or regulations which deal with the distribution of dividend.
- (c) Board or Board of Directors shall mean Board of Directors of the Company.
- (d) Dividend includes interim dividend.

Words and Expressions used and not defined in this Policy but defined in the Act or Applicable Laws shall have the same meaning respectively assigned to them in those Acts/Applicable Laws

### 3. Category Of Dividends

#### Final Dividend

The Board shall have the power to recommend the payment of final dividend to the shareholders in a general meeting. The declaration of final dividend shall be included in the ordinary business items that are required to be transacted at the Annual General Meeting.

#### Interim Dividend

The Board shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit in line with this Policy. Normally, the Board could consider declaring an interim dividend after finalization of quarterly (or half yearly) financial accounts.

### 4. Parameters to be Considered before recommending Dividend:

The Board of Directors of the Company shall consider the following financial, internal and external parameters while declaring or recommending dividend to shareholders:

#### I. Circumstances under which the Shareholders may or may not expect Dividend:

The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under applicable laws including the provisions of the Companies Act, 2013 and SEBI(LODR) Regulations, 2015. The shareholders of the Company may expect dividend only if the Company is having adequate profits after complying with all other statutory requirements under the Applicable Laws.

Subject to the discretion of the Board, the shareholders of the Company may not expect dividend in the following circumstances.

- (a) In case of inadequacy of profits or whenever the Company has incurred losses;

- (b) whenever the Company undertakes or proposes to undertake any significant business expansion/investment /acquisitions;
- (c) significant working capital requirement affecting free cash flow;
- (d) whenever the Company proposes to utilize surplus cash for buy-back of securities or setting off of previous year losses or losses of its subsidiary/ies; and
- (e) whenever declaration of dividend is prohibited by any regulatory body.

## **II. Financial parameters to be considered before recommending dividend**

The Board of the Company shall consider the following financial internal parameters while declaring or recommending dividend to shareholders:

- (a) Profits earned and available for distribution during the financial year;
- (b) Retained Earnings;
- (c) Earnings outlook for next three to five years;
- (d) Long-term investment proposals, capital restructuring, debt reduction;
- (e) Crystallization of contingent liabilities of the Company;
- (f) Cash Flows;
- (g) Debt repayment schedules, if any;
- (h) Fund requirement for contingencies and unforeseen events with financial implications;

## **III. Internal and external factors that shall be considered for declaration of dividend**

### **(i) Internal Factors:**

Following are the internal factors to be considered while declaring or recommending dividend:

- (a) Brand/ Business Acquisitions
- (b) Additional investments in subsidiaries of the Company
- (c) Expected future capital / expenditure requirements of the Company
- (d) Past Dividend trend including Interim dividend paid, if any; and
- (e) Any other relevant factors and material events

### **(ii) External Factors:**

Following are the external factors to be considered while declaring or recommending dividend:

- Regulatory or statutory changes significantly affecting the business.
- Technological changes necessitating significant investments in the businesses.

## **IV. Utilization of retained earnings**

The Company shall endeavor to utilize retained earnings in a manner which is beneficial to the interests of the Company and also its shareholders. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

## **V. Parameters that shall be adopted with regard to various classes of shares.**

The dividend payments in respect of shares other than equity shares shall be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue other classes of shares.

## **5. Review /Amendment**

The Board can amend this Policy, as and when deemed fit.

## **6. Effective date**

This policy is effective from 01<sup>st</sup> December 2021.

**ANNEXURE – III  
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/ transactions	Duration of the contracts/ arrangements/ 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 Digital Network Private Limited	Subsidiary company	Common expense Allocation Arrangement	Continuing	Expense recovery from subsidiary, Expense incurred on behalf of subsidiary, Sale of Capital goods, etc., **Total value of transactions:Rs.584.67 million	14.10.2020 & 30.01.2021	Not Applicable

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

**For and on behalf of the Board of Directors**

**Viren Raheja  
Chairman & Non-Executive Director  
(DIN: 00037592)**

**Murthy Chaganti  
Managing Director & CEO  
(DIN: 09379784)**

Place: Mumbai  
Date: 22.08.2022



## **Annexure IV CORPORATE GOVERNANCE REPORT**

### **1.0. Company's Philosophy on Corporate Governance**

Your company believes in adopting the 'best practices' in the area of corporate governance which inter alia includes systematic procedures, practices and laid down structures through which the affairs and businesses of the company are managed in a bid to achieve its strategic, operational, and financial objectives and realize a long-lasting sustainability. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising of regulators, employees, customers, vendors, investors and the public at large. The Company has a strong legacy of fair, transparent and ethical governance practices and in line with the same, has adopted a Code of Conduct for Board of Directors and its Senior Management Personnel.

The Managing Director and Chief Executive Officer (MD&CEO) in consultation with the Chairman and Board of Directors provides overall direction and guidance to the Company. The MD &CEO is responsible for the affairs of business of the company. He is assisted by a core group of senior level executives.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

The Company has adopted various codes and policies to carry out our duties in an ethical and transparent manner, which inter-alia includes;

1. Code of conduct for Board Members and senior management personnel
2. Code of conduct for Independent Directors
3. Policy for performance evaluation of Board of Directors
4. Policy for diversity of Board of Directors
5. Policy for Familiarization Program for Independent Directors
6. Nomination and Remuneration Policy
7. Policy on material related party transactions
8. Policy on disclosure of Material events/information
9. Policy on preservation of records
10. Risk Management Policy
11. Archival policy
12. Succession policy
13. Dividend Distribution Policy
14. Policy for material subsidiaries
15. Vigil Mechanism / Whistle-blower policy
16. Code of Conduct for prevention of Insider Trading
17. Code of practices and procedures for fair disclosure of unpublished price sensitive information
18. Corporate social Responsibility (CSR) Policy

### **2.0. Board of Directors**

- (i) As on March 31, 2022, the Board of Directors comprises eight Directors. Of the eight Directors, six are Non-Executive Directors out of which four are Independent Directors including women director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 and 152 of the Companies Act, 2013.
- (ii) None of the Directors on the Board
  - holds directorships in more than ten public companies;
  - serves as Director or as independent directors in more than seven listed entities; and
  - who are the Executive Directors serves as independent directors in more than three listed entities;

- (iii) Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022, have been made by the Directors.
- (iv) None of the Directors is related to each other;
- (v) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
- (vi) Ten Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days.

Sl. No.	Date of Meeting	Board Strength	No. of Directors Present
1	23.07.2021	6	2
2	28.08.2021	6	4
3	11.09.2021	6	3
4	21.10.2021	6	4
5	01.11.2021	6	4
6	01.12.2021	8	3
7	10.12.2021	8	4
8	16.12.2021	8	3
9	20.12.2021	8	4
10	31.01.2022	8	3

The e necessary quorum was present for all the meetings.

- (vii) The names and categories of the <sup>1</sup>directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships/Memberships held by them in other companies as on March 31, 2022, are given herein below.<sup>2</sup> Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public limited companies in which he/she is a director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

<sup>1</sup>Includes Directors resigned from the Board During the year under review

<sup>2</sup> The limit of the committees on which a director may serve in all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies high value debt listed entities and companies under Section 8 of the Companies Act, 2013 shall be excluded;

Sl. No.	Name of the Director	Category	Number of Board Meetings attended during the FY 2022	Whether attended last AGM held on September 10, 2021	Number of Directorships in Public Companies		Number of Statutory Committee positions held in Public Companies (Regulation 26 of Listing Regulations)		Directorship in other listed entities as on 31.03.2022 (Category of Directorship)
					Chairman	Member	Chairman (Listed entities)	Member	
1	Viren Raheja [DIN:00037592]	Non-Independent, Non-Executive (Chairman)	6	Yes	1	4	-	3	1. Hathway Cable & Datacom Limited. 2. Sonata Software Limited
2	G Sankaranarayana [DIN:08673222]	Non-Independent, Non-Executive (Vice-Chairman)	2	No	-	1	-	-	
3	Sreerama Murthy Chaganti <sup>@@</sup> [DIN:09379784]	Non-Independent, Executive (MD&CEO)	1	NA <sup>#</sup>	-	1	-	-	
4	P.S. Suresh [DIN:08421313]	Non-Independent, Executive (ED&CFO)	2	No	-	1	-	-	
5	Joseph Conrad D'Souza <sup>@@@</sup> [DIN:00010576]	Independent, Non-Executive	5	NA <sup>#</sup>	-	7	4	8	1. Chalet Hotels Limited 2. Camlin Fine Sciences Limited
6	Praveen Sharma <sup>@@@</sup> [DIN:08673222]	Independent, Non-Executive	0	NA <sup>#</sup>	-	1	-	-	
7	Ankit Rajiv Somani <sup>@@@</sup> [DIN:01604948]	Independent, Non-Executive	5	NA <sup>#</sup>	-	1	-	-	
8	Ravina Vinay Rajpal <sup>@@@</sup> [DIN:09380471]	Independent, Non-Executive	5	NA <sup>#</sup>	-	1	-	-	
9	Vinayak Aggarwal <sup>@</sup> [DIN: 00007280]	Non-Independent, Non-Executive	4	Yes					
10	Aneesha Akshay	Non-Independent,	4	No					

	Raheja @ [DIN: 06560989]	Non-Executive							
11	Rakesh Desai @ DIN: 00152982]	Independent, Non-Executive	4	Yes					

# Appointed w.e.f, 1<sup>st</sup> day of December 2021

# Appointed w.e.f, 1<sup>st</sup> day of November 2021

@ Mr. Vinayak Aggarwal, [DIN: 00007280], Mrs. Aneesha Akshay Raheja, [DIN: 06560989] and Mr. Rakesh Desai, [DIN: 00152982] were resigned from the position of Directors, w.e.f, 29<sup>th</sup> October 2021 due to personal reasons.

@@ Appointed w.e.f, 1<sup>st</sup> November 2021.

@@@ Appointed w.e.f, 1<sup>st</sup> December 2021.

§ For the purpose of determination of limit, chairpersonship and membership of the Audit committee and the Stakeholders' Relationship Committee alone shall be considered

- (viii) The Board periodically reviews the compliance reports of all laws applicable to the Company.
- (ix) Details of equity shares of the Company held by the Directors as on March 31, 2022, are given below:

Sl. No.	Name of the Director	Category of Directorship	No. of Equity shares	Total Value	%
1	Viren Raheja	Non-Independent, Non-Executive	84,96,503	8,49,65,030	8.44%
2	Viren Raheja Jt. Akshay Raheja		92,91,818	9,29,18,180	9.23%
	Total		1,77,88,321	17,78,83,210	17.67%

### 2.1. Core Skills/Expertise/Competencies Available with the Board

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills/ expertise/ competencies have been identified for the effective functioning of the Company and are currently available with the Board:

Sl.No.	Name of Director	Area of Expertise
1	Viren Raheja	Leadership / Operational experience Strategic Planning Industry Experience Global Business Financial, Regulatory / Legal & Risk Management Corporate Governance
2	G Sankaranarayana	Leadership / Operational experience Strategic Planning Industry Experience Global Business Financial, Regulatory / Legal & Risk Management Corporate Governance
3	Sreerama Murthy Chaganti	Leadership / Operational experience Strategic Planning Industry Experience Global Business Financial, Regulatory / Legal & Risk Management Corporate Governance
4	P.S. Suresh	Financial, Regulatory / Legal & Risk Management Strategic Planning Industry Experience Global Business Corporate Governance
5	Joseph Conrad Agnelo D'Souza	Financial, Regulatory / Legal & Risk Management Leadership Strategic Planning Industry Experience Global Business Corporate Governance
6	Praveen Sharma	Regulatory / Legal & Risk Management Strategic Planning Industry Experience Global Business Corporate Governance
7	Ankit Rajiv Somani	Leadership / Operational experience

		Strategic Planning Industry Experience Global Business Financial, Regulatory / Legal & Risk Management Corporate Governance
8	Ravina Vinay Rajpal	Financial, Regulatory / Legal & Risk Management Strategic Planning Global Business Corporate Governance

### 3.0. COMMITTEES OF THE BOARD

There are six Board Committees as on March 31, 2022, details of which are as follows:

#### 3.1 Audit Committee

##### 3.1.1. Constitution

The Board constituted an audit committee on conversion of the company from Private Limited to Public Limited, w.e.f, 01.12. 2021. The Committee comprises of 3 (Three) Non-Executive Directors out of which 3 (two) are Independent Directors.

The Audit Committee comprises following members;  
Joseph Conrad Agnelo D'Souza - Independent Director (Chairman);  
Ankit Rajiv Somani - Independent Director (Member); and  
Viren Rajan Raheja – Non-Executive Director (Member)

All the members of the Committee are financially literate. Mr. Joseph Conrad Agnelo D'souza, Chairman of the committee, holds master's degree in Commerce from the University of Bombay, and a master's degree in Business Administration from the South Gujarat University and a diploma in financial management from the University of Bombay. He is also a graduate of the Senior Executive Programme of the London Business School. He has been associated with HDFC Limited since 1984 and is currently designated as Member of Executive Management & Chief Investor Relations Officer.

Mr. Joby Mathew, Company Secretary & Compliance Officer acts as Secretary to Audit Committee.

##### 3.1.2. Number of meetings and attendee Details

During the financial year 2021-22, the Audit Committee have met 2(times) times and the gap between two meetings was not more than 120 days. The dates of meetings held during the financial year 2021-22 are as below:

Date of Meeting	Number of members eligible to attend	Number of Members Attended
10.12.2021	3	3
18.12.2021	3	2

##### 3.1.3. Terms of Reference

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommending to the Board the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditor and the fixation of the audit fee of the Company;
3. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;

- c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
  7. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
  8. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed
  9. Scrutinising of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the Company, wherever it is necessary;
  11. Evaluating of internal financial controls and risk management systems;
  12. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussing with internal auditors on any significant findings and follow up thereon;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  16. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. Recommending to the Board of Directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
  18. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  19. Reviewing the functioning of the whistle blower mechanism;
  20. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
  21. Monitoring the end use of funds raised through public offers and related matters;
  22. Overseeing the vigil mechanism established by the Company, with the Chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
  23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority;
  24. Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law;
  25. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
  26. Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
  27. Recommending to the Board of Directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services; and
  28. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

29. Carrying-out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

### **3.2. Nomination and Remuneration Committee (“NRC”)**

#### **3.2.1. Constitution**

The Board constituted a NRC on conversion of the company from Private Limited to Public Limited, w.e.f, 01.12.2021. The NRC comprises of 3 (Three) members. All the members of the Committee are Non-Executive Directors out of which 2 (Two) members are Independent Directors. The Chairman of the Committee is an Independent Director.

The NRC comprises following members;

Ankit Rajiv Somani - Independent Director (Chairman);  
Ravina Vinay Rajpal – Independent Director (Member); and  
Viren Rajan Raheja, - Chairman & Non-Executive Director (Member).

#### **3.2.2. Number of meetings and attendee Details**

During the financial year 2021-22, the NRC have met on 11.12.2021 and all members were attended the meeting.

#### **3.2.3. Terms of Reference**

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;  
The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:
  - i. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals;
2. Formulating of criteria for evaluation of the performance of the Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director’s performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
5. Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
6. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
7. Analysing, monitoring and reviewing various human resource and compensation matters;
8. Deciding whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
9. Determining the company’s policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
10. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
11. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;



12. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
13. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
14. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
15. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.
16. Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority; and
17. Recommend to the Board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary.

### **3.3. Risk Management Committee**

#### **3.3.1. Constitution**

In compliance with provisions of Listing Regulations, because of proposed listing of Equity shares of the company, the Board constituted a Risk Management Committee on 01.12.2021. All members of the committee are Board Members.

The members of the Risk Management committee are as follows;

Praveen Sharma – Independent Director (Chairman);

Sreerama Murthy Chaganti – Managing Director and CEO (Member) and

PS Suresh – Executive Director & CFO (Member)

Since the committee was constituted only on 01.12.2021, no meetings were held during the period under review.

#### **3.3.2. Terms of Reference**

1. To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.”

### **3.4. Stakeholders Relationship Committee**

#### **3.4.1. Constitution**

In compliance with provisions of Listing Regulations, because of proposed listing of Equity shares of the company, the Board constituted a Stakeholders Relationship Committee on 01.12.2021. The Committee consists of two Non-Executive Directors out of which one is an Independent Director. The chairman of the committee is an independent Director.

The Stakeholders Relationship Committee comprises following members

Praveen Sharma - Independent Director (Chairman);

Sankaranarayana Gopalan- Vice Chairman & Non-Executive Director (Member); and  
PS Suresh – Executive Director & CFO (Member)

Since the committee was constituted only on 01.12.2021, no meetings were held during the period under review.

### 3.4.2. Terms of Reference

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
3. Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;
4. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
6. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
7. To approve, register, refuse to register transfer or transmission of shares and other securities and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
8. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
9. Allotment and listing of shares;
10. To authorise affixation of common seal of the Company;
11. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
12. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
13. To dematerialize or rematerialize the issued shares;
14. Ensure proper and timely attendance and redressal of investor queries and grievances;
15. Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
16. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

### 3.5. Corporate Social Responsibility Committee (CSR Committee)

#### 3.5.1. Constitution

The Board has re-constituted the Corporate Social Responsibility Committee on 01.12.2021. The committee consists of three members. The Chairperson of the committee is an Independent Director.

The CSR committee comprises following members;

Ravina Vinay Rajpal – Independent Director (Chairperson);  
Sreerama Murthy Chaganti – Managing Director and CEO (Member) and  
PS Suresh – Executive Director & CFO (Member)

During the year under review, the CSR committee met on 13.12.2021 and two out of three members attended the meeting.

### 3.5.2. Terms of Reference

1. To formulate and recommend to the Board of Directors, the CSR Policy, indicating the CSR activities to be undertaken as specified in Schedule VII of the Companies Act, 2013, as amended;
2. formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;
3. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
6. To recommend the amount of expenditure to be incurred on the CSR activities, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy;
7. To monitor the CSR Policy and its implementation by the Company from time to time;
8. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013, as amended and the rules framed thereunder.”

### 3.6. Finance Committee

#### 3.6.1. Constitution

The Board constituted a Finance Committee, a sub-committee to Board on 31.01.2022 to exercise the borrowing powers of the company.

The committee consists of following members;

PS Suresh-Executive Director & CFO (Chairman)

Sankaranarayana Gopalan- Vice Chairman & Non-Executive Director (Member); and

Sreerama Murthy Chaganti – Managing Director and CEO (Member)

During the period under review the committee met on one time, i.e., at 11.03.2022

#### 3.6.2. Terms of Reference

1. To Exercise the powers to borrow money (otherwise than by issue of debentures) subject to the limits as approved by the Shareholders under section 180 of the companies Act, 2013 and all matters connected therewith or incidental thereto which interalia includes;
  - (b) to approve the availing of borrowing facilities from various lenders at such terms and conditions as may be deemed appropriate.
  - (c) Execution of loan documents, including hypothecation/ pledge/mortgage in favour of the bank and affixing common seal of the Company in such documents,
  - (d) Provide Corporate Guarantee / security by way of Company’s movable and immovable property, in respect of the borrowing facilities and issuance of letter of comfort as stipulated by the bank from time to time
  - (e) Creation/modification/ satisfaction of charge/ security with Registrar of companies on the assets of the Company as per stipulations of sanction / offer letter issued by the Banks for various credit facilities availed by the Company.
  - (f) To review the borrowing/ debt position of the Company periodically;
2. To Monitor the utilization of funds from borrowed source (by whatever name called) or from owned funds (by whatever name called, including convertible instruments).
3. To invest surplus funds of the Company in liquid assets including temporarily in fixed deposits, liquid mutual funds and other rated liquid securities subject to the same not exceeding Rs.100 Crores at any time.
4. To give any loan to any person or other body corporate; or give any guarantee or provide security in

- connection with a loan to any other body corporate or person; or acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, subject to the provisions of section 186 of the companies Act, 2013
5. To Recommend the Annual budget and Annual Operation Plan to the Board, and review the same periodically;
  6. To open and operate or close various bank accounts as and when required and change the authorised signatories of such accounts, availing Internet Banking facilities including e-commerce and / or closure of Internet banking facilities; dealing in Forward Contracts on behalf of the Company and executing the documents under Common Seal of the Company for availing the said facilities, from time to time, authorizing executives of the Company to operate the said facilities and revision in authorized signatories for operating the said facilities and such other activities for ensuring smooth operation of the Company.
  7. To avail various other facilities/ services offered by the Bankers to the Company from time to time;
  8. To exercise such powers delegated to the Committee by the Board from time to time

### **3.7. IPO Committee**

#### **3.7.1. Constitution**

In view of proposed public offer of Equity shares of the company, the Board constituted an IPO Committee for the purposes of approving and undertaking various activities in relation to the Offer.

