

## BALANCE SHEET AS AT MARCH 31, 2023

₹ In Lakhs

Particulars	Notes	As At March 31, 2023	As At March 31, 2022
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	3 (a)	265,154	392,389
(b) Right-of-use assets	3 (b)	53,733	60,122
(c) Investment Property	3 (c)	3,033	3,101
(d) Other Intangible Assets	3 (d)	93	3
(e) Financial Assets			
(i) Investments	4	—	—
(ii) Others	5	6,426	8,876
(f) Other Non-current Taxes	6	10,168	6,235
(g) Other Non-current Assets	7	3,217	4,182
		<b>341,824</b>	<b>474,908</b>
<b>(2) Current Assets</b>			
(a) Inventories	8	447	469
(b) Financial Assets			
(i) Investments	9	6,877	6,529
(ii) Trade Receivables	10	13,074	8,647
(iii) Cash and Cash Equivalents	11	49,636	48,879
(iv) Bank Balances other than (iii) above	12	119	110
(v) Others	13	9,656	8,061
(c) Current Tax Assets	14	—	145
(d) Other Current Assets	15	5,450	7,710
		<b>85,259</b>	<b>80,550</b>
<b>Total Assets</b>		<b>427,083</b>	<b>555,458</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	16	1,267,110	1,262,333
(b) Other Equity	17	(1,721,184)	(1,536,887)
		<b>(454,074)</b>	<b>(274,554)</b>
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	—	—
(ii) Lease Liabilities		50,783	56,261
(iii) Other Financial Liabilities	19	2,023	2,016
(b) Provisions	20	5,384	6,156
(c) Other non-current Liabilities	21	1,144	1,363
		<b>59,334</b>	<b>65,796</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	367,073	402,977
(ii) Lease Liabilities		32,958	28,004
(iii) Trade Payables	23		
— total outstanding dues of micro enterprises and small enterprises		125	105
— total outstanding dues of creditors other than micro enterprises and small enterprises		4,214	2,883
(iv) Others Financial Liabilities	24	404,223	316,875
(b) Other Current Liabilities	25	8,322	7,786
(c) Provisions	26	4,908	5,586
		<b>821,823</b>	<b>764,216</b>
<b>Total Equity and Liabilities</b>		<b>427,083</b>	<b>555,458</b>
Significant Accounting Policies	2		
Notes to the Financial Statements	3 to 61		

As per our report of even date  
For **PATHAK HD & ASSOCIATES**  
Chartered Accountants  
Firm Regd. No. 107783W/W100593

**VIKAS ARORA**  
Whole Time Director  
DIN-09785527

For and on behalf of the Board of Directors  
**MANOJ TIRODKAR**  
Chairman  
DIN-00298407

**GOPAL CHATURVEDI**  
Partner  
Membership No:090903

**BHUPENDRA KINY**  
Chief Financial Officer

Mumbai  
Date: May 11, 2023

**NITESH MHATRE**  
Company Secretary  
Membership No:A18487

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

₹ In Lakhs

Particulars	Notes	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
<b>INCOME :</b>			
Revenue from Operations	27	145,786	146,273
Other Income	28	2,747	1,416
<b>Total Income</b>		<b>148,533</b>	<b>147,689</b>
<b>EXPENSES :</b>			
Infrastructure Operation & Maintenance Cost	29	81,775	88,081
Employee Benefits Expense	30	6,340	6,207
Finance Costs	31	78,193	73,388
Depreciation and Amortization Expenses	3	50,357	50,319
Balances Written Off (Net) and Provision for Trade Receivables and Advances	32	9,549	1,160
Exchange Differences (Net)	33	3,955	245
Other Expenses	34	41,401	9,410
<b>Total Expenses</b>		<b>271,570</b>	<b>228,810</b>
<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>(123,037)</b>	<b>(81,121)</b>
Exceptional Item		58,654	66,346
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>(181,691)</b>	<b>(147,467)</b>
Tax Expenses		—	—
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b>(181,691)</b>	<b>(147,467)</b>
<b>Other Comprehensive Income</b>			
(A) (I) Items that will not be reclassified to Profit or Loss			
(i) Remeasurement of the defined benefit plans		(9)	66
(B) Items that will be reclassified to Profit or Loss		—	—
<b>Total Other Comprehensive Income</b>		<b>9</b>	<b>(66)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>(181,682)</b>	<b>(147,533)</b>
<b>Earnings Per Equity Share of ₹10 each</b>	42		
<b>Basic and Diluted</b>		<b>(1.41)</b>	<b>(1.14)</b>
Significant Accounting Policies	2		
Notes to the Financial Statements	3 to 61		

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## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

₹ In Lakhs

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax as per Statement of Profit and Loss	(181,691)	(147,467)
<b>ADJUSTED FOR</b>		
Depreciation and amortization expenses	50,357	50,319
Loss on Dismantling/Sale/Retirement of Fixed Assets (Net)	33,358	2,206
Interest Income	(1,023)	(344)
Finance Costs	78,193	73,388
Extinguishment of liabilities	(39)	(41)
Foreign Exchange (Gain)/Loss (Net)	3,955	245
Difference on measurement of financial instruments at fair value through Profit & Loss	(349)	(222)
Exceptional Items	58,654	66,346
Balances Written off (Net of Provision written back)	(2,405)	—
Provision for Trade Receivables and Advances	11,954	1,160
Miscellaneous Income on Asset Retirement Obligation (ARO) & Lease	(726)	(233)
Prepaid Rent amortization	153	156
Advance revenue on deposits	(320)	(521)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE</b>	<b>50,071</b>	<b>44,992</b>
<b>ADJUSTMENTS FOR</b>		
Trade and Other Receivables	(10,500)	470
Inventories	22	(102)
Trade and Other Payables	13,911	9,979
<b>CASH GENERATED FROM OPERATIONS</b>	<b>53,504</b>	<b>55,339</b>
Taxes paid/refund received (Net)	(3,788)	(5,000)
<b>NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES</b>	<b>49,716</b>	<b>50,339</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of PPE and Capital Work-in Progress (CWIP)	(6,623)	(8,759)
Proceeds from disposal of PPE & CWIP	2,175	2,182
Interest Received	780	155
<b>NET CASH FLOW USED IN INVESTING ACTIVITIES</b>	<b>(3,668)</b>	<b>(6,422)</b>

₹ In Lakhs

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long-Term-Borrowings	(33,500)	(28,000)
Payment towards principal portion of lease liability	(6,903)	(6,200)
Payment towards interest portion of lease liability	(4,880)	(4,522)
Fixed Deposits with Banks pledged as Margin Money and others	(8)	(1)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(45,291)</b>	<b>(38,723)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>757</b>	<b>5,194</b>
<b>Cash and Cash Equivalents (Opening Balance)</b>	<b>48,879</b>	<b>43,685</b>
<b>Cash and Cash Equivalents (Closing Balance)</b>	<b>49,636</b>	<b>48,879</b>

- (i) The cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS – 7 "Cash Flow Statements" Figures in bracket indicate outflows.
- (ii) Following transactions not involving cash flow are not considered for preparation of above cash flow statement:
- Increase in share capital and other Equity of ₹ 152 Lakhs (₹ 298 Lakhs previous year) on account of Conversion of Foreign Currency Convertible Bonds Series B2.
  - Realisation of ₹ 2,010 Lakhs (₹ 1,391 Lakhs in previous year) by lenders by way of sale of pledged equity shares Refer note 18.1(d)
- (iii) Changes in liabilities arising from financing activities on account of non current and current borrowings (including current maturities of non current borrowings)

Particulars	March 31, 2023	March 31, 2022
Opening Balance	402,977	434,573
Change from financing cash flows paid	(33,500)	(28,000)
Changes on account of conversion to equity and extinguishment	(152)	(339)
Changes on account of Reduction in debt due to sale of pledged Shares invoked by Lenders	(2,010)	(1,391)
Changes on account of changes in foreign exchange rates	5,365	1,252
Changes on account of measurement of financial liabilities at amortised cost	(5,608)	(3,118)
Closing Balance	367,072	402,977

- (iv) Previous year's figures have been regrouped / rearranged wherever necessary to make them comparable with those of current year.

As per our report of even date  
For **PATHAK HD & ASSOCIATES**  
Chartered Accountants  
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For and on behalf of the Board of Directors  
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Chief Financial Officer

Mumbai  
Date: May 11, 2023

**NITESH MHATRE**  
Company Secretary  
Membership No:A18487



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

### (A) EQUITY SHARE CAPITAL

Particulars	Number	₹ In Lakhs
Equity Shares of INR 10 each issued, subscribed and fully paid		
<b>Balance as at April 1, 2021</b>	<b>12,496,593,200</b>	<b>1,249,659</b>
Issued during the Year		
– On conversion of Foreign Currency Convertible Bonds		
– On Series B1	120,148,146	12,015
– On Series B2	2,976,833	298
– On Series B3	3,608,677	361
<b>Balance as at April 1, 2022</b>	<b>12,623,326,856</b>	<b>1,262,333</b>
Issued during the Year		
– On conversion of Foreign Currency Convertible Bonds		
– On Series B1	33,705,961	3,371
– On Series B2	1,517,728	152
– On Series B3	12,552,201	1,255
<b>Balance as at March 31, 2023</b>	<b>12,671,102,746</b>	<b>1,267,110</b>

### (B) OTHER EQUITY

₹ in Lakhs

Particulars	Equity Component of Compound Financial Instruments	Reserves & Surplus				Other Comprehensive Income	Other equity
		Reconstruction Reserve	Capital Reserve	Equity Contribution due to pledged shares invoked by Lenders	Securities premium	Retained earnings	
<b>Balance as at April 1, 2021</b>	<b>41,792</b>	<b>1,993</b>	<b>1,846</b>	<b>–</b>	<b>60,667</b>	<b>(1,484,516)</b>	<b>(151) (1,378,369)</b>
– On conversion of Foreign Currency Convertible Bonds to Equity (Transfer to Share Capital)	–	–	–	–	–	–	–
– Pursuant to the scheme of arrangement	–	–	–	–	–	–	–
– Series B1 & Series B3 Compulsorily Convertible Bonds (Refer Note No. 22.1)	(12,376)	–	–	–	–	–	(12,376)
Other Equity (Global Holding Corporation Ltd)	–	–	–	1,391	–	–	1,391
Remeasurement of the defined benefit plans for the Year	–	–	–	–	–	(147,467)	(66) (147,533)
<b>Balance as at March 31, 2022</b>	<b>29,417</b>	<b>1,993</b>	<b>1,846</b>	<b>1,391</b>	<b>60,667</b>	<b>(1,631,984)</b>	<b>(218) (1,536,887)</b>
– On conversion of Foreign Currency Convertible Bonds to Equity	–	–	–	–	–	–	–
– Series B1 & Series B3 Compulsorily Convertible Bonds (Refer Note No. 22.1)	(4,626)	–	–	–	–	–	(4,626)
Other Equity (Global Holding Corporation Ltd)	–	–	–	2,010	–	–	2,010
Remeasurement of the defined benefit plans for the Year	–	–	–	–	–	(181,691)	9 (181,682)
<b>Balance as at March 31, 2023</b>	<b>24,791</b>	<b>1,993</b>	<b>1,846</b>	<b>3,401</b>	<b>60,667</b>	<b>(1,813,675)</b>	<b>(209) (1,721,184)</b>

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Company Secretary  
Membership No:A18487

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 1. CORPORATE INFORMATION

GTL Infrastructure Limited (GIL, the Company, erstwhile standalone company) is domiciled and incorporated in India under the provision of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The registered office of the Company is located at Global Vision, 3<sup>rd</sup> Floor, Electronic Sadan II, MIDC TTC Industrial Area, Mahape, Navi Mumbai— 400 710, India.

The Company is in the business of passive infrastructure sharing which is based on building, owning, operating and maintaining passive telecom infrastructure sites capable of hosting active network components of various technologies of multiple telecom operators as well providing energy management solutions.

### 2. BASIS OF PREPARATION AND PRESENTATION

The financial statements of the Company have been prepared on a going concern basis in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value
- Defined Benefit Plans— measured at Fair Value

The preparation of the financial statements requires management to make estimates and underlying assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years.

The Company's financial statements are presented in lakhs of Indian Rupees (INR) which is its functional and presentation currency. All values are rounded off to the nearest lakh, except when otherwise indicated.

### 2 (A) Significant Accounting Policies

#### 2.1. Property, Plant & Equipment

- Property, plant and equipment, including Capital work in progress are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost, any cost directly attributable to bringing the assets to its working condition for its intended use, net changes on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. On transition to IND AS, the Company had elected to continue with the previous GAAP carrying values as deemed cost for all items of property, plant and equipment.
- The tangible assets at the cellular sites, which are ready to use in the first fifteen days of a month are capitalised on the fifteenth day of that month, whereas, if they are ready to use in the second half of a month, they are capitalised on the last day of that month

- Advances paid towards acquisition of property, plant & equipment are disclosed as Capital Advances under Loans and Advances and cost of assets not ready for use before the year—end, are disclosed as capital work in progress.
- Depreciation on following assets is provided to the extent of depreciable amount on Straight Line Method over the useful life of the assets as prescribed in schedule II to the Companies Act, 2013 except in respect of following Fixed Assets where the assessed useful life is different than that prescribed in Schedule II.

Asset	Years
Network Operation Assets	9
Air Conditioners	9
Battery Bank	3
Other Electrical and Power Supply Equipment	9
Office Equipment	3
Furniture and fittings	5
Vehicles	5
Diesel Generators	15

The management believes that the useful lives as given above represent the period over which these assets are expected to be used

- The towers have been depreciated on straight line method at the rate of 2.72% per annum based on useful life of 35 years in terms of specific approval received from the Ministry of Corporate Affairs, Government of India vide Order no.45/2/2010—CL—III dated May 26, 2010 issued under Section 205(2)(d) of the Companies Act, 1956. The approval continues to be valid vide letter no.51/9/2014—CL—III dated September 19, 2014 received from Ministry of Corporate Affairs, Government of India.
- Further, In respect of Fixed Assets whose actual cost does not exceed ₹ 5,000, depreciation is provided at 100% in the year of addition
- The leasehold improvements have been depreciated over the lease period.
- The revised carrying amount of the assets identified as impaired have been depreciated over residual useful life of the respective assets
- The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- Gains or losses arising from disposal (dismantling/sale/retirement/loss due to theft by unknown miscreants) of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed.

#### 2.2. Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition,

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on investment properties is provided using straight line method over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation of investment properties are reviewed at each financial year end and impact of change, if any is adjusted prospectively. The effects of any revision are included in the statement of profit and loss when the changes arises.

Though the Company measures investment properties using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of de-recognition.

### 2.3. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and impairment loss, if any. The cost comprises purchase price, borrowing cost, and any cost directly attributable to bringing the asset to its working condition for the intended use. On transition to IND AS, the Company had elected to continue with the previous GAAP carrying values as deemed cost.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and loss when the asset is derecognised.

The Company amortises intangible assets using the straight line method based on useful lives estimated by the management as mentioned below:

Computer Software	3 years
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### 2.4. Impairment of Non-Financial Assets including Investment property

At each balance sheet date, the Company assesses whether there is any indication that any property, plant & equipment and intangible asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

For the purpose of impairment testing, the recoverable amount 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 Cash Generating Units (CGUs) to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are 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 asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately

in the Statement of profit and loss. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### 2.5. Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis and includes cost of purchase and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### 2.6. Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks, on hand, cheques in hand, funds in transit and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 2.7. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### I) Financial assets

##### A. Initial recognition and measurement

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss are adjusted to the fair value on initial recognition. Purchase and sale of financial asset are recognised using trade date accounting i.e. the date that the Company commits to purchase or sell the asset.

