

**Demello Telepower Private Limited**  
**CIN : U74900GA2011PTC006578**  
**Balance Sheet as at March 31, 2024**

(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

	Notes	As at 31-Mar-24	As at 31-Mar-23
<b>Assets</b>			
<b>Non- current assets</b>			
Property, plant and equipment	4	77,522	83,416
Right-of-use assets	4	4,46,004	4,89,401
Capital work-in-progress	5	1,521	678
Financial assets			
Other financials assets	9	73,500	11,715
Income tax assets (net)		17,724	20,152
Deferred tax assets (net)	14	22,246	15,298
Other non-current assets	6	2,591	3,380
		<b>6,41,109</b>	<b>6,24,040</b>
<b>Current assets</b>			
Financial assets			
Trade receivables	7	34,896	23,396
Cash and cash equivalents	8	18,204	23,204
Bank balance other than cash and cash equivalents	8	1,31,000	2,90,000
Other financials assets	9	2,20,094	11,858
Other current assets	6	2,686	2,582
		<b>4,06,880</b>	<b>3,51,040</b>
<b>Total assets</b>		<b>10,47,989</b>	<b>9,75,080</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	10	1,000	1,000
Other equity		4,27,353	3,39,994
<b>Total equity</b>		<b>4,28,353</b>	<b>3,40,994</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	11	4,99,996	5,22,487
Other financial liabilities	12	18,188	17,871
Provisions	13	4,379	4,138
		<b>5,22,563</b>	<b>5,44,496</b>
<b>Current liabilities</b>			
Financial liabilities			
Lease liabilities	11	44,458	37,506
Trade payables	15	-	-
-Total outstanding dues of micro enterprises and small enterprise		-	-
-Total outstanding dues of creditors other than micro enterprise and small enterprises		49,480	48,929
Other financial liabilities	12	990	984
Other current liabilities	16	2,132	2,149
Provisions	13	13	22
		<b>97,073</b>	<b>89,590</b>
<b>Total liabilities</b>		<b>6,19,636</b>	<b>6,34,086</b>
<b>Total equity and liabilities</b>		<b>10,47,989</b>	<b>9,75,080</b>

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

**For S.R. Battliboi & Associates LLP**  
Chartered Accountants  
Firm registration number: 101049W/E300004

**Hormuz Eruch Master**  
Digitally signed by Hormuz Eruch Master  
DN: cn=Hormuz Eruch Master, o=Hormuz Master, email=Hormuz.master@arb.in

**Hormuz Eruch Master**  
Partner  
Membership No: 110797

Place : Mumbai  
Date : May 29, 2024



For and on behalf of the board of directors of  
**Demello Telepower Private Limited**  
CIN : U74900GA2011PTC006578

**ANKUR SRIVASTAVA**  
Digitally signed by ANKUR SRIVASTAVA

**Ankur Srivastava**  
Director  
DIN: 06750010

Place : Mumbai  
Date : May 29, 2024

**J RAJAGOPALAN**  
Digitally signed by J RAJAGOPALAN

**J Rajagopalan**  
Director  
DIN: 01929435

**Demello Telepower Private Limited**  
**CIN : U74900GA2011PTC006578**  
**Statement of Profit and loss for the year ended March 31, 2024**

(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

	Notes	For the year ended 31-Mar-24	For the year ended 31-Mar-23
<b>Income</b>			
Revenue from operations	17	3,17,330	2,92,866
Finance and other income	18	26,386	19,812
<b>Total income</b>		<b>3,43,715</b>	<b>3,12,679</b>
<b>Expenses</b>			
Power and fuel		43,650	42,721
Operating and maintenance expense	19	8,286	6,546
Employee benefits expense	20	5,095	4,668
Other expenses	21	30,592	13,203
<b>Total expenses</b>		<b>87,622</b>	<b>67,138</b>
<b>Profit before interest, tax, depreciation and amortisation</b>		<b>2,56,093</b>	<b>2,45,541</b>
Depreciation and amortization	22	80,837	78,733
Finance cost	23	52,098	49,441
<b>Profit before tax</b>		<b>1,23,159</b>	<b>1,17,367</b>
<b>Tax expenses</b>	14		
Current tax		42,808	28,599
Deferred tax charge/ (credit)		(6,963)	1,565
<b>Profit for the year</b>		<b>87,313</b>	<b>87,202</b>
<b>Other comprehensive income</b>			
Re-measurement gains / (losses) on defined benefit plans		62	(62)
Income tax		(16)	16
Total		47	(47)
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>		<b>47</b>	<b>(47)</b>
<b>Total comprehensive income for the year</b>		<b>87,360</b>	<b>87,155</b>
Earnings per equity share (Rs.) (Nominal value of share Rs.100 each)			
Basic (Rs.)	24	8,731	8,720
Diluted (Rs.)	24	8,731	8,720

The accompanying notes form an integral part of the financial statements.

As per our report of even date

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Membership No: 110797

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DIN: 01929435

**Demello Telepower Private Limited**  
**CIN : U74900GA2011PTC006578**  
**Statement of Cash flows for the year ended March 31, 2024**

(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

	Year Ended 31-Mar-24	Year Ended 31-Mar-23
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>1,23,159</b>	<b>1,17,367</b>
<b><u>Adjustments to reconcile profit before tax to net cash flows:</u></b>		
Depreciation and amortisation expense	80,837	78,733
Finance income	(23,961)	(15,188)
Finance costs	52,058	49,428
Provision for Bad debts	312	(16,079)
Gain/loss on lease termination	-	-
Loss on disposal of property, plant and equipment	(959)	(1,070)
Revenue Equalisation	435	(450)
<b><u>Working capital adjustments:</u></b>		
(Increase) in trade receivables	(11,812)	4,415
(Increase) in other financial and non financial assets	(9,638)	(2,877)
Increase in trade payables and other financial liabilities	541	6,792
Increase in provisions	36	140
Increase/ (decrease) in other non-financial liabilities	(17)	293
	<b>2,10,991</b>	<b>2,21,504</b>
<b>Income tax refund/ (paid)</b>	<b>(40,382)</b>	<b>(37,364)</b>
<b>Net cash flows from operating activities (A)</b>	<b>1,70,609</b>	<b>1,84,140</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(8,145)	(12,120)
Proceeds from sale of property, plant and equipment	1,698	3,112
Proceeds from/(Investments in) bank deposits	(1,01,000)	(1,00,000)
Interest received From Bank deposit	23,961	15,045
<b>Net cash flows from/ (used) in investing activities (B)</b>	<b>(83,486)</b>	<b>(93,963)</b>
<b>Financing activities</b>		
Payment of lease liabilities (including interest)	(92,123)	(89,988)
<b>Net cash flows used in financing activities (C)</b>	<b>(92,123)</b>	<b>(89,988)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(5,000)</b>	<b>189</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>23,204</b>	<b>23,015</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>18,204</b>	<b>23,204</b>
<b>Cash and cash equivalents comprise the following</b>		
Balances with scheduled banks:		
In current accounts	18,204	23,204
<b>Total cash and cash equivalents (note 8)</b>	<b>18,204</b>	<b>23,204</b>

The accompanying notes form an integral part of the financial statements.

