



indus
TOWERS

July 29, 2021

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, 2021

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, 2021:

- 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. July 29, 2021 and based on its recommendation, approved by the Board of Directors in its meeting held today i.e. July 29, 2021. The Board Meeting commenced at 03:30 p.m. and concluded at 6:10p.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)

Corporate Office: Building No. 10, Tower A, 4th Floor, DLF Cyber City, Gurugram-122002, Haryana | Tel: +91 -124-4296766 Fax: +91124 4289333

Registered Office: 901, Park Centra, Sector 30, NH-8, Gurugram - 122001, Haryana | Tel: +91 -124-4132600 Fax: +91124 4109580

CIN: L64201HR2006PLC073821 | Email: compliance.officer@industowers.com | www.industowers.com

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 accompanying Statement of Interim Consolidated Financial Results 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, 2021 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 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 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, 2021.

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.



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Emphasis of Matter

Material uncertainty arising out of certain developments and its consequential impact on business operations

We draw attention to note 4 of the interim consolidated financial results, which describes the impact on business operations 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 up to Rs. 250,000 millions, as required in line with the approval by the Company's board of directors in its meeting on September 4, 2020, successful negotiations with lenders on continued support, refinancing of debts, monetisation of certain assets, impact of the modification application rejected by the Hon'ble Supreme Court on AGR judgement, acceptance of its deferment request by DoT for spectrum instalment payment, clarity on payment of the next instalment amounts and generation of cash flow from its operations that it needs to settle / renew its liabilities / guarantees as they fall due.

Our opinion is not modified in respect of above matter.

Management's Responsibilities for the Interim Consolidated Financial Results

This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been compiled from the related audited interim consolidated condensed financial statements for the quarter ended June 30, 2021. 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 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



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influence the economic decisions of users taken on the basis of this Interim Consolidated 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 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 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 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 such other entities 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 that we identify during our audit.



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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



A handwritten signature in black ink, appearing to read "Vijay Agarwal".

Vijay Agarwal
Partner
Membership No.094468
UDIN: 21094468AAAAGR6188

Place: Gurugram
Date: July 29, 2021

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

Regd. Office: 901, Park Centra, Sector 30, NH-8, Gurugram, Haryana – 122001

Telephone no. +91 124 4132600 Fax no. +91 124 4109580, Email id: compliance.officer@industowers.com

Statement of Audited Consolidated Ind AS financial results for the quarter ended June 30, 2021

(In Rs. Million except per share data)

Particulars	Quarter ended			Year ended
	June 30, 2021 (refer note 3 & 9)	March 31, 2021 (refer note 3 & 9)	June 30, 2020	March 31, 2021
	Audited	Audited	Audited	Audited
Income				
Revenue from operations	67,970	64,918	16,354	139,543
Other income	569	773	165	1,969
Total income	68,539	65,691	16,519	141,512
Expenses				
Power and fuel	26,463	23,745	5,809	51,536
Employee benefit expenses	1,872	1,774	840	5,126
Repairs and maintenance	3,300	3,719	608	7,246
Other expenses	1,050	1,556	520	3,036
Total expenses	32,685	30,794	7,777	66,944
Profit before depreciation and amortisation, finance costs, finance income, charity and donation, share of profit of joint venture and tax	35,854	34,897	8,742	74,568
Depreciation and amortization expense	13,418	13,670	3,082	29,913
Less: adjusted with general reserve in accordance with the scheme of arrangement	(220)	(348)	(98)	(1,429)
	13,198	13,322	2,984	28,484
Finance costs	4,111	4,105	827	8,364
Finance income	(343)	(488)	(690)	(1,992)
Charity and donation	118	1	251	806
Profit before share of profit of joint venture and tax	18,770	17,957	5,370	38,906
Share of profit of joint venture (refer note 3)	-	-	3,020	8,663
Profit before tax	18,770	17,957	8,390	47,569
Income tax expense :	4,617	4,320	1,354	9,779
Current tax	4,956	4,159	1,503	9,852
Deferred tax	(339)	161	(149)	(73)
Profit after tax	14,153	13,637	7,036	37,790
Other comprehensive income (OCI)				
Items that will not be re-classified to profit and loss				
Remeasurement of the gain/ (loss) of defined benefit plans (net of tax)	-	23	(6)	20
Share of profit/(loss) in OCI of joint venture	-	-	(2)	(7)
Other comprehensive income for the period/year (net of tax)	-	23	(8)	13
Total comprehensive income for the period/year (net of tax)	14,153	13,660	7,028	37,803
Paid-up equity share capital (Face value Rs. 10 each)	26,949	26,949	18,496	26,949
Other equity	145,688	131,821	116,218	131,821
Earnings per share (nominal value of share Rs. 10 each)				
Basic	5.253	5.061	3.805	17.516
Diluted	5.252	5.060	3.804	17.515

Notes to accounts

1. The above financial results for the quarter ended June 30, 2021 have been reviewed by the Audit & Risk Management Committee in its meeting held on July 29, 2021 and approved by the Board of Directors in its meeting held on July 29, 2021.