The committee consists of following members;

Sreerama Murthy Chaganti – Managing Director and CEO (Chairman)

Sankaranarayana Gopalan- Vice Chairman & Non-Executive Director (Member); and

PS Suresh-Executive Director & CFO (Member)

Mr. Joby Mathew, Company Secretary acts as Secretary to IPO committee.

During the year under review, the committee met on one time, i.e., at 19.12.2021 to approve Draft Red Herring Prospectus.

#### **3.7.2. Terms of Reference**

- (a) To make applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Government of India, Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), Registrar of Companies, or to any other statutory or governmental authorities in connection with the Offer as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus;
- (b) To finalise, settle, approve, adopt and file the draft red herring prospectus with the SEBI, the red herring prospectus and prospectus with the SEBI, Registrar of Companies, Kerala at Ernakulam (the “RoC”), and other regulatory authorities (including the preliminary and final international wrap, and amending, varying, supplementing or modifying the same, or providing any notices, clarifications, reply to observations, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient), the bid cum application forms, abridged prospectus, confirmation of allocation notes and any other document in relation to the Offer as finalised by the Company, and take all such actions in consultation with the book running lead managers (the “BRLMs”) as may be necessary for the submission and filing of the documents mentioned above, including incorporating such alterations/corrections/ modifications as may be required by the SEBI, respective stock exchanges where the Equity Shares are proposed to be listed, the RoC or any other relevant governmental and statutory authorities or otherwise under applicable laws;
- (c) To decide in consultation with the BRLMs on the timing, pricing and all the terms and conditions of the Offer, including the price band, Offer price, Offer size, allocation/allotment to eligible persons pursuant to the Offer, including any anchor investors and to accept any amendments, modifications, variations or alterations thereto, and/or reservation on a competitive basis, and rounding off, if any, in the event of

oversubscription and in accordance with Applicable Laws, and/or any discount to be offered to retail individual bidders or eligible employees participating in the Offer;

- (d) To appoint, instruct and enter into arrangements with the BRLMs, and in consultation with BRLMs appoint and enter into agreements with intermediaries, co-managers, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, auditors, independent chartered accountants, refund bankers to the Offer, public offer account bankers to the Offer, sponsor bank, registrar, grading agency, industry expert, legal advisors, advertising agency(ies), monitoring agency and any other agencies or persons or intermediaries to the Offer, including any successors or replacements thereof, and to negotiate and finalise and amend the terms of their appointment, including but not limited to execution of the mandate letters and/ or agreements offer agreement with the BRLMs, and the underwriting agreement with the underwriters, and to terminate agreements or arrangements with such intermediaries;
- (e) To take all actions as may be necessary or authorized, in connection with the Offer for Sale, including taking on record the approval of the Selling Shareholder(s) for offering their Equity Shares including the quantum in terms of number of Equity Shares/amount offered by the Selling Shareholder(s) in the Offer for Sale, allow revision of the Offer for Sale portion in case any Selling Shareholder decides to revise it, in accordance with the Applicable Laws;
- (f) To authorise the maintenance of a register of holders of the Equity Shares;
- (g) To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the BRLMs' mandate or fee/ engagement letter, Offer agreement, share escrow agreement, syndicate agreement, underwriting agreement, cash escrow agreement, agreements with the registrar of the Offer and the advertising agency(ies) and all other documents, deeds, agreements, memorandum of understanding and other instruments, legal advisors, auditors, Stock Exchanges, BRLMs and other agencies/ intermediaries in connection with Offer and any notices, supplements, addenda and corrigenda thereto, as may be required or desirable in relation to the Offer, with the power to authorise one or more officers of the Company to negotiate, execute and deliver any or all of the these documents;
- (h) To open with the bankers to the Offer such accounts as may be required by the regulations issued by SEBI and operate bank accounts opened separate in terms of the escrow agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- (i) To seek, if required, the consent of the lenders to the Company and/or lenders to the subsidiary (if applicable), industry data provider, parties with whom the Company has entered into various commercial and other agreements, all concerned governmental and regulatory authorities in India or outside India and any other consents and/or waivers that may be required in relation to the Offer;
- (j) To approve any corporate governance requirements that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the uniform listing agreement to be entered into by the Company with the relevant stock exchanges, and to approve policies to be formulated under the Companies Act, 2013, as amended and the regulations prescribed by SEBI including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, (given the proposed listing of the Company);
- (k) To authorise and approve, the incurring of expenditure and payment of fees, commissions, brokerage, remuneration and expenses in connection with the Offer;
- (l) To determine and finalise, in consultation with the BRLMs, the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the

Offer and minimum bid lot for the purpose of bidding, (including anchor investors offer price), any revision to the price band and the final Offer price after bid closure, total number of Equity Shares to be reserved for allocation to eligible investors, approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLMs and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;

- (m) To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the foretasted documents;
- (n) To authorise and approve notices, advertisements in such newspapers and other media as it may deem fit and proper in relation to the Offer, in consultation with the relevant intermediaries appointed for the Offer in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), Companies Act, 2013;
- (o) To do all such acts, deeds, matters and things and execute all such other documents, agreements, forms, certificates, undertakings, letters and instruments, as may deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;
- (p) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection;
- (q) To withdraw the draft red herring prospectus, red herring prospectus and the Offer at any stage, if deemed necessary, in accordance with the SEBI ICDR Regulations and Applicable Laws and in consultation with the BRLMs;
- (r) To negotiate, finalise, sign, execute, deliver and complete the offer agreement, syndicate agreement, share escrow agreement, escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Offer and the advertising agency(ies) and all notices, offer documents (including draft red herring prospectus, red herring prospectus and prospectus) agreements, letters, applications, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto) on behalf of the selling shareholder(s) (as maybe applicable), as the case may be, in relation to the Offer.
- (s) To make in-principle and final applications for listing of the Equity Shares in one or more recognised stock exchange(s) in India and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s);
- (t) To authorize and empower any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorney, declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer and to do such acts, deeds and things as such authorised person in his/her/their absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment/transfer of the Equity Shares, for and on behalf of the Company, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the stock exchange(s), the registrar agreement and memorandum of understanding, the depositories’ agreements, the offer agreement with the BRLMs (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLMs and syndicate members, the stabilization agreement, the share escrow agreement, the escrow and sponsor

bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Offer, bankers to the Company, managers, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading agency and all such persons or agencies as may be involved in or concerned with the Offer, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the BRLMs and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Offer; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.;

- (u) To determine the utilization of proceeds of the Fresh Issue and accept and appropriate proceeds of the Fresh Issue in accordance with the Applicable Laws;
- (v) To determine the price at which the Equity Shares are offered, allocated, transferred and/or allotted to investors in the Offer in accordance with applicable regulations in consultation with the BRLMs and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
- (w) To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may, deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company;
- (x) If deemed appropriate, to invite the existing shareholders of the Company to participate in the Offer by offering for sale the Equity Shares held by them at the same price as in the Offer;
- (y) all actions as may be necessary in connection with the Offer, including extending the Bid/Offer period, revision of the Price Band, allow revision of the Offer for Sale portion in case any Selling Shareholder decides to revise it, in accordance with the Applicable Laws;
- (z) To decide all matters regarding the Pre-IPO Placement if any, including the execution of the relevant documents with the investors, in consultation with the Selling Shareholders and the BRLMs, and

### 3.8. Recommendation by any Committee of the Board of Directors of the Company

During financial year 2021-22, the Board of Directors of the Company has accepted all recommendations, received from its committees.

## 4. DIRECTORS' REMUNERATION

### 4.1. Nomination and Remuneration Policy

The Company's policy on appointment and Remuneration of directors is available on the Company's website at [www.asianet.co.in/about/Corporate-Information](http://www.asianet.co.in/about/Corporate-Information)

### 4.2. Independent and Non-Executive Directors

Independent Directors of the Company receives Fixed Remuneration and Sitting fees for attending Board and Committee Meetings. Other Non-Executive Directors receives fixed remuneration only. The remuneration or sitting fees paid to Independent and Non-Executive Directors is within the limits prescribed under the Companies Act, 2013.

The details of the Fixed Remuneration paid/ payable and sitting fees paid to Independent and Non-Executive Directors during the financial year 2021-22 are as under:

Sr. No.	Name	Designation	Fixed Remuneration Paid/ Payable	Sitting Fee Paid
1	G Sankaranarayana	Vice Chairman & Non-Executive Director	Nil	Nil

4	Joseph Conrad Agnelo D'Souza	Independent Director	@@2,50,000	5,00,000
5	Praveen Sharma	Independent Director	@@2,50,000	Nil
6	Ankit Rajiv Somani	Independent Director	@@1,66,667	5,15,000
7	Ravina Vinay Rajpal	Independent Director	@@1,66,667	4,15,000
8	Vinayak Aggarwal	Non-Executive Director	#Nil	Nil
9	Rakesh Desai	Independent Director	#Nil	Nil
10	Aneesha Akshay Raheja	Non-Executive Director	#Nil	Nil

@@Fixed Remuneration paid/payable for the period 1<sup>st</sup> November 2021 to 31<sup>st</sup> March 2022

# Mr. Vinayak Aggarwal [DIN: 00007280], Mrs. Aneesha Akshay Raheja [DIN: 06560989] and Mr. Rakesh Desai [DIN: 00152982] were resigned from the position of Non-Executive Directors, w.e.f, 29<sup>th</sup> October 2021 due to personal reasons.

During the year, there were no other pecuniary relationships or transactions of Non-Executive Directors with the Company. The Company has not granted any stock options to Non-Executive Directors.

#### 4.3. Executive Directors

As of March 31, 2021, Mr. Sreerama Murthy Chaganti (DIN: 09379784) Managing Director and Chief Executive Officer and Mr. PS Suresh [DIN: 08421313] Executive Director & CFO were the Executive Directors of the Company. Mr. G Sankaranarayana (DIN:07247965) resigned from the position of Managing Director and Chief Executive Officer w.e.f., 31<sup>st</sup> October 2021.

The details of the Fixed Remuneration paid to Executive Directors during the financial year 2021-22 are as under:

Sl. No.	Name of the Director	Fixed (in Rs)	Variable (in Rs)	Total
1	G Sankaranarayana*	1,95,62,221	4,047,856	2,36,10,077
2	Sreerama Murthy Chaganti **	65,36,600	25,00,000	90,36,600
3	PS Suresh	85,00,000	15,00,000	1,00,00,000

\*Remuneration paid for the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> October 2021.

\*\*Remuneration paid for the period 1<sup>st</sup> November 2021 to 31<sup>st</sup> March 2022.

The terms and conditions of appointment of Executive Directors (Memorandum/Agreement for Appointment) are available for inspection to members of the company at the registered office as stipulated under Section 190 of the Companies Act, 2013.

#### 5. FRAMEWORK FOR MONITORING SUBSIDIARY COMPANIES

During the year under review, Asianet Digital Network Private Limited (ADNPL) is a material subsidiary of the Company as per SEBI (LODR). In terms of the provisions of Regulation 24(1) of SEBI (LODR), Mr. Ankit Rajiv Somani is the Independent Director of the Company on the Board of ADNPL. The Company is in compliance with Regulation 24A of SEBI (LODR). The Company's unlisted material subsidiary has undergone Secretarial Audit. Copy of Secretarial Audit Report of ADNPL will be available on the website of the Company. The Secretarial Audit Report of ADNPL does not contain any qualification, reservation or adverse remark or disclaimer.

The Company monitors performance of subsidiary companies, inter alia, by the following means:

- Financial statements, in particular investments made by Subsidiary Companies, are reviewed by the Company's Audit Committee.
- Minutes of Board meetings of Subsidiary Companies are placed before the Company's Board regularly.

The Company's Policy for determining Material Subsidiaries is available on the Company's website at the link [www.asianet.co.in/about/Corporate-Information](http://www.asianet.co.in/about/Corporate-Information)



**6.0. GENERAL BODY MEETINGS****6.1. Annual General Meeting of the last 3 (three) Financial Years**

Location, time and date of holding AGM

Financial Year	Date of AGM	Venue	Time
2020-21	10.09.2021	6 <sup>th</sup> Floor, Rahejas, Corner of Main Avenue & V.P. Road, Santacruz West, Mumbai – 400054	11 AM
2019-20	16.12.2020	6 <sup>th</sup> Floor, Rahejas, Corner of Main Avenue & V.P. Road, Santacruz West, Mumbai – 400054	11 AM
2018-19	30.09.2019	6 <sup>th</sup> Floor, Rahejas, Corner of Main Avenue & V.P. Road, Santacruz West, Mumbai – 400054	10.30 AM

**Special Resolutions passed during previous 3 (three) Annual General Meetings**

Date of AGM	Particulars of Special Resolutions Passed
30.09.2019	Nil
16.12.2020	1. Variation of terms of issue of 30,00,000 (Thirty lakh) 8% Non-cumulative Non-convertible Redeemable preference shares of Rs.10/- (Rupees Ten only) issued to Hathway Investments Private Limited on private placement basis as 30,00,000 (Thirty lakh) 8% Optionally convertible non-cumulative Redeemable preference shares (“OCNCRPS”) of Rs. 10/- each 2. Alteration of Articles of Association
10.09.2021	Nil

**6.2. Extra Ordinary General Meeting**

Location, time and date of holding of Extra Ordinary General Meetings during the FY 2021-22

Date of EGM	Venue	Time
17.09.2021	6 <sup>th</sup> Floor, Rahejas, Corner of Main Avenue & V.P. Road, Santacruz West, Mumbai – 400054	11 AM
28.10.2021	6 <sup>th</sup> Floor, Rahejas, Corner of Main Avenue & V.P. Road, Santacruz West, Mumbai – 400054	11 AM
15.11.2021	6 <sup>th</sup> Floor, Rahejas, Corner of Main Avenue & V.P. Road, Santacruz West, Mumbai – 400054	11 AM
23.12.2021	6 <sup>th</sup> Floor, Rahejas, Corner of Main Avenue & V.P. Road, Santacruz West, Mumbai – 400054	11 AM

**Special Resolutions passed in Extra Ordinary General Meetings held during the FY 2021-22.**

Date of EGM	Particulars of Special Resolutions Passed
17.09.2021	1. Conversion of the company from Private Limited to Public Limited 2. Adoption of new Memorandum and Articles of Association of the company pursuant to the Companies’ Act, 2013 3. Variation of 30,00,000 (Thirty lakh) 8% Optionally Convertible Non-Cumulative Redeemable Preference Shares (“OCNCRPS”) of Rs.10/- (Rupees ten only) issued to Hathway investments Private Limited as 8% Non-Convertible Non-Cumulative Redeemable Preference Shares (“NCNCRPS”) of Rs.10/- each, fully paid up.
28.10.2021	Approval to Initial Public Offer of Equity shares
15.11.2021	1. Appointment of Mr. Sreerama Murthy Chaganti (DIN: 09379784) as

	Managing Director and Chief Executive Officer of the Company 2. Fixing remuneration of Mr. G Sankaranarayana, Vice Chairman & Non-Executive Director of the Company
23.12.2021	1. Appointment of Mr. Joseph Conrad Agnelo D'Souza (DIN: 00010576), Mr. Ankit Rajiv Somani (DIN: 01604948), Mr. Praveen Sharma (DIN: 08673222) and Ms. Ravina Vinay Rajpal (DIN: 09380471) as Independent Directors of the Company 2. Ratification of remuneration payable to Mr. P.S. Suresh, [(DIN: 08421313)], Executive Director & Chief Financial Officer of the company 3. Increasing the investment limits for Non-resident Indians and overseas citizens of India from 10% to 24% of the paid-up equity share capital of the Company,

### 6.3. Date, Time and Venue of Annual General Meeting of Shareholders

The Annual General Meeting of the Company would be held on Tuesday, the 27th September 2022 at (I.S.T) at 6th Floor, 'Rahejas', Corner of V.P. Road & Main Avenue, Santacruz West, Mumbai – 54 at 11.00 AM

### 7.0. Disclosure on materially significant related party transactions that may have potential conflict with the company's interests at large.

The Company's major related party transactions are generally with its subsidiary companies. All the contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on Materiality of Related Party Transactions. The Company has made full disclosure of transactions with the related parties as set out in Note 41 of Standalone Financial Statements, which forms part of the Annual Report. There were no transactions of material nature with Directors/ Promoters or any related entity, which will have any potential conflict with the interests of the Company at large.

The Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is put up on the Company's website.

### 8.0. DEMATERIALISATION OF SHARES

The company has appointed National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as depository, and Link Intime India Pvt. Ltd., as Registrar and share Transfer Agent (RTA) and executed a tripartite agreement dated 25.11.2021 with CDSL and agreement dated 23.10.2021 with NSDL for opening a platform for dematerialization of shares. The company has allotted ISIN (International Security Identification Number) as follows:

Equity shares	INE829F01013
*8% Optionally Convertible Non-Cumulative Redeemable preference shares having face value of Rs.10/- each (Paid up value Rs.10/-each) Date of allotment:04-08-2017 Date of maturity:04-08-2037	INE829F04017
*8% Optionally Convertible Non-Cumulative Redeemable preference shares having face value of Rs.10/- each (Paid up value Rs.10/-each) Date of allotment:20-07-2017 Date of maturity:20-07-2037	INE829F04025
Fully paid-up Equity shares having face value of Rs. 0/- each	INE829F01013

### 9.0. 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. The Company has framed Whistle Blower Policy and Vigil Mechanism under which the employees are encouraged to report violations of applicable laws and regulations and the Code of Conduct without fear of any retaliation. No personnel of the Company have been

denied access to the Audit Committee. Refer Para 20 of the Directors Report for the details of Vigil Mechanism, which is also available on the website of the Company.

#### 10.0. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Refer Para 21 of the Directors Report.

#### 11.0. COMPLIANCE WITH REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 OF SEBI (LODR)

The Company has on a timely basis disclosed the compliance as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR).