Non cash transactions relating to financing activities (Refer Note 4 and 11) Note 4 - ROU, Note 11 - Lease liability

As per our report of even date

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**Demello Telepower Private Limited**  
**CIN : U74900GA2011PTC006578**  
**Statement of changes in equity for the year ended March 31, 2024**

(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

<b>aEquity Share Capital:</b>	<b>Number of shares</b>	<b>Amount</b>
<b>Equity shares of Rs. 100 each issued, subscribed and fully paid</b>		
<b>As at April 1, 2022</b>	<b>10,000</b>	<b>1,000</b>
Changes in share capital during the year	-	-
<b>Restated Balance as at March 31, 2023</b>	<b>10,000</b>	<b>1,000</b>
Changes in share capital during the year	-	-
<b>Restated Balance as at March 31, 2024</b>	<b>10,000</b>	<b>1,000</b>

**b.Other Equity**

<b>Particulars</b>	<b>Attributable to the equity holders</b>
	<b>Retained earnings</b>
<b>As at March 31, 2022</b>	<b>2,52,838</b>
Profit for the year	87,202
Other comprehensive income	(47)
<b>Total comprehensive income</b>	<b>87,155</b>
<b>As at March 31, 2023</b>	<b>3,39,994</b>
Profit for the year	87,313
Other comprehensive income	47
<b>Total comprehensive income</b>	<b>87,360</b>
<b>As at March 31, 2024</b>	<b>4,27,353</b>

As per our report of even date

**For S.R. Batliboi & Associates LLP**  
Chartered Accountants  
Firm registration number: 101049W/E300004

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## **1 Corporate Information**

Demello Telepower Private Limited (the 'Company' or 'Demello') (CIN : U74900GA2011PTC006578) was incorporated on January 21, 2011. The company is in the business of providing passive infrastructure services to telecom operators, having registered office at H.No. 2/40A, Coutal Waddo, Saligao, North Goa, Goa - 403511.

On August 01, 2018, the Company's 100% shares were acquired by Ascend Telecom Infrastructure Private Limited ('Ascend'). Ascend is in the business of providing passive infrastructure services to telecom operators, having its registered office in Hyderabad and incorporated on March 28, 2002.

The financial statements were approved for issue in accordance with a resolution of the directors on 29th May 2024.

## **2 Material accounting policies**

The material accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

### **2.1 Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Financial Statements.

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments like investments, security deposits, cash and cash equivalents, etc., which are measured at fair values. These financial statements are prepared on going concern basis.

The functional and presentation currency of the Company is Indian Rupees (INR) (presented in thousands ('000s)) which is the currency of the primary economic environment in which the Company operates.

### **2.2 Summary of Material accounting policies**

#### **a) Current versus Non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) 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 current when it is:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) 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.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Advance tax paid is classified as non-current assets

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

#### **b) Property, Plant and Equipment**

Property, plant and equipment including Capital work in progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the Property, plant and equipment if the recognition criteria are met. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer note 3.2(c) regarding significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.



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**c) Depreciation on Property, Plant and Equipment**

Assets are depreciated to the residual values on a straight-line basis over the estimated useful lives. Estimated useful lives of the assets are as follow:

Assets	Useful lives estimated by the management
Plant and Machinery	4-20 years
Computers	3 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8 years

The Company has considered realisable value of 15% for batteries and 1% towards other assets.

The Company believes that the useful lives and realisable value is the best estimate on the basis of technical evaluation and actual realization.

The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for impairment, and adjusted prospectively, if appropriate.

**d) Borrowing cost**

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.

**e) Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets at the lease commencement date.

**i) Right of use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (c) Impairment of non-financial assets.

**ii) Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company may elect not to apply the requirements of Ind AS 116 to leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

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 AS 16.



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**iii) Short-term leases**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

**Company as a lessor**

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases where the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.

**f) Impairment of non-financial assets**

As at the end of each accounting year, the Company reviews the carrying amounts of its Property, Plants & equipment, to determine whether there is any indication that those assets have suffered an impairment loss. 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 cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When 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.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

**g) Contingent assets, Provisions & Contingent liabilities**

1) Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

2) 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Asset retirement obligations (ARO) are provided for those operating lease arrangements where the Company has binding obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease.

ARO are provided at the present value of expected costs to settle the obligation using the estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the site restoration obligation. The unwinding of the discount is expensed as incurred and recognised in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

3) A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or reliable estimate of the amount cannot be made. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions, contingent liabilities, contingent assets are reviewed at each balance sheet date



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## **h) Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

### **[I] Financial Assets**

Financial assets primarily comprise of loan and receivables, cash and bank balances, marketable securities and investments

#### **(A) Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

i) financial assets at amortised cost (debt instruments)

ii) financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

iii) financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

iv) financial assets at fair value through profit or loss

#### **(i) Financial Assets at amortised cost**

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

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.

#### **(ii) Financial assets at fair value through OCI (FVTOCI) (debt instruments)**

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI (Solely payment for Principal and Interest).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

#### **(iii) Financial assets designated at fair value through OCI (equity instruments)**

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

#### **(iv) Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.





(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

**(B) Impairment of financial assets**

In accordance with Ind AS 109, Financial instruments the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Financial assets that are initially measured at fair value with subsequent measurement at amortised cost.

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. The expected credit loss is recognised when there is significant increase noticed in credit risk mainly based on the ageing of the receivable balances and historical experience. Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables are provided if the payment are more than twelve months past due. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

**(C) De-recognition of financial assets**

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:

- i) The rights to receive cash flows from the asset have expired, or
- ii) 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**[II] Financial liabilities and equity instruments**

**Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**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, lease liabilities, security deposits and bank overdrafts.

**(B) Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- i) Financial liabilities at fair value through profit or loss
- ii) Financial liabilities at amortised cost (loans and borrowings)



(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

**(i) 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. 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 are 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 liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

**(ii) Financial liabilities at amortised cost (Loans and borrowings)**

This is the category most relevant to the Company. 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 as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss. This category generally applies to borrowings.

**a. 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.

**(C) De-recognition**

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 de-recognition 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] Off-setting 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.

