January 23, 2024

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.: Outcome of the Board Meeting - Financial results for the third quarter (Q3) and nine months ended December 31, 2023

Dear Sir/ Madam,

In compliance with Regulations 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed following for the third quarter (Q3) and nine months ended December 31, 2023:

- Audited consolidated financial results as per Ind-AS;
- Audited standalone financial results as per Ind-AS; and
- 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., January 23, 2024 and based on its recommendation, approved by the Board of Directors in its meeting held today i.e., January 23, 2024.

The Board Meeting commenced at 1610 hrs. (IST) and concluded at 2030 hrs. (IST).

This is for your information and records.

Thanking you,

Yours faithfully,

For **Indus Towers Limited**

SAMRIDHI
RODHE

Digitally signed by SAMRIDHI RODHE
DN: c=IN, postalCode=110015, st=DELHI, street=I-116 KIRTI NAGAR RAMESH NAGAR WEST DELHI, l=WEST DELHI, o=Personal, serialNumber=6731e060e0bc5e3f830e585ae35e03ad273571a3d2d3b18fae6befc393248689, pseudonym=84c9dd198a414bf2ada62e1c7111df5b, 2.5.4.20=2ea59a7580bb93e84e4ba818295c28ff6cf2d2605213b9a96fe8912047b27bec, email=SAMRIDHI.RODHE@INDUSTOWERS.COM, cn=SAMRIDHI RODHE
Date: 2024.01.23 20:30:27 +05'30'

Samridhi Rodhe
Company Secretary & Compliance Officer

Encl.: As above

Indus Towers Limited
Registered & Corporate Office: Building No. 10, Tower A, 4th Floor, DLF Cyber City, Gurugram-122002, Haryana I Tel: +91 -124-4296766 Fax: +91124 4289333
CIN: L64201HR2006PLC073821 I Email: compliance.officer@industowers.com I **www.industowers.com**

Deloitte
Haskins & Sells LLP

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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF INDUS TOWERS LIMITED

Opinion

We have audited the Consolidated Financial Results for the quarter and nine months ended December 31, 2023 ("the Consolidated Financial Results") included in the accompanying "Statement of Audited Consolidated Ind AS Financial Results for the quarter and nine months ended December 31, 2023 of **INDUS TOWERS LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), ("the Statement") being submitted by the Parent pursuant to the requirements 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:

(i) includes the results of the following entities:
   a. Indus Towers Limited ("ITL") ("Parent");
   b. Smartx Services Limited (100% subsidiary of ITL);and
   c. Indus Towers Employees Welfare Trust;

(ii) is presented in accordance with the requirements of the Listing Regulations; 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 and nine months ended December 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for audit of the Consolidated Financial Results' section of our report below. 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 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 Company and its consequential impact on Company's business operations

We draw attention to note 5 of the Consolidated Financial Results, which describes the impact on business operations, receivables, property, plant and equipment 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 and vendors for continued support and generation of cash flow from its operations that the said customer needs to settle its liabilities as they fall due.

Our opinion is not modified in respect of above matter.

Deloitte Haskins & Sells Chartered Accountants

Regd. Office: One International Center, Tower 3, 32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-400 013, Maharashtra, India.
(LLP Identification No. AAB-8737)

Management's and Those Charged With Governance Responsibilities for the Consolidated Financial Results

This Statement, which is the responsibility of Company's management and has been approved by the Board of Directors for issuance. The Statement has been compiled / extracted from the Audited Interim Condensed Consolidated Financial Statements for the three and nine month periods ended December 31, 2023, the Audited Consolidated Financial results for the quarter and half year ended September 30, 2023 and the Audited Consolidated Financial Results for the quarter and year ended March 31, 2023. This responsibility includes the preparation and presentation of the Consolidated Financial Results that give a true and fair view of the consolidated net profit/loss and consolidated other comprehensive income/loss and other financial information of the Group 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 the Listing Regulations.

The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of 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 Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the entities 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 entities included in the Group are responsible for overseeing the financial reporting process of respective entities of the Group.

Auditor's Responsibilities for audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the 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 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 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 financial control.

- Obtain an understanding of internal financial controls 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 internal financial controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

Deloitte Haskins & Sells LLP
Chartered Accountants

- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under the 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 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 Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the 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.