Sr. No.	Particulars	Regulation	Compliance Status Yes / No / N.A.	Key Compliance observed
1	Board of Directors	17	Yes	<ul style="list-style-type: none"> <li>• Composition and Appointment of Directors</li> <li>• Meetings and quorum</li> <li>• Review of compliance reports</li> <li>• Minimum information to be placed before the Board</li> <li>• Compliance Certificate by CEO and CFO</li> <li>• Code of Conduct</li> <li>• Performance evaluation of Independent Directors</li> </ul>
2	Maximum Number of Directorships	17A	Yes	Directorships in listed entities
3	Audit Committee	18	Yes	<ul style="list-style-type: none"> <li>• Composition</li> <li>• Meetings and quorum</li> </ul>
4	Nomination and Remuneration Committee	19	Yes	Composition Meetings and quorum
5	Stakeholders' Relationship Committee	20	Yes	Composition
6	Risk Management Committee	21	Yes	Composition
7	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> <li>• Vigil Mechanism for Directors and employees Adequate safeguards against victimization</li> <li>• Direct access to Chairperson of Audit Committee</li> </ul>
8	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> <li>• Policy on Materiality of Related Party transactions</li> <li>• Omnibus approval of Audit Committee for Related Party Transactions</li> </ul>
9	Subsidiaries of	24	Yes	<ul style="list-style-type: none"> <li>• Appointment of Company's</li> </ul>

	the Company			<p>Independent Director on the Board of material subsidiary</p> <ul style="list-style-type: none"> <li>• Review of financial statements and investments of subsidiary by the Audit Committee</li> <li>• Minutes of the Board of Directors of the subsidiaries are placed at the meeting of the Board of Directors</li> <li>• Significant transactions and arrangements of subsidiaries are placed at the meeting of the Board of Directors</li> </ul>
10	Secretarial Audit	24A	Yes	Secretarial Audit of the Company Secretarial Audit of material unlisted subsidiaries incorporated in India

#### **12.0.NO DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

The Company has obtained a Certificate from Mr. Harshan Madhavan [FCS.294], Company Secretary-in-Practice, confirming that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority, as stipulated under Regulation 34 (3) of SEBI (LODR) which forms part of this Report as **Annexure - A**.

#### **13.0.CEO/CFO CERTIFICATION**

The MD and Chief Financial Officer (CFO) of the Company have certified to the Board regarding their review on the Financial Statements, Cash Flow Statement and other matters related to internal controls in the prescribed format for the year ended March 31, 2022, in terms of Regulation 17 (8) of SEBI(LODR). The MD and CFO will also give quarterly certification on financial results while placing the financial results before the board in terms of Regulation 33(2) of SEBI (LODR).

#### **14.0. CODE OF CONDUCT DECLARATION**

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, the affirmation that they have complied with the 'Code of Conduct' in respect of the financial year 2021-22.

**Sreerama Murthy Chaganti**  
**Managing Director & CEO**  
**DIN: 09379784**

Place: Thiruvananthapuram  
Date: 22.08.2022

**15.0. CORPORATE GOVERNANCE CERTIFICATE**

**To**  
**The Members**  
**Asianet Satellite Communications Limited**

We have examined the compliance of the conditions of Corporate Governance by Asianet Satellite communications limited ('the Company') for the year ended on March 31, 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para-C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency 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.: F000294D000815394

**ANNEXURE A**

**To**  
**The Board of Directors**  
**Asianet Satellite Communications Limited**

Dear Sirs,

Re: Certificate pursuant to Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Asianet Satellite Communications Limited (CIN:U92132KL1992PLC006725) ("the Company") a Public Limited Company incorporated under the provisions of the erstwhile Companies Act, 1956 whose equity shares are proposed to be listed on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE"), has approached us to issue certificate confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India (SEBI or Board)/Ministry of Corporate Affairs or any such statutory authority and based on the individual confirmations received from the Board of Directors of the Company who are in their respective office as on March 31, 2022 viz.

	Name	DIN
1	Viren Rajan Raheja	00037592
2	Sreerama Murthy Chaganti	09379784
3	Sankaranarayana Gopalan	07247965
4	Pazhempallil Sivaraman Nair Suresh	08421313
5	Joseph Conrad Agnelo D'Souza	00010576
6	Ankit Rajiv Somani	01604948
7	Praveen Sharma	08673222
8	Ravina Vinay Rajpal	09380471

None of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board /Ministry of Corporate Affairs or any such statutory authority.

This certificate is issued by us only for the purpose of disclosure to be furnished in the Corporate Governance Report of the Company for the financial year ended March 31, 2022, pursuant to Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and should not be used for any other purpose.

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.: F000294D000820949

**Annexure V**  
**ANNUAL REPORT ON CSR ACTIVITIES**

**1. Brief outline on CSR policy of the company.**

Asianet Satellite Communications Limited is one of the major wired internet service providers in Kerala. As part of its CSR initiative, 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. Asianet believes CSR activities must focus on bringing the weaker section of the society to the mainstream by continued and restless efforts. The company is committed to identify or explore core areas to provide economic development that positively impacts the society at large. The projects/programmes may include sustainable long-term programmes, holistic in-nature and aims to improve socio- economic conditions of the community at large.

The focus areas of Asianet CSR initiatives are in accordance with the requirements of Schedule VII of the Companies Act, 2013 and will focus on;

**(i) Hunger, poverty, malnutrition and health**

- Eradicate poverty in rural/ tribal areas;
- Frequent health care or medical camps working in the areas of Communicable and non-communicable diseases;
- Working on maternal and child health
- Emergency medical care as and when received request from any hospital or other authorities;
- Adopt/ Working with any orphanages, age-old homes for its overall development;

**(ii) Education**

- Career Guidance and competitive Exam Training in Tribal/ underdeveloped areas for enhancing employment opportunities of socially, economically and educationally backward class of students;
- Need based assistance to visually impaired and differently abled students;
- Infrastructure development to selected schools in rural areas like libraries, reading rooms, computer labs etc;
- Identifying and sponsoring talented students from underdeveloped areas for their educational needs;
- Vocational training in identified areas;
- Scholarships to economically weaker section of students going for higher education.

**(iii) Rural development**

**(iv) Welfare measures to armed force veterans, war widows etc.**

**(v) Promotion of sports**

**(vi) Disaster management**

Asianet Digital Network Private Limited, (ADNPL) a wholly owned subsidiary of the company is also associates with the company in delivering CSR activities.

**2. Composition of CSR Committee**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Ravina Vinay Rajpal	Independent Director (Chairperson of the Committee)	1	0
2	Mr. Murthy Sreerama Chaganti	Managing Director & CEO	1	1

3	Mr. P.S. Suresh	Executive Director&CFO	1	1
---	-----------------	------------------------	---	---

**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.**

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

Since the CSR obligations are carried out in collaboration with ADNPL, the subsidiary company, the projects as set out in the web link are the joint efforts of your Company along with ADNPL.

**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).**

**Not applicable to the company**

As per Rule 8(3) of the Companies (Corporate Social responsibility Policy) Rules, 2014 the impact assessment is applicable only 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.

**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		<b>NOT APPLICABLE</b>	
	Total		

**6. Average net profit of the company as per section 135(5) - 1745.09 lakhs**

7.

a.	Two percent of average net profit of the company as per section 135(5)	34.9 Lakhs
b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years:	0
c.	Amount required to be set off for the financial year, if any	0
d.	Total CSR obligation for the financial year (7a+7b-7c)	34.09 Lakhs

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

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent (in Rs.): NIL				
	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.
39.18 lakhs	5 lakhs	20.04.2022	NA	NA	NA



**(b) Details of CSR amount spent against ongoing projects for the financial year: (Rs. In lakhs)**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (Rs. In Lacs).	Amount spent in the current financial Year (Rs. In Lacs).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs. In Lacs).	Mode of Implementation - Direct (Yes/No)	Agency Name	Mode of Implementation - Through Implementing Agency Name. CSR Registration number.
				State.	District.							
1.	Tribal youth Development Programme, Attapadi	Item (ii)- promoting Education	Yes	Kerala, Palakkad		Up to 31.03.2024	14.10	0	0	Yes	Not Applicable	Not applicable
2.	Palliative care and Telemedicine services	Item (ii)- promoting Health	Yes	Kerala, Thiruvananthapuram		Up to 31.03. 2022	38.95	24.94	0	No	Pallium India Trust	CSR00003852
3.	“VISION RESTORATION”	Item (ii)- promoting Health	Yes	Kerala		Up to 31.03.2024	12.50	0	5.00	No	Help age India	CSR00000901
	<b>Total</b>						<b>65.55</b>	<b>24.94</b>	<b>5</b>			

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Name.	Mode of implementation - Through implementing agency. CSR registration number.
				State.	District.				
1	Contribution to Kerala State Disaster Management Authority (KSDMA)	Item (xii) Notification G.S.R. 390 (E) dated 30th May 2019	Yes	Kerala		25.00	Yes	Not applicable	Not applicable

2.	Medicines to Thiruvananthapuram Corporation (Prevention of Covid-19)	Item No.(i)	Yes	Kerala, Thiruvananthapuram	1.00	Yes	Not applicable	Not applicable
3.	Welfare for war veterans	Item No (vi)	Yes	Kerala	3.00	Yes	Not applicable	Not applicable
4.	Pallium India Projects	Item No (i)	Yes	Kerala	10.18	No	Pallium India Trust	CSR00003852
	<b>Total</b>				<b>39.18</b>			

**(d) Amount spent in Administrative Overheads**

NIL

**(e) Amount spent on Impact Assessment, if applicable- Not applicable****(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – 64.12 lakhs****(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)	34.90
(ii)	Total amount spent for the Financial Year	39.18
(iii)	Excess amount spent for the financial year [(i)-(ii)]	4.28
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	4.28

**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	Date of transfer.	
1.	2020-21	25.74	118.94	Not applicable	NIL	NIL
2.	2019-20	0.00	14.41	Not applicable	NIL	37.40
3.	2018-19	0.00	28.99	Not applicable	NIL	11.01
	<b>Total</b>		<b>362.38</b>			

**(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. (Months)	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.
1	FY31.03.2021_1	Tribal youth Development Programme, Attapadi	2020-21	36	14.1	0	3.12	Ongoing
2	FY31.03.2021_2	Palliative care and Telemedicine services	2020-21	12	38.95	24.94	38.95	Completed
3	FY31.03.2021_3	VISION RESTORATION"	2020-21	36	12.5	0	2.5	Ongoing
	Total							

**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**

**Ravina Vinay Rajpal**  
**Chairperson (CSR Committee)**  
**(DIN: 09380471)**

**Murthy Chaganti**  
**Managing Director & CEO**  
**(DIN: 09379784)**

Date: 22 .08.2022

Place: Mumbai

**ANNEXURE -VI**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2022**

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

**To:****The Members****Asianet Satellite Communications Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Asianet Satellite Communications Limited [CIN: U92132KL1992PLC006725]** (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 Satellite Communications 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 31<sup>st</sup> 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 Satellite Communications Limited for the financial year ended on 31<sup>st</sup> 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.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable: -
  - (a) The Securities and Exchange Board of India (Issue of Capital and disclosure requirements) Regulations, 2018;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").
- (vi) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the Financial Year under report: -
  - (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
  - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993,
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (f) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- (vii) Industrial and Labour Laws
- (viii) The Trademarks Act, 1999

- (ix) We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws specifically applicable to the Company:
- The Indian Telegraph Act, 1885 and unified license (internet services) issued thereunder
  - Telecom Regulatory Authority of India Act, 1997 and applicable regulations framed thereunder viz The Telecommunication Interconnection Regulations, 2018. The Telecom Consumers Protection Regulations, 2012; The Quality of service of Broadband Regulations 2006; The Telecom Consumers Complaint Redressal Regulations, 2012,
  - The Information Technology Act, 2000 and rules and regulations framed thereunder

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 review 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.

Sr. No.	Name	Designation	Date	Appointment/Resignation
1	Sri. G Sankaranarayana	Vice Chairman	01.11.2021	Change in designation
2	Sri. Sreerama Murthy Chaganti	Managing Director & Chief Executive Officer	01.11.2021	Appointment
3	Sri. P.S. Suresh	Executive Director & Chief Financial Officer	01.12.2021	Change in designation
4	Sri. Joseph Conrad Agnelo D'Souza	Independent Director	01.12.2021	Appointment
5	Sri. Praveen Sharma	Independent Director	01.12.2021	Appointment
6	Sri. Ankit Rajiv Somani	Independent Director	01.12.2021	Appointment
7	Ms. Ravina Vinay Rajpal	Independent Director	01.12.2021	Appointment

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	Date of Modification	Amount of Charge	Name of Charge Holder	Satisfied on
1	10329033	15/12/2011	12/04/2019	70,00,00,000.00	Yes Bank Limited	07/04/2021
2	100232615	15/01/2019	03/02/2020	28,00,00,000.00	Standard Chartered Bank	06/08/2021
3	100214113	13/10/2018	15/05/2019	30,00,00,000.00	RBL Bank Limited	09/11/2021
4	100197219	23/07/2018	-	40,00,00,000.00	HDFC Bank	03/11/2021

					Limited	
5	100199419	03/08/2018	25/03/2019	40,00,00,000.00	IDFC First Bank Limited	15/02/2022

(2) Filed the creation 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	100437097	26/03/2021	20/10/2021	30,00,00,000.00	ICICI Bank Limited	ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara, Gujarat-390007
2	100436667	26/03/2021	20/10/2021	20,00,00,000.00 Availed by ADNPL, subsidiary company	ICICI Bank Limited	ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara, Gujarat-390007
3	100436654	26/03/2021	20/10/2021	10,00,00,000.00 Availed by ADNPL, subsidiary company	ICICI Bank Limited	ICICI Bank Tower, Near Chakli Circle, Old Padra Road, Vadodara, Gujarat-390007
4	10000024	09/01/2006	04/05/2021 20/10/2021	145,00,00,000.00	The Federal Bank Limited	Statue, First Floor, Federal Towers, Thiruvananthapuram 695001
5	100482035	03/09/2021	-	30,00,00,000.00	HDFC Bank Limited	HDFC Bank House, Senapati Bapat Marg, Lower Parel W, Mumbai-400013
6	100480206	25/08/2021	20/10/2021	50,00,00,000.00	HDFC Bank Limited	HDFC Bank House, Senapati Bapat Marg, Lower Parel W, Mumbai-400013
7	100285273	13/08/2019	03/09/2021	50,00,00,000.00	HDFC Bank Limited	HDFC Bank House, Senapati Bapat Marg, Lower Parel W, Mumbai-400013
8	100497778	20/10/2021	-	50,00,00,000.00 Availed by ADNPL, subsidiary company	Axis Bank Limited	Trishul, 3rd Floor, Opp. Samarsheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad, Gujarat-380006
9	100418575	07/10/2021	20/10/2021	50,00,00,000.00	RBL Bank Limited	Shahupuri, Kolhapur, Kolhapur, Maharashtra-416001

- (3) Convened its 28<sup>th</sup> Annual General Meeting on 10/09/2021.
- (4) The company convened four Extra-ordinary General Meetings on 17.09.2021, 28/10/2021, 15/11/2021 and 23/12/2021 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.01/12/2021.
- (b) Shri. Sreerama Murthy Chaganti was appointed as Managing Director & Chief Executive Officer w.e.f. 01/11/2021.
- (c) Mr. Joseph Conrad Agnelo D'Souza, Mr. Praveen Sharma, Mr. Ankit Rajiv Somani and Ms. Ravina Vinay Rajpal were appointed as Independent Directors w.e.f. 01/12/2021.
- (6) There were 10 meetings of the Board during the year under report on 23/07/2021; 28/08/2021; 11/09/2021; 21/10/2021, 01/11/2021, 01/12/2021, 10/12/2021, 16/12/2021,20/12/2021 and 31/01/2022.
- (7) The company was converted into a Public Limited Company since the last report.
- (8) The company has initiated action for listing and for an Initial Public Offer of Shares.
- (9) The Company has reconstituted/constituted the following committees w.e.f. 01/11/2021.
- (i) IPO Committee
  - (ii) Audit committee
  - (iii) Nomination & Remuneration committee
  - (iv) Risk Management Committee
  - (v) Stakeholders Relationship Committee
  - (vi) Corporate Social Responsibility Committee

The Company has two wholly owned Subsidiary Companies - ASIANET DIGITAL NETWORK PRIVATE LIMITED (CIN: U74999KL2015PTC039405) and ROSEBLOSSOMS VISION PRIVATE LIMITED (CIN: U74999KL2017PTC048458).

Place: Thiruvananthapuram  
Date: 22.08.2021

Signature: Sd  
Name of Company Secretary-  
in Practice: Harshan Madhavan  
Membership No.: FCS - 294  
Certificate of Practice No.: 6749  
UDIN No.: F000294D000815218

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.: F000294D000815218



## **Independent Auditor's Report To the Members of Asianet Satellite Communications Limited (Formerly known as Asianet Satellite Communications Private Limited) Report on the Audit of the Standalone Financial Statements**

### **Opinion**

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

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

### **Basis for Opinion**

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

### **Other Information**

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

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

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

### **Managements and Board of Directors Responsibilities for the Standalone Financial Statements**

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

statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

### Report on Other Legal and Regulatory Requirements

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- B. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d (i) The management has represented that, to the best of it’s knowledge and belief, as disclosed in the Note 44 (a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or
    - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented that, to the best of it’s knowledge and belief, as disclosed in the Note 44 (b) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties (“Ultimate Beneficiaries”) or
    - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.

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

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

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

**Baby Paul**  
*Partner*  
Membership No.: 218255  
ICAI UDIN:22218255APOXAV8087

Place: Kochi  
Date: 22 August 2022

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Asianet Satellite Communications Limited**

(Formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years other than cables and modems installed at subscribers' locations. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year. No material discrepancies were noticed on such verification. With respect to the cables and modems installed at subscribers' locations, management is of the view that it is not possible to physically verify these assets due to their nature and location. According to the information and explanations given to us, the existence of modems is verified on the basis of the 'active user' status in the system.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment including Right of Use assets or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

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,	Trade Receivables	233.93	202.50	(31.43)	Refer Note 16 to Standalone Financial Statements.
	HDFC Bank	Inventory and Capital Work in Progress	250.11	125.10	(125.01)	
Q2	Federal Bank,	Trade Receivables	187.19	181.90	(5.29)	Refer Note 16 to Standalone Financial Statements
	HDFC Bank	Inventory and Capital Work in Progress	192.43	110.70	(81.73)	
		Trade Payables	365.09	182.70	(182.39)	
Q3	Federal Bank,	Trade Receivables	175.35	180.60	5.25	Refer Note 16 to Standalone Financial Statements
	HDFC Bank	Inventory and Capital Work in Progress	175.61	118.30	(57.31)	
		Trade Payables	279.54	155.70	(123.84)	

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



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

*\*As per the Companies Act, 2013*

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, guarantees provided and security given during the year are, prima facie, not prejudicial to the interest of the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 (“the Act”) have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of cost of operation, cost of sales and margin of all services and products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

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

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

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

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Amount paid under protest (in Rs.)	Forum where dispute is pending
The Kerala Value Added Tax	Sales Tax	7.88	FY 2011-12	1.58	Deputy Commissioner (Assessing Officer, State Goods and Services Tax) - Trivandrum
		8.38	FY 2012-13	1.05	Deputy Commissioner (Assessing Officer, State Goods and Services Tax) - Trivandrum
		8.86	FY 2013-14	1.22	Deputy Commissioner (Assessing Officer, State Goods and Services Tax) - Trivandrum
		8.18	FY 2014-15	1.20	Deputy Commissioner (Assessing Officer, State Goods and Services Tax) - Trivandrum
		7.68	FY 2016-17	0.95	Joint Commissioner (Appeals), Trivandrum
		13.21	FY 2015-16	1.56	Joint Commissioner (Appeals), Trivandrum
Finance Act 1994	Service Tax	60.37	FY 2009-10	1.80	Customs Excise & Service Tax Appellate Tribunal, Bangalore
		30.45	FY 2006-07 to FY 2010-11	-	
		36.39	FY 2010-11	2.50	
		8.04	FY 2015-16 to FY 2017-18	-	
		32.48	FY 2016-17	-	
Customs Act, 1962	Customs Duty	19.41	FY 2002-03	9.70	High Court, Madras
Income Tax Act, 1961	Income Tax	10.70	FY 2015-16	-	Commissioner of Income Tax (Appeals)
		22.40	FY 2016-17	-	

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Amount paid under protest (in Rs.)	Forum where dispute is pending
		0.45	FY 2017-18	-	

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not used funds raised on short-term basis for long-term purposes except Rs. 667.82 millions. Further, the funds raised on short-term basis during the year, prima facie, have not been utilised for long term purpose.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, the Group does not have any CIC as part of the Group. Accordingly, clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses (xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Associates LLP**