**i) Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**j) Fair Value Measurement**

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

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:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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 amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **k) (A) Revenue from contract with customers**

The Company earns revenue primarily from leasing of passive infrastructure equipment and energy for operation of sites (Infrastructure provisioning services). Revenue is recognized when the Company satisfies the performance obligation by transferring the promised services to the customers. Services are considered performed when the customer obtains control, whereby the customer gets the ability to direct the use of such services and substantially obtains all benefits from the services. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Rental fees is recognised as and when the services are rendered on a monthly basis as per contractual terms prescribed under contracts entered with customer. The Company has ascertained that the lease payment received are straight lined over the initial lock-in-period of the contract.

Recovery of Energy charges 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.

In order to determine, if it is acting as principal or as an agent, the entity shall determine whether the nature of its promise is a performance obligation to provide the specified services itself (i.e. the entity is a principal) or to arrange for those services to be provided by the other party (i.e. the entity is an agent) for all its revenue arrangements.

Exit Charges is recognised when uncertainty relating to the amounts receivable on exit is resolved and it is probable that a significant reversal relating to the amounts receivable on exit will not occur.

Unbilled revenue represents revenues recognized after the last invoice raised to customer to the period end. These are billed in subsequent periods based on the prices specified in the contracts with the customers, whereas invoicing in excess of revenues are classified as unearned revenues. The Company collects GST on behalf of the government and therefore, it is not an economic benefit flowing to the Company, hence it is excluded from revenue.

Accounting treatment of assets arising in course of sale of goods and services is set out below

##### **(i) Trade receivable**

Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

##### **(ii) Contract assets**

Contract assets are classified as unbilled receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

#### **(B) Interest Income**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Interest on delayed payment from operators is recognized as income when uncertainty relating to amount receivable is resolved and it is probable that a significant reversal relating to this amount will not occur. Other interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.



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**l) Retirement and other employee benefits**

Short term employee benefits are recognised in the period during which the services have been rendered.

The Company's post employment benefits include defined benefit plan and defined contribution plans. The Company also provides other benefits in the form of deferred compensation and compensated absences.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. The Company contributions to defined contribution plans are recognized in Statement of Profit & Loss when the related services are rendered. The Company has no further obligations under these plans beyond its periodic contributions.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under the defined benefit retirement plan, the Company provides retirement obligation in the form of Gratuity. Under the plan, a lump sum payment is made to eligible employees at retirement or termination of employment based on respective employee salary and years of experience with the Company.

The cost of providing benefits under this plan is determined on the basis of actuarial valuation carried out as at the reporting date by an independent qualified actuary using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in other comprehensive income forming part of Statement of Profit and Loss.

The obligation towards the said benefit is recognised in the balance sheet as the difference between the fair value of the plan assets and the present value of the plan liabilities. Scheme liabilities are calculated using the projected unit credit method and applying the principal actuarial assumptions as at the date of Balance Sheet.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies.

All expenses excluding remeasurements of the net defined benefit liability (asset), in respect of defined benefit plans are recognized in the profit or loss as incurred. Remeasurements, comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)), are recognized immediately in the Balance Sheet with a corresponding debit or credit through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of 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 termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

**m) Foreign currency transactions**

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in Statement of 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 initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**n) Taxes**

Tax expense comprises current and deferred tax.

**Current Income Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



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#### **Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

#### **Sales/ value added taxes paid on acquisition of assets or on incurring expenses**

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- i) When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- ii) When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet

#### **o) Earnings per share (EPS)**

Basic EPS is calculated by dividing the net profit for the period attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the period.

Diluted EPS is calculated by dividing the net profit attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

### **3 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.



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### 3.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

#### a) Leases

##### Company as lessee

The Company determines the lease term as the noncancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The discount rate is generally based on the incremental borrowing rate calculated as the weighted average rate specific to the portfolio of leases with similar characteristics.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

### 3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### a) Impairment of non-financial assets

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

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such reversal is recognised in the statement of profit and loss except when the asset is carried at revalued amount, the reversal is treated as a revaluation increase.

#### b) Allowance of doubtful trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables are provided if the payment are more than twelve months past due. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

#### c) Asset Retirement Obligation

The Company uses various leased premises to install its tower assets. A provision is recognised for the cost to be incurred for the restoration of these premises at the end of the lease period, which is estimated based on actual quotes, which are reasonable and appropriate under these circumstances. It is expected that these provisions will be utilised at the end of the lease period of the respective sites as per respective lease agreements.

#### d) Useful life of property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The cost of property, plant and equipment net of expected residual value at the end of the life is depreciated on a straight-line basis over the property, plant and equipment's estimated economic useful lives. Based on the historical experience with similar assets, the Company estimates the economic useful lives of these property, plant and equipment as described in significant accounting policies (refer 2.2(c)). These are common life expectancies applied in the industry. Changes in the expected level of usage and future events such as technological developments may impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. The Company estimates the economic useful lives of these property, plant and equipment at the time of acquisition and review when deemed necessary. The carrying amount of the Company's property, plant and equipment at the end of the reporting year is disclosed in Note 4 to IND-AS Financial Statements.

(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

**e) Defined benefit plans (gratuity and compensated absences benefits)**

The Company's obligation on account of gratuity and compensated absences is determined based on 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, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions.

All assumptions are reviewed at each reporting date. The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 26

**f) Revenue recognition**

The Company's contracts with customers include promises to transfer services to a customer which are energy and rentals. 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 discounts, service level credits, waivers 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

In evaluating whether a significant revenue reversal will not occur, the Company considers the likelihood and magnitude of the revenue reversal and evaluates factors which results in constraints such as historical experience of the Company with a particular type of contract, and the regulatory environment in which the customers operates which results in uncertainty which is less likely to be resolved in near future.

Contract also contains clause on Service Level Penalty/ rewards in case the Company is not able to maintain uptime level mentioned in the agreement. These discount/penalties are called variable consideration.

There is no additional impact of SLA penalty as the Company already estimates SLA penalty amount and the same is provided for at each month end. The SLA penalty is presented as net off with revenue in the Statement of profit and loss.

Exit Charges is recognised when uncertainty relating to the amounts receivable on exit is resolved and it is probable that a significant reversal relating to the amounts receivable on exit will not occur.



