



August 02, 2022

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai-400001

The National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block – G, Bandra Kurla Complex,  
Bandra (E), Mumbai-400051

**Ref: Indus Towers Limited (534816 / INDUSTOWER)**

**Sub: Financial results for the first quarter (Q1) ended June 30, 2022**

Dear Sir/ Madam,

In compliance with Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the following for the first quarter (Q1) ended June 30, 2022:

- Audited consolidated financial results as per Ind-AS;
- Audited standalone financial results as per Ind-AS;
- Auditor's reports on the aforesaid financial results.

The above financial results have been reviewed by the Audit & Risk Management Committee in its meeting held today i.e., August 02, 2022 and based on its recommendation, approved by the Board of Directors in its meeting held today i.e. August 02, 2022. The Board Meeting commenced at 06:45 p.m. and concluded at 9 : 30 p.m.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
**For Indus Towers Limited**  
**(formerly Bharti Infratel Limited)**

  
**Samridhi Rodhe**  
**Company Secretary**



Encl: As above

**Indus Towers Limited**  
*(formerly Bharti Infratel Limited)*

## INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF INDUS TOWERS LIMITED (formerly Bharti Infratel Limited)

### Opinion

We have audited the Consolidated Financial Results for the quarter ended June 30, 2022 ("the Consolidated Financial Results") included in the accompanying "Statement of Audited Consolidated Ind AS Financial Results for the quarter ended June 30, 2022" of **Indus Towers Limited** (formerly Bharti Infratel Limited) ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group") for the quarter ended June 30, 2022 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Interim Consolidated Financial Results:

- (i) includes the results of the following entities:
  - a. Indus Towers Limited (ITL) (Parent)
  - b. Smartx Services Limited (100% subsidiary of ITL)
  - c. Indus Towers Employee's Welfare Trust (formerly Bharti Infratel Employee's Welfare Trust)
- (ii) is presented in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the quarter ended June 30, 2022.

### Basis for Opinion

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



**Emphasis of Matter**

**Material uncertainty at one of the largest customers of the Group and its consequential impact on Group's business operations**

We draw attention to note 3 of the consolidated financial results, which describes the impact on business operations, receivables and financial position of the Group on account of one of the largest customer's financial condition and its ability to continue as a going concern.

The customer's assumption of going concern is essentially dependent on its ability to raise additional funds as required and successful negotiations with lenders for continued support and generation of cash flow from its operations that it needs to settle its liabilities as they fall due.

Our opinion on the statement is not modified in respect of above matter.

**Management's Responsibilities for the Interim Consolidated Financial Results**

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited Consolidated Financial Results for the quarter and year ended March 31, 2022 and audited Interim Condensed Consolidated Financial Statements for the quarter ended June 30, 2022. The Parent's Board of Directors are responsible for the preparation and presentation of the Interim Consolidated Financial Results that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Interim Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Interim Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibilities for the Audit of the Interim Consolidated Financial Results**

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



## Deloitte Haskins & Sells LLP

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

- Identify and assess the risks of material misstatement of the Interim Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 and Regulation 52 of Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Interim Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Interim Consolidated Financial Results, including the disclosures, and whether the Interim Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the standalone Financial Results/ financial information of the entities within the Group to express an opinion on the Interim Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Interim Consolidated Financial Results of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Interim Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Interim Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Interim Consolidated Financial Results.

We communicate with those charged with governance of the Parent and other entity included in the Interim Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.