*Chartered Accountants*

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

**Baby Paul**

*Partner*

Membership No.: 218255

ICAI UDIN:22218255APOXAV8087

Place: Kochi

Date: 22 August 2022

## **Annexure B to the Independent Auditor's Report on the standalone financial statements of Asianet Satellite Communications Limited**

(Formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022

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

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

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

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

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

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

#### **Auditor's Responsibility**

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

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

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

### Meaning of Internal Financial Controls with Reference to Financial Statements

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

### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Associates LLP**

*Chartered Accountants*

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

**Baby Paul**

*Partner*

Membership No.: 218255

ICAI UDIN: 22218255APOXAV8087

Place: Kochi

Date: 22 August 2022

**Standalone Balance Sheet as at 31<sup>st</sup> March 2022**

(All amounts in Indian rupee millions)

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

(formerly known as Asianet Satellite Communications Private Limited)

CIN: U92132KL1992PLC006725

**Baby Paul**

Partner

Membership number: 218255

Kochi

22 August 2022

**Viren Raheja**

Chairman and

Non-Executive Director

DIN: 00037592

Mumbai

22 August 2022

**Sreerama Murthy Chaganti**

Managing Director and

Chief Executive Officer

DIN: 09379784

Thiruvananthapuram

22 August 2022

**Suresh Pazhempallil Sivaraman Nair**

Whole Time Director and

Chief Financial Officer

DIN: 08421313

Thiruvananthapuram

22 August 2022

**Joby Mathew**

Company Secretary and

Compliance Officer

Membership no: A 24411

Thiruvananthapuram

22 August 2022

**Standalone Statement of Profit and Loss for the Year ended 31<sup>st</sup> March 2022**

(All amounts in Indian rupee millions)

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

**Earning per equity share** (equity share of face value Rs.10 each)  
Basic and diluted (Rs.)

32 3.86 2.48

**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 Satellite Communications Limited**  
(formerly known as Asianet Satellite Communications Private Limited)  
CIN: U92132KL1992PLC006725

**Baby Paul**  
Partner  
Membership number: 218255

Kochi  
22 August 2022

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

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

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

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



## Standalone Statement of Cash Flows for the Year ended 31<sup>st</sup> March 2022

(All amounts in Indian rupee millions)

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

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

Particulars	As at 1 April 2021	Cash flows	Non cash changes		As at 31 March 2022
			Fair value	Others*	
Non-current borrowings (including current maturities)	589.48	302.41	-	(1.87)	890.02
Current borrowings	993.91	110.71	-	-	1,104.62
Lease liabilities	63.33	(17.43)	-	12.30	58.20
<b>Total</b>	<b>1,646.72</b>	<b>395.69</b>	<b>-</b>	<b>10.43</b>	<b>2,052.84</b>

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

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

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

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W /W-100024

for and on behalf of the Board of Directors of

**Asianet Satellite Communications Limited**

(formerly known as Asianet Satellite Communications Private Limited)

CIN: U92132KL1992PLC006725

**Baby Paul**

Partner

Membership No: 218255

Kochi

22 August 2022

**Viren Raheja**

Chairman and

Non-Executive Director

DIN: 00037592

Mumbai

22 August 2022

**Sreerama Murthy Chaganti**

Managing Director and

Chief Executive Officer

DIN: 09379784

Thiruvananthapuram

22 August 2022

**Suresh Pazhempallil Sivaraman Nair**

Whole Time Director and

Chief Financial Officer

DIN: 08421313

Thiruvananthapuram

22 August 2022

**Joby Mathew**

Company Secretary and

Compliance Officer

Membership no: A 24411

Thiruvananthapuram

22 August 2022

## Standalone statement of changes in Equity for the year ended 31<sup>st</sup> March 2022

### A Equity Share Capital

(All amounts in Indian rupee millions)

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

### B Other equity

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

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

**Equity component of compound financial instruments** represent the equity component of preference shares. Refer note 15.

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

#### Retained earnings

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

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

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W /W-100024

for and on behalf of the Board of Directors of

**Asianet Satellite Communications Limited**

(formerly known as Asianet Satellite Communications Private Limited)

CIN: U92132KL1992PLC006725

**Baby Paul**

Partner

Membership number: 218255

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Chief Financial Officer

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Thiruvananthapuram

22 August 2022

**Joby Mathew**

Company Secretary and

Compliance Officer

Membership no: A 24411

Thiruvananthapuram

22 August 2022

## Notes to the financial statements

### 1. Company overview

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

### Basis of preparation

### 2. Statement of compliance

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

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

### B. Functional and presentation currency

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

### C. Basis of measurement

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

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

### D. Use of estimates and judgements

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

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

### Judgements

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

### Assumptions and estimation uncertainties

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

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

## 2. Basis of preparation (continued)

### E. Measurement of fair values

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

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

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

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

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

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

- Financial instruments – Note 34

## 3. Significant accounting policies

### 3.1 Property, plant and equipment

#### i. Recognition and measurement

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

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

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

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

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

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

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

#### ii. Subsequent expenditure

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

### 3. Significant accounting policies (continued)

#### 3.1 Property, plant and equipment (continued)

##### iii. Depreciation

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

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

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

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

#### 3.2 Intangible assets

##### Amortisation

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

The estimated useful lives are as follows:

Class of assets	Years
Software	4

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

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

### 3. Significant accounting policies (continued)

#### 3.3 Inventories

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

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

#### 3.4 Impairment

##### i. Impairment of financial assets

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

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

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

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

##### *Measurement of expected credit losses*

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

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

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

##### *Write-off:*

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

##### **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.

##### ii.

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).

### 3. Significant accounting policies (continued)

#### 3.4 Impairment of non-financial assets (continued)

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

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

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

#### 3.5 Employee benefits

##### *Short-term employee benefits*

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

##### *Post-employment benefits*

##### *Defined contribution plans*

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

##### *Defined Benefit plans*

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

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

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

### 3. Significant accounting policies (continued)

#### 3.5 Employee benefits (continued)

##### *Other long term employee benefits- Compensated absences*

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

#### 3.6 Provisions (other than employee benefits)

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

#### 3.7 Revenue

##### **Revenue from contract with customers**

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

##### *Disaggregation of revenue*

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

##### *Contract balances*

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

##### *Performance obligations and revenue recognition policies*

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



### 3. Significant accounting policies (continued)

#### 3.7 Revenue (continued)

##### a) Cable internet services

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

##### b) Sale of modems and routers

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

##### c) Other operating income

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

#### 3.8 Foreign Currency Transactions

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

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

#### 3.9 Leases

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

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

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

### 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 cycle

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

#### 3.19 Non-current assets classified as held for sale

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

#### 3.20 Recent Accounting Pronouncements

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

i) Ind AS 16 – Property, plant and equipment

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

ii) Ind AS 37 – Provisions, contingent liabilities and contingent assets

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

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

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Electrical fittings	Computers	Servers	Total (A)	Capital work-in-progress (B)
<b>Reconciliation of carrying amount</b>											
Gross carrying value											
Balance as at 1 April 2020	176.93	7.17	3,581.25	9.33	3.01	8.26	29.41	21.16	24.96	3,861.47	232.27
Additions	-	-	776.68	1.96	-	2.92	8.56	2.66	4.82	797.61	800.28
Disposals/ transfers	-	-	(187.24)	-	(0.51)	(0.02)	-	-	-	(187.76)	-
Capitalisation	-	-	-	-	-	-	-	-	-	-	(763.31)
<b>Balance as at 31 March 2021</b>	<b>176.93</b>	<b>7.17</b>	<b>4,170.69</b>	<b>11.29</b>	<b>2.51</b>	<b>11.16</b>	<b>37.97</b>	<b>23.82</b>	<b>29.78</b>	<b>4,471.31</b>	<b>269.24</b>
Balance as at 1 April 2021	176.93	7.17	4,170.69	11.29	2.51	11.16	37.97	23.82	29.78	4,471.31	269.24
Additions	-	-	1,157.68	1.67	-	2.64	10.10	6.49	2.16	1,180.74	916.35
Disposals/ transfers*	-	-	(0.05)	-	(0.15)	-	-	-	-	(0.20)	-
Capitalisation	-	-	-	-	-	-	-	-	-	-	(991.45)
<b>Balance as at 31 March 2022</b>	<b>176.93</b>	<b>7.17</b>	<b>5,328.32</b>	<b>12.96</b>	<b>2.36</b>	<b>13.80</b>	<b>48.07</b>	<b>30.31</b>	<b>31.94</b>	<b>5,651.86</b>	<b>194.14</b>
<b>Accumulated depreciation</b>											
Balance as at 1 April 2020	-	0.33	816.77	3.87	1.53	3.69	4.39	14.37	9.25	854.20	-
Depreciation expense	-	0.17	434.17	0.92	0.42	1.90	3.41	4.76	5.00	450.75	-
Disposals/ transfers	-	-	(50.16)	-	(0.21)	(0.02)	-	-	-	(50.39)	-
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>0.50</b>	<b>1,200.78</b>	<b>4.79</b>	<b>1.74</b>	<b>5.58</b>	<b>7.80</b>	<b>19.13</b>	<b>14.25</b>	<b>1,254.56</b>	<b>-</b>
Balance as at 1 April 2021	-	0.50	1,200.78	4.79	1.74	5.58	7.80	19.13	14.25	1,254.56	-
Depreciation expense	-	0.17	501.60	1.04	0.26	2.13	4.38	3.69	5.15	518.42	-
Disposals/ transfers*	-	-	(4.56)	-	(0.15)	-	-	-	-	(4.71)	-
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>0.67</b>	<b>1,697.82</b>	<b>5.83</b>	<b>1.86</b>	<b>7.71</b>	<b>12.18</b>	<b>22.82</b>	<b>19.40</b>	<b>1,768.28</b>	<b>-</b>
<b>Net carrying amount</b>											
<b>As at 31 March 2022</b>	<b>176.93</b>	<b>6.50</b>	<b>3,630.50</b>	<b>7.14</b>	<b>0.50</b>	<b>6.10</b>	<b>35.89</b>	<b>7.49</b>	<b>12.54</b>	<b>3,883.58</b>	<b>194.14</b>
<b>As at 31 March 2021</b>	<b>176.93</b>	<b>6.67</b>	<b>2,969.91</b>	<b>6.51</b>	<b>0.76</b>	<b>5.59</b>	<b>30.17</b>	<b>4.69</b>	<b>15.53</b>	<b>3,216.75</b>	<b>269.24</b>
*Disposals / transfers for the year ended 31 March 2021 includes Rs 187.24 million and Rs 50.16 million (gross block and accumulated depreciation) reclassified to assets held for sale, also refer note 42.											
For details of property, plant and equipment pledged, refer note 16											
<b>Note:</b>											
a) The company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable											
<b>b) Title deeds of Immovable Properties not held in name of the Company:</b>											
<b>Description</b>	<b>As at 31 March 2022</b>					<b>As at 31 March 2021</b>					
Title deeds held in the name of	Asanet Satellite Communications Limited					NA					
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	NA					NA					
Reason for not being held in the name of the Company	NA					NA					
<b>c) Ageing of Capital work in progress (CWIP):</b>											
<b>As at 31 March 2022</b>	<b>Amount in CWIP for a period of</b>										
<b>Description</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>						
Projects in progress	130.46	29.86	33.76	0.06	194.14						
Projects temporarily suspended	-	-	-	-	-						
<b>As at 31 March 2021</b>	<b>Amount in CWIP for a period of</b>										
<b>Description</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>						
Projects in progress	217.30	13.90	35.98	2.06	269.24						
Projects temporarily suspended	-	-	-	-	-						

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

d) There are no proceedings initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder, for the years ended 31 March 2022 and 31 March 2021.



**5 Intangible assets**

(All amounts in Indian rupee millions)

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

**Note:**

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

**b) Ageing of Intangible assets under development:****As at 31 March 2022**

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

**As at 31 March 2021**

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

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

**6 Investments**

(All amounts in Indian rupee millions)

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

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

**7 Loans****Current***Unsecured, considered good*

Loans and advances to employees

Other loans and advances

4.55	2.23
4.49	3.11
<b>9.04</b>	<b>5.33</b>

\*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.

**8 Other assets****Non-current***Unsecured, considered good*

Advances for capital goods

Balances with government authorities (including amounts paid)

1.44	2.57
113.80	23.20
<b>115.24</b>	<b>25.76</b>

**Current***Unsecured, considered good*

Prepaid expenses

Balance with government authorities

Advance for supply of goods and services

77.90	12.12
3.77	22.39
9.02	4.12
<b>90.69</b>	<b>38.62</b>
<b>205.93</b>	<b>64.39</b>

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

**9 Inventories***Valued at lower of cost and realisable value*

Stock-in-trade

0.42	0.90
<b>0.42</b>	<b>0.90</b>

**11 Trade receivables***Unsecured*

Considered good

Credit impaired

147.51	62.05
33.45	45.98
<b>180.96</b>	<b>108.03</b>

Allowances for expected credit loss

(33.45)	(45.98)
<b>(33.45)</b>	<b>(45.98)</b>

**Net trade receivables**

For details of trade receivables pledged, refer note 16

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

**Trade receivables ageing schedule****As at 31 March 2022**

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

**As at 31 March 2021**

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

**12 Cash and cash equivalents**

	As at 31 March 2022	As at 31 March 2021
Balance with banks	12.66	35.43
Cash on hand	0.61	1.81
	<b>13.27</b>	<b>37.24</b>

**13 Other bank balances**

Balance in banks for margin money	107.42	130.08
	<b>107.42</b>	<b>130.08</b>

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

Rent and other deposits	2.43	39.03
Bank deposits with original maturity more than 12 months	28.49	-
	<b>30.92</b>	<b>39.03</b>

**Current***Unsecured, considered good*

Rent and other deposits	8.27	8.70
Interest accrued on fixed deposits with banks	1.22	0.10
	<b>9.49</b>	<b>8.79</b>

For details of other financial assets pledged, refer note 16.

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

## 15 Share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised:</b>				
Equity shares of Rs. 10/- each	160,000,000	1,600.00	160,000,000	1,600.00
Preference shares of Rs. 10/- each	15,000,000	150.00	15,000,000	150.00
<b>Total</b>	<b>175,000,000</b>	<b>1,750.00</b>	<b>175,000,000</b>	<b>1,750.00</b>
<b>Issued, subscribed and paid-up</b>				
Equity shares of Rs. 10 each	100,689,225	1,006.89	100,689,225	1,006.89
<b>Total</b>	<b>100,689,225</b>	<b>1,006.89</b>	<b>100,689,225</b>	<b>1,006.89</b>

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

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

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

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

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

The Company had 8% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs.10 each. During the year ended 31 March 2022, the terms were changed to 8% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs.10 each. Each holder of preference shares is entitled to one vote per share, in proportion to the amount paid on Preference shares held, only on resolutions placed before the Company which affects the rights attached to the preference shares. In the event of liquidation, the preference shareholders are eligible to receive the outstanding amount including dividend after distribution of all other preferential amounts. In the event of winding up of the Company before redemption of preference shares, the holders of preference shares will have priority over equity shares in the payment of dividend and the repayment of capital. The Company declares and pays dividends in Indian Rupees. The Board has not recommended and paid any dividend to the preference shareholders for the year ended 31 March 2022 (31 March 2021: Nil).

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

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	%	Number of shares	%
<i>Equity shares of Rs.10/- each</i>				
Coronet Investments Private Limited	-	0.00%	23,561,887	23.40%
Bloomington Investments & Finance Private Limited	12,053,818	11.97%	12,053,818	11.97%
Hathway Investments Private Limited	40,639,538	40.36%	17,077,651	16.96%
Viren Raheja Jt. Akshay Raheja	9,291,818	9.23%	9,291,818	9.23%
Akshay Raheja Jt. Viren Raheja	9,290,224	9.23%	9,290,224	9.23%
Akshay Raheja	8,498,097	8.44%	8,498,097	8.44%
Viren Raheja	8,496,503	8.44%	8,496,503	8.44%
Satish Raheja	12,417,451	12.33%	12,417,451	12.33%
<i>Preference shares of Rs. 10/- each</i>				
M/s Hathway Investments Private Limited	3,000,000	100.00%	3,000,000	100.00%

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

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

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

## g) Details of shares held by promoters at the end of the year

Name of Promoter	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding	Number of	% holding
Akshay Raheja	8,498,097	8.44%	8,498,097	8.44%
Akshay Raheja jointly Viren Raheja	9,290,224	9.23%	9,290,224	9.23%
Viren Raheja	8,496,503	8.44%	8,496,503	8.44%
Viren Raheja jointly Akshay Raheja	9,291,818	9.23%	9,291,818	9.23%

**16 Borrowings**

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

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

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

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

**16 Borrowings (continued)**

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

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

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

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

**17 Provisions****Non-current**

Provision for employee benefits

Net defined benefit liability - Gratuity

Compensated absences

	As at 31 March 2022	As at 31 March 2021
	189.13	196.99
	22.07	21.73
	<b>211.20</b>	<b>218.71</b>

**Current**

Provision for employee benefits

Net defined benefit liability - Gratuity

Compensated absences

Provision for litigation

	8.35	-
	8.05	10.79
	19.41	19.41
	<b>35.81</b>	<b>30.20</b>
	<b>247.01</b>	<b>248.91</b>

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

**18 Other liabilities****Non-current**

Advance for sale of assets\*

Unearned income

	-	130.00
	1.89	20.77
	<b>1.89</b>	<b>150.77</b>

**Current**

Unearned income

Statutory dues

Advances from customers\*\*

	213.86	167.90
	45.86	48.48
	40.66	106.79
	<b>300.38</b>	<b>323.17</b>
	<b>302.27</b>	<b>473.94</b>

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

**19 Trade payables**

Total outstanding dues of micro and small enterprises

Total outstanding dues of creditors other than micro and small enterprises

	12.27	18.89
	302.97	400.95
	<b>315.24</b>	<b>419.84</b>

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

All trade payables are 'current'.