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**4 Property, plant and equipment & Right-of-Use Asset**

	Furniture and fixtures	Office equipments	Plant & machinery	Vehicles	Computers	Total Property, plant and equipment	Right-of-Use Asset
<b>Cost</b>							
At 31 March 2022	299	255	1,29,665	343	692	1,31,253	3,38,338
Additions	59	9	12,502	618	395	13,584	2,99,813
Disposals	-	-	(10,211)	(594)	-	(10,805)	-
At 31 March 2023	357	264	1,31,956	367	1,087	1,34,033	6,38,150
Additions	124	-	7,177	-	-	7,301	20,161
Disposals	(134)	-	(4,632)	-	-	(4,767)	(12,165)
At 31 March 2024	347	264	1,34,500	367	1,087	1,36,566	6,46,146
<b>Accumulated Depreciation</b>							
At 31 March 2022	210	195	46,267	313	513	47,499	81,919
Depreciation charge for the year	24	30	11,637	39	151	11,880	66,853
Disposals	-	-	(8,174)	(588)	-	(8,762)	(23)
At 31 March 2023	234	225	49,730	(236)	663	50,617	1,48,749
Depreciation charge for the Period	28	27	12,141	77	182	12,456	68,381
Disposals	(91)	-	(3,938)	-	-	(4,029)	(16,988)
At 31 March 2024	172	252	57,933	(159)	846	59,044	2,00,142
<b>Net Book value</b>							
At 31 March 2024	176	12	76,567	526	242	77,522	4,46,004
At 31 March 2023	123	39	82,226	603	424	83,416	4,89,401

**5 Capital Work-in-Progress**

	Non-current	
	31-Mar-24	31-Mar-23
Towers under Construction	1,521	678
	<b>1,521</b>	<b>678</b>

Movement of Capital Work-in-Progress:

Particulars	Amount
Balance at April 1, 2022	2,142
Add: Addition during the year	12,119
Less: Capitalisation during the year	13,584
Balance at March 31, 2023	678
Add: Addition during the year	8,145
Less: Capitalisation during the year	7,301
Balance at March 31, 2024	1,521

Ageing of Capital Work-in-Progress as at 31- Mar-2024

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,364	18	116	24	1,521

Ageing of Capital Work-in-Progress as at 31- Mar-2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	231	422	-	24	678





(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

6 Other assets

	Non-current		Current	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
<b>Others</b>				
Advance to Suppliers	-	-	14	52
Balance with Government authorities	-	-	2,096	2,151
Prepaid expenses	568	705	48	69
Lease equalisation reserve	2,023	2,675	528	311
	<b>2,591</b>	<b>3,380</b>	<b>2,686</b>	<b>2,582</b>

7 Trade receivables

	Current	
	31-Mar-24	31-Mar-23
Unsecured, considered good	34,896	23,396
Unsecured, considered doubtful	1,590	1,278
Less: Allowances for doubtful receivables (Refer Note 29 for credit risk management policy)	(1,590)	(1,278)
<b>Total</b>	<b>34,896</b>	<b>23,396</b>

Ageing of Trade Receivables as at 31-Mar-2024

Particulars	Unbilled Receivable (Refer Note 9)	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	3,854	-	6,950	118	91	0	0	11,014
(ii) Undisputed Trade receivables-which have significant increase in credit risk (Refer Note 3 below)	601	-	29,779	0	(1,136)	455	228	29,928
(iii) Undisputed Trade Receivables-Credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-	-	-
<b>Total Gross Receivables</b>	<b>4,456</b>	<b>-</b>	<b>36,730</b>	<b>118</b>	<b>(1,045)</b>	<b>455</b>	<b>228</b>	<b>40,942</b>
Unbilled Revenue (refer Note 9)								(4,456)
Provision								(1,590)
<b>Total Net Receivables</b>								<b>34,896</b>

Ageing of Trade Receivables as at 31-Mar-2023

Particulars	Unbilled Receivable (Refer Note 9)	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	2,899	1,538	6,618	-	-	-	-	11,054
(ii) Undisputed Trade receivables-which have significant increase in credit risk (Refer Note 3 below)	94	827	14,526	481	455	228	-	16,612
(iii) Undisputed Trade Receivables-Credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-	-	-
<b>Total Gross Receivables</b>	<b>2,992</b>	<b>2,365</b>	<b>21,144</b>	<b>481</b>	<b>455</b>	<b>228</b>	<b>-</b>	<b>27,666</b>
Unbilled Revenue (refer Note 9)								(2,992)
Provision								(1,278)
<b>Total Net Receivables</b>								<b>23,396</b>



(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

**Notes:**

1. Trade receivables are non-interest bearing and are generally on terms of 15 days.

2. No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

3. The Company has significant part of the 'revenue from operations' for the year ended March 31, 2024 and trade receivables outstanding (including unbilled revenue) as at March 31, 2024 from a large customer. The customer in its declared audited results for quarter and year ended March 31, 2023, has expressed its ability to continue as a going concern, to be dependent on raising additional funds as required, successful negotiations with lenders and vendors for continued support and generation of cash flow from operations that it needs to settle its liabilities as they fall due.

Subsequent to the year ended March 31, 2024, the said customer has raised an amount aggregating to Rs 180,000 Mn by way of Further Public Offer (FPO) and also, the shareholders approved issuance of equity shares aggregating to Rs 20,750 Mn to an existing shareholder. Basis the same, the said customer has given a disclosure in its audited results for quarter and year ended March 31, 2024 stating that it will be able to conclude the negotiations with lenders, vendors and DoT for continued support; and confident of generating cash from operations that will enable it to settle its liabilities as they fall due.

As at March 31, 2024, the gross amount of trade receivables (including unbilled revenue) from the said customer is Rs 29,928 thousands and Rs 16,612 thousands as on March 31, 2024 and March 31, 2023 respectively. The Company believes that provision made as per policy of the Company is adequate to cover shortfall in recovery of dues from the Customer.

**8 Cash and other bank balances**

	Current	
	31-Mar-24	31-Mar-23
Cash on hand	-	-
Balances with banks:		
– In current accounts	18,204	23,204
	18,204	23,204
Bank Balance other than cash and cash equivalents		
– Deposits with remaining maturity for more than 12 months	70,000	50,000
– Deposits with original maturity more than 12 months but remaining maturity for less than 12 months	2,00,000	-
– Deposits with original maturity for more than 3 months but less than 12 months	1,31,000	2,50,000
	4,01,000	3,00,000
Amount disclosed under other financial assets (refer note 9)	(2,70,000)	(10,000)
	1,31,000	2,90,000
Total	1,49,204	3,13,204

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	31-Mar-24	31-Mar-23
Balances with banks:		
– In current accounts	18,204	23,204
	18,204	23,204

**9 Other financial assets**

	Non-current		Current	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Carried at amortised cost				
Security deposit - Others	3,500	1,715	-	-
Unbilled Revenue	-	-	4,456	2,992
Bank deposits	70,000	10,000	2,00,000	-
Interest accrued on bank deposits	-	-	15,639	8,866
	73,500	11,715	2,20,094	11,858

Note:

The Company has not provided any loans to related parties or others and hence disclosure on loans to various related parties is not applicable.