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)

Deloitte Haskins & Sells LLP Chartered Accountants

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Anup Kumar Sharma
Partner
(Membership No. 063828)
UDIN: 24063828BKCQQR5455

Place: Gurugram
Date: January 23, 2024

Indus Towers 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 and nine months ended December 31, 2023

(In Rs. Million except per share data)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	Audited	Audited	Audited	Audited	Audited	Audited
Income						
Revenue from operations (refer note 5(c) & 5(d))	71,990	71,325	67,650	214,074	216,289	283,818
Other income	989	972	898	2,526	2,452	3,613
Total income	**72,979**	**72,297**	**68,548**	**216,600**	**218,741**	**287,431**
Expenses						
Power and fuel	27,956	28,554	26,220	84,774	80,312	105,908
Employee benefit expenses	1,985	1,957	2,000	5,792	5,791	7,741
Repairs and maintenance	3,603	3,498	3,394	10,458	10,097	13,506
Other expenses (refer note 6)	2,230	2,757	24,178	7,137	56,885	58,993
Total expenses	**35,774**	**36,766**	**55,792**	**108,161**	**153,085**	**186,148**
Profit before depreciation and amortisation, finance costs, finance income, charity and donation, exceptional item and tax	**37,205**	**35,531**	**12,756**	**108,439**	**65,656**	**101,283**
Depreciation and amortisation expenses (refer note 9)	16,200	15,529	13,904	45,722	40,998	54,410
Less: adjusted with general reserve in accordance with the scheme of arrangement	(243)	(273)	(327)	(768)	(961)	(1,171)
	15,957	15,256	13,577	44,954	40,037	53,239
Finance costs (refer note 9)	5,135	4,586	4,481	14,002	12,546	16,704
Finance income	(5,028)	(2,122)	(941)	(7,915)	(1,362)	(2,165)
Charity and donation	376	344	232	1,063	847	984
Profit/ (loss) before exceptional item and tax	**20,765**	**17,467**	**(4,593)**	**56,335**	**13,588**	**32,521**
Exceptional item (refer note 5(d))	-	-	4,928	-	4,928	4,928
Profit/ (loss) before tax	**20,765**	**17,467**	**(9,521)**	**56,335**	**8,660**	**27,593**
Tax expense	**5,360**	**4,520**	**(2,439)**	**14,504**	**2,251**	**7,193**
Current tax	4,508	4,410	4,316	13,665	15,945	20,327
Deferred tax	852	110	(6,755)	839	(13,694)	(13,134)
Profit/ (loss) for the period / year	**15,405**	**12,947**	**(7,082)**	**41,831**	**6,409**	**20,400**
Other comprehensive income (OCI)						
Items that will not be re-classified to profit or loss						
Remeasurement of the gain/ (loss) of defined benefit plans (net of tax)	-	(39)	-	(39)	(5)	(8)
Other comprehensive income/(loss) for the period/year (net of tax)	-	**(39)**	-	**(39)**	**(5)**	**(8)**
Total comprehensive income/ (loss) for the period/year (net of tax)	**15,405**	**12,908**	**(7,082)**	**41,792**	**6,404**	**20,392**
Paid-up equity share capital (Face value Rs. 10 each)	26,949	26,949	26,949	26,949	26,949	26,949
Other equity	225,101	210,040	170,418	225,101	170,418	184,146
Earnings per share (nominal value of share Rs. 10 each)^						
Basic	5.72	4.81	(2.63)	15.53	2.38	7.57
Diluted	5.72	4.80	(2.63)	15.53	2.38	7.57

^ EPS is not annualized for the quarter and nine months ended December 31, 2023, quarter ended September 30,2023 and quarter and nine months ended December 31, 2022.

Notes to financial results

1. The above financial results for the quarter and nine months ended December 31, 2023 have been reviewed by the Audit & Risk Management Committee at its meeting held on January 23, 2024 and approved by the Board of Directors at its meeting held on January 23, 2024.