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

**19 Trade payables (continued)**

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

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

**Ageing of trade payables****As at 31 March 2022**

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

**As at 31 March 2021**

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

**20 Other financial liabilities****Non-Current**

Trade / security deposits received

	As at 31 March 2022	As at 31 March 2021
Trade / security deposits received	22.10	28.50
	<b>22.10</b>	<b>28.50</b>

**Current**

Dues to creditors for capital goods

Interest accrued but not due on borrowings

Accrued salaries and benefits

Dues to creditors for capital goods	45.64	27.76
Interest accrued but not due on borrowings	6.01	2.71
Accrued salaries and benefits	75.24	54.81
	<b>126.89</b>	<b>85.28</b>

**21 Revenue from operations**

	Year ended 31 March 2022	Year ended 31 March 2021
Cable internet services	2,644.89	2,084.35
Sale of modem and router	11.28	14.75
Other operating revenues	<u>232.63</u>	<u>238.74</u>
	<b><u>2,888.80</u></b>	<b><u>2,337.84</u></b>
Other operating revenues comprises:		
Modem rental and others	2.15	4.70
Scrap sales	4.83	3.63
Expenses recovery from subsidiary company	<u>225.65</u>	<u>230.42</u>
	<b><u>232.63</u></b>	<b><u>238.74</u></b>

**22 Other income**

Interest income under the effective interest method on:		
Fixed deposits with banks	6.58	6.36
Lease deposits	0.27	0.32
Interest on income tax refund	-	2.21
Financial guarantee income	3.07	2.20
Net gain on fair value changes on financial assets measured at FVTPL	-	1.17
Net gain on account of foreign exchange fluctuations	0.97	-
Interest on loan due from subsidiary	-	5.40
Gain on sale of property, plant and equipment (net)	0.05	0.01
Liabilities no longer required written back	12.58	-
Insurance claims received	0.01	6.79
Miscellaneous income	<u>3.68</u>	<u>0.44</u>
	<b><u>27.21</u></b>	<b><u>24.92</u></b>

**23 Network, transmission and related expenses**

Bandwidth charges	325.82	308.71
Commission to selling agents	276.60	200.08
Other direct internet expenses	7.32	8.34
License fee to Department of Telecommunications (refer note 40)	212.14	-
Customer care expenses	94.74	94.36
Consumption of stores, spares and consumables	<u>28.18</u>	<u>34.14</u>
	<b><u>944.80</u></b>	<b><u>645.62</u></b>

**24 Purchases of stock-in-trade**

Modems and routers	<u>1.15</u>	<u>0.33</u>
	<b><u>1.15</u></b>	<b><u>0.33</u></b>

**25 Changes in inventories of stock-in-trade**

Opening stock	0.90	11.74
Closing stock	<u>0.42</u>	<u>0.90</u>
	<b><u>0.48</u></b>	<b><u>10.84</u></b>

**26 Employee benefits expense**

Salaries and allowances	329.43	274.13
Contributions to provident and other funds	61.31	47.32
Staff welfare expenses	<u>28.25</u>	<u>25.62</u>
	<b><u>418.99</u></b>	<b><u>347.07</u></b>

**27 Finance costs**

Interest on bank borrowings	117.21	132.62
Interest on lease liabilities (refer note 36)	4.91	6.20
Net loss on account of foreign exchange fluctuations	2.82	0.45
Other borrowing costs	<u>27.95</u>	<u>24.16</u>
	<b><u>152.89</u></b>	<b><u>163.43</u></b>



**28 Depreciation and amortisation expense**

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation of property, plant and equipment (refer note 4)	518.42	450.75
Depreciation on right-of-use assets (refer note 36)	14.02	15.62
Amortisation of intangible assets (refer note 5)	2.99	3.26
	<u>535.43</u>	<u>469.62</u>

**29 Other expenses**

Contract labour	40.47	39.12
Power and fuel	22.10	22.06
Rent	34.64	47.45
Repairs and maintenance - buildings	1.92	3.32
Repairs and maintenance - machinery	38.41	46.29
Repairs and maintenance - others	15.98	26.43
Insurance	3.79	4.88
Rates and taxes	5.59	6.59
Communication	6.41	5.87
Travelling and conveyance	7.37	5.23
Printing and stationery	2.94	2.47
Bank charges and commission	22.39	23.11
Advertising and marketing	36.41	31.52
Legal and professional	30.95	36.96
Payments to auditors (Refer note (i) below)	2.29	2.13
Office maintenance expenses	7.51	10.85
Corporate social responsibility expenses (Refer note (ii) below)	3.69	14.25
Net loss on account of foreign exchange fluctuations	-	7.05
Miscellaneous expenses	1.73	2.42
	<u>284.59</u>	<u>337.98</u>

(i) Payments to the auditors include payments to statutory auditor (net of taxes, where applicable) :

Audit	2.29	2.13
	<u>2.29</u>	<u>2.13</u>

**Details of Corporate social responsibility expenditure**

(i) Gross amount required to be spent by the Company during the year	3.49	3.53
(ii) Amount of expenditure incurred		
- construction/ acquisition of any asset	-	-
- on purpose other than above	5.39	11.87
(iii) (Shortfall) / Excess at the end of the year	1.90	8.34
(iv) Total of previous years shortfall	(2.38)	(10.72)
(v) Reason for shortfall: The Company was in the process of identifying prospective project as per schedule VII of the Companies Act, 2013		
(vi) Nature of CSR activities:		
a) Payment to Prime minister national relief fund	-	-
b) Skill development	-	-
c) Education	-	0.46
d) Rural development	-	-
e) Others	5.39	13.79
(vii) Details of related party transactions	NA	NA
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	(0.48)	2.38

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

**Details of ongoing project and other than ongoing project**

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

**30 Income taxes**

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

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

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

**(b) Amount recognised in other comprehensive income****Year ended 31 March 2022**

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

**Year ended 31 March 2021**

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

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

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

\*The Company has admitted certain disallowances made by the Income tax department for Assessment years 2010-11, 2013-14 and 2016-17 under the Vivad Se Viswas Scheme and consequently reduced the carried forward losses to this extent.

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

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

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 01 April 2021	Recognised in Profit and loss during 2021-22	Recognised in OCI during 2021-22	Balances as at 31 March 2022
Allowance for expected credit loss	13.39	(3.65)	-	9.74
Provision for employee benefits	35.69	(2.90)	(6.75)	26.04
MAT credit entitlement	146.14	(53.20)	-	92.94
Lease liabilities, impact on account of Ind AS 116	1.59	0.52	-	2.11
Borrowings	(1.57)	(5.41)	-	(6.98)
Excess of depreciation on property, plant and equipment under Income Tax Act,	(187.86)	(21.03)	-	(208.89)
<b>Net deferred tax assets/ (liabilities)</b>	<b>7.37</b>	<b>(85.67)</b>	<b>(6.75)</b>	<b>(85.04)</b>
<b>Year ended 31 March 2021</b>				
Particulars	Balances as at 1 April 2020	Recognised in Profit and loss during 2020-21	Recognised in OCI during 2020-21	Balances as at 31 March 2021
Allowance for expected credit loss	23.28	(9.90)	-	13.39
Provision for employee benefits	37.51	(1.83)	0.02	35.69
MAT credit entitlement	145.20	0.94	-	146.14
Carry forward losses	20.32	(20.32)	-	-
Lease liabilities, impact on account of Ind AS 116	0.51	1.08	-	1.59
Borrowings	(1.89)	0.32	-	(1.57)
Excess of depreciation on property, plant and equipment under Income Tax Act,	(162.16)	(25.70)	-	(187.86)
Investment	(0.78)	0.78	-	-
<b>Net deferred tax assets/ (liabilities)</b>	<b>62.00</b>	<b>(54.64)</b>	<b>0.02</b>	<b>7.37</b>

**31 Contingent liabilities and commitments**

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

a) The Company has ongoing disputes with Indirect tax authorities on account of service tax demand on import of OIDAR services. Further there are department appeals on account of denial of cenvat credit and bad debts reconciliation for the period from 2009-10 to 2017-18. Management believes that, for the said years, the position taken by it is tenable and hence, no adjustment has been made in the financial statements. As at 31 March 2022, the Management estimates demands and show cause notices amounting to Rs. 143.31 million (31 March 2021: Rs. 148.63 million) from various indirect tax authorities which are being contested by the Company based on the management evaluation and advice of tax consultants.

b) The Company has pending income tax demands pertaining to assessment years from 2016-17 to 2018-19 on account of disallowance of advances written off and delayed PF ESI payment, interest on belated remittance of Service tax, VAT and TDS and the Company has filed appeal against the disallowances. Management believes that the position taken by it is tenable and hence, no adjustment has been made in the financial statements. As at 31 March 2022, the Company has contingent liability of Rs. 33.55 million (31 March 2021: Rs. 7.91 million) in respect of tax demands which are being contested by the Company based on the management evaluation and advice of tax consultants.

c) The Company has extended corporate guarantees in respect of loans availed by its subsidiary company.

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

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

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

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

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

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

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

The Company does not have any potentially dilutive equity shares.

### 33 Employee benefit obligations

#### a. Defined benefit plan

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

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

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

#### B Reconciliation of present value of defined benefit obligation

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

#### C Reconciliation of fair value of plan assets

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

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

Current service cost	14.01	13.24
Past service cost	5.38	-
Interest cost	13.69	12.24
<b>Gratuity cost</b>	<b>33.08</b>	<b>25.47</b>

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

Actuarial (gain)/loss on defined benefit obligation	(23.17)	0.07
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#### E Assumptions used to determine benefit obligations:

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

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

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

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield. Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other foreign defined benefit gratuity plans.

**(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:

**31 March 2022**

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

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

**31 March 2021**

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

**F Actuarial assumptions for compensated absences**

Particulars	31 March 2022	31 March 2021
Discount rate	7.30%	6.90%
Future salary growth	6.00%	7.00%
Attrition rate	2.00%	2.00%

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

Defined contribution plan	31 March 2022	31 March 2021
Contribution to provident fund	27.22	25.78

**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
<b>Financial assets not measured at fair value</b>								
Cash and cash equivalents	12	13.27	-	-	13.27	-	-	-
Other bank balances	13	107.42	-	-	107.42	-	-	-
Trade receivables	11	147.51	-	-	147.51	-	-	-
Loans	7	9.04	-	-	9.04	-	-	-
Other financial assets	14	40.41	-	-	40.41	-	-	-
<b>Total</b>		<b>317.65</b>	<b>-</b>	<b>-</b>	<b>317.65</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities not measured at fair value</b>								
Trade payables	19	-	-	315.24	315.24	-	-	-
Borrowings	16	-	-	890.02	890.02	-	-	-
Lease liabilities	36	-	-	58.20	58.20	-	-	-
Other financial liabilities	20	-	-	148.99	148.99	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>1,412.45</b>	<b>1,412.45</b>	<b>-</b>	<b>-</b>	<b>-</b>

31 March 2021

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

The Group has not disclosed the fair values for financial instruments such as cash and cash equivalents, trade receivables, trade payables, etc., because their carrying amounts are a reasonable approximation of fair value.

**Measurement of fair values**

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

**Level 1 fair values**

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

**Level 2 fair values**

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

**Level 3 fair values**

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

The quantitative sensitivity analysis of level 3 fair value of financial instrument as at 31 March 2022 and 31 March 2021 has not been disclosed as it is not material to the Group.

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

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

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

**C Financial risk management**

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

**i) Risk management framework**

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

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

**ii) Credit risk**

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

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

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

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

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

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

No single customer accounted for more than 10% of the revenue as of 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	0.00%	0.00%
Less than 6 months	9.20%	43.77%
6 months - 1 year	100.00%	100.00%
1 - 2 years	100.00%	100.00%
2 - 3 years	100.00%	100.00%
More than 3 years	100.00%	100.00%

**iii) Liquidity risk**

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

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

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

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

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

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	419.84	-	419.84
Borrowings	993.91	589.48	1,583.39
Lease liabilities	17.32	60.66	77.98
Other financial liabilities	85.28	28.50	113.78
<b>Total</b>	<b>1,516.35</b>	<b>678.64</b>	<b>2,194.99</b>

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



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

## iv) Market risk

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

**Foreign currency risk**

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

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

As at 31 March 2022	EURO	USD
Borrowings (current and non-current)	124.20	46.93
Trade payables	-	1.29
<b>Net assets/(liabilities)</b>	<b>(124.20)</b>	<b>(48.22)</b>
As at 31 March 2021	EURO	USD
Borrowings (current and non-current)	284.77	118.76
Trade payables	-	1.38
<b>Net assets/(liabilities)</b>	<b>(284.77)</b>	<b>(120.13)</b>

**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
<b>USD Sensitivity</b>		
INR/USD - Increase by 1%	(0.48)	(0.34)
INR/USD - Decrease by 1%	0.48	0.34
<b>EUR Sensitivity</b>		
INR/EUR - Increase by 1%	(1.24)	(0.88)
INR/EUR - Decrease by 1%	1.24	0.88

**As at 31 March 2021**

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

**Unhedged foreign currency exposure****At at 31 March 2022**

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

**At at 31 March 2021**

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

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

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

**(a) Interest rate risk**

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

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

**Sensitivity****At at 31 March 2022**

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

**At at 31 March 2021**

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

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

### 35 Capital Management

#### Risk Management

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

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

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

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

### 36 Leases

The Company has taken office premises and software on lease from various parties. The leases typically run for a period of 1 year - 15 years. Lease payments are renegotiated nearing the expiry to reflect market rentals. When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate.

#### (i) Lease liabilities

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

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

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

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

#### (iii) Right-of-use assets

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

##### As at 31 March 2022

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

##### As at 31 March 2021

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

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

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

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

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

**37 Revenue from contracts with customers**

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

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

**(b) Contract Balances**

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

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

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

**39 Details of provision**

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

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

  

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

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

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

These orders are based on Hon. Supreme Court order on Adjusted Gross Revenue ('AGR') dues from telecom operators. Subsequently, the Hon. Supreme Court vide its orders dated 11 June 2020 and 18 June 2020, in the matter pertaining to public sector undertakings ('PSU's'), having licenses other than Unified license, clarified that the AGR judgement could not have been a basis for raising demands on the non-telecom PSU's and accordingly DOT withdrew the demands on the non-telecom PSUs. Further, the Company has appealed to the Telecom Disputes Settlement and Appellate Tribunal (TDSAT), which has granted stay on the demand till further hearings. The matter is currently pending before the TDSAT. During the previous year, pursuant to the representations made by AIDCF (All India Digital Cable Federation) to Ministry of Information and Broadcasting (MIB), MIB has sent an office memorandum to DOT dated 17 February 2021. As per the short affidavit filed by the DOT with TDSAT on 18 November 2021, an Inter-Ministerial Group (IMG) was constituted on 25 October 2021 to examine the representation made by the AIDCF. Further, TDSAT had in its order dated 28th February 2022 in Netmagic Solutions Private Limited, held that the stand taken by DOT in respect of PSUs would also equally apply to private companies, thus further strengthening our case.

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

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

## 41 Related party transactions

## (A) Related party relationships:

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

## (B) Details of related party transactions

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

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

## 42 Assets classified as held for sale

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

Particulars of asset	As at 31 March 2022	As at 31 March 2021
Plant and equipment	-	137.08
Represents network assets held for sale to subsidiary company.		

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

## 43 Ratios as per the Schedule III requirements

### (a) Current Ratio

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

#### Reason for change more than 25%:

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

### (b) Debt Equity Ratio

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

#### Reason for change more than 25%:

This ratio was reduced by 37.58% as at 31 March 2021 due to reduction in term loans availed.

### (c) Debt Service Coverage Ratio

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

#### Reason for change more than 25%:

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

### (d) Return on Equity Ratio

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

#### Reason for change more than 25%:

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

### (e) Inventory Turnover Ratio

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

#### Reason for change more than 25%:

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

**(f) Trade Receivables Turnover Ratio**

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

**Reason for change more than 25%:**

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

**(g) Trade Payables Turnover Ratio**

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

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

**Reason for change more than 25%:**

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

**(h) Net Capital Turnover Ratio**

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

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

**Reason for change more than 25%:**

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

**(i) Net profit ratio**

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

**Reason for change more than 25%:**

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

**(j) Return on Capital Employed**

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

**Reason for change more than 25%:**

This ratio was increased by 111.04% in the year ended 31 March 2021 due to the improved overall performance of the Company when compared the year ended 31 March 2020.

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

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

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

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W /W-100024

for and on behalf of the Board of Directors of

**Asianet Satellite Communications Limited**

(formerly known as Asianet Satellite Communications Private Limited)

CIN: U92132KL1992PLC006725

**Baby Paul**

Partner

Membership number: 218255

Kochi

22 August 2022

**Viren Raheja**

Chairman and

Non-Executive Director

DIN: 00037592

Mumbai

22 August 2022

**Sreerama Murthy Chaganti**

Managing Director and

Chief Executive Officer

DIN: 09379784

Thiruvananthapuram

22 August 2022

**Suresh Pazhempallil Sivaraman Nair**

Whole Time Director and

Chief Financial Officer

DIN: 08421313

Thiruvananthapuram

22 August 2022

**Joby Mathew**

Company Secretary and

Compliance Officer

Membership no: A 24411

Thiruvananthapuram

22 August 2022





## **Independent Auditor's Report To the Members of Asianet Satellite Communications Limited (Formerly known as Asianet Satellite Communications Private Limited)**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditor on separate financial statements of such subsidiary as was audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

#### **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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of report of the other auditor referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### **Other Information**

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for

maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

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

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

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

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

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

responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled “Other Matters” in this audit report.

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

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

### Other Matter(s)

- a. We did not audit the financial statement of a subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of Rs. Nil millions as at 31 March 2022, total revenues (before consolidation adjustments) of Rs. Nil millions and net cash outflows (before consolidation adjustments) amounting to Rs. 0.03 millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements has been audited by other auditor whose reports has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor.

### 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, based on our audit and on the consideration of reports of the other auditor on separate financial statements of such subsidiary as was audited by other auditor, as noted in the “Other Matters” paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
  - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India 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 Holding Company and its subsidiary company incorporated in India 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 and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary, as noted in the “Other Matters” paragraph:

- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group. Refer Note 30 and Note 39 to the consolidated financial statements.
- b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.
- c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2022.
- d (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 43 (a) to the consolidated 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 Holding Company or any of such subsidiary companies 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 Holding Company or any of such subsidiary companies (“Ultimate Beneficiaries”) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 43 (b) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies 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 that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.
- e. The Holding Company and its subsidiary companies incorporated in India have 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 and based on the reports of the statutory auditors of such subsidiary company incorporated in India which was not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Baby Paul  
Partner  
Membership No.: 218255  
ICAI UDIN:22218255APOXHZ3305

Place: Kochi  
Date: 22 August 2022

## **Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Asianet Satellite Communications Limited**

(Formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022

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

- (xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary	Clause number of the CARO report which is unfavourable
1	Asianet Satellite Communications Limited	U92132KL1992PLC006725	Holding Company	Clauses (ii)(b) and (ix)(d)
2	Asianet Digital Network Private Limited	U74999KL2015PTC039405	Subsidiary	Clauses (ii)(b) and (ix)(d)

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

Baby Paul  
Partner

Membership No.: 218255  
ICAI UDIN: 22218255APOXHZ3305

Place: Kochi  
Date: 22 August 2022

## **Annexure B to the Independent Auditor's Report on the consolidated financial statements of Asianet Satellite Communications Limited**

(Formerly known as Asianet Satellite Communications Private Limited) for the year ended 31 March 2022

### **Report on the internal financial controls with reference to the aforesaid consolidated 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**

In conjunction with our audit of the consolidated financial statements of Asianet Satellite Communications Limited (formerly known as Asianet Satellite Communications Private Limited) (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies., as of that date.

In our opinion and based on the consideration of reports of the other auditor on internal financial controls with reference to financial statements of subsidiary company, as was audited by the other auditor, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to 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 such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The respective 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 respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the 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 consolidated 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 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 consolidated 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 consolidated 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 consolidated 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.

### Other Matter(s)

The internal financial controls with reference to financial statements insofar as it relates to a subsidiary, and included in these consolidated financial statements, have not been audited either by us or by other auditor. In our opinion and according to the information and explanations given to us by the Management, such unaudited subsidiary is not material to the Holding Company.

Our opinion is not modified in respect of this matter.