(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

# 10 Share Capital

	31-Mar-24	31-Mar-23
<b>Authorised shares</b>		
10,000 (March 31, 2023:10,000) equity shares of Rs. 100 each	1,000	1,000
<b>Issued, subscribed and fully paid-up shares</b>		
10,000 (March 31, 2023:10,000) equity shares of Rs. 100 each	1,000	1,000
	<b>1,000</b>	<b>1,000</b>

## (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	31-Mar-24		31-Mar-23	
	No of Shares in Units	(Amount in Thousands)	No of Shares in Units	(Amount in Thousands)
<b>Equity shares</b>				
At the beginning of the year	10,000	1,000	10,000	1,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>10,000</b>	<b>1,000</b>	<b>10,000</b>	<b>1,000</b>

## (b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. During the year, the Company has not proposed for any dividend payable to the shareholders. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## (c) Shares held by holding company

Out of the equity shares issued by the company, shares held by its holding company,ultimate holding company and their subsidiaries/associates are as below:

	31-Mar-24	31-Mar-23
Ascend Telecom Infrastructure Private Limited	9,999	9,999

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

Name of shareholder	31-Mar-24		31-Mar-23	
	No of Shares in Units	% holding	No of Shares in Units	% holding
<b>Equity shares of Rs.10 each fully paid up</b>				
Ascend Telecom Infrastructure Private Limited	9,999	99.99%	9,999	99.99%

Note : As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

## (e) Details of shareholding of Promoters of the Company

Class of Shares	Promoter's Name	31-Mar-24		% change during the period	31-Mar-23		% change during the period
		No. of shares	% of total shares		No. of shares	% of total shares	
Equity	Ascend Telecom Infrastructure Private Limited	10,000	100.00%	0	10,000	100.00%	0

# 11 Lease liabilities

	Non-current		Current	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Lease liabilities (Refer Note 27 B)	4,99,996	5,22,487	44,458	37,506
	<b>4,99,996</b>	<b>5,22,487</b>	<b>44,458</b>	<b>37,506</b>

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	31-Mar-24	31-Mar-23
Opening Balance	5,59,993	3,01,471
Additions during the year	22,563	2,91,178
Deletions during the year	(239)	-
Interest accrued during the year*	51,468	48,674
Payment of lease liabilities	(89,330)	(81,329)
<b>Closing Balance</b>	<b>5,44,456</b>	<b>5,59,993</b>
Current	44,458	37,506
Non-current	4,99,996	5,22,487

\*The effective interest rate for lease liabilities is 8%, with maturity between 2024-2042.  
Following amounts are recognised in statement of profit and loss:

	31-Mar-24	31-Mar-23
Depreciation expense of right-of-use assets (Refer Note 22)	68,264	66,775
Interest expense on lease liabilities (Refer Note 23)	51,468	48,674
<b>Total amount recognised in statement of profit and loss</b>	<b>1,19,732</b>	<b>1,15,449</b>



(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

## 12 Other financial liabilities

	Non-current		Current	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
<b>Carried at amortised cost</b>				
Security Deposits	18,173	17,802	-	-
Employee payables	-	-	990	984
Capital Creditors	15	69	-	-
	<b>18,188</b>	<b>17,871</b>	<b>990</b>	<b>984</b>

## 13 Provisions

	Non-current		Current	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Provision for gratuity (refer note 25)	811	748	2	2
Provision for compensated absences	93	173	11	21
Provision for site restoration obligation (Refer note 33)	3,475	3,218	-	-
	<b>4,379</b>	<b>4,138</b>	<b>13</b>	<b>22</b>

## 14 Taxes

### a. Income tax expense

The major components of income tax expense are

<b>Profit and loss</b>	31-Mar-24	31-Mar-23
<b>Tax expenses</b>		
Current Income Tax Charge	42,808	28,599
Deferred tax charge / (credit)	(6,963)	1,565
<b>Income tax expense reported in the statement of profit and loss</b>	<b>35,846</b>	<b>30,165</b>

### Deferred tax related to items recognised in OCI during the year

Re-measurement gains (losses) on defined benefit plans	(16)	16
<b>Income tax charged to OCI</b>	<b>(16)</b>	<b>16</b>

### b. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2024 and 31 March 2023:

The tax expense can be reconciled for the period to the accounting profit as follows:

	31-Mar-24	31-Mar-23
Profit Before Tax	1,23,159	1,17,367
Applicable tax rate	25.17%	25.17%
<b>Computed tax expense</b>	<b>30,997</b>	<b>29,539</b>
<b>Adjustments to taxable profit on account of:</b>		
Tax effect on disallowable expenses	557	547
Others	4,276	94
<b>Total tax expense reported in the statement of profit and loss</b>	<b>35,830</b>	<b>30,180</b>

### Note:

(i) The Company has exercised the option of lower tax rate of 25.17% (inclusive of Surcharge and Cess) permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019.

### c. Deferred tax liabilities/assets) (net)

The components that gave rise to deferred tax assets and liabilities are as follows:

	31-Mar-24	Recognised in		31-Mar-23	Recognised in		31-Mar-22
		Profit and loss	OCI		Profit and loss	OCI	
<b>Deferred tax liability in relation to:</b>							
Right of Use assets	1,12,259	(10,923)	-	1,23,182	58,647	-	64,535
Property, plant and equipment and intangible asset (excluding ARO)	2,413	330	-	2,083	530	-	1,553
Revenue equalisation reserve	642	(110)	-	752	117	-	635
Others	1,614	(109)	-	1,723	(283)	-	2,006
<b>Total deferred tax liability</b>	<b>1,16,929</b>	<b>(10,811)</b>	<b>-</b>	<b>1,27,740</b>	<b>59,011</b>	<b>-</b>	<b>68,729</b>
<b>Deferred Tax Asset</b>							
Lease liabilities	1,37,039	(3,911)	-	1,40,950	65,076	-	75,874
Asset retirement obligation	875	65	-	810	59	-	751
Provision for employee benefits	231	18	(16)	228	28	16	185
Provision for Expenses	240	(56)	-	295	44	-	251
Deferred Lease payment	132	(77)	-	208	(100)	-	308
Others	658	112	-	546	(7,661)	-	8,207
	<b>1,39,174</b>	<b>(3,848)</b>	<b>(16)</b>	<b>1,43,038</b>	<b>57,445</b>	<b>16</b>	<b>85,577</b>
<b>Deferred Tax Liabilities/ (Assets) (Net)</b>	<b>(22,245)</b>	<b>(6,963)</b>	<b>16</b>	<b>(15,298)</b>	<b>1,565</b>	<b>(16)</b>	<b>(16,848)</b>



(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

# 15 Trade payables

	Current	
	31-Mar-24	31-Mar-23
<b>Trade Payables</b>		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises*	49,480	48,929
	<b>49,480</b>	<b>48,929</b>

\*Payables includes Rs.23,200 thousand (March 2023: 23,580 thousand) payable to holding company for management fees.