## **Deloitte Haskins & Sells LLP**

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



For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
Firm's Registration No. 117366W/W-100018

**Jaideep Bhargava**  
Partner  
Membership No.090295  
UDIN: 22090295AOBJIH7676

Place: Gurugram  
Date: August 02, 2022

**Indus Towers Limited (formerly Bharti Infratel Limited)**  
(CIN: L64201HR2006PLC073821)

**Regd. Office:** Building No. 10, Tower A, 4th Floor, DLF Cyber City, Gurugram-122002, Haryana

**Telephone no.** +91 124 4296766 **Fax no.** + 91 124 4289333, **Email id:** compliance.officer@industowers.com

**Statement of Audited Consolidated Ind AS financial results for the quarter ended June 30, 2022**

(In Rs. Million except per share data)

Particulars	Quarter ended			Year ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	Audited	Audited	Audited	Audited
<b>Income</b>				
Revenue from operations	68,973	71,163	67,970	277,172
Other income	925	1,090	569	3,525
<b>Total income</b>	<b>69,898</b>	<b>72,253</b>	<b>68,539</b>	<b>280,697</b>
<b>Expenses</b>				
Power and fuel	26,915	24,008	26,463	102,658
Employee benefit expenses	1,834	2,059	1,872	7,722
Repairs and maintenance	3,368	3,441	3,300	13,467
Other expenses	13,634	957	1,050	3,896
<b>Total expenses</b>	<b>45,751</b>	<b>30,465</b>	<b>32,685</b>	<b>127,743</b>
<b>Profit before depreciation and amortisation, finance costs, finance income, charity and donation and tax</b>	<b>24,147</b>	<b>41,788</b>	<b>35,854</b>	<b>152,954</b>
Depreciation and amortization expense	13,756	13,906	13,418	54,222
Less: adjusted with general reserve in accordance with the scheme of arrangement	(363)	(257)	(220)	(970)
	<b>13,393</b>	<b>13,649</b>	<b>13,198</b>	<b>53,252</b>
Finance costs	3,914	3,985	4,111	16,033
Finance income	(194)	(238)	(343)	(1,060)
Charity and donation	603	78	118	422
<b>Profit before tax</b>	<b>6,431</b>	<b>24,314</b>	<b>18,770</b>	<b>84,307</b>
<b>Income tax expense</b>	<b>1,658</b>	<b>6,029</b>	<b>4,617</b>	<b>20,576</b>
Current tax	4,592	5,703	4,956	20,373
Deferred tax	(2,934)	326	(339)	203
<b>Profit after tax</b>	<b>4,773</b>	<b>18,285</b>	<b>14,153</b>	<b>63,731</b>
<b>Other comprehensive income (OCI)</b>				
<b>Items that will not be re-classified to profit and loss</b>				
Remeasurement of the gain/ (loss) of defined benefit plans (net of tax)	-	21	-	36
<b>Other comprehensive income for the period/year (net of tax)</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>36</b>
<b>Total comprehensive income for the period/year (net of tax)</b>	<b>4,773</b>	<b>18,306</b>	<b>14,153</b>	<b>63,767</b>
Paid-up equity share capital (Face value Rs. 10 each)	26,949	26,949	26,949	26,949
Other equity	169,342	194,556	145,688	194,556
<b>Earnings per share (nominal value of share Rs. 10 each)</b>				
Basic	1.771	6.786	5.253	23.653
Diluted	1.771	6.786	5.252	23.651



### Notes to accounts

1. The above financial results for the quarter ended June 30, 2022 have been reviewed by the Audit & Risk Management Committee in its meeting held on August 02, 2022 and approved by the Board of Directors in its meeting held on August 02, 2022.
2. The above financial results are extracted from the audited interim condensed consolidated financial statements of the Company, which have been prepared in accordance with Indian Accounting Standards (Ind AS 34 'Interim Financial Reporting') as prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and the other accounting principles generally accepted in India. The consolidated financial results represent results of 'the Group' which comprises of the Company, its subsidiary 'Smartx Services Limited' and its controlled trust 'Indus Towers Employees Welfare Trust (formerly Bharti Infratel Employees Welfare Trust)' prepared as per Ind AS 110 on Consolidated Financial Statements, Ind AS 111 on Joint Arrangements and Ind AS 28 on Investment in Associates and Joint Venture.
3. A large customer of the Group accounts for substantial part of net sales for the period ended June 30, 2022 and constitutes a significant part of trade receivables outstanding as at June 30, 2022.