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', its controlled trust 'Indus Towers Employees Welfare Trust (formerly Bharti Infratel Employees Welfare Trust)' and its share in Joint Venture Company 'erstwhile Indus Towers Limited' (ceased to exist and merged into the Company w.e.f. November 19, 2020) 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. **Merger of 'erstwhile Indus Towers Limited' with 'the Company'**

The Scheme of amalgamation and arrangement between the Company and erstwhile Indus Towers Limited (a joint venture company) became effective on November 19, 2020. Upon implementation of the Scheme, the joint venture company (i.e. erstwhile Indus Towers Limited) merged into the Company on a going concern basis. Further, the name of the Company was changed from Bharti Infratel Limited to Indus Towers Limited w.e.f. December 10, 2020 vide fresh certificate of incorporation issued by Registrar of Companies.

Upon implementation of the Scheme and allotment of shares to indirect wholly owned subsidiaries of Vodafone Group Plc., in addition to existing promoters (representing Bharti Airtel Limited along with its wholly owned subsidiary Nettle Infrastructure Investments Limited), the aforesaid indirect wholly owned subsidiaries of Vodafone Group Plc. have also been classified as promoters of the Company. Accordingly, the financial results for the periods ended after effective date of merger includes financial results of the operations of erstwhile Indus w.e.f November 19, 2020.

4. A large customer of the Group accounts for substantial part of net sales for the period ended June 30, 2021 and also constitutes a significant part of trade receivables outstanding as at June 30, 2021.

The said customer in its declared results for the quarter and year ended March 31, 2021, had stated existence of material uncertainty relating to its ability to continue as going concern to be dependent on its ability to raise additional funds as required, successful negotiations with lenders on continued support, refinancing of debts, monetisation of certain assets, outcome of the modification application filed with the Hon'ble Supreme Court and clarity of the next instalment amount, acceptance of its deferment request by DoT and generation of cash flow from its operations that it needs to settle / renew its liabilities / guarantees as they fall due. The said customer has met all its debt obligations till that date. The said customer in the Board of Directors meeting held on September 4, 2020 has approved the fund-raising plan up to Rs. 250,000 Mn.

Subsequently, on July 23, 2021, the Hon'ble Supreme Court rejected the modification applications filed by the Group's largest customers (amongst others) which requested that the Hon'ble Supreme Court allow the DoT to correct manifest/clerical/arithmetic errors in the computation of AGR demands and carry out the corrections in accordance with law within a reasonable period of time.

By virtue of Indus-Infratel merger, the payment obligations of the said customer are secured through a share pledge agreement whereby, subject to terms of the agreement, the Group has created a primary pledge over 190,657,769 shares held in the Company by one of the promoters who is also the promoter of the said customer.

In addition, the Group will have a secondary pledge, subject to the terms and conditions agreed between the parties, over the above promoter's remaining shares in the Company and the corporate guarantee by such promoter which can get triggered in certain situations and events in the manner agreed between the parties up to a maximum of Rs. 42,500 Mn. Pursuant to such security and the guarantee by the promoter group of such customer, uncertainty in regard of recovery of trade receivables has been mitigated to such extent. Basis the security package, the Group has recognized contractual exit charges as and when it gets due.

However, the loss of the significant customer or the failure to attract new customers could have an adverse effect on the business, results of operations and financial condition of the Group.

5. 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 Group] was incorporated in FY 2014-15. During the quarter ended June 30, 2021, Trust has acquired 340,000 shares at a price of Rs. 243.43 per share. As of June 30, 2021, the Trust holds 485,090 shares (of Face Value of Rs. 10 each) (March 31, 2021 - 145,090 shares) of the Company.



6. The audited Standalone results of the Company are available on the Company's website www.industowers.com and on the Stock Exchanges websites www.nseindia.com and www.bseindia.com. Key numbers of Standalone Financial Results of the Company are as under:

S.No	Particulars	(In Rs. Million)			
		Quarter ended			Year ended
		June 30, 2021 (refer note 3 & 9)	March 31, 2021 (refer note 3 & 9)	June 30, 2020	March 31, 2021
1	Revenue from operations	67,956	64,908	16,343	139,508
2	Profit before tax	18,785	17,967	9,585	43,160
3	Profit after tax	14,168	13,648	8,232	33,382