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: 22218255APOXHZ3305



**consolidated Balance Sheet as at 31<sup>st</sup> March 2022**

(All amounts are in Indian Rupees in millions)

	Notes	As at 31 March 2022	As at 31 March 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment			
Capital work-in-progress	4	5,167.28	4,653.51
Right-of-use assets	4	293.70	350.26
Intangible assets	36	79.51	75.94
Intangible assets under development	5	11.11	15.93
Financial assets	5	42.96	26.27
Other financial assets			
Deferred tax assets	13	69.54	41.95
Income tax assets, net	29	177.10	155.58
Other non-current assets	29	72.30	36.46
<b>Total non-current assets</b>	7	<u>115.24</u>	<u>49.96</u>
<b>Current assets</b>		<b>6,028.74</b>	<b>5,405.86</b>
Inventories			
Financial assets	8	7.06	8.74
Investments	9	492.60	621.02
Trade receivables	10	444.03	410.64
Cash and cash equivalents	11	31.73	56.99
Bank balances other than cash and cash equivalents	12	125.47	146.78
Loans	6	12.28	8.55
Other financial assets	13	21.48	19.83
Other current assets	7	174.84	90.27
<b>Total current assets</b>		<u>1,309.49</u>	<u>1,362.82</u>
<b>Total assets</b>		<u><b>7,338.23</b></u>	<u><b>6,768.68</b></u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	14	1,006.89	1,006.89
Other equity		<u>1,537.35</u>	<u>1,116.09</u>
<b>Total equity</b>		<b>2,544.24</b>	<b>2,122.98</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	15	1,111.66	872.83
Lease liabilities	36	70.83	67.47
Other financial liabilities	16	82.90	90.67
Provisions	17	306.95	315.21
Deferred tax liabilities	29	85.04	-
Other non-current liabilities	18	<u>38.93</u>	<u>25.85</u>
<b>Total non-current liabilities</b>		<b>1,696.31</b>	<b>1,372.03</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	15	1,398.03	1,191.02
Lease liabilities	36	18.01	15.86
Trade payables	19		
Total outstanding dues of micro and small enterprises		30.97	38.31
Total outstanding dues of creditors other than micro and small enterprises		801.56	1,209.24
Other financial liabilities	16	165.45	115.24
Provisions	17	48.75	38.68
Income tax liabilities	29	-	18.60
Other current liabilities	18	<u>634.91</u>	<u>646.72</u>
<b>Total current liabilities</b>		<b>3,097.68</b>	<b>3,273.67</b>
<b>Total liabilities</b>		<u><b>4,793.99</b></u>	<u><b>4,645.70</b></u>
<b>Total equity and liabilities</b>		<u><b>7,338.23</b></u>	<u><b>6,768.68</b></u>

**Significant accounting policies**

3

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

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W /W-100024

for and on behalf of the Board of Directors of

**Asianet Satellite Communications Limited**

(formerly known as Asianet Satellite Communications Private Limited)

CIN: U92132KL1992PLC006725

**Baby Paul**

Partner

Membership number: 218255

Kochi

22 August 2022

**Viren Rajan Raheja**

Chairman and

Non-Executive Director

DIN: 00037592

Mumbai

22 August 2022

**Sreerama Murthy Chaganti**

Managing Director and

Chief Executive Officer

DIN: 09379784

Thiruvananthapuram

22 August 2022

**Suresh Pazhempallil Sivaraman Nair**

Whole Time Director and

Chief Financial Officer

DIN: 08421313

Thiruvananthapuram

22 August 2022

**Joby Mathew**

Company Secretary and

Compliance Officer

Membership number: A 24411

Thiruvananthapuram

22 August 2022

(All amounts are in Indian Rupees in millions)

**Consolidated Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2022**

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
<b>Income</b>			
Revenue from operations	20	5,770.47	5,100.68
Other income	21	45.96	53.88
<b>Total income</b>		<b>5,816.43</b>	<b>5,154.56</b>
<b>Expenses</b>			
Network, transmission and related expenses	22	2,390.06	2,021.98
Purchases of stock-in-trade	23	51.82	23.98
Changes in inventories of stock-in-trade	24	1.68	13.15
Employee benefits expense	25	672.35	682.75
Impairment losses on financial and contract assets	34C	53.91	39.14
Finance costs	26	197.65	202.90
Depreciation and amortisation expense	27	883.33	810.53
Other expenses	28	981.15	939.50
<b>Total expenses</b>		<b>5,231.95</b>	<b>4,733.93</b>
<b>Profit before tax</b>		<b>584.48</b>	<b>420.63</b>
<b>Income tax expense</b>			
Current tax	29	131.81	86.82
Deferred tax charge		54.53	23.46
<b>Total tax expense</b>		<b>186.34</b>	<b>110.28</b>
<b>Profit after tax for the year</b>		<b>398.14</b>	<b>310.35</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurement of net defined benefit plan income		32.12	17.93
Income tax credit relating to the above		(9.00)	(4.39)
<b>Other comprehensive income for the year, net of income tax</b>		<b>23.12</b>	<b>13.54</b>
<b>Total comprehensive income for the year</b>		<b>421.26</b>	<b>323.89</b>

**Earning per equity share** (Equity share of face value Rs. 10 each)

31

Basic and diluted earnings per share (Rs.)

3.95

3.08

**Significant accounting policies**

3

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

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W /W-100024

for and on behalf of the Board of Directors of

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

CIN: U92132KL1992PLC006725

**Baby Paul**

Partner

Membership number: 218255

Kochi

22 August 2022

**Viren Rajan Raheja**

Chairman and

Non-Executive Director

DIN: 00037592

Mumbai

22 August 2022

**Sreerama Murthy Chaganti**

Managing Director and

Chief Executive Officer

DIN: 09379784

Thiruvananthapuram

22 August 2022

**Suresh Pazhempallil Sivaraman Nair**

Whole Time Director and

Chief Financial Officer

DIN: 08421313

Thiruvananthapuram

22 August 2022

**Joby Mathew**

Company Secretary and

Compliance Officer

Membership number: A 24411

Thiruvananthapuram

22 August 2022

## Consolidated Statement of Cash Flows for the Year ended 31st March 2022

(All amounts are in Indian Rupees in millions)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>		
<i>Adjustments for:</i>		
Depreciation and amortisation	584.48	420.63
Gain on sale of property, plant and equipment (net)		
Net gain on fair value changes on financial assets measured at FVTPL	883.33	810.53
Finance costs	(0.05)	(0.01)
Interest income under the effective interest method	(19.10)	(30.43)
Liabilities no longer required written back	197.65	202.90
Impairment losses on financial and contract assets	(8.00)	(7.77)
Unrealised foreign exchange (gain) / loss	(12.58)	-
<b>Operating cash flow before working capital changes</b>	53.91	39.14
Decrease in inventories	(2.60)	11.02
Decrease / (increase) in trade receivables	1,677.04	1,446.01
Increase in financial assets and other assets	1.68	13.15
Increase / (decrease) in financial liabilities and other liabilities	(87.30)	206.01
<b>Net cash generated from operating activities before taxes</b>	(134.82)	(1.04)
Income tax paid, net	(537.87)	291.08
<b>Net cash generated from operating activities (A)</b>	918.73	1,955.21
<b>Cash flow from investing activities</b>	(186.24)	(43.28)
Acquisition of property, plant and equipment	732.49	1,911.93
Proceeds from sale of property, plant and equipment		
Investments in mutual funds	(1,142.59)	(1,159.20)
Proceeds from sale of mutual funds	(4.46)	0.31
Redemption of fixed deposits not considered as cash and cash equivalents	(689.76)	(980.00)
<b>Net cash used in investing activities (B)</b>	837.27	912.33
<b>Cash flow from financing activities</b>	33.43	14.43
Long term secured loans availed	(966.11)	(1,212.13)
Long term secured loans repaid		
Current borrowings availed, net	1,534.58	992.60
Payment of lease liabilities	(1,294.25)	(1,214.30)
Finance costs	207.01	(245.38)
<b>Net cash (used in)/ generated from financing activities (C)</b>	(25.01)	(24.68)
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	(213.97)	(201.07)
Cash and cash equivalents at the beginning of the year	208.36	(692.83)
<b>Cash and cash equivalents at the end of the year</b>	(25.26)	6.97
Refer to note 11 - cash and cash equivalents	56.99	50.02
<b>Reconciliation of financial liabilities forming part of financing activities in accordance with Ind AS 7</b>	31.73	56.99

Particulars	As at		Non cash changes		As at
	1 April 2021	Cash flows	Fair value changes	Others*	
Non-current borrowings	872.83	240.33	-	(1.50)	1,111.66
Current borrowings	1,191.02	207.01	-	-	1,398.03
Lease liabilities (refer note 36)	83.33	(25.01)	-	30.52	88.84
<b>Total</b>	<b>2,147.18</b>	<b>422.33</b>	<b>-</b>	<b>29.02</b>	<b>2,598.52</b>

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

\*Others includes finance cost accrued Rs. 6.92 million (31 March 2021: Rs. 8.16 million)

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

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W /W-100024

for and on behalf of the Board of Directors of

**Asianet Satellite Communications Limited**

(formerly known as Asianet Satellite Communications Private Limited)

CIN: U92132KL1992PLC006725

**Baby Paul**

Partner

Membership number: 218255

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22 August 2022

**Joby Mathew**

Company Secretary and

Compliance Officer

Membership no: A 24411

Thiruvananthapuram

22 August 2022

## Consolidated Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2022

### A Equity Share Capital

(All amounts are in Indian Rupees in millions)

Particulars	Note	Amount
Balance as at 1 April 2020		1,006.89
Changes in equity share capital during the year	14	-
Balance as at 31 March 2021		1,006.89
Changes in equity share capital during the year	14	-
Balance as at 31 March 2022		1,006.89

### B Other equity

Particulars	Equity component of compound financial instruments	Reserves and surplus		Items of other comprehensive income Remeasurement of net defined benefit liability/ (asset), net of tax	Total other equity attributable to equity holders of the Company
		Securities Premium	Retained earnings		
Balance as at 1 April 2020	3.44	969.86	(181.10)	-	792.20
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	310.35	-	310.35
Other comprehensive income, net of tax	-	-	-	13.54	13.54
<b>Total comprehensive income</b>	-	-	<b>310.35</b>	<b>13.54</b>	<b>323.89</b>
Transferred to retained earnings	-	-	13.54	(13.54)	-
Balance as at 31 March 2021	3.44	969.86	142.79	-	1,116.09
Balance as at 1 April 2021	3.44	969.86	142.79	-	1,116.09
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	398.14	-	398.14
Other comprehensive income, net of tax	-	-	-	23.12	23.12
<b>Total comprehensive income</b>	-	-	<b>398.14</b>	<b>23.12</b>	<b>421.26</b>
Transferred to retained earnings	-	-	23.12	(23.12)	-
Balance as at 31 March 2022	3.44	969.86	564.05	-	1,537.35

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

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

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

#### Retained earnings

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

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

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

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

As per our report of even date attached

for **B S R & Associates LLP**  
Chartered Accountants

Firm registration number: 116231W /W-100024

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

(formerly known as Asianet Satellite Communications Private Limited)  
CIN: U92132KL1992PLC006725

#### Baby Paul

Partner

Membership number: 218255

Kochi

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Chief Financial Officer

DIN: 08421313

Thiruvananthapuram

22 August 2022

#### Joby Mathew

Company Secretary and

Compliance Officer

Membership number: A 24411

Thiruvananthapuram

22 August 2022

## Notes to the consolidated financial statements

### 1. Group overview

This consolidated financial statements comprise financial statements of “Asianet Satellite Communications Limited” formerly known as Asianet Satellite Communications Private Limited (“the Company” or “Asianet” or “ASCL”) and its subsidiaries (collectively referred to as “the Group”) for the year ended 31 March 2022. Asianet was a private limited company and converted to public limited company on 20 October 2021.

The principal activity of the group is providing high speed broadband internet access through cable network, high bandwidth internet broadband service to enterprise management and infrastructure support to licensed telecommunication service providers in South India and Maharashtra and to provide 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.

### 2. Basis of preparation

#### A. Statement of compliance

The consolidated financial statements of the Group has been prepared and complied with the recognition, measurement and disclosure requirements of Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time including Ind AS 34 and other accounting principles generally accepted in India.

The consolidated financial statements have been approved by the Board of Directors on 22 August 2022.

#### B. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (Rs.), which is also the Group’s functional currency. All amounts are presented in Indian Rupees in millions, unless otherwise stated. The comparatives are presented as at 31 March 2021.

#### C. Basis of measurement

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

Items	Measurement basis
Certain financial assets (including investment)	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 consolidated 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 Group 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 and year ended 31 March 2021 are 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;
- Note 30- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

**E. Measurement of fair values**

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. Significant valuation issues are reported to the Group'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 Group 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 Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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

- Financial instruments – Note 34

**F. Basis of consolidation****Subsidiaries**

The consolidated financial statements comprises financial statements of the Company and its subsidiaries, over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions within the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

**Details of subsidiaries**

Following subsidiary companies have been considered in the preparation of the consolidated financial statements.

Name of Entity	Country	Ownership held by	% of holding and voting power as at	
			31 March 2022	31 March 2021
Asianet Digital Network Private Limited ("ADNPL")	India	Asianet Satellite Communications Limited	100%	100%
Roseblossoms Vision Private Limited	India	Asianet Satellite Communications Limited	100%	100%

### 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 property, plant and equipments that are not yet ready for their intended use as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date are shown under other non-current assets.

##### 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 Group.

##### iii. Depreciation

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

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

\* For the above mentioned classes of assets, useful life as per the Schedule II of the Companies Act is 15 years, the Group 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 year end and adjusted if appropriate.

### 3. Significant accounting policies (continued)

#### 3.2 Intangible assets

Intangible 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 Group for its use and is included in depreciation and amortisation in statement of profit or loss. Intangible asset under development comprises of the cost of intangible assets that are not yet ready for their intended use as at the balance sheet date.

The estimated useful lives are as follows:

Class of assets	Years
Software	4
Copyrights and operating rights	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.

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 Group 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 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 Group 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 Group 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 Group'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 and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in the future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.



### 3. Significant accounting policies (continued)

#### 3.4 Employee benefits (continued)

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income (OCI). The Group determines the net interest expense on the net defined benefit liability (asset) 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 (asset), taking into account any changes in the net defined benefit liability (asset) 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 Group'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.

#### 3.5 Provisions (other than employee benefits)

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

#### 3.6 Revenue

##### **Revenue from contract with customers**

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

##### *Disaggregation of revenue*

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

##### *Contract balances*

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

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs its obligation under the contract. Where the amount is received against an invoice pertaining to income recognised over a period of time it is classified as Unearned income, else it is classified as Advances from customers.

##### *Performance obligations and revenue recognition policies*

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

### 3. Significant accounting policies (continued)

#### 3.6 Revenue (continued)

##### a) Sale of services

Revenue from cable internet, 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 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. Control is transferred when the goods are actually delivered to the customers. The amount of revenue recognised is net of sales returns, taxes and duties, wherever applicable.

#### 3.7 Foreign Currency Transactions

Transactions in foreign currencies are translated into the functional currency of the Group 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.

#### 3.8 Leases

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

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

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

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

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

### 3. Significant accounting policies (continued)

#### 3.8 Leases (continued)

##### b) Measurement of leases as a lessee (continued)

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

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

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

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

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

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

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

#### 3.10 Income tax

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

##### i. Current tax

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

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

##### ii. Deferred tax

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

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

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

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

#### 3.11 Borrowing cost

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

### 3. Significant accounting policies (continued)

#### 3.12 Financial instruments

##### i. Recognition and initial measurement

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

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

##### ii. Classification and subsequent measurement

###### *Financial assets*

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

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

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

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

On initial recognition of an equity investment that is not held for trading, the Group 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 Group 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 Group 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 Group'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.

###### *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.

### 3. Significant accounting policies (continued)

#### 3.12 Financial instruments (continued)

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

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group 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 Group 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 Group'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.

##### iii. Derecognition

*Financial assets*

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

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

*Financial liabilities*

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

##### iv. Offsetting

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

### 3. Significant accounting policies (continued)

#### 3.13 Compound financial instrument

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

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

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

#### 3.14 Impairment

##### i. Impairment of financial assets

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

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

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

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

##### *Measurement of expected credit losses*

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

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

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

##### *Write-off:*

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

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

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

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

### 3. Significant accounting policies (continued)

#### 3.14 Impairment (continued)

##### ii. Impairment of non- financial assets (continued)

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

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

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

#### 3.15 Earnings per share

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

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

#### 3.16 Cash-flow statement

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

#### 3.17 Cash and cash equivalents

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

#### 3.18 Reverse factoring arrangements

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

#### 3.19 Operating cycle

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

#### 3.20 Operating segments

##### Basis for segmentation

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

### 3. Significant accounting policies (continued)

#### 3.21 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

Particulars	Freehold land	Buildings	Plant and Furniture and equipment	Vehicles	Office equipments	Electrical fittings	Computers	Servers	Total (A)	Capital work-in-progress (B)	Total (A+B)
<b>Gross carrying value</b>											
Balance as at 1 April 2020	176.93	7.17	5,709.20	3.02	8.62	29.75	23.88	26.24	5,994.48	311.55	6,306.03
Additions	-	-	971.43	-	3.11	8.60	3.78	4.82	994.24	961.19	1,955.43
Disposals	-	-	-	(0.51)	(0.02)	-	-	-	(0.53)	-	(0.53)
Capitalisation	-	-	-	-	-	-	-	-	-	(922.48)	(922.48)
<b>Balance as at 31 March 2021</b>	<b>176.93</b>	<b>7.17</b>	<b>6,680.63</b>	<b>2.51</b>	<b>11.71</b>	<b>38.35</b>	<b>27.66</b>	<b>31.06</b>	<b>6,988.19</b>	<b>350.26</b>	<b>7,338.45</b>
Balance as at 1 April 2021	176.93	7.17	6,680.63	2.51	11.71	38.35	27.66	31.06	6,988.19	350.26	7,338.45
Additions	-	-	1,292.49	-	2.81	10.29	6.49	2.61	1,316.57	1,122.92	2,439.49
Disposals	-	-	-	(0.15)	-	-	-	-	(0.15)	-	(0.15)
Capitalisation	-	-	-	-	-	-	-	-	-	(1,179.48)	(1,179.48)
<b>Balance as at 31 March 2022</b>	<b>176.93</b>	<b>7.17</b>	<b>7,973.12</b>	<b>2.36</b>	<b>14.52</b>	<b>48.64</b>	<b>34.15</b>	<b>33.67</b>	<b>8,304.61</b>	<b>293.70</b>	<b>8,598.31</b>
<b>Accumulated depreciation</b>											
Balance as at 1 April 2020	-	0.33	1,512.96	3.88	3.76	4.43	15.09	9.42	1,551.41	-	1,551.41
Depreciation expense	-	0.17	765.43	0.97	1.98	3.44	5.88	5.21	783.50	-	783.50
Disposals	-	-	-	(0.21)	(0.02)	-	-	-	(0.23)	-	(0.23)
<b>Balance as at 31 March 2021</b>	<b>-</b>	<b>0.50</b>	<b>2,278.39</b>	<b>4.85</b>	<b>5.72</b>	<b>7.87</b>	<b>20.97</b>	<b>14.63</b>	<b>2,334.68</b>	<b>-</b>	<b>2,334.68</b>
Balance as at 1 April 2021	-	0.50	2,278.39	4.85	5.72	7.87	20.97	14.63	2,334.68	-	2,334.68
Depreciation expense	-	0.17	784.28	1.14	2.26	4.43	4.85	5.41	802.80	-	802.80
Disposals	-	-	-	(0.15)	-	-	-	-	(0.15)	-	(0.15)
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>0.67</b>	<b>3,062.67</b>	<b>5.99</b>	<b>7.98</b>	<b>12.30</b>	<b>25.82</b>	<b>20.04</b>	<b>3,137.33</b>	<b>-</b>	<b>3,137.33</b>
<b>Net carrying amount</b>											
As at 31 March 2022	176.93	6.50	4,910.45	0.51	6.54	36.34	8.33	13.63	5,167.28	293.70	5,460.98
As at 31 March 2021	176.93	6.67	4,402.24	0.77	5.99	30.48	6.69	16.43	4,653.51	350.26	5,003.77

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

#### Note:

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

#### b) Ageing of Capital work in progress (CWIP):

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	214.41	40.64	38.65	-	293.70
Projects temporarily suspended	-	-	-	-	-
<b>As at 31 March 2021</b>	<b>214.41</b>	<b>40.64</b>	<b>38.65</b>	<b>-</b>	<b>293.70</b>

Description	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	296.13	16.09	35.98	2.06	350.26
Projects temporarily suspended	-	-	-	-	-
<b>As at 31 March 2022</b>	<b>296.13</b>	<b>16.09</b>	<b>35.98</b>	<b>2.06</b>	<b>350.26</b>

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

c) 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.