The said customer:

- in its declared results for quarter and year ended March 31, 2022 has indicated that its ability to continue as a going concern is dependent on its ability to raise additional funds as required, successful negotiations with lenders for continued support and generation of cash flow from operations to enable it to settle its liabilities as they fall due. The said customer had also indicated that so far it has been meeting all its debt obligations till date;
- pursuant to Department of Telecommunications ("DoT") notification dated October 14, 2021 has conveyed its acceptance for the deferment of Spectrum auction instalments & AGR dues by a period of four years with immediate effect and approved equity conversion of the NPV of the interest liability in its meeting held on January 10, 2022. Subsequent thereto, DoT has computed the Net Present value (NPV) of the interest liability on moratorium period towards AGR dues (as per Hon'ble SC affidavit dated September 01, 2020) and deferred annual Spectrum liabilities respectively as on the date of exercise of option i.e. January 10, 2022, which the said customer has confirmed on April 14, 2022. This appears to have strengthened the said customer's ability to continue as a going concern;
- is one of the parties to bid for 5G spectrum auction held in July 2022.

During the quarter ended March 31, 2022, the Board of Directors of the Company had agreed to the said customer's payment plan and modifications to the Security Arrangements proposed by one of the promoters of the said customer for clearance of outstanding MSA amounts due from said customer so as to secure the Company for a similar value as the value under the existing security package. Pursuant to such modified Security Arrangement, the customer's promoter has disposed of all the primary pledged shares held by it in the Company and invested the proceeds thereof in new shares of the said customer. Consequently, the equity proceeds received by the said customer on such equity shares issued by it have been exclusively utilized by it for clearing the outstanding dues of the Company. Further the Company has also received monthly committed amounts from the said customer till the date agreed i.e. July 15, 2022.

In addition to the above:

- the Group, subject to the terms and conditions agreed between the parties, has a secondary pledge over promoter's remaining shares held in the Company and a corporate guarantee provided by said customer's promoter which could be triggered in certain situations and events in the manner agreed between the parties. This is however not adequate to cover the total outstanding with the said customer.
- during the current quarter, the said customer has informed the Company that a funding plan is under finalization with its lenders and has proposed a payment plan to the Company whereunder it has committed to pay part of the amount to be billed till December 31, 2022 and 100% of the said amounts billed thereafter. As regards, the remaining dues outstanding (including interest thereon) as on December 31, 2022, it has proposed to pay these dues between January 2023 and July 2023. The said proposal is under consideration of the company.

The Group regularly follows a stringent policy for making doubtful debt provision in respect of overdue recoverable from its customers, including the said customer and accordingly makes necessary provisions in the Statement of Profit and Loss regularly. Said provision for the current quarter is INR 12,326 Mn. The Group will reassess the outstanding position with the said customer and evaluate the financial impact if any on regular basis and inter alia will work out a reasonable payment plan to support the customer side over its disclosed temporary financial stress.



It may be noted that the potential loss of a significant customer due to its ability to continue as a going concern or the Company's failure to attract new customers could have an adverse effect on the business, results of operations and financial condition of the Group.

4. Indus Towers Employee's Welfare Trust (formerly Bharti Infratel Employee's Welfare Trust) [a trust set up for administration of Employee Stock Option Plan ('ESOP') of the Company] was incorporated in FY 2014-15. During the quarter ended June 30, 2022, 33,375 equity shares of Rs. 10 each have been transferred to employees upon exercise of stock options. As of June 30, 2022, the Trust holds 520,337 shares (of Face Value of Rs. 10 each) (March 31, 2022 - 553,712 shares) of the Company.
5. The audited Standalone results of the Company are available on the Company's website [www.industowers.com](http://www.industowers.com) and on the Stock Exchanges websites [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com). Key numbers of Standalone Financial Results of the Company are as under:

(In Rs. Million)

S.No	Particulars	Quarter ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
1	Revenue from operations	68,973	71,115	67,956	277,082
2	Profit before tax	6,443	24,204	18,785	84,243
3	Profit after tax	4,789	18,179	14,168	63,671