2. These Audited Consolidated Financial Results are compiled / extracted from the Audited Interim Condensed Consolidated Financial Statements for the three and nine month periods ended December 31, 2023, the Audited Consolidated Financial Results for the quarter and half year ended September 30, 2023, quarter and year ended March 31, 2023, and quarter and nine months ended December 31, 2022. The Audited Interim Condensed Consolidated Financial Statements for three and nine month periods ended December 31, 2023 have been prepared in accordance with Ind AS 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other accounting principles generally accepted in India. The statutory auditors have expressed an unmodified audit opinion on these financial results.

3. The Audited Standalone Financial 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:

(In Rs. Million)

S.No	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
1	Revenue from operations	71,990	71,325	67,650	214,074	216,289	283,818
2	Profit/ (loss) before tax	20,774	17,473	(9,515)	56,380	8,688	27,620
3	Profit/ (loss) after tax	15,414	12,953	(7,076)	41,876	6,443	20,433

4. Indus Towers Employees 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 nine months ended December 31, 2023, the Trust has acquired 7,11,000 shares at a price of Rs. 182.56 per share and 353,888 equity shares of exercise price of Rs. 10 each have been transferred to employees upon exercise of stock options. As of December 31, 2023, the Trust holds 1,033,434 shares (March 31, 2023 – 676,322 shares) of Face Value of Rs. 10 each of the Group.

5. A large customer of the Group accounts for substantial part of revenue from operations for the quarter and nine months ended December 31, 2023 and constitutes a significant part of outstanding trade receivables and unbilled revenue as at December 31, 2023.

(a) The said customer in its latest published unaudited financial results for the quarter and six months ended September 30, 2023, had 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 and vendors for continued support and generation of cash flow from operations that it needs to settle its liabilities as they fall due. The said customer had also disclosed in the aforesaid results that so far it has met all debt obligations to its lenders / banks and financial institutions along with applicable interest till date. Further, the said customer had disclosed that one of its promoters has confirmed that it would provide financial support to the extent of Rs. 20,000 Mn to the said customer.

(b) The Group, subject to the terms and conditions agreed between the parties, has a secondary pledge over the remaining shares held by one of the customer's promoters in the Group 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. However, these securities are not adequate to cover the total outstanding with the said customer.

(c) During the quarter ended June 30, 2022 through the quarter ended September 30, 2022, the said customer had informed the Group that a funding plan was under discussion with its lenders and it had agreed to a payment plan to pay part of the monthly billing till December 2022 and 100% of the amounts billed from January 2023 onwards, which will be adjusted by the Company against the outstanding trade receivables. As regards the dues outstanding as at December 31, 2022, the customer had agreed to pay the dues between January 2023 and July 2023.

However, the funding plan of the said customer has not materialised till date and the said customer has not made the committed payments pertaining to the outstanding amount due as at December 31, 2022. As the said customer has been paying an amount largely equivalent to monthly billing since January 2023, hence, the Group continues to recognize revenue from operations relating to the said customer for the services rendered.

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INDUS TOWERS LIMITED HARYANA

The Group carries an allowance for doubtful receivables of Rs. 56,996 Mn as at December 31, 2023 relating to the said customer which covers all overdue outstanding as at December 31, 2023.

(d) Further, as per Ind AS 116 "Leases", the Group recognises revenue based on straight lining of rentals over the contractual period and creates revenue equalization asset in the books of accounts. During the quarter ended December 31, 2022, the Group had recorded an impairment charge of Rs. 4,928 Mn relating to the revenue equalization assets up to September 30, 2022 for the said customer and presented it as an exceptional item in the statement of profit and loss. Further, the Group had stopped recognizing revenue equalization asset on account of straight lining of lease rentals from October 01, 2022 onwards due to uncertainty of collection in distant future.

(e) It may be noted that the potential loss of the said customer (whose statutory auditors have reported material uncertainty related to going concern in its report on latest published unaudited results) due to its inability to continue as a going concern or the Group's failure to attract new customers could have an adverse effect on the business, results of operations and financial condition of the Group and amounts receivable (including unbilled revenue) and carrying amount of property, plant and equipment related to the said customer.