7. 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.
8. The Ministry of Home Affairs vide order No.40-3/2020 dated 24.03.2020 notified telecommunication services among the essential services which continued to operate during lock down in the crisis situation of COVID-19, which has been declared as pandemic by World Health Organisation. The passive infrastructure as well as active telecom operations of the Group's customers is covered under essential services which are actively engaged in fulfilling the surge in demand arising out of the choice exercised by almost all industries to conduct their operations remotely. Hence, the telecom industry is among the businesses that are least impacted due to COVID-19. The Group believes that thus far, there is no significant impact of COVID-19 pandemic on the financial position and performance of the Group. Further, the Group is not expecting any significant changes in estimates as of now as the Group is running its business and operations as usual without any major disruptions.
9. The financial results for the quarter ended June 30, 2021 and March 31, 2021 are not comparable to previous periods due to the facts mentioned in note 3 above. Previous periods figures have been regrouped/ rearranged wherever necessary to conform to the current year/period grouping.

For Indus Towers Limited (formerly Bharti Infratel Limited)

Bimal Dayal
Managing Director and CEO



Place: Gurugram
Date: July 29, 2021

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“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

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 accompanying Statement of Interim Standalone Financial Results of Indus Towers Limited (formerly Bharti Infratel Limited) ("the Company"), for the quarter ended June 30, 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 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, these Standalone Financial Results:

- a. is presented in accordance with the requirements of Regulation 33 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, 2021.

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 arising out of certain developments and its consequential impact on business operations

We draw attention to note 4 of the interim standalone financial results, which describes the impact on business operations 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 up to Rs. 250,000 millions, as required in line with the approval by the Company's board of directors in its meeting on September 4, 2020, successful negotiations with lenders on continued support, refinancing of debts, monetisation of certain assets, impact of the modification application rejected by the Hon'ble Supreme Court on AGR judgement, acceptance of its deferment request by DoT for spectrum instalment payment, clarity on payment of the next instalment amounts and generation of cash flow from its operations that it needs to settle / renew its liabilities / guarantees as they fall due.

Our opinion is not modified in respect of above matter.



Management's Responsibilities for the Interim Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited interim condensed standalone financial statements for the quarter ended June 30, 2021. The Company's Board of Directors are responsible for the preparation and presentation of the Interim Standalone Financial Results 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 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 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 Company to continue as a going concern. If we conclude that a material uncertainty exists, we are



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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 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



A handwritten signature in black ink, appearing to read "Vijay Agarwal".

Vijay Agarwal
Partner
Membership No. 094468
UDIN: 21094468AAAAGQ1590

Place: Gurugram
Date: July 29, 2021

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

Regd. Office: 901, Park Centra, Sector 30, NH-8, Gurugram, Haryana – 122001

Telephone No. +91 124 4132600 Fax no. +91 124 4109580, Email id: compliance.officer@industowers.com

Statement of Audited Standalone Ind AS financial results for the quarter ended June 30, 2021

(In Rs. Million except per share data)

Particulars	Quarter ended			Year ended
	June 30, 2021 (refer note 3 & 8)	March 31, 2021 (refer note 3 & 8)	June 30, 2020	March 31, 2021
	Audited	Audited	Audited	Audited
Income				
Revenue from operations	67,956	64,908	16,343	139,508
Other income	569	772	4,365	6,168
Total income	68,525	65,680	20,708	145,676
Expenses				
Power and fuel	26,461	23,743	5,807	51,529
Employee benefit expenses	1,872	1,774	840	5,126
Repairs and maintenance	3,300	3,719	608	7,246
Other expenses	1,041	1,551	514	3,021
Total expenses	32,674	30,787	7,769	66,922
Profit before depreciation and amortization, finance cost, finance income, charity and donation and tax	35,851	34,893	12,939	78,754
Depreciation and amortization expense	13,403	13,657	3,068	29,858
Less: adjusted with General Reserve in accordance with the scheme of arrangement	(220)	(348)	(98)	(1,429)
Finance costs	13,183	13,309	2,970	28,429
Finance income	4,108	4,104	823	8,351
Charity and donation	(343)	(488)	(690)	(1,992)
Charity and donation	118	1	251	806
Profit before tax	18,785	17,967	9,585	43,160
Income tax expense:	4,617	4,319	1,353	9,778
Current tax	4,956	4,158	1,502	9,850
Deferred tax	(339)	161	(149)	(72)
Profit after tax	14,168	13,648	8,232	33,382
Other comprehensive income ('OCI')				
Items that will not be re-classified to profit and loss				
Remeasurements gains/(loss) of defined benefit plans (net of tax)	-	23	(6)	20
Other comprehensive income for the period/year, net of tax	-	23	(6)	20
Total comprehensive income for the period/year, net of tax	14,168	13,671	8,226	33,402
Paid-up equity share capital (Face value Rs. 10 each)	26,949	26,949	18,496	26,949
Other equity	145,989	132,024	120,837	132,024
Earnings per equity share (Nominal value of share is Rs. 10 each)				
Basic	5.257	5.064	4.451	15.472
Diluted	5.257	5.064	4.451	15.472

Notes to accounts

1. The above financial results for the quarter ended June 30, 2021 have been reviewed by the Audit & Risk Management Committee in its meeting held on July 29, 2021 and approved by the Board of Directors in its meeting held on July 29, 2021.