##### B. Subsequent measurement

##### i) Financial Assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect the contractual cash flows and the contractual terms of the financial asset give rise on the specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category applies to Trade and other receivables, Security deposits, Other advance, Loan and advances to related parties, Unbilled Income, Interest Receivable etc.

##### ii) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at Fair Value through other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

iii) **Financial Assets at Fair Value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss

C. **Equity investments**

All equity investments other than investment in Subsidiary and Associate are measured at fair value, with value changes recognised in Statement of Profit and loss except for those equity investments for which the Company has elected to present the value changes in 'other comprehensive income'.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

D. **Investment in subsidiaries and associates**

The Company accounts for its investments in subsidiaries and associates at cost in financial statements

E. **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

F. **Impairment of financial assets**

In accordance with IND AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there

is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used to recognising impairment loss allowance based on 12-month ECL.

II. **Financial liabilities**A. **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

B. **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

a) **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IND AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liabilities are recognised in the statement of profit and loss. The Company has not designated any financial liability at fair value through profit or loss.

b) **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised or through the EIR amortisation process.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Amortised cost is calculated by taking into account any discount or premium on acquisition/redemption and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

### c) Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognised less cumulative amortisation.

### d) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

## III. Embedded derivatives

An embedded derivative is a component of a hybrid (combined) contract that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of IND AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in IND AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or

loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

## IV. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

## V. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 2.8. Provisions, Contingent Liabilities, Contingent Assets and Commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

## 2.9. Fair value measurement

"The Company measures financial instruments at fair value at each balance sheet date.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability."

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

### 2.10. Revenue recognition

The Company's revenue primarily consists of revenue for use of infrastructure facilities on individual / sharing basis and energy revenue for the provision of energy for operations of sites.

Revenue for use of infrastructure (which is termed as "Revenue from Telecom / Network Infrastructure Facilities") is governed by IND AS 116. The same is recognized as and when services are rendered, on a monthly basis as per the contractual terms under agreements entered with customers. The Company has ascertained that the revenue for use of infrastructure facilities is structured to increase in line with expected inflationary increase in cost of the Company and hence, not straight-lined.

Effective April 1, 2018, the Company has applied IND AS 115 "Revenue from Contracts with Customers" which establishes a comprehensive framework to depict timing and amount of revenue to be recognised. The Company has adopted IND AS 115 using cumulative effect method, where any effect arising upon application of this standard is recognised as at the date of initial application i.e. April 1, 2018. Company's revenue for provision of energy for operation of sites is governed by IND AS 115; Company's revenue from use of infrastructure facilities, which is covered in leases is specifically excluded from the Scope of IND AS 115.

Energy revenue is recognized over the period on a monthly basis upon satisfaction of performance obligation as per contracts with the customers. The transaction price is the consideration received from customers based on prices agreed as per the contract with the customers. The determination of standalone selling prices is not required as the transaction prices are stated in the contract based on the identified performance obligation.

The Company provides sharing benefits to its customers based on slab defined in the revenue contracts. Contract also contains clause on Service Level Agreements (SLAs) penalty/rewards, dependent upon the achievement of network uptime level as mentioned in the contract. The Company estimates SLA penalty/rewards at each month end and considers the impact of the same in the revenue.

Revenues in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred as unearned revenue).

Revenue from reimbursement of property tax is recognized over the period on a monthly basis upon satisfaction of performance obligation as per contracts with the customers. The transaction price is the consideration received from customers based on prices agreed as per the contract with the customers.

### Interest income

Interest Income from financial assets is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### Dividends

Income from dividends is recognised when the Company's right to receive the dividend has been established.

### 2.11. Leases

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### i. Company as a lessee

##### Operating lease:

Effective April 1, 2019, the Company has adopted Ind AS- 116 "Leases" under modified retrospective approach without adjustment of comparatives and has considered a Right of Use (ROU) Assets and corresponding lease liabilities.

The Company recognizes 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. 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 asset is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. 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. For

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

leases with reasonably similar characteristics, the Company may adopt the incremental borrowing rate for the entire portfolio of leases as a whole. 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 remeasurement of lease liability as an adjustment to the right-of-use asset. 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 recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Company elects not to apply the requirements of Ind AS 116 to Short term leases or the leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as expense on either a straight line basis over lease term or another systematic basis. The Company has opted to recognize the asset retirement obligation liability as part of the cost of an item of property, plant and equipment in accordance with Ind AS16.

### ii. Company as a lessor

#### Operating lease:

Rental income from operating lease is recognised on a straight line basis over the lease term unless payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected increase in inflationary cost; such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as the lease income.

Contingent rents are recognised as revenue in the period in which they are earned.

### 2.12. Employee benefits

#### Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by the employees are recognised as an expense during the year when the employees render the services.

#### Post-Employment Benefits

##### Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Pension Scheme. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

#### Defined Benefit Plan

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employee's services.

Re-measurement of defined benefit plans in respect of post-employment benefits are charged to the other Comprehensive Income.

### 2.13. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transactions.

### 2.14. Borrowing Costs

Borrowing Costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### 2.15. Taxes

Tax expense represents the sum of current tax (including income tax for earlier years) and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 2.16. Earnings per share

The earnings considered in ascertaining the Company's Earnings Per Share (EPS) is the net profit/ (loss) after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period/year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

### 2.17. Current and Non-Current Classification

"The Company presents assets and liabilities in statement of financial position based on current/non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs (MCA)."

"An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current."

"A liability is classified as current when it is:

- Expected to be settled in normal operating cycle,
- Held primarily for the purpose of trading,
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current."

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its operating cycle.

### 2(B) Recent accounting pronouncements

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023.

Ind AS 1 – Presentation of Financial Statements

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

Ind AS 12 – Income Taxes

Ind AS 34 – Interim Financial Reporting

Ind AS 107 – Financial Instruments Disclosures

Ind AS 109 – Financial Instruments

Ind AS 115 – Revenue from Contract with Customers

Application of above amended standards are not expected

to have any significant impact on the Company's financial statements

### 2(C) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### a) Operating Lease

##### 1. As Lessor

The Company has assessed that its master service agreement ("MSA") with operators contains lease of its tower sites and plant and equipment and has determined, based on evaluation of the terms and conditions of the arrangements such as various lessees sharing the same tower sites with specific area, the fair value of the asset and all the significant risks and rewards of ownership of these properties retained by the Company, that such contracts are in the nature of operating lease and has accounted for as such.

The Company has ascertained that the annual escalations in the lease payment received under the MSA are structured to compensate the expected inflationary increase in cost and therefore has not been straight-lined

##### 2. As Lessee

The Company has assessed that agreements entered with the landlords contain lease of the underlying space based on evaluation of terms and conditions of the contracts with landlords and are accounted for as such under Ind AS 116

#### b) Revenue Recognition

The Company's revenue primarily consists of revenue for use of infrastructure facilities (Rentals) and energy revenue for the provision of energy for operations of sites. Rentals are not covered within the scope of IND AS 115, hence identification of distinct performance obligation within IND AS 115 do not involve significant judgement.

Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company provides sharing benefits to its customers based on slab defined in the revenue contracts. Contract also contains clause on Service Level Agreements (SLAs) benefits/penalties dependent upon achievement of network uptime level as mentioned in the contract.

These benefits/SLA penalties are called variable consideration. There is no additional impact of variable consideration as per IND AS 115 since maximum



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

benefit is already being given to customer and the same is deducted from revenue. There is no additional impact of SLA as the Company already estimates SLA penalty amount and the same is provided for at each month end. This SLA is presented as net off with revenue in the Statement of profit and loss.

**c) Depreciation and useful lives of property plant and equipment**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

**d) Recoverability of trade receivable:**

Judgements are required in assessing the recoverability of trade receivables and determining whether a provision against those receivables is required. Factors considered in assessing the recoverability of trade receivables include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**e) Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take in the future years, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

**f) Impairment of non-financial assets including investment property:**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are

taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**g) Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**h) Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**i) Fair value measurement of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**j) Taxes**

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and the level of future taxable income together with future tax planning strategies. The Company does not expect availability of future taxable income sufficient to utilise its deferred tax assets. Further details on taxes are disclosed in note 44.

**k) Asset retirement obligations**

The Company has recognised a provision for asset retirement obligations associated with telecommunication towers. Such Provision is recognised in respect of the costs for dismantling of infrastructure equipment and restoration of sites under operating leases, which are expected to be incurred at the end of the lease term, based on the estimate provided by the internal technical experts. In determining the fair value of such provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs.

The Company estimates that the costs would be incurred at the end of the lease term and calculates the provision using the DCF method based on the discount rate that approximates interest rate of risk free borrowings and current estimate of asset retirement obligation duly adjusted for expected inflationary increase in related costs.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 3. (a) Property, Plant and Equipment (PPE)

₹ in Lakhs

Particular	Tangible Assets						Total
	Land	Buildings	Plant and Equipments	Office Equipments	Furniture & Fixtures	Vehicles	
<b>COST</b>							
<b>As at April 1, 2021</b>	<b>644</b>	<b>34,777</b>	<b>951,885</b>	<b>97</b>	<b>438</b>	<b>119</b>	<b>987,960</b>
Additions	—	115	8,394	1	—	23	8,533
Less: Deductions*	—	611	17,379	—	—	—	17,990
<b>As at March 31, 2022</b>	<b>644</b>	<b>34,281</b>	<b>942,900</b>	<b>98</b>	<b>438</b>	<b>142</b>	<b>978,503</b>
Additions	—	—	8,606	7	—	—	8,613
Less: Deductions*	—	5,482	134,335	—	—	—	139,817
<b>As at March 31, 2023</b>	<b>644</b>	<b>28,799</b>	<b>817,171</b>	<b>105</b>	<b>438</b>	<b>142</b>	<b>847,299</b>
<b>DEPRECIATION AND AMORTISATION</b>	<b>—</b>	<b>25,929</b>	<b>286,715</b>	<b>52</b>	<b>52</b>	<b>80</b>	<b>312,828</b>
Up to April 1, 2021							
Depreciation for the Year	—	1,331	37,461	13	65	12	38,882
Less: Deductions*	—	476	9,870	—	—	—	10,346
<b>DEPRECIATION AND AMORTISATION Up to March 31, 2022</b>	<b>—</b>	<b>26,785</b>	<b>314,305</b>	<b>65</b>	<b>117</b>	<b>92</b>	<b>341,364</b>
Depreciation for the Year	—	805	37,517	15	82	17	38,436
Less: Deductions*	—	4,805	74,951	—	—	—	79,756
<b>DEPRECIATION AND AMORTISATION Up to March 31, 2023</b>	<b>—</b>	<b>22,785</b>	<b>276,871</b>	<b>80</b>	<b>199</b>	<b>108</b>	<b>300,044</b>
<b>IMPAIRMENT</b>	<b>—</b>	<b>3,174</b>	<b>180,343</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>183,517</b>
Up to April 1, 2021							
Add: Impairment	—	609	65,737	—	—	—	66,346
Less: Deductions*	—	88	5,026	—	—	—	5,114
<b>IMPAIRMENT Up to March 31, 2022</b>	<b>—</b>	<b>3,695</b>	<b>241,054</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>244,749</b>
Add: Impairment	—	1,303	57,351	—	—	—	58,654
Less: Deductions*	—	322	20,981	—	—	—	21,303
<b>IMPAIRMENT Up to March 31, 2023</b>	<b>—</b>	<b>4,676</b>	<b>277,424</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>282,100</b>
<b>CARRYING VALUE</b>							
<b>As at March 31, 2022</b>	<b>644</b>	<b>3,801</b>	<b>387,540</b>	<b>33</b>	<b>321</b>	<b>50</b>	<b>392,389</b>
<b>As at March 31, 2023</b>	<b>644</b>	<b>1,338</b>	<b>262,876</b>	<b>25</b>	<b>239</b>	<b>34</b>	<b>265,154</b>

\* Includes deduction on account of sale of scrap, receipt of insurance claim, theft of fixed assets by Landlords/unknown miscreants etc.

- 3 (a) (i) Buildings include properties having carrying value of ₹ 504 Lakhs (Previous year ₹ 514 Lakhs) for which deeds of conveyance have yet to be executed in favour of the Company and ₹ 0.07 Lakhs (Previous year ₹ 0.07 Lakhs) towards cost of 70 shares of ₹ 100 each in a Co-operative Housing Society
- 3 (a) (ii) Buildings includes Land related properties and Boundary Wall at Sites having carrying value of ₹ 4,978 Lakhs (Previous year ₹ 5,154 Lakhs).
- 3 (a) (iii) Property, Plant and Equipment (PPE) includes assets mortgaged as security (Refer Note No. 18.2)
- 3 (a) (iv) The Company, in accordance with the Indian Accounting Standard (Ind AS 36) 'Impairment of Assets', performed an impairment test based on current expectations of the impact of recent developments in telecom Sector on projected cash flows in tower business. The Carrying value of these assets exceeds its value in use and accordingly an impairment loss of Building ₹ 1,303 Lakhs and Plant & Equipments ₹ 57,351 lakhs has been recognized for the year ended March 31, 2023 and the same has been disclosed as exceptional item (previous year Building ₹ 609 Lakhs and Plant & Equipments ₹ 65,737 lakhs).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 3. (b) Right-of-use Assets

		₹ in Lakhs
Particulars	Right-of-use Assets	
<b>COST</b>		
As at April 1, 2021		75,337
Additions		15,167
Less: Deductions		3,322
<b>As at March 31, 2022</b>		<b>87,182</b>
Additions		6,618
Less: Deductions		5,274
<b>As at March 31, 2023</b>		<b>88,526</b>
<b>DEPRECIATION / AMORTISATION / IMPAIRMENT</b>		
Up to April 1, 2021		18,662
Depreciation Charged For The Year		11,369
Less: Deductions		2,971
<b>Upto March 31, 2022</b>		<b>27,060</b>
Depreciation Charged For The Year		11,843
Less: Deductions		4,110
<b>Upto March 31, 2023</b>		<b>34,793</b>
<b>CARRYING VALUE</b>		
<b>As at March 31, 2022</b>		<b>60,122</b>
<b>As at March 31, 2023</b>		<b>53,733</b>

### 3. (c) Investment Property

		₹ in Lakhs
Particulars	Buildings	
<b>COST</b>		
As at April 1, 2021		4,105
Additions		—
Less: Deductions		—
<b>As at March 31, 2022</b>		<b>4,105</b>
Additions		—
Less: Deductions		—
<b>As at March 31, 2023</b>		<b>4,105</b>
<b>DEPRECIATION / AMORTISATION / IMPAIRMENT</b>		
Up to April 1, 2021		936
Depreciation Charged For The Year		68
Less: Deductions		—
<b>Upto March 31, 2022</b>		<b>1,004</b>
Depreciation Charged For The Year		68
Less: Deductions		—
<b>Upto March 31, 2023</b>		<b>1,072</b>
<b>CARRYING VALUE</b>		
<b>As at March 31, 2022</b>		<b>3,101</b>
<b>As at March 31, 2023</b>		<b>3,033</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 3 (c) (i) Information regarding Income and Expenditure of Investment Property :

	₹ in Lakhs	
Particulars	As at March 31, 2023	As at March 31, 2022
Rental Income derived from investment property	259	242
Re-imbursement of Expenses	—	—
Less: Direct Operating Expenses (Including repairs & maintenance) generating rental income	(25)	(19)
Income arising from investment property before depreciation	234	223
Less: Depreciation for the year	(68)	(68)
<b>Income from Investment Property (Net)</b>	<b>166</b>	<b>155</b>

3 (c) (ii) The Company's Investment Property as at March 31, 2023 consists of Building as mentioned above

3 (c) (iii) The Fair Value of the Property as at March 31, 2023 are ₹ 3,968 Lakhs (Previous year – ₹ 3,710 Lakhs)

The fair value is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers & Valuation) Rules, 2017

The fair value measurement is categorised in Level 3 fair value hierarchy.