## 5 Intangible assets

Particulars	Copyrights and operating rights	Computer software	Total (A)	Intangible Assets under development (B)	Total (A + B)
<b>Reconciliation of carrying amount</b>					
<b>Gross carrying value</b>					
Balance as at 1 April 2020	6.09	17.79	23.88	22.89	46.77
Additions	2.14	8.69	10.83	3.37	14.20
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>8.23</b>	<b>26.48</b>	<b>34.71</b>	<b>26.27</b>	<b>60.97</b>
Balance as at 1 April 2021	8.23	26.48	34.71	26.27	60.97
Additions	0.81	-	0.81	16.69	17.50
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>9.04</b>	<b>26.48</b>	<b>35.52</b>	<b>42.96</b>	<b>78.47</b>
<b>Accumulated amortisation</b>					
Balance as at 1 April 2020	2.96	10.03	12.99	-	12.99
Amortisation expense	1.44	4.35	5.79	-	5.80
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>4.40</b>	<b>14.38</b>	<b>18.78</b>	<b>-</b>	<b>18.79</b>
Balance as at 1 April 2021	4.40	14.38	18.78	-	18.79
Amortisation expense	1.44	4.20	5.64	-	5.64
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>5.84</b>	<b>18.57</b>	<b>24.41</b>	<b>-</b>	<b>24.42</b>
<b>Net carrying amount</b>					
<b>As at 31 March 2022</b>	<b>3.20</b>	<b>7.91</b>	<b>11.11</b>	<b>42.96</b>	<b>54.05</b>
<b>As at 31 March 2021</b>	<b>3.82</b>	<b>12.10</b>	<b>15.93</b>	<b>26.27</b>	<b>42.19</b>

**Note:**

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

**b) Ageing of Intangible assets under development:**

**As at 31 March 2022**

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

**As at 31 March 2021**

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

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

**6 Loans**

	As at 31 March 2022	As at 31 March 2021
<b>Current</b>		
<i>Unsecured, considered good</i>		
Loans and advances to employees	7.79	5.44
Loan to subsidiary	0.02	-
Other loans and advances*	4.47	3.11
	<u>12.28</u>	<u>8.55</u>

\*The Company does not have any loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

**7 Other assets**

	As at 31 March 2022	As at 31 March 2021
<b>Non-current</b>		
<i>Unsecured, considered good</i>		
Advances for capital goods	1.44	26.76
Balances with government authorities (including amounts paid under protest)	113.80	23.20
	<u>115.24</u>	<u>49.96</u>
<b>Current</b>		
<i>Unsecured, considered good</i>		
Prepaid expenses	85.42	16.48
Balance with government authorities	34.43	51.01
Advance for supply of goods and services	54.99	22.78
	<u>174.84</u>	<u>90.27</u>
	<u>290.08</u>	<u>140.23</u>

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

**8 Inventories**

	As at 31 March 2022	As at 31 March 2021
<i>Valued at lower of cost and net realisable value</i>		
Stock-in-trade	7.06	8.74
	<u>7.06</u>	<u>8.74</u>

**9 Investments**

	As at 31 March 2022	As at 31 March 2021
<b>Current</b>		
<i>Investment in mutual funds measured at fair value through profit or loss</i>		
<i>Unquoted</i>		
Investments in liquid mutual funds	492.60	621.02
	<u>492.60</u>	<u>621.02</u>
Aggregate book value of unquoted investments	492.60	621.02
Aggregate book value of quoted investments	-	-

**10 Trade receivables**

	As at 31 March 2022	As at 31 March 2021
<b>Current</b>		
<i>Unsecured, considered good</i>	800.04	743.36
	<u>800.04</u>	<u>743.36</u>
Less: allowances for expected credit loss	(356.01)	(332.72)
	<u>(356.01)</u>	<u>(332.72)</u>
	<u>444.03</u>	<u>410.64</u>

**Net trade receivables**

For details of trade receivables pledged, refer note 15

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

**Ageing of trade receivables****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	360.19	10.40	2.41	-	-	417.11
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	43.32	132.41	15.14	23.70	82.97	32.35	329.89
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	26.12	-	26.12
(vii) Unbilled dues	26.92	-	-	-	-	-	26.92
Less: allowances for expected credit loss	-	-	-	-	-	-	356.01
	<u>114.36</u>	<u>492.60</u>	<u>25.54</u>	<u>26.10</u>	<u>109.09</u>	<u>32.35</u>	<u>444.03</u>

**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	244.94	47.04	40.68	-	-	347.04
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	69.16	47.60	96.55	62.22	31.07	306.60
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	26.12	-	-	26.12
(vii) Unbilled dues	63.61	-	-	-	-	-	63.61
Less: allowances for expected credit loss	-	-	-	-	-	-	332.72
	<u>77.99</u>	<u>314.10</u>	<u>94.64</u>	<u>163.34</u>	<u>62.22</u>	<u>31.07</u>	<u>410.64</u>

	As at 31 March 2022	As at 31 March 2021
<b>11 Cash and cash equivalents</b>		
Balances with banks		
Balance with banks	26.01	51.62
Cash on hand	5.72	5.37
Cash and cash equivalents in the balance sheet	<u>31.73</u>	<u>56.99</u>
<b>12 Bank balances other than cash and cash equivalents</b>		
Balance in banks for margin money	125.47	146.78
	<u>125.47</u>	<u>146.78</u>
<b>13 Other financial assets</b>		
Non current		
<i>Unsecured, considered good</i>		
Security deposits - Rent and other deposits	41.05	41.95
Bank deposits with original maturity more than 12 months	28.49	-
	<u>69.54</u>	<u>41.95</u>
Current		
<i>Unsecured, considered good</i>		
Security deposits - Rent and other deposits	20.22	19.62
Interest accrued on fixed deposits with banks	1.26	0.21
	<u>21.48</u>	<u>19.83</u>
	<u>91.02</u>	<u>61.78</u>

For details of other financial assets pledged, refer note 15

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

## 14 Share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised:</b>				
Equity shares of Rs. 10/- each	160,000,000	1,600.00	160,000,000	1,600.00
Preference shares of Rs. 10/- each	15,000,000	150.00	15,000,000	150.00
<b>Total</b>	<b>175,000,000</b>	<b>1,750.00</b>	<b>175,000,000</b>	<b>1,750.00</b>
<b>Issued, subscribed and paid-up capital</b>				
Equity shares of Rs. 10 each, fully paid up	100,689,225	1,006.89	100,689,225	1,006.89
<b>Total</b>	<b>100,689,225</b>	<b>1,006.89</b>	<b>100,689,225</b>	<b>1,006.89</b>

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

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

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

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

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

The Company had 8% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs.10 each. During the year ended 31 March 2022, the terms were changed to 8% Non-Cumulative Non-Convertible Redeemable Preference shares of Rs.10 each. Each holder of preference shares is entitled to one vote per share, in proportion to the amount paid on Preference shares held, only on resolutions placed before the Company which affects the rights attached to the preference shares. In the event of liquidation, the preference shareholders are eligible to receive the outstanding amount including dividend after distribution of all other preferential amounts. In the event of winding up of the Company before redemption of preference shares, the holders of preference shares will have priority over equity shares in the payment of dividend and the repayment of capital. The Company declares and pays dividends in Indian Rupees. The Board has not recommended and paid any dividend to the preference shareholders for the year ended 31 March 2022 (31 March 2021: Nil).

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

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	%	Number of shares	%
<i>Equity shares of Rs.10/- each</i>				
Coronet Investments Private Limited	-	0.00%	23,561,887	23.40%
Bloomingdale Investments & Finance Private Limited	12,053,818	11.97%	12,053,818	11.97%
Hathway Investments Private Limited	40,639,538	40.36%	17,077,651	16.96%
Viren Raheja Jt. Akshay Raheja	9,291,818	9.23%	9,291,818	9.23%
Akshay Raheja Jt. Viren Raheja	9,290,224	9.23%	9,290,224	9.23%
Akshay Raheja	8,498,097	8.44%	8,498,097	8.44%
Viren Raheja	8,496,503	8.44%	8,496,503	8.44%
Satish Raheja	12,417,451	12.33%	12,417,451	12.33%
<i>Preference shares of Rs. 10/- each</i>				
Hathway Investments Private Limited	3,000,000	100.00%	3,000,000	100.00%

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

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

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

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

Name of Promoter	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Akshay Raheja	8,498,097	8.44%	8,498,097	8.44%
Akshay Raheja jointly Viren Raheja	9,290,224	9.23%	9,290,224	9.23%
Viren Raheja	8,496,503	8.44%	8,496,503	8.44%
Viren Raheja jointly Akshay Raheja	9,291,818	9.23%	9,291,818	9.23%

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

## 15 Borrowings

## Non-current

## Secured

Term loans from banks

Less: Current maturities of long-term borrowings

As at  
31 March 2022As at  
31 March 2021

	2,172.91	1,941.75
	(1,088.11)	(1,095.71)
	<u>1,084.80</u>	<u>846.04</u>

## Unsecured

Redeemable preference shares\*

	26.86	26.79
	<u>1,111.66</u>	<u>872.83</u>

## Current

## Secured

Cash credit and overdraft facilities from banks

Current maturities of long-term borrowings

	309.92	95.31
	1,088.11	1,095.71
	<u>1,398.03</u>	<u>1,191.02</u>
	<u>2,509.69</u>	<u>2,063.85</u>

\*1,500,000 preference shares were issued on 20 July 2017 and 1,500,000 preference shares issued on 4 August 2017. The tenure of the preference shares are twenty years from the date of issue of such preference shares. Refer note 14 (c) for details on terms of the preference shares.

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

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

## (a) Parent

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

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

## (b) Subsidiary

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

## (a) Parent

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

## (b) Subsidiary

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 conversion of working capital loans from Cash Credit facilities to Overdraft Facilities during the quarter ended 31 March 2022.

	As at 31 March 2022	As at 31 March 2021
<b>16 Other financial liabilities</b>		
<b>Non-current</b>		
Trade / security deposits received	<u>82.90</u>	<u>90.67</u>
	<b>82.90</b>	<b>90.67</b>
<b>Current</b>		
Interest accrued but not due on borrowings	6.10	2.86
Dues to creditors for capital goods	61.10	31.27
Accrued salaries and benefits	<u>98.25</u>	<u>81.11</u>
	<b>165.45</b>	<b>115.24</b>
	<b>248.35</b>	<b>205.91</b>
<b>17 Provisions</b>		
<b>Non-current</b>		
<i>Provision for employee benefits</i>		
Net defined benefit liability - Gratuity	274.90	283.92
Compensated absences	<u>32.05</u>	<u>31.29</u>
	<b>306.95</b>	<b>315.21</b>
<b>Current</b>		
<i>Provision for employee benefits</i>		
Net defined benefit liability - Gratuity	16.95	3.63
Compensated absences	12.39	15.64
Provision for litigation	<u>19.41</u>	<u>19.41</u>
	<b>48.75</b>	<b>38.68</b>
	<b>355.70</b>	<b>353.89</b>
<b>18 Other liabilities</b>		
<b>Non-current</b>		
Unearned income	<u>38.93</u>	<u>25.85</u>
	<b>38.93</b>	<b>25.85</b>
<b>Current</b>		
Unearned income	306.94	299.73
Statutory dues payable	77.20	75.57
Advances from customers	<u>250.77</u>	<u>271.42</u>
	<b>634.91</b>	<b>646.72</b>
	<b>673.84</b>	<b>672.57</b>
<b>Movement in unearned income</b>		
Opening balance as at the beginning of the year	325.58	285.83
Less: Utilization during the year	299.73	259.58
Add: Additions to unearned income during the year	<u>320.02</u>	<u>299.33</u>
Closing balance as at the end of the year	<b>345.87</b>	<b>325.58</b>
<b>Movement in advances from customers</b>		
Opening balance as at the beginning of the year	271.42	364.71
Less: Revenue recognised during the year	271.42	364.71
Add: Additions to advances from customers during the year	<u>250.77</u>	<u>271.42</u>
Closing balance as at the end of the year	<b>250.77</b>	<b>271.42</b>



**19 Trade payables**

	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro and small enterprises	30.97	38.31
Total outstanding dues of creditors other than micro and small enterprises	801.56	1,209.24
	<b>832.53</b>	<b>1,247.55</b>

The trade payables include Rs. 161.33 million (31 March 2021: Rs. 213.51 million) pertaining to a factoring arrangement and the gross cash payments under the agreement is Rs. 1,079.27 million (31 March 2021: Rs. 684.54 million) during the year ended 31 March 2022.

All trade payables are 'current'.

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

**Ageing of trade payables****As at 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	-	30.96	0.01	-	-	30.97
ii) Others	-	609.02	2.70	1.33	0.47	613.52
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
v) Unbilled dues	188.04	-	-	-	-	188.04
	<b>188.04</b>	<b>639.98</b>	<b>2.71</b>	<b>1.33</b>	<b>0.47</b>	<b>832.53</b>

**As at 31 March 2021**

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

**20 Revenue from operations**

	Year ended 31 March 2022	Year ended 31 March 2021
Sale of services	5,695.02	5,046.33
Sale of products	67.43	45.44
Other operating revenues	8.02	8.91
	<u>5,770.47</u>	<u>5,100.68</u>
Sale of services comprises :		
Cable television services	2,997.29	2,901.82
Cable internet services	2,644.89	2,084.35
Cable channel services	52.84	60.16
	<u>5,695.02</u>	<u>5,046.33</u>
Sale of products comprises :		
Sale of modem and router	11.28	14.75
Household equipments, kitchen utensils, electronic items etc	56.15	30.69
	<u>67.43</u>	<u>45.44</u>
Other operating revenues comprises:		
Modem rental and others	2.15	4.70
Scrap sales	5.87	4.21
	<u>8.02</u>	<u>8.91</u>

Refer note 37 for disclosures with respect to Revenue from contracts with customers

**21 Other income**

Interest income under the effective interest method on:		
Fixed deposits with banks	7.34	7.25
Lease deposits	0.66	0.52
Interest on income tax refund	0.70	4.44
Net gain on account of foreign exchange fluctuations	0.97	-
Net gain on fair value changes on financial assets measured at FVTPL	19.10	30.43
Gain on sale of property, plant and equipment (net)	0.05	0.01
Liabilities no longer required written back	12.58	-
Insurance claims received	0.01	10.37
Miscellaneous income	4.55	0.86
	<u>45.96</u>	<u>53.88</u>

**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
Broadband services		
Bandwidth charges	325.82	308.71
Commission to selling agents	276.60	200.08
Other direct internet expenses	7.32	8.34
Channel services		
Programme production expenses	30.76	45.60
Agency commission	3.71	3.07
Others	0.93	1.12
License fee to Department of Telecommunications (refer note 39)	212.14	-
Trading		
Packing and forwarding charges	2.19	1.07
Collection charges	0.31	-
Customer care expenses	124.94	135.22
Consumption of stores, spares and consumables	30.68	38.77
	<u>2,390.06</u>	<u>2,021.98</u>

**23 Purchases of stock-in-trade**

Modems and routers	1.15	0.33
Household equipments, kitchen utensils, electronic items etc	50.67	23.65
	<u>51.82</u>	<u>23.98</u>

**24 Changes in inventories of stock-in-trade**

Opening stock	8.74	21.89
Closing stock	(7.06)	(8.74)
	<u>1.68</u>	<u>13.15</u>

**25 Employee benefits expense**

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and allowances	528.00	547.31
Contributions to provident and other funds	93.97	89.58
Staff welfare expenses	50.38	45.86
	<u>672.35</u>	<u>682.75</u>

**26 Finance costs**

Interest on bank borrowings	165.10	170.12
Interest on lease liabilities (refer Note 36)	6.92	8.16
Net loss on account of foreign exchange fluctuations (classified as finance cost)	2.77	3.31
Other borrowing costs	22.86	21.31
	<u>197.65</u>	<u>202.90</u>

**27 Depreciation and amortisation expense**

Depreciation on property, plant and equipment (refer note 4)	857.52	783.50
Depreciation on right-of-use assets (refer note 36)	20.17	21.23
Amortisation of intangible assets (refer note 5)	5.64	5.80
	<u>883.33</u>	<u>810.53</u>

**28 Other expenses**

Contract labour	254.64	161.04
Power and fuel	135.42	140.08
Rent (Refer Note (i) below)	217.62	272.53
Repairs and maintenance - buildings	1.51	3.33
Repairs and maintenance - machinery	117.17	111.86
Repairs and maintenance - others	29.03	40.78
Insurance	6.14	6.30
Rates and taxes	6.97	6.97
Communication	10.10	7.50
Travelling and conveyance	15.20	10.49
Printing and stationery	4.48	3.93
Bank charges and commission	35.83	38.87
Advertising and marketing	77.23	52.74
Legal and professional	41.71	40.82
Payments to auditors	3.66	3.40
Office maintenance expenses	15.05	13.57
Corporate social responsibility expenses	4.75	14.86
Net loss on account of foreign exchange fluctuations	-	7.05
Miscellaneous expenses	4.64	3.38
	<u>981.15</u>	<u>939.50</u>

**Notes:**

(i) Rent includes :

Pole rent / inspection charges	166.38	222.89
Lease/ bandwidth charges	32.03	33.93
Others	13.36	15.71
	<u>211.77</u>	<u>272.53</u>

**29 Income taxes**

	As at 31 March 2022	As at 31 March 2021
Income tax assets, net	72.30	36.46
Provision for income tax, net	-	(18.60)
<b>Net income tax assets at the end of the year</b>	<b>72.30</b>	<b>17.86</b>

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax	131.81	86.82
Deferred tax charge	54.53	23.46
<b>Tax expenses</b>	<b>186.34</b>	<b>110.28</b>

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Remeasurement of the net defined plans</b>		
Gain before tax	32.12	17.93
Tax expense	(9.00)	(4.39)
<b>Net of tax</b>	<b>23.12</b>	<b>13.54</b>

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Profit before tax</b>	<b>584.48</b>	<b>420.63</b>
Statutory income tax rate	29.12%	29.12%
Tax using the statutory tax rate	169.99	120.17
Expenditure disallowed	2.17	2.76
Reduction in brought forward losses*	-	(13.61)
Other temporary differences	14.18	0.96
Tax expense	186.34	110.28
Effective tax rate	31.88%	26.22%

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

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

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Deferred tax asset</b>		
Allowance for expected credit loss	90.92	85.56
Provision for employee benefits	34.63	43.35
MAT credit entitlement	92.94	146.13
Lease liabilities, impact on account of Ind AS 116	2.63	2.07
<b>Total deferred tax assets (A)</b>	<b>221.12</b>	<b>277.11</b>
<b>Deferred tax liability</b>		
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961	(120.10)	(115.38)
Borrowings	(7.43)	(2.30)
Investment	(1.53)	(3.85)
<b>Total deferred tax liability (B)</b>	<b>(129.06)</b>	<b>(121.53)</b>
<b>Deferred tax asset/ (liability) net (A+B)</b>	<b>92.06</b>	<b>155.58</b>
Deferred tax asset	177.10	155.58
Deferred tax liability	(85.04)	-

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

## (d) Recognised deferred tax assets and liabilities (continued)

(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	85.56	5.36	-	90.92
Provision for employee benefits	43.35	0.28	(9.00)	34.63
MAT credit entitlement	146.13	(53.20)	-	92.94
Lease liabilities, impact on account of Ind AS 116	2.07	0.56	-	2.63
Borrowings	(2.30)	(5.13)	-	(7.43)
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961	(115.38)	(4.72)	-	(120.10)
Investment	(3.85)	2.32	-	(1.53)
<b>Net deferred tax assets/ (liabilities)</b>	<b>155.58</b>	<b>(54.53)</b>	<b>(9.00)</b>	<b>92.06</b>
Deferred tax asset				177.10
Deferred tax liability				(85.04)
<b>Year ended 31 March 2021</b>				
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	92.08	(6.53)	-	85.56
Provision for employee benefits	46.77	0.97	(4.39)	43.35
MAT credit entitlement	145.20	0.94	-	146.13
Carry forward losses	20.32	(20.32)	-	-
Lease liabilities, impact on account of Ind AS 116	0.75	1.32	-	2.07
Borrowings	(2.80)	0.50	-	(2.30)
Excess of depreciation on property, plant and equipment under Income Tax Act, 1961	(117.60)	2.21	-	(115.38)
Investment	(1.31)	(2.55)	-	(3.85)
<b>Net deferred tax assets/ (liabilities)</b>	<b>183.41</b>	<b>(23.46)</b>	<b>(4.39)</b>	<b>155.58</b>

### 30 Contingent liabilities and commitments

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Contingent liabilities</b>		
Claims against the Group not acknowledged as debt		
(i) Service tax demands pending in appeals (Note a)	143.31	148.63
(ii) Income tax (Note b)	33.55	7.91
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-
	<b>176.86</b>	<b>156.54</b>

a) The Parent company has ongoing disputes with Indirect tax authorities on account of service tax demand on import of OIDAR services. Further there are department appeals on account of denial of input credit and bad debts reconciliation for the period from 2009-10 to 2017-18. Management believes that, for the said years, the position taken by it is tenable and hence, no adjustment has been made in the financial statements. As at 31 March 2022, the Management estimates demands and show cause notices amounting to Rs. 143.31 million (31 March 2021: Rs. 148.63 million) from various indirect tax authorities which are being contested by the Company based on the management evaluation and advice of tax consultants.

b) The Parent company has pending income tax demands pertaining to assessment years from 2016-17 to 2018-19 on account of disallowance of advances written off and delayed PF ESI payment, interest on belated remittance of Service tax, VAT and TDS and the Company has filed appeal against the disallowances. Management believes that the position taken by it is tenable and hence, no adjustment has been made in the financial statements. As at 31 March 2022, the Company has contingent liability of Rs. 33.55 million (31 March 2021: Rs. 7.91 million) in respect of tax demands which are being contested by the Company based on the management evaluation and advice of tax consultants.

c) The Company 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 year, attributable to the equity share holders	398.14	310.35

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening balance (Refer note 14)	100,689,225	100,689,225
Shares issued for cash	-	-
Weighted average number of equity shares of Rs. 10 each for the year	100,689,225	100,689,225
Earnings per share, basic and diluted	3.95	3.08

The Group does not have potentially dilutive equity shares.