Ageing of Trade Payables as at 31-Mar-2024

Particulars	Unbilled Payables	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	33,649	8,156	815	289	42,910
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	6,570	6,570
<b>Total</b>	<b>-</b>	<b>-</b>	<b>33,649</b>	<b>8,156</b>	<b>815</b>	<b>6,859</b>	<b>49,480</b>

Ageing of Trade Payables as at 31-Mar-2023

Particulars	Unbilled Payables	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	40,213	1,688	313	145	42,359
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	6,570	6,570
<b>Total</b>	<b>-</b>	<b>-</b>	<b>40,213</b>	<b>1,688</b>	<b>313</b>	<b>6,715</b>	<b>48,929</b>

# 16 Other liabilities

	Current	
	31-Mar-24	31-Mar-23
Deferred Lease	523	828
Other statutory dues	1,585	1,236
Advances from Customers	-	53
Accrued Payroll	24	32
	<b>2,132</b>	<b>2,149</b>



(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

**17 Revenue from operations**

	31-Mar-24	31-Mar-23
<b>Sale of Services</b>		
Fees for Infrastructure provisioning	3,17,330	2,92,866
	<b>3,17,330</b>	<b>2,92,866</b>

**18 Finance and other income**

	31-Mar-24	31-Mar-23
Finance Income		
-Bank deposits	23,828	15,045
-Others	133	143
Profit on fixed assets sold/discarded	959	1,070
Liabilities / provisions no longer required, withdrawn	1,465	3,554
	<b>26,386</b>	<b>19,812</b>

**19 Operating and maintenance expense**

	31-Mar-24	31-Mar-23
Repairs and maintenance charges	3,506	2,157
Managed services for sites	1,654	1,548
Subcontracting costs	3,023	2,716
Others	102	125
	<b>8,286</b>	<b>6,546</b>

**20 Employee benefit expense**

	31-Mar-24	31-Mar-23
Salaries, wages and bonus	4,701	4,212
Contribution to Provident fund and other funds	224	208
Compensated Absence	(16)	78
Gratuity (Refer Note -25)	126	112
Staff welfare expenses	60	58
	<b>5,095</b>	<b>4,668</b>

**21 Other expenses**

	31-Mar-24	31-Mar-23
Rent	600	600
Legal and professional fees	24,478	24,027
CSR expenditure (refer note 35)	2,214	2,175
Rates and taxes	998	560
Insurance	153	236
Travelling and conveyance	655	370
Payment to auditors (refer note below)	821	799
Communication costs	229	243
Printing and stationery	92	47
Manpower outsourcing cost	-	47
Provision for bad and doubtful debts	312	(16,079)
Miscellaneous expenses	39	180
	<b>30,592</b>	<b>13,203</b>

**Payment to auditors**

As auditor:		
Audit fee	720	700
Tax Audit Fees	50	50
Reimbursement of expenses	51	49
	<b>821</b>	<b>799</b>



(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

**22 Depreciation and amortization expense**

	31-Mar-24	31-Mar-23
Depreciation of Property, Plant & Equipment	12,456	11,880
Depreciation of Right-of-Use	68,381	66,853
	<b>80,837</b>	<b>78,733</b>

**23 Finance cost**

	31-Mar-24	31-Mar-23
Interest cost:		
- Asset Retirement Obligation	258	236
- Security Deposit	332	518
- Lease Liability	51,468	48,674
Other charges	40	13
	<b>52,098</b>	<b>49,441</b>

**24 Earnings per share ['EPS']**

The following reflects the income and share data used in the basic and diluted EPS computations:

	31-Mar-24	31-Mar-23
Profit attributable to equity shareholders for computing basic and diluted earnings per share	87,313	87,202
Weighted average number of equity shares of Rs.100 each	10,000	10,000
Nominal value per equity shares	100	100
Earnings per share -Basic (Rs. per share)	8,731	8,720
Earnings per share for discontinued operations -Basic and Diluted (Rs. in units)		
Earnings per share -Diluted (Rs. per share)	8,731	8,720



(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

## 25 Employee benefits

### Defined Benefit Plans

The Company operates a defined benefit gratuity plan for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The plan is not funded by the Company.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss including other comprehensive income) and the funded status and amounts recognised in the balance sheet for the defined benefit plans:

#### Expense recognised in the Statement of Profit & Loss

##### (i) Expenses recognised in the statement of profit and loss

Particulars	31-Mar-24	31-Mar-23
Current service cost	72	73
Interest cost	54	38
<b>Net benefit expenses</b>	<b>126</b>	<b>112</b>

##### (ii) Remeasurement (gains)/loss recognised in other comprehensive income

Particulars	31-Mar-24	31-Mar-23
<b>Remeasurements during the year due to</b>		
-Changes in demographic assumptions	-	50
-Changes in financial assumptions	(297)	(14)
-Experience adjustments	235	26
<b>Actuarial (gain)/ loss recognised in OCI</b>	<b>(62)</b>	<b>62</b>

##### (iii) Amount recognised in Balance Sheet

Particulars	31-Mar-24	31-Mar-23
Present value of defined benefit obligation	813	750
<b>Net Liability</b>	<b>813</b>	<b>750</b>
Current	2	2
Non current	811	748

##### (iv) Changes in the defined benefit obligation are as follows:

Particulars	31-Mar-24	31-Mar-23
Opening defined benefit obligation	750	576
Current service cost	72	73
Interest cost	54	38
Benefits paid	-	-
Actuarial (gain)/ loss on obligation- demographic assumptions	-	50
Actuarial (gain)/ loss on obligation- financial assumptions	(297)	(14)
Actuarial (gain)/ loss on obligation- experience changes	235	26
<b>Closing defined benefit obligations</b>	<b>813</b>	<b>750</b>

(v) The principal assumptions used in determining gratuity and post-employment medical benefit obligations for the Company's plans are shown below:

Particulars	31-Mar-24	31-Mar-23
Discount rate	7.25%	7.53%
Salary Growth rate	7.00%	10.00%
Retirement age (years)	60	60
Mortality rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