3 (c) (iv) Specific Charge – Banks, Financial Institutions and Asset Reconstruction Trust of the erstwhile standalone Company continue to have specific charge.

## 3. (d) Intangible Assets\*

	₹ in Lakhs		
Particulars	Software Licenses	Customers Contract	Total
<b>COST</b>			
<b>As at April 1, 2021</b>	<b>249</b>	<b>73,622</b>	<b>73,871</b>
Additions	2	—	2
Less: Deductions	—	—	—
<b>As at March 31, 2022</b>	<b>251</b>	<b>73,622</b>	<b>73,873</b>
Additions	101	—	101
Less: Deductions	—	—	—
<b>As at March 31, 2023</b>	<b>353</b>	<b>73,622</b>	<b>73,974</b>
<b>DEPRECIATION AND AMORTISATION</b>	248	14,427	14,675
<b>IMPAIRMENT</b>	—	59,195	59,195
Up to April 1, 2021	—	—	—
Depreciation Charged For The Year	1	—	1
Less: Deductions	—	—	—
Add: Impairment	—	—	—
<b>DEPRECIATION AND AMORTISATION Up to March 31, 2022</b>	<b>248</b>	<b>14,427</b>	<b>14,676</b>
<b>IMPAIRMENT Up to March 31, 2022</b>	<b>—</b>	<b>59,195</b>	<b>59,195</b>
Depreciation Charged For The Year	11	—	11
Less: Deductions	—	—	—
Add: Impairment	—	—	—
<b>DEPRECIATION AND AMORTISATION Up to March 31, 2023</b>	<b>259</b>	<b>14,427</b>	<b>14,686</b>
<b>IMPAIRMENT Up to March 31, 2023</b>	<b>—</b>	<b>59,195</b>	<b>59,195</b>
<b>CARRYING VALUE</b>			
<b>As at March 31, 2022</b>	<b>3</b>	<b>—</b>	<b>3</b>
<b>As at March 31, 2023</b>	<b>93</b>	<b>—</b>	<b>93</b>

\* Other than Internally generated

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**
**3. (e) Following Property, Plant & Equipment are not in the name of the Company as on March 31, 2023**

Relevant Line Item of Balance Sheet	Descriptions of Items of Property	Title deeds held in the name of	Gross Carrying Value (₹ In Lakhs)	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
<b>Property, Plant &amp; Equipment (PPE)</b>	<b>BUILDING : -</b>					
1	Clover Village, Plot No.1, Village - Wanowarie, Havelli, Pune	Owned - GTL	504	GTL Limited is promoter of the Company	June 29, 2006	The Company has made necessary application for effecting change in name before appropriate authority
	<b>Total of Building (A)</b>		<b>504</b>			
<b>Property, Plant &amp; Equipment (PPE)</b>	<b>Right of Use Assets (ROU)</b>					
2	Andhra Pradesh (89 Sites)	Owned - CNIL	67	Not Applicable	December 22, 2017	During the year 2018, erstwhile Chennai Network Infrastructure Limited (CNIL) merged with the Company with an appointed date of April 1, 2016 pursuant to the Scheme of Arrangement of merger post approval of the scheme by the National Company Law Tribunal (Mumbai) & National Company Law Tribunal (Chennai). Shut down/exit of 14 telecom customers resulted into abandonment of more than 14,000 towers of the Company by them, making such towers unoccupied and loss of revenue towards the Infrastructure Provisioning Fees/Rental on such towers. In view of above, the rental to landlords related to unoccupied towers remained unpaid. The lease agreement in such cases will be executed in the name of the Company once there is addition of new tenant. In case of occupied sites, lease agreements will be executed in the name of the Company once they fall due for renewal.
	Assam (207 Sites)		652			
	Bihar (424 Sites)		636			
	Chennai (319 Sites)		968			
	Delhi (451 Sites)		3,743			
	Himachal Pradesh (84 Sites)		391			
	Jammu & Kashmir (202 Sites)		528			
	Jharkhand (88 Sites)		202			
	Karnataka (408 Sites)		372			
	Kerala (250 Sites)		1,203			
	Maharashtra (31 Sites)		144			
	Mumbai (3 Sites)		7			
	North East (77 Sites)		216			
	Orissa (254 Sites)		244			
	Tamil Nadu (470 Sites)		946			
	Uttar Pradesh (Lucknow) (492 Sites)		1,218			
	Uttar Pradesh (Meerut) (618 Sites)		1,773			
	West Bengal (370 Sites)		1,345			
	<b>Total of ROU (B)</b>		<b>14,655</b>			
	<b>Total of PPE (A+B)</b>		<b>15,159</b>			

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note – 3 (e) Following Property, Plant &amp; Equipment are not in the name of the Company as on March 31, 2022

Relevant Line Item of Balance Sheet	Descriptions of Items of Property	Title deeds held in the name of	Gross Carrying Value (₹ In Lakhs)	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant & Equipment 1	<b>BUILDING : –</b> Clover Village, Plot No.1, Village – Wanowarie, Havelli, Pune	Owned – GTL Limited	595	GTL Limited is promoter of the Company	June 29, 2006	The Company has made necessary application for effecting change in name before appropriate authority
	<b>Total of Building (A)</b>		595			
	<b>LAND (FREEHOLD)</b>					
Property, Plant & Equipment 2	Land – Plot no. 33, Mouje Zaap, Sudagad Taluka, Raigad District	Owned – CNIL	38	Not Applicable	December 22, 2017	Erstwhile Chennai Network Infrastructure Limited is merged with the Company and the Company has made necessary application for effecting change in name before appropriate authority
	<b>Total of Land (B)</b>		38			
	<b>Right of Use Assets (ROU)</b>					
Property, Plant & Equipment (PPE)	Andhra Pradesh (90 Sites)	Owned – CNIL	116	Not Applicable	December 22, 2017	During the year 2018, erstwhile Chennai Network Infrastructure Limited (CNIL) merged with the Company with an appointed date of April 1, 2016 pursuant to the Scheme of Arrangement of merger post approval of the scheme by the National Company Law Tribunal (Mumbai) & National Company Law Tribunal (Chennai). Shut down/exit of 14 telecom customers resulted into abandonment of more than 14,000 towers of the Company by them, making such towers unoccupied and loss of revenue towards the Infrastructure Provisioning Fees/Rental on such towers. In view of above, the rental to landlords related to unoccupied towers remained unpaid. The lease agreement in such cases will be executed in the name of the Company once there is addition of new tenant. In case of occupied sites, lease agreements will be executed in the name of the Company once they fall due for renewal.
	Assam (208 Sites)		887			
	Bihar (429 Sites)		972			
	Chennai (352 Sites)		1,754			
	Delhi (452 Sites)		4,628			
	Himachal Pradesh (85 Sites)		457			
	Jammu & Kashmir (206 Sites)		797			
	Jharkhand (88 Sites)		322			
	Karnataka (409 Sites)		840			
	Kolkata (1 Sites)		12			
	Kerala (251 Sites)		1,419			
	Maharashtra (31 Sites)		177			
	Mumbai (7 Sites)		23			
	North East (78 Sites)		274			
	Orissa (258 Sites)		446			
	Tamil Nadu (485 Sites)		1,634			
	Uttar Pradesh (Lucknow) (495 Sites)		1,427			
	Uttar Pradesh (Merut) (620 Sites)		2,102			
	West Bengal (373 Sites)		1,720			
	<b>Total of ROU (C)</b>		20,007			
	<b>Total of PPE (A+B+C)</b>		20,640			

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 4. NON-CURRENT FINANCIAL ASSETS – INVESTMENTS

(Long-term, Trade)

₹ In Lakhs

Particulars	Number		Face Value (₹)	As at March 31, 2023	As at March 31, 2022
	As at March 31, 2023	As at March 31, 2022			
Carried at Fair Value through Profit & Loss					
Unquoted, Fully Paid-up					
Others					
(i) 0.01% Non-Participating Optionally Convertible Cumulative Preference Shares (OCPS) in GTL Limited.	650,000,000	650,000,000	10.00	—	—
<b>TOTAL</b>				<b>—</b>	<b>—</b>
4.1 Aggregate Amount of Unquoted Investments				—	—
4.2 Total Financial Assets Carried at Fair Value Through Profit & Loss				—	—
4.3 Refer Note No. 2.7 for basis of valuation					

### 5. OTHER FINANCIAL ASSETS

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Security Deposit –</b>		
<b>Others</b>		
– Considered good	6,317	8,765
– Which have significant increase in credit risk	104	174
– Credit impaired	—	—
	<b>6,421</b>	<b>8,939</b>
Less : Provision for expected credit loss	<b>104</b>	<b>174</b>
	<b>6,317</b>	<b>8,765</b>
Fixed Deposits with Banks held as Security	<b>108</b>	<b>106</b>
Bank deposits with more than 12 months maturity	<b>1</b>	<b>5</b>
<b>Total</b>	<b>6,426</b>	<b>8,876</b>

### 6. OTHER NON-CURRENT TAXES

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income-tax	<b>10,168</b>	6,235
<b>Total</b>	<b>10,168</b>	<b>6,235</b>

### 7. OTHER NON-CURRENT ASSETS

(Unsecured, Considered good unless otherwise stated)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Capital advances –</b>		
<b>Others</b>		
– Considered good	112	802
– Considered Doubtful	<b>97</b>	<b>97</b>
	<b>209</b>	<b>899</b>
Less: Provision for doubtful advances	<b>97</b>	<b>97</b>
	<b>112</b>	<b>802</b>
Prepaid Expenses	<b>300</b>	<b>409</b>
Other Deposits	<b>1,199</b>	<b>1,376</b>
Other Advance*	<b>1,606</b>	<b>1,595</b>
<b>Total</b>	<b>3,217</b>	<b>4,182</b>

\* Mainly includes amount paid under protest to Indirect Tax Authorities.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 8. INVENTORIES

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Stores, Spares and Consumables	447	469
<b>Total</b>	<b>447</b>	<b>469</b>

Refer Note No. 2.5 for basis of valuation

## 9. CURRENT FINANCIAL ASSETS – INVESTMENTS

(Other than Trade)

₹ In Lakhs

Particulars	Number		Face Value (₹)	Fair Value	
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2022
Investment (Carried at Fair Value through Profit & Loss)					
Unquoted					
In Unit of Mutual Funds					
HDFC ULTRA SHORT TERM FUND – REGULAR GROWTH	35,392,030	35,392,030	10	4,573	4,345
ICICI PRUDENTIAL LIQUID FUND – GROWTH	527,066	527,066	100	1,743	1,651
ICICI PRUDENTIAL OVERNIGHT FUND GROWTH	46,644	466,442	1,000	561	533
TOTAL				6,877	6,529

**Note:**

9.1 Aggregate Amount of Unquoted Investments	6,877	6,529
9.2 Total Financial Assets Carried at Fair Value Through Profit & Loss	6,877	6,529
9.3 Refer Note No. 2.7 for basis of valuation		

## 10. TRADE RECEIVABLES

(Unsecured and subject to confirmation)

₹ In Lakhs

Particulars	As At March 31, 2023	As At March 31, 2022
Trade Receivables		
– Considered good (Secured)	–	–
– Considered good (Unsecured)	13,074	8,647
– Which have significant increase in credit risk	–	–
– Credit impaired	36,727	27,521
	<b>49,801</b>	<b>36,168</b>
Less : Provision for expected credit loss – Credit impaired	<b>36,727</b>	<b>27,521</b>
	<b>13,074</b>	<b>8,647</b>
<b>Total</b>	<b>13,074</b>	<b>8,647</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 10.1(a) Trade Receivables aging schedule as on March 31, 2023

₹ In Lakhs

Particulars	Outstanding for following periods from due date of payment/date of transaction						Total
	Not Due	Less Than 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	More than 3 years	
(i) Undisputed Trade receivables – Considered good (Unsecured)	571	12,425	66	12	–	–	13,074
(ii) Undisputed Trade receivables – Which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Undisputed Trade receivables – Credit impaired	–	–	1,425	916	166	125	2,632
(iv) Disputed Trade receivables – Considered good (Unsecured)	–	–	–	–	–	–	–
(v) Disputed Trade receivables – Which have significant increase in credit risk	–	–	–	–	–	–	–
(vi) Disputed Trade receivables – Credit impaired	–	2,667	3,388	1,228	45	26,767	34,095
	<b>571</b>	<b>15,092</b>	<b>4,880</b>	<b>2,156</b>	<b>211</b>	<b>26,892</b>	<b>49,801</b>
Less: Provision for expected credit loss – Credit impaired	–	(2,667)	(4,813)	(2,144)	(211)	(26,892)	(36,727)
<b>Total</b>	<b>571</b>	<b>12,425</b>	<b>66</b>	<b>12</b>	<b>–</b>	<b>–</b>	<b>13,074</b>

### 10.1(b) Trade Receivables aging schedule as on March 31, 2022

₹ In Lakhs

Particulars	Outstanding for following periods from due date of payment/date of transaction						Total
	Not Due	Less Than 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	More than 3 years	
(i) Undisputed Trade receivables – Considered good	740	7,907	–	–	–	–	8,647
(ii) Undisputed Trade receivables – Which have significant increase in credit risk	–	–	–	–	–	–	–
(iii) Undisputed Trade receivables – Credit impaired	–	179	382	104	223	92	980
(iv) Disputed Trade receivables – Considered good	–	–	–	–	–	–	–
(v) Disputed Trade receivables – Which have significant increase in credit risk	–	–	–	–	–	–	–
(vi) Disputed Trade receivables – Credit impaired	–	–	–	–	1,918	24,623	26,541
	<b>740</b>	<b>8,087</b>	<b>382</b>	<b>104</b>	<b>2,141</b>	<b>24,715</b>	<b>36,168</b>
Less: Provision for expected credit loss – Credit impaired	–	(179)	(382)	(104)	(2,141)	(24,715)	(27,521)
<b>Total</b>	<b>740</b>	<b>7,907</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>8,647</b>

## 11. CASH AND CASH EQUIVALENTS

₹ In Lakhs

Particulars	As At March 31, 2023	As At March 31, 2022
Cash and cash equivalents		
Balances with Banks:		
– in current accounts*	49,636	48,878
Cash on hand (0 Value stands for ₹ 13,564)	0	1
	<b>49,636</b>	<b>48,879</b>
<b>Total</b>	<b>49,636</b>	<b>48,879</b>

\* The above balance includes ₹ 13,591 Lakhs (Previous year ₹ 10,910 Lakhs) in process of utilisation mainly in Cash Management System (CMS) Account which is used for Operational purpose.

(Further, Refer Note No. 36)

11.1 Cash and Cash Equivalents (As per Cash Flow Statement)

49,636 48,879

## 12. OTHER BANK BALANCES

₹ In Lakhs

Particulars	As At March 31, 2023	As At March 31, 2022
Margin Money	119	110
Fixed Deposits with Banks		
(0 Value stands for ₹ 3,545)	–	0
	<b>119</b>	<b>110</b>
<b>Total</b>	<b>119</b>	<b>110</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 13. OTHERS CURRENT FINANCIAL ASSETS

₹ In Lakhs

Particulars	As At March 31, 2023	As At March 31, 2022
<b>Security Deposits</b>		
– Considered good	3,503	1,561
– Which have significant increase in credit risk	637	666
– Credit impaired	–	–
	<u>4,140</u>	<u>2,227</u>
Less : Provision for expected credit loss	<u>637</u>	<u>666</u>
	3,503	1,561
Unbilled Income	5,947	6,353
Other Receivables (Unsecured, Considered good unless otherwise stated )		
– Considered good	–	–
– Considered Doubtful	<u>2,458</u>	<u>2,458</u>
	<u>2,458</u>	<u>2,458</u>
Less: Provision for doubtful advances	<u>2,458</u>	<u>2,458</u>
	–	–
Interest Receivable	<u>206</u>	<u>147</u>
<b>Total</b>	<b>9,656</b>	<b>8,061</b>

## 14. CURRENT TAX ASSETS

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income–tax	–	145
<b>Total</b>	<b>–</b>	<b>145</b>

## 15. OTHER CURRENT ASSETS

(Unsecured, Considered good unless otherwise stated)

₹ In Lakhs

Particulars	As At March 31, 2023	As At March 31, 2022
Balance with Government Authorities/Entities	889	3,420
Prepaid expenses	905	925
Other Advances*		
– Considered good	3,656	3,365
– Considered Doubtful	<u>100</u>	<u>100</u>
	<u>3,756</u>	<u>3,465</u>
Less: Provision for doubtful advances	<u>100</u>	<u>100</u>
	3,656	3,365
<b>Total</b>	<b>5,450</b>	<b>7,710</b>

\* Mainly relating to advances to suppliers, employees, etc.