6. The Group is engaged in the business of establishing, operating and maintaining wireless communication towers and this is the only major activity performed resulting into main source of risks and returns. The Group's segments as reviewed by the Chief Operating Decision Maker (CODM) does not result into identification of different ways / sources into which they see the performance of the Group. Accordingly, the Group has a single reportable segment. Further, as the Group does not operate in more than one geographical segment, hence, the relevant disclosures as per Ind AS 108 – 'Operating Segments' are not applicable to the Group.
7. The Board in its meeting held on July 27, 2022 took note of the resignation of Mr. Bimal Dayal, Managing Director and Chief Executive Officer. His last working day with the Company is under discussion.
8. The Board of Directors of the Company in its meeting held on May 05, 2022 had declared an interim dividend of Rs. 11/- per equity share (face value of Rs. 10/- each) for the financial year 2021-22 which has been paid subsequently during the quarter ended June 30, 2022.

For Indus Towers Limited (formerly Bharti Infratel Limited)



**Bimal Dayal**  
Managing Director and CEO

Place: Gurugram  
Date: August 02, 2022

"The Company", wherever stated stands for Indus Towers Limited (formerly Bharti Infratel Limited).  
For more details on the financial results, please visit our website [www.industowers.com](http://www.industowers.com)



## INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF INDUS TOWERS LIMITED (formerly Bharti Infratel Limited)

### Opinion

We have audited the Interim Standalone Financial Results for the quarter ended June 30, 2022 ("the Standalone Financial Results") included in the accompanying "Statement of Audited Standalone Ind AS Financial Results for the quarter ended June 30, 2022" of **Indus Towers Limited** (formerly Bharti Infratel Limited) ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- a. is presented in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter ended June 30, 2022.

### Basis for Opinion

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

### Emphasis of Matter

#### Material uncertainty at one of the largest customers of the Company and its consequential impact on Company's business operations

We draw attention to note 6 of the standalone financial results, which describes the impact on business operations, receivables and financial position of the Company on account of one of the largest customer's financial condition and its ability to continue as a going concern.

The customer's assumption of going concern is essentially dependent on its ability to raise additional funds as required and successful negotiations with lenders for continued support and generation of cash flow from its operations that it needs to settle its liabilities as they fall due.

Our opinion on the statement is not modified in respect of above matter.



### **Management's Responsibilities for the Interim Standalone Financial Results**

This Statement, which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited Standalone Financial Results for the quarter and year ended March 31, 2022 and audited Interim Condensed Standalone Financial Statements for the quarter ended June 30, 2022. This responsibility includes the preparation and presentation of the Interim Standalone Financial Results for the quarter ended June 30, 2022 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Interim Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

### **Auditor's Responsibilities for the Audit of the Interim Standalone Financial Results**

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

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

- Identify and assess the risks of material misstatement of the Interim Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 and Regulation 52 of Listing Regulations.



## **Deloitte Haskins & Sells LLP**

- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Interim Standalone Financial Results, including the disclosures, and whether the Interim Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Interim Standalone Financial Results of the Company to express an opinion on the Interim Standalone Financial Results.

Materiality is the magnitude of misstatements in the Interim Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Interim Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Interim Standalone Financial Results.

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

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



For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
Firm's Registration No. 117366W/W-100018

**Jaideep Bhargava**

Partner

Membership No.090295

UDIN: 22090295AOBIUT8528

Place: Gurugram  
Date: August 02, 2022

**Indus Towers Limited (formerly Bharti Infratel Limited)**  
(CIN: L64201HR2006PLC073821)

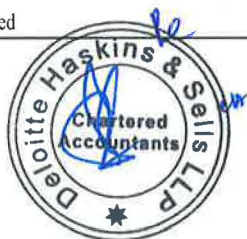
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Telephone No. +91 124 4296766 Fax no. + 91 124 4289333, Email id: compliance.officer@industowers.com