6. Other expenses includes amount on account of allowances for doubtful receivables as below:

(In Rs. Million)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
Allowances for doubtful receivables (net)	641	1,335	22,701	2,846	52,735	53,083

7. 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			Nine months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		Audited	Audited	Audited	Audited	Audited	Audited
(i)	Debt-equity ratio (no. of times)	0.19	0.24	0.30	0.19	0.30	0.22
(ii)	Debt service coverage ratio (no. of times)	2.80	2.57	0.63	2.64	1.36	1.62
(iii)	Interest service coverage ratio (no. of times)	8.76	8.32	2.89	8.71	5.61	6.48
(iv)	Net worth (Rs. Mn)	227,690	212,265	171,855	227,690	171,855	185,853
(v)	Current ratio (no. of times)	1.08	1.09	0.98	1.08	0.98	1.07
(vi)	Long term debt to working capital (no. of times)	3.36	3.17	(10.59)	3.36	(10.59)	4.47
(vii)	Bad debts to account receivable ratio (%)	-	-	-	-	-	-
(viii)	Current liability ratio (no. of times)	0.33	0.36	0.36	0.33	0.36	0.32
(ix)	Total debts to total assets (no. of times)	0.09	0.11	0.13	0.09	0.13	0.10
(x)	Debtor turnover (annualised) (no. of times)	4.72	4.97	4.99	5.24	4.76	4.76
(xi)	Operating profit margin (%)	28.14%	27.06%	-2.54%	28.48%	10.71%	15.65%
(xii)	Net profit margin (%)	21.40%	18.15%	-10.47%	19.54%	2.96%	7.19%
(xiii)	Capital redemption reserve (Rs. Mn)	471	471	471	471	471	471
(xiv)	Net profit/ (loss) after tax (Rs. Mn)	15,405	12,947	(7,082)	41,831	6,409	20,400
(xv)	Basic earnings per share (EPS) (Rs. per share) (not annualised for the quarter and nine months ended)	5.72	4.81	(2.63)	15.53	2.38	7.57
(xvi)	Diluted earnings per share (EPS) (Rs. per share) (not annualised for the quarter and nine months ended)	5.72	4.80	(2.63)	15.53	2.38	7.57

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INDUS TOWERS LIMITED HARYANA

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

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

8. During nine months ended December 31, 2023, the Group has availed Input Tax Credit ('ITC') on towers amounting to Rs. 3,327 Mn for the financial year 2022-23 and for the current financial period ended December 31, 2023 to protect the GST claim and kept the same unutilized to mitigate the interest exposure.

Further, the Group has created a provision against such ITC on towers since this matter is sub-judice and it has been accounted for under property, plant and equipment. There is no additional impact in the Statement of Profit and Loss on account of the same. The Group will continue to avail but not utilize such ITC on towers in future till such time the matter is decided by the Courts.

9. The Group based on recent judicial pronouncement has reassessed the merits of the ongoing matters related to entry tax in various states and created a provision of Rs. 1,503 Mn for the same and capitalized it in the property, plant and equipment. As a result of depreciation amounting to Rs. 1,257 Mn has been charged in the statement of profit and loss during the quarter and nine months ended December 31, 2013. Further, the Company has also created an interest provision of Rs. 547 Mn due to short payments made under protest. The Company will continue to pursue legal action in all these states.

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Chartered Accountants

INDUS TOWERS LIMITED
HARYANA

10. The Group was set up with the objective 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 Group's segments as reviewed by the Chief Operating Decision Maker (CODM) do not result in the identification of different ways / sources into which they see the performance of the Group. Accordingly, the Group has a single reportable and geographical segment. Hence, the disclosures as per Regulation 33 (1)(e) read with Clause (L) of Schedule IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended are not applicable to the Group.

For Indus Towers Limited

Deloitte Haskins & Sells LLP Chartered Accountants

INDUS TOWERS LIMITED HARYANA

Prachur Sah
Managing Director and CEO
DIN: 07871676

Place: Gurugram
Date: January 23, 2024

"The Group", wherever stated stands for Indus Towers Limited.
For more details on the financial results, please visit our website www.industowers.com

Deloitte Haskins & Sells LLP

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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF INDUS TOWERS LIMITED

Opinion

We have audited the Standalone Financial Results for the quarter and nine months ended December 31, 2023 ("the Standalone Financial Results") included in the accompanying "Statement of Audited Standalone Ind AS Financial Results for the quarter and nine months ended December 31, 2023" of **INDUS TOWERS LIMITED** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements 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:

(i) is presented in accordance with the requirements of the Listing Regulations; and

(ii) 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 and nine months ended December 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for audit of the Standalone Financial Results' section of our report below. 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 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 4 of the Standalone Financial Results, which describes the impact on business operations, receivables, property, plant and equipment 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 and vendors for continued support and generation of cash flow from its operations that the said customer needs to settle its liabilities as they fall due.