## 16. EQUITY SHARE CAPITAL

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorised</b>		
16,000,000,000; (16,000,000,000); Equity Shares of ₹ 10 each	1,600,000	1,600,000
200,000,000; (200,000,000); Preference Shares of ₹ 100 each	<u>200,000</u>	<u>200,000</u>
	<u>1,800,000</u>	<u>1,800,000</u>
<b>Issued, subscribed and fully paid–up</b>		
12,671,102,746; (12,623,326,856); Equity Shares of ₹ 10 each fully paid–up	<u>1,267,110</u>	<u>1,262,333</u>
<b>Total</b>	<b>1,267,110</b>	<b>1,262,333</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 16.1 Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As At March 31, 2023		As At March 31, 2022	
	Number	₹ In Lakhs	Number	₹ In Lakhs
Equity Shares at the beginning of the Year	12,623,326,856	1,262,333	12,496,593,200	1,249,659
Issued during the Year				
– On conversion of Foreign Currency Convertible Bonds (Refer Note – 22.1)	47,775,890	4,778	126,733,656	12,673
Equity Shares at the end of the Year	12,671,102,746	1,267,110	12,623,326,856	1,262,333

### 16.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### 16.3 Shares reserved for issue under options :

The Foreign Currency Convertible Bonds (FCCB) holders have the option to convert FCCB into 628,825,245 Equity Shares (Previous year 676,601,151). (Refer Note No. 22.1)

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

Name of share holders	As At March 31, 2023		As At March 31, 2022	
	Number of Shares held	% holding in Share Capital	Number of Shares held	% holding in Share Capital
Union Bank of India	1,546,271,529	12.20%	1,546,271,529	12.25%
Central Bank Of India	942,154,365	7.44%	942,154,365	7.46%
Bank Of Baroda	727,974,981	5.75%	727,974,981	5.77%
Indian Overseas Bank	670,032,490	5.29%	670,032,490	5.31%

### 16.5 Shareholding of Promoters as on March 31, 2023

Shares held by promoters at the end of the year		As on March 31, 2023		As on March 31, 2022		% change during the year
Sr. No.	Promoter Name	No. of Shares	% of total Shares	No. of Shares	% of total Shares	
1	GTL Limited (Promoter)**	–	–	–	–	
2	Global Holding Corporation Private Limited (Promoter Group)	420,144,016	3.32%	420,144,016	3.33%	No*

\* Change due increase in equity share capital pursuant to allotment of shares upon conversion of FCCBs

\*\* During the year ended March 31, 2019, entire shareholding held by GTL Ltd, which was pledged in favour of CDR lenders of GTL Ltd, through security trustee IDBI Trusteeship Services Ltd (ITSL) were invoked and transferred to account of ITSL under Securitisation and Reconstruction of Financial Assets and Enforcement of Securities interest Act 2002.

**16.6** Out of total paid up capital, 94,843,348 equity shares allotted pursuant to compulsory conversion of Series A Bonds on maturity are not yet listed, since information regarding the Series A Bondholders are not available with the Company. In the absence of requisite information, the Company has allotted the said equity shares to a Trust, created for the benefit of Series A Bondholders.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 17. OTHER EQUITY

	₹ In Lakhs	
Particulars	As At March 31, 2023	As At March 31, 2022
<b>Equity Component of Compound Financial Instruments</b>		
Opening Balance	29,416	41,792
Add: Series B1 & Series B3 Foreign Currency Convertible Bonds	—	—
	<u>29,416</u>	<u>41,792</u>
Less: Transferred to Share Capital on conversion of FCCB into Equity Shares	<u>4,626</u>	<u>12,376</u>
	24,790	29,416
<b>Reconstruction Reserve</b>	1,993	1,993
Balance as per last Balance Sheet		
<b>Capital Reserve</b>	1,846	1,846
Balance as per last Balance Sheet		
<b>Equity Contribution due to pledged Shares invoked by Lenders</b>	3,401	1,391
(Refer Note No. 18.1 (d))		
<b>Securities premium</b>	60,667	60,667
Balance as per last Balance Sheet		
<b>Retained Earnings in the Statement of Profit &amp; Loss</b>		
Opening Balance	(1,631,983)	(1,484,516)
Add: Loss for the Year	<u>(181,691)</u>	<u>(147,467)</u>
	(1,813,674)	(1,631,983)
<b>Other Comprehensive Income in the Statement of Profit &amp; Loss</b>		
Opening Balance	(217)	(151)
Add: Loss for the Year	<u>9</u>	<u>(66)</u>
	(208)	(217)
<b>Total</b>	<u>(1,721,184)</u>	<u>(1,536,887)</u>

**Nature and purpose of Reserves****17.1 Equity Component of Compound Financial Instruments**

Equity Component represents FCCB Series B1 & B3 Bonds compulsorily convertible into equity shares. (Refer Note No. 22.1)

**17.2 Reconstruction Reserve**

Created pursuant to scheme of arrangement approved by Hon'ble High Court in earlier years. It shall be utilised as per provisions of Companies Act 2013.

**17.3 Capital Reserve**

Created on Forfeiture of Preferential Convertible Warrants. It shall be utilised as per provisions of Companies Act 2013.

**17.4 Securities premium**

Created on conversion of Employee Stock Options Scheme, Preferential Warrants and Foreign currency convertible Bonds. It shall be utilised as per provisions of Companies Act 2013.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 18. BORROWINGS

₹ In Lakhs

Particulars	As At March 31, 2023	As At March 31, 2022
<b>Secured Loans</b>		
Rupee Term Loans from		
– Banks	36,681	46,659
– Financial Institution	7,345	10,529
– Asset Reconstruction Trust	107,057	154,771
	<b>151,083</b>	211,959
Less: Transferred to Current Borrowings (Reclassified pursuant to IND (AS) –1) (Refer Note No. 18.1 & 22)	<b>(151,083)</b>	(211,959)
<b>Total</b>	<b>–</b>	<b>–</b>

- 18.1 (a)** In 2018, post the unprecedented shutdown and exits of major customers like Aircel, RCom, Tata Tele etc., the Company suffered a significant fall in revenue and EBITDA and there was an urgent need to right size the debt levels. At that time, the lenders of the Company chose to assign their respective debts in favour of Edelweiss Asset Reconstruction Company Limited ("EARC"). As of March 31, 2023, 79.34% of Indian Rupee Debt of ₹ 322,625 Lakhs have been assigned in favour of Edelweiss Asset Reconstruction Company ("EARC") acting in its capacity as Trustee of EARC Trust–SC 338 vide assignment agreement executed in favour of EARC. The Company believed that once the assignment was completed, the debt would be restructured to sustainable levels in a timely manner and accordingly, the Company presented multiple Resolution Plans starting from April 2018 for consideration of lenders' consortium updating such plans from time to time after taking into account various developments in telecom sector. However, for reasons best known to them, the said Resolution Plans submitted by the Company were never considered by the lenders and also few lenders elected not to assign their respective debts to EARC.
- (b)** The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated November 18, 2022 (which was uploaded on its website on November 23, 2022) has dismissed petition filed by Canara Bank for initiation of Corporate Insolvency Resolution Process ("CIRP") under Section 7 of the Insolvency & Bankruptcy Code, 2016 ("IBC"). The Hon'ble Tribunal held that the business of the Company is sustainable, it is a viable going concern under its current management and the overall financial health of the Company is not bad enough to be admitted under CIRP. Thus, in view of aforementioned, the petition is dismissed, against which Canara Bank has filed an appeal before National Company Law Appellate Tribunal, at Delhi ("NCLAT"). EARC who is the lead lender of the Company has also filed its intervention application in the said appeal, before NCLAT.
- (c)** IDBI Trusteeship Company Limited (ITSL) at the behest of lenders has, without the consent of and information to the Company, debited a total amount of ₹ 35,600 Lakhs, ₹ 28,000 Lakhs and ₹ 33,500 Lakhs from the TRA account during financial year 2020–21, 2021–22 and 2022–23 respectively aggregating to ₹ 97,100 Lakhs as on March 31, 2023. In the absence of consent of and information to the Company about such debits, the Company has provided the interest on borrowings after adjusting this amount in principal.
- (d)** Meanwhile IDBI Trusteeship Company Limited (ITSL), Security Trustee, on the instruction of lenders of the Company has invoked pledge on 2,85,00,000 equity shares of GTL Limited, pledged by Global Holding Corporation Private Limited, promoter group company and transferred the said shares to their account. As on March 31, 2023, recovery from sale of the 2,85,00,000 equity shares amounting to ₹ 3,401 Lakhs is reduced from the Lenders' outstanding amount and considered as other equity towards contribution of promoter group company considering invocation of their pledged shares by the lenders.
- (e)** The Company received notices of recall of loans from EARC and IDBI Bank claiming alleged default of ₹ 382,261 Lakhs and ₹ 20,102 Lakhs respectively in terms of Master Restructuring Agreement dated December 31, 2011 during financial year 2020–21. The Company has strongly refuted the claims and responded to said notices appropriately. Thus, in absence of directions from lenders as stated above, the Company continues to mention terms of repayment (Refer note No 18.3) and amount of Overdue (Refer note no. 18.4) as on March 31, 2023 in terms of and in accordance with the payment schedule, terms and conditions of Strategic Debt Restructuring Scheme as approved by then lenders.
- (f)** As per the arrangements with the Lenders, the Company is required to comply with certain covenants and non-compliance with these covenants may give rights to the lenders to demand Repayment of the loans. Considering alleged claims of lenders and to comply with the requirement of IND AS –1 "Presentation of Financial Statement", the Company has classified Non-Current borrowings as Current Financial liability as an abundant precaution, which was classified for the first time in the Balance Sheet as at March 31, 2019.
- 18.2 (a)** (i) Specific Charge – Banks, Financial Institutions and Asset Reconstruction Trust of the erstwhile standalone Company and erstwhile CNIL continue to have specific charge on the assets or properties of respective companies as existed on the effective date of merger i.e December 22, 2017.
- (ii) Personal guarantee of Mr. Manoj Tirotkar (Promoter) and sponsor support from Global Holding Corporation Private Limited (GHC) to Banks and Life Insurance Corporation of India (LIC).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## (b) Foreign Currency Term Loan from Financial Institutions is secured as follows:

Specific Charge — Secured Foreign Currency Lender of erstwhile standalone Company will continue to have specific charge on the assets or properties of erstwhile standalone Company as existed on the effective date of merger i.e. December 22, 2017.

## (c) All Secured Lenders have parri passu charge on all the present and future current assets including Cash flow and assets or properties acquired and erected after the effective date of merger i.e. December 22, 2017

## 18.3 Terms of Repayment

- (i) Rupee Term Loans from Banks, Financial Institutions and Asset Reconstruction Trust (including Current Maturities of Long-term borrowings) having an effective yield of 10.75% over the tenure of the facility amounting to ₹ 365,522 Lakhs are repayable in 33 structured quarterly instalments ending on June 30, 2026 as per the SDR termsheet. The Maturity Profile of these loans is as set below:

2023–24	2024–25	2025–26	2026–27
₹ 241,379 Lakhs	₹ 53,508 Lakhs	₹ 54,431 Lakhs	₹ 16,204 Lakhs

- (ii) Part of Rupee Term Loan from Asset Reconstruction Trust (assigned by ICICI Bank Limited) (including current maturities of Long-term borrowings) having an effective yield of 8 % over the tenure of the facility amounting to ₹ 30,605 Lakhs is repayable in 33 structured quarterly instalments ending on June 30, 2026 as per the SDR terms. The Maturity Profile of these loans is as set below:

2023–24	2024–25	2025–26	2026–27
₹ 20,362 Lakhs	₹ 4,366 Lakhs	₹ 4,366 Lakhs	₹ 1,511 Lakhs

- (iii) Rupee Term Loan from Asset Reconstruction Trust having an Interest rate of 8% p.a aggregating to ₹ 10,493 Lakhs are repayable only after the Final Settlement date of all the other restructured Loans i.e., June 30, 2026 as per SDR terms.,
- (iv) The Foreign Currency Term Loan (included Current Maturities of Long term borrowings) is repayable in 24 equated quarterly instalments of Euro 4 Lakhs starting from June 15 , 2013 and ending on March 15 , 2021. The loan carries Interest rate of 3 months Euribor+200 bps.

## 18.4 The details of overdue Principal and interest payable as at March 31, 2023 is as follows:

₹ In Lakhs

Particulars	Total Overdue	Ageing			More than 1095 Days
		0–90 Days	91–365 Days	366–1095 Days	
Principal Payable on Rupee Term Loan from Banks & Financial Institution*	22,138	5,667	5,667	10,804	—
Principal Payable on Rupee Term Loan from Asset Reconstruction Trust*	81,394	21,411	21,411	38,572	—
Principal Payable on Foreign Currency Term Loan from Financial Institution*	6,573	—	—	1,209	5,363
Principal Payable on Foreign Currency Term Loan from Others*	131	—	131	—	—
Principal Payable on Foreign Currency Convertible Bonds*	48,046	—	48,046	—	—
Interest Payable on Rupee Term Loan from Banks & Financial Institution**	58,854	6,085	9,401	24,424	18,945
Interest Payable on Rupee Term Loan from Asset Reconstruction Trust**	213,451	22,384	35,009	91,675	64,383
Interest Payable on Foreign Currency Term Loan from Financial Institution**	1,500	74	228	490	708
Interest Payable on Foreign Currency Term Loan from Others**	4	1	3	—	—
Interest Payable on Foreign Currency Convertible Bonds**	23,081	2,227	3,562	7,708	9,584
<b>TOTAL</b>	<b>455,172</b>	<b>57,849</b>	<b>123,458</b>	<b>174,882</b>	<b>98,983</b>

\* Included in Current Maturities of Long-Term Borrowings (Refer Note – 22)

\*\* Shown as Interest accrued and due on Borrowings (Refer Note – 24)

During the financial year 2020–21, the Company has received notices of recall of loans from Edelweiss Asset Reconstruction Company Limited (“EARC”) and IDBI Bank claiming alleged default of ₹ 382,261 Lakhs and ₹ 20,102 Lakhs respectively. However, in absence of directions from lenders as stated in Note No. 18.1, the Company continues to mention terms of repayment (Refer note No 18.3) and amount of Overdue (Refer note no. 18.4) as on March 31, 2023 in terms of and in accordance with the payment schedule, terms and conditions of Strategic Debt Restructuring Scheme as approved by then lenders.