##### (vi) A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	Change in assumption		Impact on Gratuity	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Discount rate	+1%	+1%	(109)	(106)
	-1%	-1%	129	126
Salary Growth rate	+1%	+1%	62	40
	-1%	-1%	(111)	(35)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

##### (vii) The following payments are expected contributions to the defined benefit plan in future years:

Particulars	31-Mar-24	31-Mar-23
Within the next 12 months	2	2
Between 2 and 5 years	13	10
Between 5 and 10 years	251	258
Beyond 10 years	2,283	2,379





(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

## 26 Related Party Disclosure

### a List of related parties

Party Name	Nature of relationship
Ascend Telecom Infrastructure Private Limited	Holding Company (w.e.f August 01, 2018)

### b Summary of transactions / balances with the above related parties is as follows:

Name of the related party	Description of transaction	31-Mar-24	31-Mar-23
Ascend Telecom Infrastructure Private Limited	Management fees expense	20,000	20,000
	Amount Payable	23,200	23,580

## 27 Leases

### (A) As a Lessor

The Company has given sites on operating lease to telecom operators. As per the agreements with the operators the escalation rates range from 0% to 2.5% per annum. The rental income recognised as income is Rs.2,17,607 thousand and Rs.194,671 thousand for the year ended March 31, 2024 and March 31, 2023 respectively, which includes rental from sites for which lock in period has expired.

Particulars	31-Mar-24	31-Mar-23
Future minimum lease payment receivable:		
Not later than one year	24,731	31,833
Later than one year but not later than five years	47,277	62,411
More than five years	2,658	5,882
	<b>74,666</b>	<b>1,00,126</b>

### (B) As a Lessee

The Company has obtained sites on operating lease from landlords. As per the agreements with the landlords the escalation rates range from 0% to 15% per annum.

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis:

Particulars	31-Mar-24	31-Mar-23
Future minimum lease payment payable:		
Not later than one year	86,125	82,259
Later than one year but not later than five years	3,38,942	3,36,431
More than five years	3,81,734	4,54,763
	<b>8,06,801</b>	<b>8,73,453</b>

## 28 Contingent liabilities and commitments (to the extent not provided for)

Particulars	31-Mar-24	31-Mar-23
(i) Contingent liabilities		
Income tax Matters (refer note below)	6,545	6,545

Note: The Demand for AY 2018-2019 was received for Rs. 6,545 thousands. The case is pending with Commissioner of Income tax (Appeals).



(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

## 29 Financial risk management objectives and policies

The Company's businesses are subject to several risks and uncertainties including financial risks. The Company's risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified and managed with active involvement of senior management personnel. The potential financial impact of the risk and its likelihood of a negative outcome are regularly monitored.

### A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Company does not have any exposure to the above risks as it does not have any fixed interest or foreign currency arrangements or equity pricing arrangements.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2024 and 31 March 2023.

### B. Counterparty and concentration of credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 15 days credit term. Outstanding customer receivables are regularly monitored. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in provision matrix.

The ageing analysis of financial assets as of the reporting date is as follows:

Particulars	Not due and not impaired	Less than 30 days	30 to 60 days	60 to 90 days	above 90 days	Total
<b>Year ended March 31, 2024</b>						
Security Deposits (Refer Note 9)	3,500	-	-	-	-	3,500
Other financial assets (Refer Note 9)	2,90,094	-	-	-	-	2,90,094
Trade receivables (Refer Note 7)	(26)	27,184	891	8,592	(1,745)	34,896
<b>Total</b>	<b>2,93,569</b>	<b>27,184</b>	<b>891</b>	<b>8,592</b>	<b>(1,745)</b>	<b>3,28,490</b>
<b>Year ended March 31, 2023</b>						
Security Deposits (Refer Note 9)	1,715	-	-	-	-	1,715
Other financial assets (Refer Note 9)	21,858	-	-	-	-	21,858
Trade receivables (Refer Note 7)	2,365	18,176	4,430	(4)	(1,571)	23,396
<b>Total</b>	<b>25,938</b>	<b>18,176</b>	<b>4,430</b>	<b>(4)</b>	<b>(1,571)</b>	<b>46,969</b>

### Movement of Provision for doubtful receivables

Particulars	31-Mar-24	31-Mar-23
<b>Allowance at the beginning of the year</b>	<b>1,278</b>	<b>17,357</b>
Add: Additional provision created during the year	907	-
Less: Provision withdrawn during the year	(595)	(16,079)
<b>Allowance at the end of the year</b>	<b>1,590</b>	<b>1,278</b>

### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by Company's treasury in accordance with the approved policy. Investment of surplus funds are made only with approved counterparties who meet the minimum threshold requirements under the counterparty risk assessment process. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. None of the Company's cash and cash equivalents, including time deposits with banks, are past due or impaired.

### C. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments :

Particulars	Carrying amount	Contractual Cash flow	Within 1 year	1 to 5 years	> 5 years
<b>Year ended March 31, 2024</b>					
Lease Liabilities (Refer Note 11)	5,44,455	8,06,801	86,125	3,38,942	3,81,734
Trade and other payables (Refer Note 15)	49,480	49,480	49,480	-	-
Other financial liabilities (Refer Note 12)	19,178	19,293	15,646	3,647	-
<b>Total</b>	<b>6,13,112</b>	<b>8,75,574</b>	<b>1,51,251</b>	<b>3,42,589</b>	<b>3,81,734</b>
<b>Year ended March 31, 2023</b>					
Lease Liabilities (Refer Note 11)	5,59,993	8,73,453	82,259	3,36,431	4,54,763
Trade and other payables (Refer Note 15)	48,929	48,929	48,929	-	-
Other financial liabilities (Refer Note 12)	18,855	6,020	2,916	3,104	-
<b>Total</b>	<b>6,27,777</b>	<b>9,28,402</b>	<b>1,34,104</b>	<b>3,39,536</b>	<b>4,54,763</b>



(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

### 30 Fair Value Measurements

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

Particulars	As at March 31, 2024 Amortised cost	As at March 31, 2023 Amortised cost
<b>Financial assets</b>		
Trade receivables (Refer Note 7)	34,896	23,396
Cash and cash equivalents (Refer Note 8)	18,204	23,204
Bank balance other than cash and cash equivalent (Refer Note 8)	1,31,000	2,90,000
Other financial assets (Refer Note 9)	2,93,594	23,573
<b>Total</b>	<b>4,77,694</b>	<b>3,60,173</b>
<b>Financial liabilities</b>		
Lease Liabilities (Refer Note 11)	5,44,455	5,59,993
Trade payables (Refer Note 15)	49,480	48,929
Other financial liabilities (Refer Note 12)	19,178	18,855
<b>Total</b>	<b>6,13,112</b>	<b>6,27,777</b>

### 31 Fair Value hierarchy

All financial assets and liabilities are recognised on amortised cost basis and their carrying amounts are a reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately.