**Statement of Audited Standalone Ind AS financial results for the quarter ended June 30, 2022**

(In Rs. Million except per share data)

Particulars	Quarter ended			Year ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	Audited	Audited	Audited	Audited
<b>Income</b>				
Revenue from operations	68,973	71,115	67,956	277,082
Other income	925	1,090	569	3,525
<b>Total income</b>	<b>69,898</b>	<b>72,205</b>	<b>68,525</b>	<b>280,607</b>
<b>Expenses</b>				
Power and fuel	26,915	24,008	26,461	102,653
Employee benefit expenses	1,834	2,059	1,872	7,722
Repairs and maintenance	3,367	3,441	3,300	13,467
Other expenses	13,629	1,025	1,041	3,935
<b>Total expenses</b>	<b>45,745</b>	<b>30,533</b>	<b>32,674</b>	<b>127,777</b>
<b>Profit before depreciation and amortization, finance cost, finance income, charity and donation and tax</b>	<b>24,153</b>	<b>41,672</b>	<b>35,851</b>	<b>152,830</b>
Depreciation and amortization expense	13,750	13,901	13,403	54,173
Less: adjusted with General Reserve in accordance with the scheme of arrangement	(363)	(257)	(220)	(970)
Finance costs	13,387	13,644	13,183	53,203
Finance income	3,914	3,984	4,108	16,022
Finance income	(194)	(238)	(343)	(1,060)
Charity and donation	603	78	118	422
<b>Profit before tax</b>	<b>6,443</b>	<b>24,204</b>	<b>18,785</b>	<b>84,243</b>
<b>Income tax expense:</b>	<b>1,654</b>	<b>6,025</b>	<b>4,617</b>	<b>20,572</b>
Current tax	4,592	5,703	4,956	20,373
Deferred tax	(2,938)	322	(339)	199
<b>Profit after tax</b>	<b>4,789</b>	<b>18,179</b>	<b>14,168</b>	<b>63,671</b>
<b>Other comprehensive income ('OCI')</b>				
<b>Items that will not be re-classified to profit and loss</b>				
Remeasurements gains/(loss) of defined benefit plans (net of tax)	-	21	-	36
<b>Other comprehensive income for the period/year, net of tax</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>36</b>
<b>Total comprehensive income for the period/year, net of tax</b>	<b>4,789</b>	<b>18,200</b>	<b>14,168</b>	<b>63,707</b>
Paid-up equity share capital (Face value Rs. 10 each)	26,949	26,949	26,949	26,949
Other equity	169,594	194,806	145,989	194,806
<b>Earnings per equity share (Nominal value of share is Rs. 10 each)</b>				
Basic	1.777	6.746	5.257	23.626
Diluted	1.777	6.746	5.257	23.626



**Notes to accounts**

1. The above financial results for the quarter ended June 30, 2022 have been reviewed by the Audit & Risk Management Committee in its meeting held on August 02, 2022 and approved by the Board of Directors in its meeting held on August 02, 2022.
2. The above financial results are extracted from the audited interim condensed standalone financial statements of the Company which have been prepared in accordance with Indian Accounting Standards (Ind AS 34 'Interim Financial Reporting') as prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
3. Indus Towers Employee's Welfare Trust (formerly Bharti Infratel Employee's Welfare Trust) [a trust set up for administration of Employee Stock Option Plan ('ESOP') of the Company] was incorporated in FY 2014-15. During the quarter ended June 30, 2022, 33,375 equity shares of Rs. 10 each have been transferred to employees upon exercise of stock options. As of June 30, 2022, the Trust holds 520,337 shares (of Face Value of Rs. 10 each) (March 31, 2022 - 553,712 shares) of the Company.
4. The Company was set-up with the object of, inter alia, establishing, operating and maintaining wireless communication towers. This is the only activity performed and is thus also the main source of risks and returns. The Company's segments as reviewed by the Chief Operating Decision Maker (CODM) does not result into identification of different ways / sources into which they see the performance of the Company. Accordingly, the Company has a single reportable segment. Further, as the Company does not operate in more than one geographical segment, hence, the relevant disclosures as per Ind AS 108 – 'Operating Segments' are not applicable to the Company.
5. The disclosure required as per the provisions of Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