## 19. OTHER NON-CURRENT FINANCIAL LIABILITIES

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits from customers	2,023	2,016
<b>Total</b>	<b>2,023</b>	<b>2,016</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 20. PROVISIONS

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Provision for compensated absences	98	98
Asset Retirement Obligation	5,286	6,058
<b>Total</b>	<b>5,384</b>	<b>6,156</b>

### 21. OTHER NON-CURRENT LIABILITIES

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Advance Revenue	1,144	1,363
<b>Total</b>	<b>1,144</b>	<b>1,363</b>

### 22. BORROWINGS

Particulars	₹ In Lakhs	
	As At March 31, 2023	As At March 31, 2022
Borrowings Reclassified from Non-current Borrowings pursuant to IND (AS) – 1 (Refer Note No. 18 & 18.1)		
<b>Secured Loans</b>		
Rupee Term Loans from		
– Banks	36,681	46,659
– Financial Institution	7,345	10,529
– Asset Reconstruction Trust	107,057	154,771
	<b>151,083</b>	<b>211,959</b>
<b>Unsecured Loans</b>		
– Foreign Currency Convertible Bonds (Refer Note – 22.1)	48,046	45,637
Current maturities of long-term borrowings (Refer Note – 18.1 & 18.4)		
– Rupee Term Loans from Banks and Financial Institutions	55,325	42,902
– Foreign Currency Term Loans from Financial Institutions & Others	6,704	6,338
– Rupee Term Loans from Asset Reconstruction Trust	206,416	161,132
	<b>268,445</b>	<b>210,372</b>
Less: Amount debited by IDBI Trusteeship (Adjustment in Principal Repayment) (Refer Note – 18.1 (c))	97,100	63,600
Less: Amount realised by Lenders by invoking Pledge (Adjustment in Principal Repayment) (Refer Note – 18.1 (d))	3,401	1,391
	<b>167,944</b>	<b>145,381</b>
<b>Total</b>	<b>367,073</b>	<b>402,977</b>

#### 22.1 Foreign Currency Convertible Bonds (FCCBs) :

- (i) During the financial year 2017–18, the Company had issued 80,745 Zero Coupon Foreign Currency Compulsorily Convertible Bonds due on 2022 of US\$ 1000 each ("Series B1 Bonds"), 86,417 Interest Bearing Convertible Bonds due on 2022 of US\$ 1000 each ("Series B2 Bonds") and 30,078 Zero Coupon Compulsorily Convertible due 2022 of US\$ 1000 each ("Series B3 Bonds") in exchange of the then Existing outstanding Interest Bearing Convertible Bonds due 2017 ("Series B Bonds") of US\$ 167,193,000 along with redemption premium and outstanding interest on Series B Bonds, pursuant to Offering Memorandum dated October 26, 2017. Since these bonds were issued against the cashless exchange offer, the Company did not receive any proceeds from the offering of the Series B1 Bonds, Series B2 Bonds and Series B3 Bonds.
- (ii) **Terms and Conditions of the Series B1 Bonds:**
  - a. The Series B1 Bonds are compulsorily convertible into fully paid equity shares of ₹ 10 each on October 27, 2022 at a fixed rate of exchange of ₹ 65.1386 to US\$.1.00 subject to certain adjustments as described in Terms and Conditions of Series B1 Bonds;



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- b. The Series B1 Bonds are also convertible at the option of the holders of the Series B1 Bonds, (i) at any time from the date of issue of the Series B1 Bonds up to March 20, 2018, into equity shares at a conversion price equal to ₹ 20 per share, provided however, that on occurrence of a proposed Change of Control on and from the date issue of the Series B1 Bonds till March 20, 2018, the conversion price will be reset to ₹ 10 per Share; or (ii) at any time after March 20, 2018, into Shares at a conversion price being the higher of (a) ₹ 10 per Share, or (b) Regulatory Floor Price in each case at a fixed rate of exchange on conversion of ₹ 65,1386 to U.S.\$1.00 subject to certain adjustments as described in Terms and Conditions of Series B1 Bonds.
- c. The Series B1 Bonds do not bear any interest.
- (iii) Terms and Conditions of the Series B2 Bonds:**
- a. The Series B2 Bonds bear interest at a fixed rate of 6.7310% p.a. payable semi-annually in arrears on April 26 and October 26, beginning on the 12 months anniversary of the issuance of the Series B2 Bonds i.e. on October 26, 2018.
- b. The Series B2 Bonds are redeemable at 100% of its principal amount on October 27, 2022 unless previously redeemed, converted or purchased and cancelled.
- c. The Series B2 Bonds are convertible at the option of the holders of the Series B2 Bonds at any time from the date of the issue of the Series B2 Bonds up to the close of business on October 27, 2022 into Equity Shares at a conversion price equal to ₹ 10 per Share with a fixed rate of exchange on conversion of ₹ 65,1386 to U.S.\$1.00 subject to certain adjustments as described in Terms and Conditions of Series B2 Bonds.
- d. Following the occurrence of a Change of Control, the holder of each Series B2 Bond will have the right at such holder's option to require the Company to redeem in whole but not in part such holder's Series B2 Bonds at 100% of their principal amount ("Change of Control Put Price"), together with accrued and unpaid interest and default interest (if any) up to and including the date of payment of the Change of Control Put Price.
- (iv) Terms and Conditions of the Series B3 Bonds:**
- a. The Series B3 Bonds are compulsorily convertible into fully paid equity shares of ₹ 10 each on October 27, 2022 at a fixed rate of exchange of ₹ 65,1386 to US\$1.00 subject to certain adjustments as described in Terms and Conditions of Series B3 Bonds;
- b. The Series B3 Bonds are convertible at the option of the holders of the Series B3 Bonds at any time from the date of issue of the Series B3 Bonds up to the close of business on October 27, 2022 into Equity Shares at a conversion price equal to ₹ 10 per Share with a fixed rate of exchange on conversion of ₹ 65,1386 to U.S.\$1.00, subject to certain adjustments as described in Terms and Conditions of Series B3 Bonds.
- c. The Series B3 Bonds do not bear any interest.
- (v) Series B1 & Series B3 bonds have become compulsorily convertible upon maturity date i.e. October 27, 2022.** The Company has requested bondholders to share their respective details for converting bonds and crediting equity shares to their respective account. However, the Company is still awaiting the relevant details of bondholders. Series B2 Bonds are redeemable and have matured on October 27, 2022. The lead secured lender has, however, informed the Company that till the time the entire outstanding Secured debt of the Secured lenders is fully paid off, no other creditor including Series B2 Bondholders, which rank sub-ordinate to the secured creditors, can be paid in priority. Hence, the Company could not redeem Series B2 Bonds on its maturity. As per the Terms and Conditions of Series B2 Bonds, in case of default in redemption of Series B2 Bonds, conversion right of bondholders will revive and /or will continue to be exercisable up to the date of receipt of redemption amount by the Principal Agent / Trustee of the Series B2 Bonds.
- (vi) As on March 31, 2023, 27,728.50 Series B1 Bonds, 58,478 Series B2 Bonds and 10,330 Series B3 Bonds were outstanding.**

## 23. TRADE PAYABLES

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Suppliers for goods and services</b>		
— Micro, Small & Medium Enterprises	125	105
— Others	4,214	2,883
<b>Total</b>	<b>4,339</b>	<b>2,988</b>

## 23.1 (a) Trade Payables aging schedule as on March 31, 2023

Particulars	Outstanding for following periods from due date of payment/date of transaction					
	Not Due	Less Than 1 year	1 –2 years	2 –3 years	More than 3 years	Total
(i) MSME	108	12	3	1	1	125
(ii) Others	3,704	195	45	48	123	4,115
(iii) Disputed dues— MSME	—	—	—	—	—	—
(iv) Disputed dues— Others	—	—	—	11	88	99



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 23.1 (b) Trade Payables aging schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment/date of transaction					Total
	Not Due	Less Than 1 year	1 –2 years	2 –3 years	More than 3 years	
(i) MSME	75	22	4	1	3	105
(ii) Others	2,251	235	84	29	284	2,883
(iii) Disputed dues– MSME	–	–	–	–	–	–
(iv) Disputed dues– Others	–	–	–	–	–	–

### 23.2 Details of dues to micro, small & medium enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2023	As at March 31, 2022
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
(a) Principal amount Outstanding	125	105
(b) Interest thereon (0 Value stands for ₹ 18,704 (Previous year ₹ 18,731))	0	0
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period:		
(a) Interest paid in terms of Section 16	NIL	NIL
(b) Delayed principal payments	NIL	NIL
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year (0 Value stands for ₹ 18,704 (Previous year ₹ 18,731))	0	0
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

The Company has compiled this information based on intimations received from suppliers of their status as Micro or Small enterprises and / or its registration with the appropriate authority under Micro, Small and Medium Enterprises Development Act, 2006.

## 24. OTHER CURRENT FINANCIAL LIABILITIES

₹ In Lakhs

Particulars	As At March 31, 2023	As At March 31, 2022
Interest accrued but not due on borrowings	24	11
Interest accrued and due on borrowings (Refer Note – 18.1 & 18.4)	297,384	222,349
Deposits from customers	9,423	10,793
Creditors for Capital goods (Refer Note No. 24.2)		
– Micro, Small & Medium Enterprises	11	9
– Others	82	70
	93	79
Other Payable*	97,299	83,643
<b>Total</b>	<b>404,223</b>	<b>316,875</b>

\* Mainly includes Provision towards Rent, Electricity, Salary, Other expenses and arbitration Claim payable to GTL Limited (Refer Note No. 36).

### 24.1 (a) Creditors for Capital goods aging schedule as on March 31, 2023

Particulars	Outstanding for following periods from due date of payment/ date of transaction					Total
	Not Due	Less Than 1 year	1 –2 years	2 –3 years	More than 3 years	
(i) MSME	11	–	–	–	–	11
(ii) Others	33	38	–	–	–	71
(iii) Disputed dues– MSME	–	–	–	–	–	–
(iv) Disputed dues– Others	–	–	–	2	9	11

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 24.1 (b) Creditors for Capital goods aging schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment/ date of transaction					Total
	Not Due	Less Than 1 year	1 –2 years	2 –3 years	More than 3 years	
(i) MSME	8	1	–	–	–	9
(ii) Others	39	11	2	–	18	70
(iii) Disputed dues– MSME	–	–	–	–	–	–
(iv) Disputed dues– Others	–	–	–	–	–	–

## 24.2 Details of dues to micro, small &amp; medium enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2023	As at March 31, 2022
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
(a) Principal amount Outstanding	11	9
(b) Interest thereon (0 Value stands for ₹ 29)	–	0
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period:		
(a) Interest paid in terms of Section 16	NIL	NIL
(b) Delayed principal payments	NIL	NIL
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year (0 Value stands for ₹ 29)	–	0
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

The Company has compiled this information based on intimations received from suppliers of their status as Micro or Small enterprises and / or its registration with the appropriate authority under Micro, Small and Medium Enterprises Development Act, 2006.

## 25 OTHER CURRENT LIABILITIES

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Advance Revenue	214	289
Advance received from customer	21	43
Property Tax Payable	5,334	4,764
Statutory dues	2,753	2,690
<b>Total</b>	<b>8,322</b>	<b>7,786</b>

## 26. PROVISIONS

Particulars	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Provision for compensated absences	23	8
Asset Retirement Obligation	4,885	5,578
<b>Total</b>	<b>4,908</b>	<b>5,586</b>

## 27. REVENUE FROM OPERATIONS

Particulars	₹ In Lakhs	
	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Revenue from Telecom/Network Infrastructure Facilities	87,483	86,136
Energy and Other Re-imbursements	58,303	60,137
<b>Total</b>	<b>145,786</b>	<b>146,273</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 28. OTHER INCOME

₹ In Lakhs

Particulars	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Interest Income	1,023	344
Difference on measurement of financial instruments at fair value through Profit & Loss	349	222
Extinguishment of Liabilities*	39	41
Miscellaneous Income	1,336	809
<b>Total</b>	<b>2,747</b>	<b>1,416</b>

\* Extinguishment of Liabilities towards FCCB Conversion

### 29. INFRASTRUCTURE OPERATION & MAINTENANCE COST

₹ In Lakhs

Particulars	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Short-term Lease – Site Rentals	9,677	10,278
Power, Fuel and Maintenance Charges	67,879	71,988
Repairs and Maintenance to Plant and Equipments	770	847
Stores & Spares consumption	43	35
Other Operating Expenditure	3,406	4,933
<b>Total</b>	<b>81,775</b>	<b>88,081</b>

### 30. EMPLOYEE BENEFITS EXPENSE

₹ In Lakhs

Particulars	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Salaries and Allowances	5,943	5,895
Contribution to Provident Fund, Gratuity fund and Other Funds	373	287
Employee Welfare and other amenities	24	25
<b>Total</b>	<b>6,340</b>	<b>6,207</b>

**30.1** Mr. Vikas Arora was appointed as Whole-time Director (WTD) w.e.f November 10, 2022. The requisite approvals towards managerial remuneration payable / paid to Mr. Vikas Arora ₹ 40.29 Lakhs and Mr. Milind Naik (who resigned as WTD w.e.f September 22, 2022 and paid remuneration of ₹ 241.96 Lakhs during his tenure as WTD) are still awaited from the lenders.

#### 30.2 Employee Benefits:

As per Accounting Standard 15 "Employee Benefits" the disclosure of Employee Benefit, as defined in Accounting Standard are given below:

##### Defined Contribution Plan

₹ In Lakhs

Particulars	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Employer's Contribution to Provident fund	189	143
Employer's Contribution to Pension fund	94	83
<b>Total</b>	<b>283</b>	<b>226</b>

##### Defined Benefit Plan

The employee's Gratuity Fund Scheme, which is a defined benefit plan, is managed by the Trust maintained with Life Insurance Corporation of India [LIC]. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences is recognised in same manner as gratuity.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## a. Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Particulars	₹ In Lakhs	
	Gratuity Funded	
	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation at beginning of the Year	593	469
Current Service Cost	70	41
Current Interest Cost	42	30
Past Service Cost	—	—
Liability Transfer In	6	—
Liability Transfer Out	(2)	—
Actuarial (Gains)/Losses on Obligation — Due to change in Demographic Assumptions*	—	(0)
* 0 Value stands for ₹ 31,943		
Actuarial (Gains)/Losses on Obligation — Due to change in Financial Assumptions	(12)	(29)
Actuarial (Gains)/Losses on Obligation — Due to Experience	4	107
Benefits paid	(33)	(25)
Defined Benefit Obligation at the end of the Year	668	593

## b. Reconciliation of opening &amp; closing balances of fair value of plan assets

Particulars	₹ In Lakhs	
	Gratuity Funded	
	As at March 31, 2023	As at March 31, 2022
Fair Value of Plan Asset at beginning of the Year	663	567
Interest Income	48	37
Expected Return on Plan Assets	1	11
Actuarial Gain/ (Loss)	—	—
Contributions	96	73
Fund Transfer In	6	—
Fund Transfer out	(2)	—
Benefits paid	(33)	(25)
Fair Value of Plan Asset at the end of the Year	778	663

## c. Reconciliation of present value of obligations &amp; fair value of plan assets

Particulars	₹ In Lakhs	
	Gratuity Funded	
	As at March 31, 2023	As at March 31, 2022
Fair Value of Plan Asset at the end of the Year	778	663
Present Value of Defined Benefit Obligation at end of the Year	668	593
Liability/ (Asset) recognised in the Balance Sheet	(110)	(70)

## d. Expense Recognised During the year

Particulars	₹ In Lakhs	
	Gratuity Funded	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Service Cost	70	41
Net Interest Cost	(5)	(6)
Past Service Cost	—	—
Net Cost Recognised in Statement of Profit and Loss Account	65	35
In Other Comprehensive Income (OCI)	—	—
Actuarial (Gain)/ Loss	(8)	78
Return on plan assets	(1)	(12)
Net (Income)/Expenses for the year recognised in OCI	(9)	66

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### e. Assumptions used to determine the defined benefit obligation

Particulars	Gratuity Funded	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Mortality Table</b>	<b>Indian Assured Lives mortality (2006–08) Ultimate</b>	<b>Indian Assured Lives mortality (2006–08) Ultimate</b>
<b>Discount Rate (p.a.)</b>	<b>7.44%</b>	<b>7.15%</b>
<b>Estimated rate of return on Plan Assets (p.a.)</b>	<b>7.44%</b>	<b>7.15%</b>
<b>Expected rate of increase in salary (p.a.)</b>	<b>5.00%</b>	<b>5.00%</b>

The estimates of rate of increase in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The Expected Rate of Return of Plan Assets is determined considering several applicable factors. Mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets Management.