Our opinion is not modified in respect of above matter.

Deloitte Haskins & Sells
Chartered Accountants

Regd. Office: One International Center, Tower 3, 32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai-400 013, Maharashtra, India.
(LLP Identification No. AAB-8737)

Management's and Those Charged With Governance Responsibilities for the Standalone Financial Results

This Statement, which is the responsibility of Company's management and has been approved by the Board of Directors for issuance. The Statement has been compiled / extracted from the Audited Interim Condensed Standalone Financial Statements for three and nine month periods ended December 31, 2023, the Audited Standalone Financial Results for the quarter and half year ended September 30, 2023, and the Audited Standalone Financial Results for the quarter and year ended March 31, 2023. This responsibility includes the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net profit/loss and other comprehensive income/loss 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 the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 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 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 audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone 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 the 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 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 financial control.

- Obtain an understanding of internal financial controls 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 such internal financial controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

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- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under the 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 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 Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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)

Deloitte Haskins & Sells LLP Chartered Accountants

Anup Kumar Sharma
Partner
(Membership No. 063828)
UDIN: 24063828BKCQQQ7537

Place: Gurugram
Date: January 23, 2024

Indus Towers 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 Standalone Ind AS financial results for the quarter and nine months ended December 31, 2023

(In Rs. Million except per share data)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	Audited	Audited	Audited	Audited	Audited	Audited
Income						
Revenue from operations (refer note 4(c) & 4(d))	71,990	71,325	67,650	214,074	216,289	283,818
Other income	989	972	898	2,526	2,452	3,612
Total income	**72,979**	**72,297**	**68,548**	**216,600**	**218,741**	**287,430**
Expenses						
Power and fuel	27,956	28,554	26,220	84,774	80,312	105,908
Employee benefit expenses	1,985	1,957	2,000	5,792	5,791	7,741
Repairs and maintenance	3,603	3,498	3,393	10,458	10,096	13,505
Other expenses (refer note 5)	2,227	2,757	24,178	7,130	56,876	58,990
Total expenses	**35,771**	**36,766**	**55,791**	**108,154**	**153,075**	**186,144**
Profit before depreciation and amortisation, finance costs, finance income, charity and donation, exceptional item and tax	**37,208**	**35,531**	**12,757**	**108,446**	**65,666**	**101,286**
Depreciation and amortisation expenses (refer note 8)	16,194	15,523	13,899	45,684	40,980	54,386
Less: adjusted with General Reserve in accordance with the scheme of arrangement	(243)	(273)	(327)	(768)	(961)	(1,171)
	15,951	15,250	13,572	44,916	40,019	53,215
Finance costs (refer note 8)	5,135	4,586	4,481	14,002	12,546	16,704
Finance income	(5,028)	(2,122)	(941)	(7,915)	(1,362)	(2,165)
Charity and donation	376	344	232	1,063	847	984
Profit/(Loss) before exceptional item and tax	**20,774**	**17,473**	**(4,587)**	**56,380**	**13,616**	**32,548**
Exceptional item (refer note 4(d))	-	-	4,928	-	4,928	4,928
Profit/(Loss) before tax	**20,774**	**17,473**	**(9,515)**	**56,380**	**8,688**	**27,620**
Tax expense	**5,360**	**4,520**	**(2,439)**	**14,504**	**2,245**	**7,187**
Current tax	4,508	4,410	4,316	13,665	15,943	20,325
Deferred tax	852	110	(6,755)	839	(13,698)	(13,138)
Profit/(Loss) for the period/year	**15,414**	**12,953**	**(7,076)**	**41,876**	**6,443**	**20,433**
Other comprehensive income ('OCI')						
Items that will not be re-classified to profit or loss						
Remeasurements gains/(loss) of defined benefit plans (net of tax)	-	(39)	-	(39)	(5)	(8)
Other comprehensive income/(loss) for the period/year, net of tax	-	**(39)**	-	**(39)**	**(5)**	**(8)**
Total comprehensive income for the period/year, net of tax	**15,414**	**12,914**	**(7,076)**	**41,837**	**6,438**	**20,425**
Paid-up equity share capital (Face value Rs. 10 each)	26,949	26,949	26,949	26,949	26,949	26,949
Other equity	225,459	210,268	170,627	225,459	170,627	184,398
Earnings per equity share (Nominal value of share is Rs. 10 each)^						
Basic	5.72	4.81	(2.63)	15.54	2.39	7.58
Diluted	5.72	4.81	(2.63)	15.54	2.39	7.58