S. No.	Particulars	Quarter ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		Audited	Audited	Audited	Audited
(i)	Debt-equity ratio (no. of times)	0.29	0.25	0.44	0.25
(ii)	Debt service coverage ratio (no. of times)	1.68	3.25	2.81	3.09
(iii)	Interest service coverage ratio (no. of times)	6.82	11.37	9.52	10.39
(iv)	Net worth (Rs. Mn)	169,339	194,186	144,643	194,186
(v)	Current ratio	1.00	1.40	0.81	1.40
(vi)	Long term debt to working capital	205.09	1.30	(1.32)	1.30
(vii)	Bad debts to account receivable ratio	-	-	-	-
(viii)	Current liability ratio	0.38	0.34	0.46	0.34
(ix)	Total debts to total assets	0.12	0.11	0.16	0.11
(x)	Debtor turnover (annualised)	4.15	5.23	5.98	5.09
(xi)	Operating profit margin	14.27%	37.88%	32.52%	34.68%
(xii)	Net profit margin	6.94%	25.56%	20.85%	22.98%
(xiii)	Capital redemption reserve (Rs. Mn)	471	471	471	471
(xiv)	Net profit after tax (Rs. Mn)	4,789	18,179	14,168	63,671
(xv)	Basic and diluted earnings per share (EPS) (Rs. per share) (not annualised for the quarter)	1.777	6.746	5.257	23.626



The basis of computation of above parameters is provided in the table below:

(i)	<b>Debt-equity ratio</b>	Debt-equity ratio is computed by dividing total borrowings (i.e. long-term borrowings and short term borrowings excluding lease liabilities) by total equity as on date.
(ii)	<b>Debt service coverage ratio</b>	Debt service coverage ratio is computed by dividing Profit before depreciation and amortization, finance cost, finance income, charity and donation and tax excluding other income by interest on borrowings and lease liabilities and repayments of long-term borrowings and lease liabilities.
(iii)	<b>Interest service coverage ratio</b>	Interest service coverage ratio is computed by dividing Profit before depreciation and amortization, finance cost, finance income, charity and donation and tax excluding other income by interest on borrowings (including interest on lease liabilities).
(iv)	<b>Net worth</b>	Net worth is as per section 2(57) of Companies Act, 2013.
(v)	<b>Current ratio</b>	Current ratio is computed by dividing the total current assets by total current liabilities as on date.
(vi)	<b>Long term debt to working capital</b>	Long term debt to working capital is computed by dividing long-term borrowings (including current maturities of long term borrowings) by working capital (where working capital is current assets as reduced by current liabilities).
(vii)	<b>Bad debts to account receivable ratio</b>	Bad debts to account receivable ratio is computed by dividing bad debts written off with trade receivables as on date.
(viii)	<b>Current liability ratio</b>	Current liability ratio is computed by dividing the total current liabilities by total liabilities as on date.
(ix)	<b>Total debts to total assets</b>	Total debts to total assets is computed by dividing total borrowings (i.e. long-term borrowings and short term borrowings excluding lease liabilities) by total assets as on date.
(x)	<b>Debtor turnover</b>	Debtor turnover is computed by dividing revenue from operations by average (of opening and closing) trade receivables during the year/period.
(xi)	<b>Operating profit margin</b>	Operating profit margin is computed by dividing Profit before finance cost, finance income, charity and donation and tax excluding other income by revenue from operation for the period/year.
(xii)	<b>Net profit margin</b>	Net profit margin is computed by dividing net profit after tax by revenue from operation for the period/year.

6. A large customer of the Company accounts for substantial part of net sales for the period ended June 30, 2022 and constitutes a significant part of trade receivables outstanding as at June 30, 2022.