### f. The major categories of plan assets of the fair value of the total plan assets are as follows:

₹ In Lakhs

Particulars	Gratuity Funded	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Insurance Fund	778	663

### g. Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

#### Sensitivity Analysis

₹ In Lakhs

Particulars	Gratuity Fund			
	For the year ended March 31, 2023		For the year ended March 31, 2022	
<b>Sensitivity level</b>	<b>1% Increase</b>	<b>1% Decrease</b>	<b>1% Increase</b>	<b>1% Decrease</b>
<b>Assumptions</b>				
Impact of Rate of discounting	(39)	44	(37)	41
Impact of Rate of salary increase	36	(34)	34	(32)
Impact of Rate of Employee Turnover	6	(7)	6	(6)

### h. Expected Contribution towards defined benefit plan in future years

#### Maturity Analysis of Projected benefit Obligation from the fund

₹ In Lakhs

Particulars	Gratuity Fund	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Within 1 year	64	42
1–2 year	54	45
2–3 year	41	65
3–4 year	69	38
4–5 year	69	58
5–10 years	395	351
11 years & above	474	443

Maturity Analysis of Projected Defined Benefit Obligation is done considering future salary, attrition & death in respective year for members as mentioned above.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 31. FINANCE COSTS

₹ In Lakhs

Particulars	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Interest	69,715	65,503
Finance Cost on Lease Liability	6,532	6,489
Exchange difference to the extent considered as an adjustment to borrowing costs	1,946	1,396
<b>Total</b>	<b>78,193</b>	<b>73,388</b>

## 32. BALANCES WRITTEN OFF (NET) AND PROVISION FOR TRADE RECEIVABLES AND ADVANCES

₹ In Lakhs

Particulars	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Investment Written Off (Refer Note No. 4)	—	3,325
Less: Provision written Off (earlier recognised pursuant to measurement at fair value through P&L)	—	(3,325)
Balances Written Off (Net)	1,320	39
Less: Provision for Doubtful Debts/Advances Written Back	(3,725)	(39)
Provision for Trade Receivables/Energy Recoverables & Deposits	11,954	1,160
<b>Total</b>	<b>9,549</b>	<b>1,160</b>

## 33. EXCHANGE DIFFERENCES (NET)

₹ In Lakhs

Particulars	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Exchange differences (net)	3,955	245
<b>Total</b>	<b>3,955</b>	<b>245</b>

## 34. OTHER EXPENSES

₹ In Lakhs

Particulars	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Short-term Lease	694	662
Property Tax Including Rates and Taxes – Others	1,615	1,476
Electricity	97	81
Repairs and Maintenance		
– Office Equipments	41	34
Insurance Premium	1,421	1,134
Communication Cost	65	67
Travel and Conveyance	763	400
Legal and Professional Charges	1,658	2,046
Payment to Auditors	54	49
Office Expenses	387	337
Printing and Stationery	46	26
Directors' Sitting Fees	106	109
Advertisement and Business Promotion	16	14
Loss on/due to Sale, theft of fixed assets by Landlords/Unknown miscreants (net)	33,358	2,206
Miscellaneous Expenses	1,080	769
<b>Total</b>	<b>41,401</b>	<b>9,410</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 34.1 Auditor's Remuneration includes

₹ In Lakhs

Particulars	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022
Audit Fees	45	40
Certification Fees	9	9
<b>Total</b>	<b>54</b>	<b>49</b>

### 35. EXCEPTIONAL ITEMS

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Impairment Loss	58,654	66,346
<b>Total</b>	<b>58,654</b>	<b>66,346</b>

Considering the current situation of telecom scenario mentioned in note no. 59 and dismantling of sites as mentioned in note no. 58, the Company carried out an impairment test of its property, plant and equipment in accordance with the Indian Accounting Standards (Ind AS) 36 – 'Impairment of Assets' and found that the Carrying cost of these assets exceeds its value in use; therefore, an impairment loss of ₹ 58,654 Lakhs has been recognized for the year ended March 31, 2023 (previous year ₹ 66,346 Lakhs) and the same has been disclosed as exceptional items.

36. Pursuant to the Energy Management & Field Level Management Services Agreement and Suspension Agreement, GTL Limited ("GTL") invoked arbitration against the Company claiming ₹ 69,000 Lakhs along with damages under its recovery. Arbitral Tribunal of 3 (Three) retired Supreme Court Judges has been formed and on examination of the underlying facts, the Hon'ble Tribunal passed its interim award dated December 17, 2019 directing the Company to pay an amount of ₹ 44,000 Lakhs. The Company preferred an appeal before the Hon'ble Delhi High Court. While confirming the interim award passed by the Arbitral Tribunal, the appeal was dismissed by the High Court. In view of the Arbitration award and dismissal of appeal by Delhi High Court, the Company had provided ₹ 44,000 Lakhs as claims against arbitration and disclosed the same as exceptional items in the financial statements in FY 2019–20.

In the month of June, 2020 EARC challenged the Interim Award dated December 17, 2019 by way of an appeal before the Hon'ble Delhi High Court ("EARC Appeal"). On November 18, 2020 the said EARC Appeal was disposed off by the Hon'ble Delhi High Court thereby allowing the appeal of the EARC and modified the Interim Award dated December 17, 2019 to the extent that all payments directed thereunder, would be deposited, not with the Company or in an Escrow Account to be maintained by the Company, but in the TRA, created and maintained in accordance with the TRA Agreement. The said deposit amount shall remain subject to further orders to be passed by the learned Arbitral Tribunal. After the said Judgment and Order dated November 18, 2020, EARC had filed a Clarification application and Review Petition in regards with the said Judgment and Order dated November 18, 2020. The Clarification Application and the Review Petition were dismissed by the Hon'ble Delhi High Court on February 3, 2021 and February 4, 2022 respectively. EARC thereafter has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India, against the Delhi High orders dated November 18, 2020 and February 4, 2022. EARC through Impleadment application has requested to the Hon'ble Supreme Court to implead the non-assigning lenders of the Company to the said SLP. Company has filed its reply and now the matter is posted for hearing on May 17, 2023. The balance claim of GTL is still under consideration by the Arbitral Tribunal, final hearing by GIL and GTL are completed and matter reserved for final order.

### 37. DISCLOSURE ON LEASES

#### Company as a lessor

The Company has entered into operating lease arrangement with its customers for Infrastructure provisioning. The following table sets out the Maturity analysis of lease receivable for the lock in period of the customers after the reporting date:

#### Maturity Analysis of Lease Receivables on undiscounted basis

₹ In Lakhs

Periods	As at March 31, 2023	As at March 31, 2022
0–1 year	52,049	56,216
1–2 Year	49,918	53,496
2–3 Year	45,414	51,319
3–4 Year	37,573	46,747
4–5 Year	16,364	38,748
Above 5 Year	48,738	70,424
<b>Total</b>	<b>2,50,056</b>	<b>316,950</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## Company as a lessee

## Disclosure as per Ind AS 116

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation charge for right-of-use assets	11,843	11,369
Finance Cost on lease liability	6,532	6,489
Expense relating to short-term leases:		
– Infrastructure Operation & maintenance cost	9,677	10,278
– Other Expenses	694	662
Total cash outflow for leases	11,783	10,722
Additions to right-of-use assets	6,618	15,167
Carrying amount of right-of-use assets	53,733	60,122
Carrying amount of lease liabilities	83,741	84,265

The Company has entered into operating lease arrangement with its landlords for land & building occupancies for sites & offices premises. The following table sets out the Maturity analysis of lease payables for the lock in period after the reporting date:

## Maturity analysis of lease Payables on undiscounted basis

₹ In Lakhs

Periods	As at March 31, 2023	As at March 31, 2022
Within one year	38,606	34,291
After one year but not later than five years	46,746	49,605
Later than five years	20,837	26,832
<b>Total</b>	<b>106,189</b>	<b>110,728</b>

## 38. (A) Contingent Liabilities and Commitments

## i) Contingent liabilities not provided for:

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Bank guarantees (provided under contractual and legal obligations)	29	29
Claims against the Company not acknowledged as debts	163,687	139,879
Disputed liability in respect of indirect tax matters under appeal	64,055	63,667
Disputed liability in respect of direct tax matters under appeal*	13,240	16,182

\* During the year, the Company was in receipt of the Income Tax Order Under Section 271(1)(c) of the Income Tax Act, 1961 passed by the National Faceless Assessment Centre (NFAC) in case of erstwhile Chennai Network Infrastructure Limited (CNIL) for Assessment Year (AY) 2016–17 imposing a penalty of ₹ 12,904 Lakhs for furnishing inaccurate particulars.

There were various disallowances of expenses made in the regular assessment for the AY 2016–17 for which the erstwhile CNIL/ the Company has filed appeals before the Commissioner of Income Tax (Appeals). The appeals filed before the Commissioner of Income Tax (Appeals) in respect of the Assessment framed for the AY 2016–17, for which penalty is being imposed, has already been settled under the “The Vivad Se Vishwas Scheme 2020” and as a matter of settlement the Income Tax Department has issued Form 5, in respect of the those appeals. Therefore, the penalty under said Section 271(1)(c) is not leviable as per the Vivad Se Vishwas Scheme, 2020.

Considering the above fact the Company has filed a writ petition before the Honourable Bombay High Court.

ii) Certain Legal issues are outstanding against the Company mainly in relation to the alleged non-compliance of policies of municipal corporations, cases pending for permanent injunctions, objections by the local residents, disputes with site owners, in respect of which the amounts cannot be quantified at this stage and therefore the Contingent Liability in respect of this could not be determined.

The Company does not expect any material financial effect of the above matters under litigation.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- (B) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)

₹ In Lakhs		
Particulars	As at March 31, 2023	As at March 31, 2022
Capital Commitments	430	657

Cash outflow is expected on execution of such contracts on progressive basis.

39. During earlier years, as legally advised, the Company's CENVAT credit aggregating to ₹ 7,993 Lakhs was utilized for discharging service tax liability of CNIL, an erstwhile Associate, which subsequently got merged with the Company. CNIL also paid the same amount to the Service Tax Authority under Voluntary Compliance Encouragement Scheme (VCES) in November, 2013. Subsequently, the Company filed a writ petition in High Court of Judicature at Mumbai for seeking restoration of this cenvat credit and based on the Mumbai High Court direction, CESTAT passed the order in March 2015 for allowing the Company to restore the said amount as Cenvat credit. The Service tax authorities have filed an appeal with the High court challenging the CESTAT order passed in March 2015. The Company has been advised that there will not be any outflows in this regard.
40. The Hon'ble Supreme Court vide its order dated December 16, 2016 upheld that "Mobile Telecommunication Tower" is exigible to Property Tax and the State can levy property tax to Mobile Towers. While deciding the Special Leave Petition (SLP) for Mumbai matters, the Hon'ble Supreme Court had given liberty to agitate the issue with regard to the retrospective operation of assessment/demand of tax and the quantum thereof before the appropriate forum. Post the Judgment of Hon'ble Supreme Court in January 2017; the Company had challenged the quantum of property tax and other issues before the Bombay High Court. By an order dated April 18, 2017, Bombay High Court dismissed the appeal. Against the said order, the Company preferred a SLP with regards to the manner, quantum, component of property tax and other issues. The same was heard on January 25, 2018 and the Hon'ble Supreme Court was pleased to issue a notice to Municipal Corporation & also directed Municipal Corporations to maintain status quo. The said SLP was finally disposed of by an order dated January 02, 2019 and Hon'ble Supreme Court has set aside the Bombay High Court order dated April 18, 2017 and has directed the Bombay High Court to decide the Writ Petition on merits. The Company has filed an amendment application before the Bombay High Court in view of the Supreme Court order and developments happened during the pendency of the SLP before Supreme Court.

Another IP Company by name ATC Telecom Pvt. Ltd ("ATC Company") have preferred an appeal before Hon'ble Supreme Court against the Order of the Gujarat High Court on the rates and taxes to be fixed for mobile towers in lieu of the Amendment made in the Gujarat Provincial Municipal Corporation Act, 1949 in the year 2011. The Hon'ble Supreme Court after hearing the ATC Company in September, 2018 has granted leave and the matter is pending for final hearing. Further, The Company has also filed a SLP on July 10, 2019, bearing SLP No. 16649 of 2019 before Hon'ble Supreme Court against Nagpur Municipal Corporation challenging the calculation and quantum of the Property Tax. The Hon'ble Supreme Court has given a stay on the High Court Order subject to payment of 50% of the demanded amount and tagged the said matter with ATC SLP. Also with respect to the few sites where demand notices for property tax have been received, the Company has contested the demands by filing writ petitions in appropriate Courts for the assessment of property tax demand / retrospective levy of property tax, procedure and quantum that have been demanded. Various Hon'ble High Courts passed an order not to take any coercive action till the admission of matter.

The matter being still sub-judice, non-receipt of demand notes for majority of the towers of the Company and the Company's right to recover property tax from certain customers, the Company is unable to quantify actual property tax amount payable excluding the components which are under challenge. The provision will be considered as and when the matter is resolved. In respect of the above, the auditors have issued modified report for the year ended on March 31, 2023.

41. As per Ind AS 24, the disclosure of transactions with the related parties are given below:

(a) List of Related Parties and relationships:

**Key Management Personnel**

Mr. Vikas Arora, Whole Time Director (WTD) (Appointed w.e.f November 10, 2022)  
 Mr. Milind K. Naik, Whole Time Director (Resigned as WTD w.e.f September 22, 2022)  
 Mr. Bhupendra J. Kiny, Chief Financial Officer  
 Mr. Nitesh A. Mhatre, Company Secretary

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## (b) Transactions during the year with related parties:

₹ In Lakhs

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>I] KEY MANAGERIAL PERSONNEL</b>		
<b>i) Vikas Arora– Whole Time Director#*</b>		
Salaries & Allowances	38	—
Post Employment Benefits	2	—
<b>Total</b>	<b>40</b>	<b>—</b>
<b>ii) Milind Naik– Whole Time Director#*</b>		
Salaries & Allowances	57	115
Post Employment Benefits	—	—
<b>Total</b>	<b>57</b>	<b>115</b>
<b>iii) Bhupendra Kiny, CFO*</b>		
Salaries & Allowances	124	149
Post Employment Benefits	4	4
<b>Total</b>	<b>128</b>	<b>153</b>
<b>iv) Nitesh Mhatre, Company Secretary*</b>		
Salaries & Allowances	71	108
Post Employment Benefits	3	3
<b>Total</b>	<b>74</b>	<b>111</b>

\* As the Liability for gratuity and leave encashment are provided for the company as a whole amounts accrued pertaining to Key managerial personnel are not included above.

# Mr. Vikas Arora was appointed as Whole-time Director (WTD) w.e.f. November 10, 2022. The requisite approvals towards managerial remuneration payable / paid to Mr. Vikas Arora of ₹ 40.29 Lakhs and Mr. Milind Naik (who resigned as WTD w.e.f. September 22, 2022 and was paid remuneration of ₹ 241.96 Lakhs during his tenure as WTD) are still awaited from the lenders.