^ EPS is not annualised for the quarter and nine months ended December 31, 2023, quarter ended September 30, 2023 and quarter and nine months ended December 31, 2022.

Chartered Accountants

Deloitte Haskins & Sells LLP

INDUS TOWERS LIMITED HARYANA

Notes to financial results

1. The above financial results for the quarter and nine months ended December 31, 2023 have been reviewed by the Audit & Risk Management Committee at its meeting held on January 23, 2024 and approved by the Board of Directors at its meeting held on January 23, 2024.

2. These Audited Standalone Financial Results are compiled / extracted from the Audited Interim Condensed Standalone Financial Statements for three and nine month periods ended December 31, 2023, the Audited Standalone Financial Results for the quarter and half year ended September 30, 2023, quarter and year ended March 31, 2023, and quarter and nine months ended December 31, 2022. The Audited Interim Condensed Standalone Financial Statements for three and nine month periods ended December 31, 2023 have been prepared in accordance with Ind AS 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other accounting principles generally accepted in India. The statutory auditors have expressed an unmodified audit opinion on these financial results.

3. Indus Towers Employees 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 nine months ended December 31, 2023, the Trust has acquired 711,000 shares at a price of Rs. 182.56 per share and 353,888 equity shares of exercise price of Rs. 10 each have been transferred to employees upon exercise of stock options. As of December 31, 2023, the Trust holds 1,033,434 shares (March 31, 2023 - 676,322 shares) of Face Value of Rs. 10 each of the Company.

4. A large customer of the Company accounts for substantial part of revenue from operations for the quarter and nine months ended December 31, 2023 and constitutes a significant part of outstanding trade receivables and unbilled revenue as at December 31, 2023.

   (a) The said customer in its latest published unaudited financial results for the quarter and six months ended September 30, 2023, had 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 and vendors for continued support and generation of cash flow from operations that it needs to settle its liabilities as they fall due. The said customer had also disclosed in the aforesaid results that so far it has met all debt obligations to its lenders / banks and financial institutions along with applicable interest till date. Further, the said customer had disclosed that one of its promoters has confirmed that it would provide financial support to the extent of Rs. 20,000 Mn to the said customer.

   (b) The Company, subject to the terms and conditions agreed between the parties, has a secondary pledge over the remaining shares held by one of the customer's promoters 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. However, these securities are not adequate to cover the total outstanding with the said customer.

   (c) During the quarter ended June 30, 2022 through the quarter ended September 30, 2022, the said customer had informed the Company that a funding plan was under discussion with its lenders and it had agreed to a payment plan to pay part of the monthly billing till December 2022 and 100% of the amounts billed from January 2023 onwards, which will be adjusted by the Company against the outstanding trade receivables. As regards the dues outstanding as at December 31, 2022, the customer had agreed to pay the dues between January 2023 and July 2023.

   However, the funding plan of the said customer has not materialised till date and the said customer has not made the committed payments pertaining to the outstanding amount due as at December 31, 2022. As the said customer has been paying an amount largely equivalent to monthly billing since January 2023, hence, the Company continues to recognize revenue from operations relating to the said customer for the services rendered.

   The Company carries an allowance for doubtful receivables of Rs. 56,990 Mn as at December 31, 2023 relating to the said customer which covers all overdue outstanding as at December 31, 2023.

   (d) Further, as per Ind AS 116 "Leases", the Company recognises revenue based on straight lining of rentals over the contractual period and creates revenue equalization asset in the books of accounts. During the quarter ended December 31, 2022, the Company had recorded an impairment charge of Rs. 4,928 Mn relating to the revenue equalization assets up to September 30, 2022 for the said customer and presented it as an exceptional item in the statement of profit and loss. Further, the Company had stopped recognizing revenue equalization asset on account of straight lining of lease rentals from October 01, 2022 onwards due to uncertainty of collection in distant future.