The said customer:

- in its declared results for quarter and year ended March 31, 2022 has indicated that its ability to continue as a going concern is dependent on its ability to raise additional funds as required, successful negotiations with lenders for continued support and generation of cash flow from operations to enable it to settle its liabilities as they fall due. The said customer had also indicated that so far it has been meeting all its debt obligations till date;
- pursuant to Department of Telecommunications (“DoT”) notification dated October 14, 2021 has conveyed its acceptance for the deferment of Spectrum auction instalments & AGR dues by a period of four years with immediate effect and approved equity conversion of the NPV of the interest liability in its meeting held on January 10, 2022. Subsequent thereto, DoT has computed the Net Present value (NPV) of the interest liability on moratorium period towards AGR dues (as per Hon’ble SC affidavit dated September 01, 2020) and deferred annual Spectrum liabilities respectively as on the date of exercise of option i.e. January 10, 2022, which the said customer has confirmed on April 14, 2022. This appears to have strengthened the said customer’s ability to continue as a going concern;
- is one of the parties to bid for 5G spectrum auction held in July 2022.

During the quarter ended March 31, 2022, the Board of Directors of the Company had agreed to the said customer’s payment plan and modifications to the Security Arrangements proposed by one of the promoters of the said customer for clearance of outstanding MSA amounts due from said customer so as to secure the Company for a similar value as the value under the existing security package. Pursuant to such modified Security Arrangement, the customer’s promoter has disposed of all the primary pledged shares held by it in the Company and invested the proceeds thereof in new shares of the said customer. Consequently, the equity proceeds received by the said customer on such equity shares issued by it have been exclusively utilized by it for clearing the outstanding dues of the Company. Further the Company has also received monthly committed amounts from the said customer till the date agreed i.e. July 15, 2022.



In addition to the above:

- the Company, subject to the terms and conditions agreed between the parties, has a secondary pledge over promoter's remaining shares held in the Company and a corporate guarantee provided by said customer's promoter which could be triggered in certain situations and events in the manner agreed between the parties. This is however not adequate to cover the total outstanding with the said customer;
- during the current quarter, the said customer has informed the Company that a funding plan is under finalization with its lenders and has proposed a payment plan to the Company whereunder it has committed to pay part of the amount to be billed till December 31, 2022 and 100% of the said amounts billed thereafter. As regards, the remaining dues outstanding (including interest thereon) as on December 31, 2022, it has proposed to pay these dues between January 2023 and July 2023. The said proposal is under consideration of the company.

The Company regularly follows a stringent policy for making doubtful debt provision in respect of overdue recoverable from its customers, including the said customer and accordingly makes necessary provisions in the Statement of Profit and Loss regularly. Said provision for the current quarter is INR 12,326 Mn. The company will reassess the outstanding position with the said customer and evaluate the financial impact if any on regular basis and inter alia will work out a reasonable payment plan to support the customer tide over its disclosed temporary financial stress.

It may be noted that the potential loss of a significant customer due to its ability to continue as a going concern or the Company's failure to attract new customers could have an adverse effect on the business, results of operations and financial condition of the Company.

7. The Board in its meeting held on July 27, 2022 took note of the resignation of Mr. Bimal Dayal, Managing Director and Chief Executive Officer. His last working day with the Company is under discussion.
8. The Board of Directors of the Company in its meeting held on May 05, 2022 had declared an interim dividend of Rs. 11/- per equity share (face value of Rs. 10/- each) for the financial year 2021-22 which has been paid subsequently during the quarter ended June 30, 2022.



**For Indus Towers Limited (formerly Bharti Infratel Limited)**

**Bimal Dayal**  
**Managing Director and CEO**

**Place:** Gurugram  
**Date:** August 02, 2022

“The Company”, wherever stated stands for Indus Towers Limited (formerly Bharti Infratel Limited)  
For more details on the financial results, please visit our website [www.industowers.com](http://www.industowers.com)