## 42. EARNINGS PER SHARE

₹ In Lakhs

Particulars	Unit	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Loss after tax attributable to Equity Shareholders for Basic/Diluted EPS	₹ in Lakhs	(181,691)	(147,467)
Weighted average number of equity shares* outstanding for Basic/Diluted# EPS	Nos.	12,917,891,485	12,915,492,957
<b>Basic &amp; Diluted Earnings Per Share (₹)</b>		<b>(1.41)</b>	<b>(1.14)</b>

\* Includes shares to be issued to the holders of Foreign Currency Compulsorily Convertible Bonds (FCCB Series–B1 & B3).

# The effect of Interest Bearing Convertible Bonds (FCCB Series–B2) on the Earnings per Share is anti-dilutive and hence, the same is not considered for the purpose of calculation of dilutive Earning per Share.

## 43. Details of loans given, investment made and guarantees given, covered U/s 186(4) of the Companies Act, 2013

The Company has not given any Loan or Guarantee to any party for their borrowings. Details of Investments are given in note no. 4 and 9 to the Financial Statements.

## 44. DEFERRED TAX

## 44.1 Reconciliation of tax expenses and the accounting profit multiplied by domestic tax rate

The Company has incurred losses during the financial year 2022–23 and previous financial year 2021–22. The Company has no tax expenses in these years as per provisions of Income Tax Act, 1961 and no deferred tax assets recognised. Since the Company has been following the new tax regime, effective tax rate applicable for financial year 2022–23 is 25% in case of income other than Capital Gains and 20 % in case of Long Term Capital Gain.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 44.2 Deferred tax liabilities / (Assets) relates to the following:

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Property, Plant & Equipment and Investment Property	5,721	28,860
Net Leasess	(4,948)	(6,036)
Other Intangible Assets	(569)	(789)
Investments	73	(24,712)
Disallowance Under Section 43B of the Income Tax Act, 1961	(89,064)	(55,617)
Provision for doubtful debts	(9,182)	(6,880)
Tax Losses :		
Business Losses	(11,078)	—
Unabsorbed Depreciation	(116,162)	(116,162)
<b>Deferred Tax (Assets)/Liability</b>	<b>(225,209)</b>	<b>(181,336)</b>

Note: Figures in bracket indicates Deferred Tax Assets

The Company has net Deferred Tax Assets (DTA) as at March 31, 2023 which is not recognised in the Financial Statements in the absence of probable taxable profits against which the same can be utilised.

### 44.3 Amount and expiry date of unused tax losses for which no deferred tax asset is recognised:

₹ In Lakhs

Assessment Year (AY)	Unused tax Loss**	Carried Forward Till AY
2016–17	6,453	2024–25
2017–18	30,736	2025–26
2022–23*	113,650	2031–32
<b>Total</b>	<b>150,839</b>	

\* Subject to filing of the return of Income

\*\* After Adjustment of settlement made under Vivad Se Vishwas Scheme 2020

From last many years the Company is incurring losses and does not expect sufficient future taxable income in the near future against which the unused tax losses can be utilised, so the Company has not recognised the DTA for the same.

## 45. DISCLOSURE ON REVENUE RECOGNITION

### (a) Disaggregated Revenue information & Performance Obligation

The Company provides passive infrastructure on shared basis to telecom operators (Telcos) for hosting their active network components. The business model of passive infrastructure sharing is based on building, owning, operating and maintaining passive telecom infrastructure sites capable of hosting active network components of various technologies of multiple Telcos. The Company's operation is solely in geographic boundaries of India. The main source of revenue includes Infrastructure Provisioning fee (IPF) & Reimbursements of Energy & Other Cost. It's an ongoing service performance obligation based on long term contracts with the customers with pre defined lock in periods, contracts are optimally designed based on fixed or actual contract basis matrix. Since the performance obligation is an ongoing process the same is billed on monthly basis/satisfaction of conditions in contract, which falls due for payments within upto 30 days of billing or advance as per terms of contract, (Refer note no. 27 for Segregation of Revenue).

### (b) Trade Receivables and Contract balances

The timing of revenue recognition, billings and collections results in receivables, unbilled revenue and unearned revenue on the Company's Balance Sheet. Amounts are billed in accordance with agreed-upon contractual terms on monthly basis. The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of billings from the contracts, which are classified as financial assets when the right to consideration is unconditional and is due only within a month. Invoicing to the customers is based on the contracts and therefore, the timing of revenue recognition is different from the timing of invoicing to the customers. Invoicing in excess of earnings is classified as unearned revenue. Trade receivables and unbilled revenues are presented net of provision in the Balance Sheet.

The following table discloses the movement in unbilled energy & other reimbursement revenue on Customer contracts during the Year ended March 31, 2023.

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning	5,280	4,725
Add : Revenue recognized during the year end	5,092	5,280
Less : Invoiced during the year end	5,280	4,725
<b>Balance at the end</b>	<b>5,092</b>	<b>5,280</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 46. MOVEMENT IN PROVISIONS:

Disclosures as required by Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets: –

₹ In Lakhs

Nature of provision	Provision for Compensated Absences	Asset Retirement Obligation	Total
As at April 1, 2021	49	11,780	11,829
Unwinding of finance cost	–	473	473
Addition	69	–	69
Payment	(6)	–	(6)
Reversal / Re-measurement of liability	(6)	(617)	(623)
As at March 31, 2022	106	11,636	11,742
As at April 1, 2022	106	11,636	11,742
Unwinding of finance cost	–	355	355
Addition	55	–	55
Payment	(4)	–	(4)
Reversal / Re-measurement of liability	(36)	(1,820)	(1,856)
As at March 31, 2023	121	10,171	10,292

47. In the opinion of the Management, Non-Current/Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of the business.

## 48. SEGMENT REPORTING

The Company is predominantly in the business of providing "Telecom Towers" on shared basis and as such there are no separate reportable segments. The Company's operations are only in India.

Revenue from operations includes ₹ 135,310 Lakhs (previous year ₹ 137,962 Lakhs) towards aggregate amount of revenue from three customers (previous year three customers), who individually contributes more than 10% of total revenue of the company.

These revenues are attributed to the Revenue from Telecom / Network Infrastructure Facilities, Energy & Other reimbursements.

## 49. FAIR VALUES

Set out below, is the carrying amounts and fair value of the Company's financial assets and liabilities that are recognised in the Financial Statements

## a) Financial Assets measured at fair value through profit or loss:

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Financial Assets :</b>		
– Investment in Preference Shares	–	–
– Investment in units of Mutual Funds	6,877	6,529
<b>Total</b>	<b>6,877</b>	<b>6,529</b>

## b) The carrying amounts of the following financial assets and financial liabilities are a reasonable approximation of their fair values.

Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately

## i) Financial Assets:

- Cash and Cash equivalents
- Bank balances Including Deposits other than cash and cash equivalents
- Loans & Advances
- Security Deposits
- Interest Receivable
- Trade Receivables and Unbilled Income

## ii) Financial Liabilities:

- Lease Liabilities
- Trade Payables and Creditors for Capital Goods
- Other Financial Current Liabilities
  - Borrowings Including Interest
  - Deposits from Customer

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### Fair Valuation techniques used to determine fair value

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

- Fair Value of mutual fund are reported as per Net Asset Value
- The fair values of non-current loans/Borrowings and security deposits are calculated based on Discounted Cash Flows technique (DCF) using a current lending rate relevant to the instrument
- Fair value of trade receivable, cash & cash equivalents, other bank balances, trade payables, loans and other financial assets and liabilities are approximate to their carrying amounts largely due to the short-term maturities of these instruments.
- Fair Value of financial instruments measured at amortised cost such as Deposits, Borrowings, Lease Liabilities etc are approximate to their Carrying values.
- The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

### 50. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying value of financial instruments by categories as at year end is as follows:

₹ in Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	Fair value Through Profit/Loss	Amortised Cost	Fair value Through Profit/ Loss	Amortised Cost
<b>Financial Assets</b>				
Cash & cash equivalents	—	49,636	—	48,879
Deposit with Bank	—	228	—	220
Investments	6,877	—	6,529	—
Other Financial assets	—	15,973	—	16,827
Trade Receivables	—	13,074	—	8,647
<b>Total</b>	<b>6,877</b>	<b>78,911</b>	<b>6,529</b>	<b>74,573</b>
<b>Financial Liabilities</b>				
Lease Liabilities	—	83,741	—	84,265
Trade payables	—	4,339	—	2,988
Borrowing and interest	—	664,481	—	625,338
Other Financial Liabilities	—	108,838	—	96,531
<b>Total</b>	<b>—</b>	<b>861,399</b>	<b>—</b>	<b>809,122</b>

### 51. FAIR VALUE HIERARCHY

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques: —

**Level 1:—** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.

**Level 2:—** Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments, that are not traded in an active market, which is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Group specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

**Level 3:—** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The following table provides the fair value measurement hierarchy of the Company's Assets and Liabilities

Particulars	As at March 31, 2023			As at March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets measured at fair value through Profit or loss (Investments) :						
– Investment in Preference shares	–	–	–	–	–	–
– Investment in Mutual Funds	6,877	–	–	6,529	–	–
<b>Total</b>	<b>6,877</b>	<b>–</b>	<b>–</b>	<b>6,529</b>	<b>–</b>	<b>–</b>

### 52. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES:

The Company's principal financial liabilities comprise loans and borrowings including Interest thereon, Lease Liabilities, Trade payables, Capex Creditors, deposits from Customers and others Financial Liabilities. The main purpose of these financial liabilities is to finance the Company's operations, including Tower/Network upgradation projects under implementation. The Company's principal financial assets include Investments, Deposits, loans and advances, receivables and cash and bank balances that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Risk Management Committee in consultation with Audit Committee of the Board of Directors of the Company oversees the management of these risks. The focus of Risk Management is to assess risks, monitor, evaluate and deploy mitigation measures to manage these risks within risk appetite.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

#### 1) Market Risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial Instrument affected by market risk includes loans and borrowings, deposits and mutual funds.

As the revenues from Company's tower business are dependent on the sustainability of Telecom sector, Company believes that macro-economic factors, including the growth of Indian economy, interest rates as well as political & economic environment, have a significant direct impact on Company's business, results of operations & financial positions.

India's top telecoms companies, including Reliance Jio, Vodafone Idea and Bharti Airtel, have appealed to the government for reduced levies, saying the sector requires more financial relaxation and support for viability and sustenance. Through the Cellular Operators Association of India, the industry is seeking a reduction in license fees, from 3% to 1% and a deferral of the universal service obligation levy of 5%.

a) Interest Rate Exposure profile appended in the table below:

Borrowings	₹ In Lakhs	
	As at March 31, 2023	As at March 31, 2022
Floating Rate Loans with interest thereon	8,233	7,459
Fixed rate Loans with interest thereon	649,551	606,716
<b>Total</b>	<b>657,784</b>	<b>614,175</b>

b) Foreign Currency Exposure that are not hedged by derivative instruments is as follows:

Unhedged Foreign currency exposure as at March 31, 2023	Currency	Amount in Foreign Currency	₹ In Lakhs
Borrowings and interest thereon	USD (\$)	86,570,240	71,127
Borrowings and interest thereon	Euro (€)	9,209,918	8,233
Trade Payable	USD (\$)	38,233	31
<b>Total</b>		<b>95,818,391</b>	<b>79,391</b>

  

Unhedged Foreign currency exposure as at March 31, 2022	Currency	Amount in Foreign Currency	₹ In Lakhs
Borrowings and interest thereon	USD (\$)	80,901,906	61,198
Borrowings and interest thereon	Euro (€)	8,853,605	7,459
Trade Payable	USD (\$)	38,233	29
<b>Total</b>		<b>89,793,744</b>	<b>68,686</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### Notes:

- (i) Above exposure does not include exposure towards Foreign Currency Compulsory Convertible bonds (FCCB) B1 & B3.
- (ii) Amounts in INR are reported at the closing exchange rates.
- (iii) Amounts reported above are at actuals while same are measured at amortised cost in the Financial Statements.

### c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's fixed rate long term borrowings, which constitute more than 95% of the total borrowings, carry step up interest rate with a predetermined yield rate which is fixed throughout the tenor of the borrowings, whereas floating rate long Term Borrowing is exposed to market rate fluctuations. As such, considering the ratio of fixed rate and floating rate borrowings, risk exposure is at minimum level.

#### Interest rate sensitivity:

With all other variable held constant the following table reflects the impact of borrowing cost on floating rate portion of total Debt:

₹ In Lakhs

Financial Year ended	Floating Rate Borrowings particular	Risk Exposure on Interest Rate (basis points)	Consequent effect on profit/ loss before tax
March 31, 2023	Foreign Currency Term Loan	+/- 100	+/- 82
March 31, 2022	Foreign Currency Term Loan	+/- 100	+/- 75

### d) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's borrowings related to its foreign currency convertible bonds & foreign currency loan.

Foreign currency risk is managed by effective foreign risk management policy based on risk perception of the management

#### Foreign Risk sensitivity:

The following table demonstrates the sensitivity in the USD & Euro to Indian Rupees with all other Variable held constant. The effect on loss before tax due to foreign exchange rate fluctuation:

₹ In Lakhs

Particulars	Foreign Currency	Risk Exposure on Forex Rate (Increase/ Decrease in basis points)	Consequent effect on profit/ loss before tax	
			March 31, 2023	March 31, 2022
Foreign Currency Convertible Bonds	USD (\$)	100	711	612
Foreign Currency Term Loan	Euro (€)	100	82	75
Trade Payable	USD (\$)	100	0.31	0.29
<b>Total</b>			<b>793</b>	<b>687</b>

### e) Commodity Price Risk

The Company invests on upgradation of its tower assets which includes purchases of A class items like Battery banks, Diesel Generators, SMPS and other electrical items. The prices of these items fluctuate based on the prices of its raw material. Metal prices depends on the LME rate (London metal exchange), any variation in the LME prices, battery prices gets fluctuate.

Further, Company consumes diesel and electricity for running its tower sites. These rates for diesel and electricity fluctuate based on central & state policies. Company has entered into contracts with the Customers for recovery of diesel and electricity expenses. These contracts are linked with actual diesel and electricity rates thus resulting in natural hedging.

Commodity price risk is managed by effective risk management policy with help of Company's Supply Chain Management Team and Central Purchasing Committee based on risk perception.

### 2) Credit Risk

Credit risk refers to the risk of default of obligations by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and investments in mutual funds.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### Trade Receivables

The Company periodically assesses the financial reliability of its customers, taking into account the current economic trend, business challenges, historic trend of payments, bad debts & ageing of accounts receivables. The Company provides Passive Telecom Infrastructure to Telecom Operators in India. During previous few years, all telecom companies faced increased pressure on earnings and financing fronts, which in turn adversely impacted financing and fund raising plans of tower companies.

The Company lost substantial number of tenancies in last few years, due to various events which were beyond management control, such as shutdown/exit of major telecom operators including Aircel Group, Reliance Communications and Tata Tele, Shyam Sistema Business combination of Vodafone & Idea (VIL), Telenor & Airtel, etc. The Company believes that it has binding long term contractual lock in arrangements with Aircel/other customers and accordingly, continues to pursue its claim of approx. ₹ 15,34,023 Lakhs arising out these developments. One of the customers, is not paying its monthly invoices raised by the Company on time and delaying the same by one/two months. Even after continuous follow-up, apart from making delayed payment, it is unilaterally making deductions. Additionally, another customer is facing financial crunch, which has resulted in long pending overdue and uncertainty in collection. The Company has already initiated the arbitration and legal recourse for recovery proceedings against the defaulting customers.

The Company, as a part of its risk management plan, has proactively taken various measures including legal measures to recover its dues from defaulting operators. In case of BSNL, to mitigate the funding risk, the Company has terminated certain non-paying sites by following due contractual process. On the other hand, the Company is taking measures to ensure smooth operations and contracted network time for remaining customers which would enable the Company to keep the credit risk at moderate level. The Company has also obtained rolling advances & security deposits from its customers which in turn mitigate the credit risk to that extent.