   (e) It may be noted that the potential loss of the said customer (whose statutory auditors have reported material uncertainty related to going concern in its report on latest published unaudited results) due to its inability 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 and amounts receivable (including unbilled revenue) and carrying amount of property, plant and equipment related to the said customer.

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Indus Towers Limited Haryana

5. Other expenses includes an amount on account of allowances for doubtful receivables as below:

(In Rs. Million)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
Allowances for doubtful receivables (net)	641	1,335	22,701	2,845	52,733	53,081

6. 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			Nine months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		Audited	Audited	Audited	Audited	Audited	Audited
(i)	Debt-equity ratio (no. of times)	0.19	0.24	0.30	0.19	0.30	0.22
(ii)	Debt service coverage ratio (no. of times)	2.80	2.57	0.63	2.64	1.36	1.62
(iii)	Interest service coverage ratio (no. of times)	8.76	8.32	2.89	8.72	5.61	6.48
(iv)	Net worth (Rs. Mn)	226,877	211,443	170,998	226,877	170,998	184,995
(v)	Current ratio (no. of times)	1.08	1.09	0.98	1.08	0.98	1.07
(vi)	Long term debt to working capital (no. of times)	3.30	3.16	(11.21)	3.30	(11.21)	4.34
(vii)	Bad debts to account receivable ratio (%)	-	-	-	-	-	-
(viii)	Current liability ratio (no. of times)	0.33	0.36	0.36	0.33	0.36	0.32
(ix)	Total debts to total assets (no. of times)	0.09	0.11	0.13	0.09	0.13	0.10
(x)	Debtor turnover (annualised) ((no. of times)	4.72	4.97	4.99	5.24	4.76	4.76
(xi)	Operating profit margin (%)	28.15%	27.07%	(2.53%)	28.50%	10.72%	15.66%
(xii)	Net profit margin (%)	21.41%	18.16%	(10.46%)	19.56%	2.98%	7.20%
(xiii)	Capital redemption reserve (Rs. Mn)	471	471	471	471	471	471
(xiv)	Net profit/(loss) after tax (Rs. Mn)	15,414	12,953	(7,076)	41,876	6,443	20,433
(xv)	Basic and diluted earnings per share (EPS) (Rs. per share) (not annualised for the quarter and nine months ended)	5.72	4.81	(2.63)	15.54	2.39	7.58

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

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

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Indus Towers Limited Haryana

7. During nine months ended December 31, 2023, the Company has availed Input Tax Credit ('ITC') on towers amounting to Rs. 3,327 Mn for the financial year 2022-23 and for the current financial period ended December 31, 2023 to protect the GST claim and kept the same unutilized to mitigate the interest exposure.

   Further, the Company has created a provision against such ITC on towers since this matter is sub-judice and it has been accounted for under property, plant and equipment. There is no additional impact in the Statement of Profit and Loss on account of the same. The Company will continue to avail but not utilize such ITC on towers in future till such time the matter is decided by the Courts.

8. The Company based on recent judicial pronouncement has reassessed the merits of the ongoing matters related to entry tax in various states and created a provision of Rs. 1,503 Mn for the same and capitalized it in the property, plant and equipment. As a result, depreciation amounting to Rs. 1,257 Mn has been charged in the Statement of Profit and Loss during the quarter and nine months ended December 31, 2023. Further, the Company has also created an interest provision of Rs. 547 Mn due to short payments made under protest. The Company will continue to pursue legal action in all these states.

9. 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) do not result into identification of different ways / sources into which they see the performance of the Company. Accordingly, the Company has a single reportable and geographical segment. Hence, the disclosures as per Regulation 33(1)(e) read with Clause (L) of Schedule IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended are not applicable to the Company.

Deloitte Haskins & Sells LLP
Chartered Accountants

INDUS TOWERS LIMITED
HARYANA

For Indus Towers Limited

Prachur Sah
Managing Director and CEO
DIN: 07871676

Place: Gurugram
Date: January 23, 2024

"The Company", wherever stated stands for Indus Towers Limited
For more details on the financial results, please visit our website www.industowers.com