### 32. Employee benefit obligations

#### a. Defined benefit plan

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

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

Particulars	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation liability	295.93	292.97
Plan assets	(4.08)	(5.42)
Net defined benefit liability	291.85	287.55
Compensated absences	44.44	46.94
<b>Total employee benefit liability</b>	<b>336.29</b>	<b>334.49</b>

**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 year	292.97	293.34
Benefit paid	(10.28)	(20.57)
Current service cost	20.70	19.51
Past service cost	5.38	-
Interest cost	20.03	19.36
- changes in demographic assumptions	1.31	-
- changes in financial assumptions	(43.62)	(8.61)
- experience adjustments	9.43	(10.06)
<b>Balance at the end of the year</b>	<b>295.93</b>	<b>292.97</b>

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening fair value of plan assets	5.42	20.64
Contributions by employer	9.41	5.30
Benefits paid	(10.28)	(20.57)
Interest income on plan assets	0.28	0.79
Remeasurement on plan assets excluding amounts included in net interest on the net defined benefit liability/(asset)	(0.75)	(0.75)
<b>Closing fair value of plan assets</b>	<b>4.08</b>	<b>5.42</b>
<b>Net defined benefit (liability)</b>	<b>291.85</b>	<b>287.55</b>

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current service cost	20.70	19.51
Past service cost	5.38	-
Interest cost	19.76	18.57
<b>Gratuity cost</b>	<b>45.83</b>	<b>38.08</b>

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Actuarial (gain) on defined benefit obligation	(32.12)	(17.93)

**E 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	6.7% - 7.3%	6.7% - 6.9%
Future salary growth	6.00%	7.00%
Attrition rate	2.0% - 7.0%	2.00%
Interest rate for interest on net DBO	6.7% - 6.9%	6.60%
Mortality Rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of defined benefit obligation	7 - 12.5 years	10-13 years

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

**(ii) Sensitivity analysis**

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

Particulars	31 March 2022		31 March 2021	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	(26.56)	30.69	(31.47)	36.90
Future salary growth	30.74	(27.07)	36.47	(14.76)
Attrition rate	2.35	(2.61)	(0.43)	0.47

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

**F Actuarial assumptions for compensated absences**

Particulars	31 March 2022	31 March 2021
Discount rate	6.7% - 7.3%	6.7% - 6.9%
Future salary growth	6.00%	7.00%
Attrition rate	2.0% - 7.0%	2.00%

**G 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	45.26	56.14

### 33 Segment information

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

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

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

#### A. Business segments:

The business segments of the Group are as follows:

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Segment revenue</b>		
Cable Television Services	2,997.29	2,901.82
Cable Internet Services	2,663.15	2,107.42
Others	110.03	91.44
<b>Total</b>	<b>5,770.47</b>	<b>5,100.68</b>
<b>Segment results before income tax</b>		
Cable Television Services	1,407.10	1,581.37
Cable Internet Services	2,053.41	1,564.53
Others	18.35	2.07
<b>Total</b>	<b>3,478.86</b>	<b>3,147.97</b>
<b>Less :</b>		
Finance cost	(197.65)	(202.90)
Other unallocable expenditure net of un-allocable income	(2,696.73)	(2,524.44)
<b>Profit before tax</b>	<b>584.48</b>	<b>420.63</b>
<b>Particulars</b>	<b>Year ended 31 March 2022</b>	<b>Year ended 31 March 2021</b>
<b>Segment assets</b>		
Cable Television Services	1,514.28	1,806.39
Cable Internet Services	1,617.82	1,410.42
Others	41.93	51.60
Unallocated	4,164.20	3,500.27
<b>Total</b>	<b>7,338.23</b>	<b>6,768.68</b>
<b>Segment liabilities</b>		
Cable Television Services	794.25	897.28
Cable Internet Services	3,149.80	2,791.79
Others	9.94	14.73
Unallocated	840.00	941.90
<b>Total</b>	<b>4,793.99</b>	<b>4,645.70</b>

The Group operates in a single geographical location.

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



**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
<b>Financial assets not measured at fair value</b>								
Cash and cash equivalents	11	31.73	-	-	31.73	-	-	-
Other bank balances	12	125.47	-	-	125.47	-	-	-
Trade receivables	10	444.03	-	-	444.03	-	-	-
Loans	6	12.28	-	-	12.28	-	-	-
Other financial assets	13	91.02	-	-	91.02	-	-	-
<b>Financial assets measured at fair value</b>								
Investments	9	-	492.60	-	492.60	-	492.60	-
<b>Total</b>		<b>704.53</b>	<b>492.60</b>	<b>-</b>	<b>1,197.13</b>	<b>-</b>	<b>492.60</b>	<b>-</b>
<b>Financial liabilities not measured at fair value</b>								
Trade payables	19	-	-	832.53	832.53	-	-	-
Borrowings	15	-	-	2,509.69	2,509.69	-	-	-
Lease liabilities	36	-	-	88.84	88.84	-	-	-
Other financial liabilities	16	-	-	248.35	248.35	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>3,679.41</b>	<b>3,679.41</b>	<b>-</b>	<b>-</b>	<b>-</b>

31 March 2021

Particulars	Note	Carrying amount				Fair value		
		Financial assets at amortised cost	Mandatorily at FVTPL	Other financial liabilities at amortised cost	Total Carrying value	Level 1	Level 2	Level 3
<b>Financial assets not measured at fair value</b>								
Cash and cash equivalents	11	56.99	-	-	56.99	-	-	-
Other bank balances	12	146.78	-	-	146.78	-	-	-
Trade receivables	10	410.64	-	-	410.64	-	-	-
Loans	6	8.55	-	-	8.55	-	-	-
Other financial assets	13	61.78	-	-	61.78	-	-	-
<b>Financial assets measured at fair value</b>								
Investments	9	-	621.02	-	621.02	-	621.02	-
<b>Total</b>		<b>684.74</b>	<b>621.02</b>	<b>-</b>	<b>1,305.76</b>	<b>-</b>	<b>621.02</b>	<b>-</b>
<b>Financial liabilities not measured at fair value</b>								
Trade payables	19	-	-	1,247.55	1,247.55	-	-	-
Borrowings	15	-	-	2,063.85	2,063.85	-	-	-
Lease liabilities	36	-	-	83.33	83.33	-	-	-
Other financial liabilities	16	-	-	205.91	205.91	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>3,600.64</b>	<b>3,600.64</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

**Measurement of fair values**

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

**Level 1 fair values**

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

**Level 2 fair values**

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

**Level 3 fair values**

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

The quantitative sensitivity analysis of level 3 fair value of financial instrument as at 31 March 2022 and 31 March 2021 has not been disclosed as it is not material to the Group.

**B Measurement of fair values**

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

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

**C Financial risk management**

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

**i) Risk management framework**

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

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

**ii) Credit risk**

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from

its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

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

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

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

Impairment losses on financial and contract assets	As at	As at
	31 March 2022	31 March 2021
Balance at the beginning	332.72	353.32
Impairment loss recognised	48.45	39.14
Bad debts written off	(25.16)	(59.74)
<b>Balance at the end</b>	<b>356.01</b>	<b>332.72</b>

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

No single customer accounted for more than 10% of the revenue as of 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 Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

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

Ageing period	Average loss rate	
	31 March 2022	31 March 2021
Not due	37.88%	0.00%
Less than 6 months	26.88%	22.02%
6 months - 1 year	59.28%	50.30%
1 - 2 years	90.79%	75.10%
2 - 3 years	100.00%	100.00%
More than 3 years	100.00%	100.00%

For ageing of trade receivables, refer Note 10.

**iii) Liquidity risk**

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

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

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

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	832.53	-	832.53
Borrowings	1,398.03	1,111.66	2,509.69
Lease liabilities	24.98	88.52	113.50
Other financial liabilities	165.45	82.90	248.35
<b>Total</b>	<b>2,420.99</b>	<b>1,283.08</b>	<b>3,704.07</b>

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

Particulars	Less than 1 year	More than 1 year	Total
Trade payables	1,247.55	-	1,247.55
Borrowings	1,191.02	872.83	2,063.85
Lease liabilities	22.65	74.98	97.63
Other financial liabilities	115.24	90.67	205.91
<b>Total</b>	<b>2,576.46</b>	<b>1,038.48</b>	<b>3,614.94</b>

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

## iv) Market risk

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

**Foreign currency risk**

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

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

Particulars	As at 31 March 2022		As at 31 March 2021	
	EUR	USD	EUR	USD
Borrowings (current and non-current)	177.78	46.93	370.40	118.76
Other current financial liabilities	0.09	17.68	0.15	3.29

**Sensitivity analysis**

Particulars	As at 31 March 2022		As at 31 March 2021	
	Impact on profit or (loss)	Impact on equity, net of tax	Impact on profit or (loss)	Impact on equity, net of tax
<b>USD Sensitivity</b>				
INR/USD - Increase by 1%	(0.65)	(0.46)	(1.22)	(0.87)
INR/USD - Decrease by 1%	0.65	0.46	1.22	0.87
<b>EUR Sensitivity</b>				
INR/EUR - Increase by 1%	(1.78)	(1.28)	(3.71)	(2.66)
INR/EUR - Decrease by 1%	1.78	1.28	3.71	2.66

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

**Unhedged foreign currency exposure**

Foreign currency	As at 31 March 2022		As at 31 March 2021	
	USD	EURO	USD	EURO
Amount in foreign currency (in millions)	0.85	2.10	1.66	4.30
Amount in INR	64.61	177.87	122.04	370.55

## iv) Market risk (continued)

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

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

**(a) Interest rate risk exposure**

The exposure of the Group's borrowing to interest rate changes at the end of the reporting 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	1,585.76	1,329.80

Particulars	As at 31 March 2022		As at 31 March 2021	
	Impact on profit or (loss)	Impact on equity, net of tax	Impact on profit or (loss)	Impact on equity, net of tax
<b>Sensitivity</b>				
1% increase	(15.86)	(12.32)	(13.30)	(9.55)
1% decrease	15.86	12.32	13.30	9.55

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

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

Particulars	As at	
	31 March 2022	31 March 2021
Total liabilities	4,793.99	4,645.70
Less: cash and cash equivalents	(31.73)	(56.99)
<b>Net debt (A)</b>	<b>4,762.26</b>	<b>4,588.71</b>
<b>Total equity (B)</b>	<b>2,544.24</b>	<b>2,122.98</b>
<b>Debt to equity ratio (A/B)</b>	<b>1.87</b>	<b>2.16</b>

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

### 36 Leases

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

#### (i) Lease liabilities

Following are the changes in the lease liabilities:

Particulars	As at	
	31 March 2022	31 March 2021
Balance at the beginning of the year	83.33	98.70
Additions	23.60	1.15
Finance cost accrued during the year (refer note 26)	6.92	8.16
Payment of lease liabilities	(25.01)	(24.68)
<b>Balance at the end of the year</b>	<b>88.84</b>	<b>83.33</b>
Non-current lease liabilities	70.83	67.47
Current lease liabilities	18.01	15.86

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

Particulars	As at	
	31 March 2022	31 March 2021
Less than one year	24.98	22.65
One to five years	67.46	59.71
More than five years	21.06	15.27
<b>Total undiscounted lease liabilities</b>	<b>113.50</b>	<b>97.63</b>

#### (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	
	Building	Software	Building	Software
Balance at the beginning of the year	68.17	7.77	84.91	11.09
Addition to right-of-use assets	23.74	-	1.17	-
Depreciation for the year (refer note 27)	(16.84)	(3.33)	(17.91)	(3.32)
<b>Balance at the end of the year</b>	<b>75.07</b>	<b>4.44</b>	<b>68.17</b>	<b>7.77</b>

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

Particulars	As at	
	31 March 2022	31 March 2021
Depreciation on right-of-use assets (refer note 27)	20.17	21.23
Interest on lease liabilities (refer note 26)	6.92	8.16

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

Particulars	As at	
	31 March 2022	31 March 2021
Total cash out flow for leases	25.01	24.68

**37 Revenue from contracts with customers**

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

Particulars	Year ended	Year ended
	31 March 2022	31 March 2021
<b>Timing of Revenue Recognition</b>		
Products and services transferred at a point in time	73.30	49.65
Products and services transferred over time	5,697.17	5,051.03
	<b>5,770.47</b>	<b>5,100.68</b>

**(b) Contract Balances**

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

Particulars	As at	As at
	31 March 2022	31 March 2021
Trade receivables (refer note 10)	444.03	410.64
Advance from customers (refer note 18)	250.77	271.42
Unearned revenue (refer note 18)	345.87	325.58

**38 Related party transactions****A Disclosure post elimination of intra-group transactions;****I. Related party relationships:**

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

**II. Details of related party transactions:**

Name of the Related Party	Nature of Transaction	Volume of transactions	
		Year ended 31 March 2022	Year ended 31 March 2021
M/s. Hathway Cable & Datacom Limited	Lease payments	-	4.49
Key Management Personnel (KMP)	Salaries and allowances*	23.08	13.53
Independent directors	Sitting fees	1.43	-

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

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

Name of the Related Party	Nature of Transaction	Outstanding balance	
		As at 31 March 2022	As at 31 March 2021
M/s. Hathway Investments Private Limited	Redeemable preference shares	(26.86)	(26.79)

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

These orders are based on Hon. Supreme Court order on Adjusted Gross Revenue ('AGR') dues from telecom operators. Subsequently, the Hon. Supreme Court vide its orders dated 11 June 2020 and 18 June 2020, in the matter pertaining to public sector undertakings ('PSU's'), having licenses other than Unified license, clarified that the AGR judgement could not have been a basis for raising demands on the non-telecom PSU's and accordingly DOT withdrew the demands on the non-telecom PSUs. Further, the Company has appealed to the Telecom Disputes Settlement and Appellate Tribunal (TDSAT), which has granted stay on the demand till further hearings. The matter is currently pending before the TDSAT. During the previous year, pursuant to the representations made by AIDCF (All India Digital Cable Federation) to Ministry of Information and Broadcasting (MIB), MIB has sent an office memorandum to DOT dated 17 February 2021. As per the short affidavit filed by the DOT with TDSAT on 18 November 2021, an Inter-Ministerial Group (IMG) was constituted on 25 October 2021 to examine the representation made by the AIDCF. Further, TDSAT had in its order dated 28th February 2022 in Netmagic Solutions Private Limited, held that the stand taken by DOT in respect of PSUs would also equally apply to private companies, thus further strengthening our case.

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

The Company made a payment of 211.77 million during the year ended 31 March 2022 and 0.37 million subsequently towards license fee on pure internet charges / revenue from broadband services, relating to the year ended 31 March 2022. This has been charged to the statement of profit and loss for the year ended 31 March 2022 – Refer Note 22.

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

31 March 2022

Name of the entity	Net assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent:</b>								
Asianet Satellite Communications Limited	94%	2,381.66	98%	390.34	71%	16.42	97%	406.76
<b>Subsidiaries:</b>								
Asianet Digital Network Private Limited	38%	963.78	2%	7.82	29%	6.70	3%	14.52
Roseblossoms Vision Private Limited	0%	(0.04)	0%	(0.03)	-	-	0%	(0.03)
Eliminations / adjustments	-31%	(801.16)	0%	0.01	-	-	0%	0.01
	<b>100%</b>	<b>2,544.24</b>	<b>100%</b>	<b>398.14</b>	<b>100%</b>	<b>23.12</b>	<b>100%</b>	<b>421.26</b>

31 March 2021

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

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

42 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 Holding Company or any of such subsidiaries 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 Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) No funds have been received by the Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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.

43 The analytical ratios have not been disclosed in the consolidated financial statements as per the clarification in general instructions to the preparation of consolidated financial statements in paragraph 12.1 of the "Guidance Note on Division II - IND AS Schedule III to the Companies Act, 2013".

44 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. 41.95 million have been reclassified from "Loans (non current)" to "Other financial assets (non current)" and Rs. 19.62 million have been reclassified from "Loans (current)" to "Other financial assets (current)". "Current maturities of long-term borrowings" amounting to Rs. 1,095.71 million have been reclassified from "Other financial liabilities (current)" to "Borrowings (current)". Further, "dues to creditors for expenses and others" amounting to Rs. 186.34 million have been reclassified from "Other financial liabilities (current)" to "Trade payables - Total outstanding dues of creditors other than micro and small enterprises". "Trade / security deposits received" amounting to Rs. 28.50 million have been reclassified from "Other financial liabilities (current)" to "Other financial liabilities (non current)". Further, Revaluation reserve which arose out of revaluation of land prior to Ind AS adoption have been transferred to retained earnings since Company has adopted deemed cost for all property, plant and equipment on transition to Ind AS amounting to Rs. 167.61

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W /W-100024

for and on behalf of the Board of Directors of

**Asianet Satellite Communications Limited**

(formerly known as Asianet Satellite Communications Limited)

CIN: U92132KL1992PLC006725

**Baby Paul**

Partner

Membership number: 218255

Kochi

22 August 2022

**Viren Rajan Raheja**

Chairman and

Non-Executive Director

DIN: 00037592

Mumbai

22 August 2022

**Sreerama Murthy Chaganti**

Managing Director and

Chief Executive Officer

DIN: 09379784

Thiruvananthapuram

22 August 2022

**Suresh Pazhempallil Sivaraman Nair**

Whole Time Director and

Chief Financial Officer

DIN: 08421313

Thiruvananthapuram

22 August 2022

**Joby Mathew**

Company Secretary and

Compliance Officer

Membership number: A 24411

Thiruvananthapuram

22 August 2022