The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience with customers.

### Financial instruments and Bank deposits

The Company's Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy subject to lenders' consent.

### 3) Liquidity Risk

Liquidity risk is that the company will not be able to settle or meet its obligation on time or at reasonable price. Company's principal sources of liquidity are cash flows generated from its operations including deposits and advances received from customers as a part of its contractual terms. Considering the various developments during the last decade in telecom sector affecting the Company, various steps have been initiated by the Company to ensure that liquidity risk remains at low level.

The Company lost substantial number of tenancies in last few years, due to various events which were beyond management control, such as shutdown / exit of major telecom customers including Aircel Group, Reliance Communications and Tata Tele, Business combination of Vodafone & Idea (VIL), Telenor & Airtel, etc. The Company believes that it has binding long term contractual lock in arrangements with Aircel/other operators and accordingly, continues to pursue its claim of approx. ₹ 15,34,023 Lakhs arising out these developments.

One of the customers, in its latest published unaudited financial results for the quarter and nine months ended December 31, 2022, had indicated that its ability to continue as a going concern is dependent on its ability to raise additional funds as required, successful negotiation with lenders and vendors for continued support and generation of cashflow from operations for settling its liability as they fall due. The said customer had also disclosed in its financial results that so far it has met all debt obligations to its lenders / banks and financial institutions along with applicable interest till date.

The Company, in these circumstances, has proactively taken various steps to ensure smooth operations and contracted network uptime for its existing customers, namely VIL, Reliance Jio, Bharti Airtel, BSNL etc. These steps include reduction in fixed/semi variable costs including electricity and diesel charges, operations and maintenance charges, ground rent, terminating non-paying site after following contractual process, initiating arbitration for recovery of dues etc. The Company is also in the process of re-negotiating its arrangements with existing vendors. These steps are expected to enable the Company to remain EBITDA positive.

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated November 18, 2022 has dismissed petition filed by one of the secured lenders for initiation of Corporate Insolvency Resolution Process ("CIRP") under Section 7 of the Insolvency & Bankruptcy Code, 2016 ("IBC"). The said lender has filed an appeal against this order before the Hon'ble National Company Law Appellate Tribunal ("NCLAT"). In the meantime, EARC who is the lead lender of the Company has filed its Intervention Application in abovementioned Appeal. The Company has filed its reply to the appeal as well as EARC intervention application and now matter is posted for hearing on May 26, 2023.

The Company is optimistic that various resource optimization initiatives under taken by the Company along with positive developments in telecom sector can lead to stabilization and revival.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The below table summarizes the maturity profile of the company's financial liability based on contractual cash flows:

₹ In Lakhs

As at March 31, 2023	Less than 1 year	More than 1 year	Carrying Value
Interest bearing Loans & Borrowing* (Including current maturities)	512,904	151,083	663,987
Lease Liability	32,958	50,783	83,741
Other financial liabilities	107,309	2,023	109,332
Trade Payables	4,339	—	4,339

  

As at March 31, 2022	Less than 1 year	More than 1 year	Carrying Value
Interest bearing Loans & Borrowing* (Including current maturities)	412,832	211,959	624,791
Lease liability	28,004	56,261	84,265
Other financial liabilities	95,061	2,016	97,077
Trade Payables	2,988	—	2,988

\* Refer note no. 18.1

### 53. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, mandatorily convertible foreign currency bonds, securities premium, all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure continuity of the operating activities of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through internal accruals of the Company.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023.

54. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective

### 55. ANALYTICAL RATIOS

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	%Variance	Reason for variance
a) Current ratio	Current Assets	Current Liabilities	0.104	0.105	(2%)	
b) Debt–Equity ratio	Total Debts	Total Equity (Equity Shares Capital + Other equity)	(1.46)	(2.28)	(36%)	Reduction in Other equity due to rise in loss for the year
c) Debt service coverage ratio	Earnings available for debt service (Net profit after taxes + depreciation & amortization + Finance cost + non cash operating items + Other adjustment)	Finance cost + principle repayment of long term borrowings during the year	0.10	0.14	(23%)	FCCB dues are considered in Debt servicing for the Year.
d) Return on equity ratio	Net profit after tax	Average Total Equity [(Opening Total Equity + Closing Total Equity)/2]	(0.50)	(0.73)	(32%)	Reduction in Other equity due to rise in loss for the year
e) Inventory turnover ratio	Revenue from sales of products	Average Inventory [(opening balance + closing balance)/2]	NA	NA	NA	
f) Trade receivables turnover ratio	Revenue from operations	Average trade receivable [(Opening balance + closing balance) /2]	8.57	9.39	(9%)	
g) Trade payables turnover ratio	Infrastructure & Maintenance Cost	Average trade payable [(Opening balance + closing balance)/2]	1.06	1.69	(37%)	Reduction in operational cost due to slower growth & operators exits higher than new additions

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	%Variance	Reason for variance
h) Net capital turnover ratio	Revenue from operations	Average Working Capital [(Current asset – Investments) – current liabilities]	(0.21)	(0.22)	(8%)	
i) Net profit ratio	Net profit after tax	Revenue from operations	(125%)	(101%)	24%	
j) Return on capital employed	profit Before interest & Tax	Total Equity + Total Debt + Deferred Tax Liability	(49%)	(21%)	133%	Reduction in Other equity due to rise in loss for the year and increase in interest cost
k) Return on Investment	Interest Income on fixed deposits + Profit on sale of investments	Current Investments + Non current Investments + Fixed deposits with bank	5%	3%	47%	Change in NAV & interest rate

## 56. OTHER STATUTORY INFORMATION

- There are no balances outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 except the following:

₹ In Lakhs

Company	Nature of Transaction	Opening Balance	Closing Balance	Relationship, if any
Rajaram Tomar Logistics Private Limited	Payable	0.22	0.22	Not Applicable
S R Telepower Services Private Limited	Payable	2.81	0.21	Not Applicable
Peregrine Guarding Private Limited	Payable	0.00	0.29	Not Applicable

- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) 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 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(s), including entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the (a) 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 (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any such transaction which is not recorded in the books of accounts surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.
- No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company is not declared wilful defaulter by any bank or financial institution or other lender.

57. The management and authorities have the power to amend Financial Statements in accordance with section 130 and 131 of Companies Act, 2013.

## 58. DISMANTLING OF UNOCCUPIED SITES

During last decade, there were various developments which adversely impacted Indian telecom sector. The extremely challenging external environment during last decade impacted the Indian telecom sector where even multinational companies and/or large Indian conglomerates have either (i) shut down and exited from the telecom sector or (ii) downsized their operations significantly. The first set of issues included the landmark judgement of the Hon'ble Supreme Court cancelling 122 2G telecom licenses in February 2012 (including licenses of Uninor, Videocon, Etisalat, Idea and Tata), the Vodafone Tax issues, the 3G auctions and the unsustainable debt accumulated by the telecom companies. All these factors led to mass exits of operators and significant scale down by the remaining. As a result, majority of the Company's telecom sites turned into single tenant sites. Thereafter, the year 2017–18 has seen unprecedented shutting down of some of the major telecom operators such as Aircel Group (then largest customer of the Company), Tata Teleservices, Reliance Communication, Sistema Shyam (merged with Reliance Communication) and Telenor (merged with Airtel). Thus, consequent to closure of 14 telecom customers, more than 14,000 towers of the Company were abandoned by such discontinuing operators, thereby making such towers unoccupied, which is more than 50% of the total tower portfolio. These external events were beyond the control of the management and the Company. Post abandonment of these towers, the discontinuing operators didn't make payment of their contractual dues including rent payable to landlords, taxes and other dues, etc., related to unoccupied towers remained unpaid, many of which are pass through payments for the Company. As a result, the Company was saddled with substantial costs and liabilities including rents, taxes and other dues on such unoccupied towers without any revenue. The Company is already litigating with such discontinuing operators to recover its contractual dues, which are amounting to more than ₹ 15,34,023 Lakhs.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The Company, on a monthly basis, has been requesting EARC, being Monitoring Institution for payments due to the landlords of the unoccupied sites. However, the same is yet to be approved by the EARC.

Due to non-receipt of the rental amounts, many of the landowners blocked access to our Company's employees to sites. Resultantly, disgruntled landlords / unknown miscreants resorted to unauthorized dismantling of the tower sites. 2,932 sites got dismantled during Year ended March 31, 2023 (Previous Year 259 sites) out of the above unoccupied sites. This has resulted into a loss (net) of ₹ 34,169 Lakhs for the year ended March 31, 2023 (Previous year ₹ 3,181 Lakhs) which is included in other expenses in the Financial Statements.

The Company has already initiated various steps to protect its assets from such miscreants including carrying out additional surveys, discussion with landowners, legal actions against such miscreants, recovering site material, lodging of police complaints / FIR and insurance claim etc. Additionally, the Company has deployed Tower Vigilance Team (TVT) in theft prone areas to curb theft of the towers and tower materials which is showing positive result since deployment. In few cases, thieves have been arrested by the police as a result of additional measures taken by the Company.

59. The Company had undertaken a Corporate Debt Restructuring (CDR) exercise in 2011 as per applicable CDR guidelines and regulations. For reasons beyond the management control, post implementation of CDR package, the adverse conditions relating to the telecom sector had a material adverse impact in the achievement of the CDR projections. These events include the landmark judgement of the Hon'ble Supreme Court cancelling 122 2G telecom licenses in February 2012 (including licenses of Uninor, Videocon, Etisalat, Idea and Tata), the Vodafone Tax issues, the 3G auctions and the unsustainable debt accumulated by the telecom companies. The Company had met its repayment obligations till June 30, 2016 out of its cash accruals and realization from current assets. However in view of the substantial developments which have had a significant impact on the financial performance of the Company, the repayment obligations were not likely to be met going forward. In view thereof, in the Joint Lender Forum (JLF) meeting held on September 20, 2016, the Rupee Lenders reviewed the account and after deliberations, invoked the scheme for SDR. Thus with secured debt reduced to a sustainable level, there was significant investor interest for buying out lenders equity stake as part of the Strategic Debt Restructuring (SDR) process.

Post implementation of SDR scheme, the unprecedented shut downs of major wireless operators such as Aircel Group, Reliance Communications and Tata Tele, consolidation in telecom industry such as Business combination of Vodafone & Idea, Telenor & Airtel have had a material adverse effect on the Company. These event were beyond the control of the management. As a result, the Company lost substantial number of tenancies making more than 14,000 towers unoccupied, which is more than 50% of the total tower portfolio. Also, Company's EBITDA reduced substantially from ₹ 1,10,000 Lakhs to less than ₹ 30,000 Lakhs due to continued cost of unoccupied sites and fall in revenue due to defaults by bankrupt operators.

Table below highlights the tenancies lost by the company due to telecom sector events, which were beyond the management control, such as shut down / exit of 14 Telecom customers over the past few years.

Sr no	Events of Tenancy Loss	No. of Tenancy	Period	Description
1	Cancellation of 2G licenses	4,319	Upto December 2017	Supreme Court judgment on cancellation of 122 2G telecom licenses
2	Slower 3G/BWA growth	4,750	Since FY 2012-13	Industry slowdown following the Supreme Court verdict
3	Operator scale back due to auction	3,500		
4	Aircel default on commitment of additional 20,000 Tenancies	15,200	May 2014	Legal and financial issues
5	RCom shutdown of wireless business	1,386	August & September 2017	Unsustainable business due to competition
6	Tata exit from wireless business	2,910	Since May 2017	
7	Merger of Vodafone and Idea	3,227	Since April 2018	Forced industry consolidation due to competition
8	Consolidation of Telenor with Airtel	1,395	During FY 2018-19	
9	Aircel filing of bankruptcy	23,727	January 2018	Unsustainable business due to competition
10	BSNL exits due to uncertainty of collection	1,767	Since FY 2018-19	Unsustainable business due to competition
11	Exit during business course with various reasons	4,923	Since April 2013	
	<b>Aggregate Tenancy Loss from 2012 to 2023</b>	<b>67,104</b>		

These developments have resulted in reduction in the revenue and earnings and the Company was saddled with substantial costs and liabilities on unoccupied towers. Thus, these factors resulted in erosion of Company's net worth and provision for impairment of property, plant and equipment.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

As a consequence of the above developments, there was an urgent need to right size the debt levels. At the time, the lenders of the Company chose to assign their respective debts in favour of Edelweiss Asset Reconstruction Company Limited ("EARC"). The Company believed that once the assignment was completed, the debt would be restructured to sustainable levels in a timely manner and accordingly, the Company presented multiple Resolution Plans starting from April 2018 for consideration of lenders' consortium updating such plans from time to time after taking into account various developments in telecom sector. However, for reasons best known to them, the said Resolution Plans submitted by the Company were never considered by the lenders and also few lenders elected not to assign their respective debts to EARC. Further, a Techno-Economic Viability study for better understanding of the realistic sustainable debt was not carried out.

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated November 18, 2022 has dismissed petition filed by one of the secured lenders for initiation of Corporate Insolvency Resolution Process ("CIRP") under Section 7 of the Insolvency & Bankruptcy Code, 2016 ("IBC"). The said lender has filed an appeal against this order before the Hon'ble National Company Law Appellate Tribunal ("NCLAT"). In the meantime, EARC who is the lead lender of the Company has filed its Intervention Application in abovementioned Appeal. The Company has filed its reply to the appeal as well as EARC intervention application and now matter is posted for hearing on May 26, 2023.

Additionally, the Company has received notices of recall of loans from EARC and IDBI Bank claiming alleged default in terms of Master Restructuring Agreement dated December 31, 2011. The Company has strongly refuted the claims, as the lenders knew it fully that restructuring was essential post ARC sale. Meanwhile IDBI Trusteeship Company Limited (ITSL), Security Trustee, on the instruction of lenders of the Company has invoked pledge on 2,85,00,000 equity shares of GTL Limited, pledged by Promoter Group Company and transferred the said shares to their account. The lenders have recovered and appropriated ₹ 2,010 lakhs (previous year ₹ 1,391 Lakhs) Lakhs from sale of the said equity shares. The above events, cast significant doubt on the Company's ability to continue as a Going Concern.

With the telecom sector moving towards stabilization, management believes that below events in telecom sector are positive developments which will lead to increased demand for its towers and thereby increase in the revenue and EBITDA levels.

1. Revival package approved by the Government of India for telecom sector;
2. Hike in mobile call and data tariffs by telecom operators;
3. Mapping of sites for 5G rollout by the operators.

In addition to the above, various resource optimization initiatives undertaken by the Company, can lead to stabilization and revival. Further, the Company also continues to pursue contractual claims of approx. ₹ 15,34,023 Lakhs from various operators in respect of premature exits by them in the lock in period. One of such claims of the Company against TATA was settled during the year resulting in receipt of arbitration award in favour of the Company and consequent recovery of ₹ 2,900 Lakhs from TATA.

Considering the above and as the Company does not have any intention to stop its operations or liquidate its assets, the Company continues to prepare the books of account on Going Concern basis.

**60.** The figures for the corresponding previous year have been regrouped/rearranged wherever necessary, to make them comparable.

**61.** These financial statements have been approved for issue by the Board of Directors at their meeting held on May 11, 2023.

As per our report of even date

For **PATHAK HD & ASSOCIATES**

*Chartered Accountants*

Firm Regd. No. 107783W/W100593

**GOPAL CHATURVEDI**

*Partner*

Membership No:090903

Mumbai

Date: May 11, 2023

For and on behalf of the Board of Directors

**VIKAS ARORA**

*Whole Time Director*

DIN-09785527

**MANOJ TIRODKAR**

*Chairman*

DIN-00298407

**BHUPENDRA KINY**

*Chief Financial Officer*

**NITESH MHATRE**

*Company Secretary*

Membership No:A18487