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. **Merger of 'erstwhile Indus Towers Limited' with 'the Company'**

The Scheme of amalgamation and arrangement between the Company and erstwhile Indus Towers Limited (a joint venture company) became effective on November 19, 2020. Upon implementation of the Scheme, the joint venture company (i.e. erstwhile Indus Towers Limited) merged into the Company on a going concern basis. Further, the name of the Company was changed from Bharti Infratel Limited to Indus Towers Limited w.e.f. December 10, 2020 vide fresh certificate of incorporation issued by Registrar of Companies.

Upon implementation of the Scheme and allotment of shares to indirect wholly owned subsidiaries of Vodafone Group Plc., in addition to existing promoters (representing Bharti Airtel Limited along with its wholly owned subsidiary Nettle Infrastructure Investments Limited), the aforesaid indirect wholly owned subsidiaries of Vodafone Group Plc. have also been classified as promoters of the Company. Accordingly, the financial results for the periods ended after effective date of merger includes financial results of the operations of erstwhile Indus w.e.f November 19, 2020.

4. A large customer of the Company accounts for substantial part of net sales for the period ended June 30, 2021 and also constitutes a significant part of trade receivables outstanding as at June 30, 2021.

The said customer in its declared results for the quarter and year ended March 31, 2021, had stated existence of material uncertainty relating to its ability to continue as going concern to be dependent on its ability to raise additional funds as required, successful negotiations with lenders on continued support, refinancing of debts, monetisation of certain assets, outcome of the modification application filed with the Hon'ble Supreme Court and clarity of the next instalment amount, acceptance of its deferment request by DoT and generation of cash flow from its operations that it needs to settle / renew its liabilities / guarantees as they fall due. The said customer has met all its debt obligations till that date. The said customer in the Board of Directors meeting held on September 4, 2020 has approved the fund-raising plan up to Rs. 250,000 Mn.

Subsequently, on July 23, 2021, the Hon'ble Supreme Court rejected the modification applications filed by the Company's largest customers (amongst others) which requested that the Hon'ble Supreme Court allow the DoT to correct manifest/clerical/arithmetic errors in the computation of AGR demands and carry out the corrections in accordance with law within a reasonable period of time.

By virtue of Indus-Infratel merger, the payment obligations of the said customer are secured through a share pledge agreement whereby, subject to terms of the agreement, the Company has created a primary pledge over 190,657,769 shares held in the Company by one of the promoters who is also the promoter of the said customer.

In addition, the Company will have a secondary pledge, subject to the terms and conditions agreed between the parties, over the above promoter's remaining shares in the Company and the corporate guarantee by such promoter which can get triggered in certain situations and events in the manner agreed between the parties up to a maximum of Rs. 42,500 Mn. Pursuant to such security and the guarantee by the promoter group of such customer, uncertainty in regard of recovery of trade receivables has been mitigated to such extent. Basis the security package, the Company has recognized contractual exit charges as and when it gets due.

However, the loss of the significant customer or the failure to attract new customers could have an adverse effect on the business, results of operations and financial condition of the Company.

5. 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, 2021, Trust has acquired 340,000 shares at a price of Rs. 243.43 per share. As of June 30, 2021, the Trust holds 485,090 shares (of Face Value of Rs. 10 each) (March 31, 2021 - 145,090 shares) of the Company.

6. 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.



7. The Ministry of home affairs vide order No.40-3/2020 dated 24.03.2020 notified telecommunication services among the essential services which continued to operate during lock down in the crisis situation of COVID-19, which has been declared as pandemic by World Health Organization. The passive infrastructures as well as active telecom operations of the Company's customers are covered under essential services which are actively engaged in fulfilling the surge in demand arising out of the choice exercised by almost all industries to conduct their operations remotely. Hence, the telecom industry is among the businesses that are least impacted due to COVID-19. The Company believes that thus far, there is no significant impact of COVID-19 pandemic on the financial position and performance of the Company. Further, the Company is not expecting any significant change in estimates as of now as the Company is running its business and operations as usual without any major disruptions.
8. The financial results for the quarter ended June 30, 2021 and March 31, 2021 are not comparable to previous periods due to the facts mentioned in note 3 above. Previous periods figures have been regrouped/ rearranged wherever necessary to conform to the current year/period grouping.

For Indus Towers Limited (formerly Bharti Infratel Limited)



Bimal Dayal
Managing Director and CEO

Place: Gurugram
Date: July 29, 2021



“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