(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

### 32 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder value. No changes were made in the objectives, policies or processes for managing capital during the period.

The funding requirements are met through a mixture of internal accruals and equity. The Company has no borrowings. Equity comprises all components including other components of equity.

The Company monitors capital using a gearing ratio, which is total debt divided by total capital plus total debt.

		31-Mar-24	31-Mar-23	31-Mar-2020
Borrowings		-	-	
Less: Cash and other bank balances (Note 8)		(1,49,204)	(3,13,204)	(24,131)
<b>Net debt</b>	(i)	<b>-</b>	<b>-</b>	
Share Capital		1,000	1,000	1,000
Other Equity		4,27,353	3,39,994	2,09,266
<b>Total capital</b>	(ii)	<b>4,28,353</b>	<b>3,40,994</b>	<b>2,10,266</b>
<b>Capital and net debt</b>	(iii= i+ii)	<b>4,28,353</b>	<b>3,40,994</b>	<b>2,10,266</b>
Gearing ratio (%)	(i/iii)	0%	0%	0%

### 33 Provision for site restoration obligation

The Company uses various premises on lease to install plant and equipment. Provision is recognised for the costs to be incurred for the restoration of these premises at the end of the lease period. It is expected that this provision will be utilized at the end of the lease period of the respective sites as per the respective lease agreements. The movement of provision in accordance with Ind AS 37 on "Provisions, Contingent liabilities and Contingent Assets" is given below:

	31-Mar-24	31-Mar-23	31-Mar-2020
Opening Balance	3,218	2,983	2,126
Provision during the year	-	39	63
Unwinding of discount	257	236	172
Utilised / written back during the year	-	(41)	-
<b>Closing Balance</b>	<b>3,475</b>	<b>3,218</b>	<b>2,361</b>

### 34 Segment reporting

The Company is engaged in the business of Passive Telecom infrastructure services and only operates in India. Also, the CEO and the Board of Directors reviews the results when making decisions about allocating resources and assessing performance of the Company as a whole and hence, the Company has only one reportable segment. As the Company's long-lived assets are all located in India and the Company's revenues are derived from India, no geographical information is presented.

### 35 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Accordingly, amount required to be spent and actual spent details are hereunder.

Particulars	For the year ended 31-Mar 2024	For the year ended 31-Mar 2023
(i) amount required to be spent by the company during the year	2200	2121
(ii) amount approved by the CSR Committee	2200	2121
(iii) amount of expenditure incurred	2214	2175
(iv) shortfall at the end of the year	-	-
(v) total of previous years shortfall	-	-
(vi) reason for shortfall	NA	NA
(vii) nature of CSR activities	Medical equipment to PHCs/Distribution of Groceries & Kitchen items for Tribal women ,children and Senior Citizen	Hospital infrastructure, Medical equipment, and essential medicines to PHCs/Hospitals/ Destitute and Children Homes
(viii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
(ix) in respect of provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision is given below	Nil	Nil

According to Section 135 of the Act as amended, the Company was required to transfer the unspent CSR amount to a Fund specified in Schedule VII of the Companies Act, 2013 on or before March 31, 2024. However, there were no unspent CSR amounts as at March 31, 2024.

### 36 There are no significant subsequent events between the year ended March 31, 2024 and signing of financial statements as on May 29, 2024 which have material impact on the financial statements of the Company.



(All amounts are in Rupees thousand, except share data and per share data, unless otherwise stated)

- 37 The Company does not have any transactions or investments with struck off companies and hence the relevant disclosures are not applicable.
- 38 The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 39 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 40 The Company has not entered into any transactions in Crypto currencies and accordingly, disclosures in respect of such transaction details are not applicable.
- 41 (i) There have been no defaults in repayment of borrowings and thus also the Company has not been declared as a wilful defaulter.
- (ii) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond statutory period.
- (iii) The Company has not obtained loan from banks or financial institutions by pledge of current assets and hence furnishing of quarterly statements to the lender is not applicable.
- 42 The Company has used an accounting software for maintaining its books of account wherein the feature of recording audit trail (edit log) for modification and deletions of transactions/ master and on database is currently not enabled.  
The Company also uses an accounting software which is operated by a third-party software service provider, for accounting of leases where company is a lessee, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with respect to the said software.
- 43 Following are the various financial ratios of the Company:

Sl.No.	Ratios	Numerator	Denominator	31-Mar-24	31-Mar-23	Variance	Reason for variance > (+/-) 25%
i	Current Ratio,	Current Assets	Current Liabilities	4.19	3.92	7%	-
ii	Debt-Equity Ratio	Not Applicable		-	-	0%	-
iii	Debt Service Coverage Ratio	Not Applicable		-	-	0%	-
iv	Return on Equity Ratio	PAT	Total Equity (incl. reserve)	20%	26%	(20%)	-
v	Inventory turnover ratio	Not Applicable		-	-	0%	-
vi	Trade Receivables turnover ratio	Revenue	Average Trade receivables	10.89	16.67	(35%)	Increase in turnover during the year
vii	Trade payables turnover ratio	Purchases of service and other expense	Trade payables (opex)	1.21	1.07	13%	-
viii	Net capital turnover ratio	Total Revenue	Working capital	1.02	1.12	(9%)	Increase in balance in FDs as at current year
ix	Net profit ratio	PAT	Total Revenue	28%	30%	(8%)	-
x	Return on Capital employed	PAT	Total Assets - Current Liabilities (Capital Employed)	20%	26%	(20%)	-
xi	Return on investment	PAT	Total Assets - Current Liabilities (Capital Employed)	20%	26%	(20%)	-

As per our report of even date

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
Firm registration number: 101049W/E300004

Hormuz Eruch Master  
Digitally signed by Hormuz Eruch Master  
DN: cn=Hormuz Eruch Master, c=IN, o=Personal, email=hormuz.master@barb.in



Hormuz Eruch Master  
Partner  
Membership No:110797

Place : Mumbai  
Date : May 29, 2024

For and on behalf of the Board of Directors of  
Demello Telepower Private Limited  
CIN : U74900GA2011PTC006578

ANKUR SRIVASTAVA  
Digitally signed by ANKUR SRIVASTAVA

J RAJAGOPALAN  
Digitally signed by J RAJAGOPALAN

Ankur Srivastava  
Director  
DIN: 06750010

J Rajagopalan  
Director  
DIN: 01929435

Place : Mumbai  
Date : May 29, 2024

