

## **TATA COMMUNICATIONS LIMITED**

### **FINANCIALS OF SUBSIDIARIES AND ASSOCIATES FOR FY 2023-24**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Tata Communication Transformation Services Limited

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of Tata Communication Transformation Services Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 Standalone Financial Statements' 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Emphasis of Matter**

We draw attention to Note 14 to the standalone financial statements, which describes the material uncertainty on ability of a large customer of the Company to continue as a going concern and the corresponding impact on the business operations, receivables and financial position of the Company thereon. Our opinion is not modified in respect of the above matter.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibility of Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 these standalone financial statements.

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 statements, 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company's ability 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 standalone financial statements 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 statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of accounts as required by the law have been kept by the Company so far as it appears from our examination of those books, except that the backup of the books of accounts was not kept on servers physically in India for certain days as stated in note 46 to the standalone financial statements; and for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g).
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;



- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (h) According to information and explanation given by the management, we report that the remuneration of the Managing Director for the year ended March 31, 2024 is in excess of the limits applicable under section 197 read with Schedule V, by Rs 309.81 lakhs. We are informed by the management that it proposes to obtain approval of the shareholders in a general meeting by way of a special resolution;
- (i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and





## **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

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- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain changes made using privileged/ administrative access rights, as described in note 45 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of other accounting software.

Also, in the absence of Service Organisation Controls report covering the full financial year as stated in note 45 to the standalone financial statements, we are unable to comment on whether audit trail feature with respect to a third-party operated software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Abhishek Burad**

Partner

Membership Number: 122860

UDIN: 24122860BKFQOG3046



Place of Signature: Mumbai

Date: April 16, 2024

**Annexure 1 referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our Report of even date**

**Re: Tata Communications Transformation Services Limited (the “Company”)**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a)(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) All property, plant and equipment are physically verified by the management in the current year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its property, plant and equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of Rs five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii)(a) During the year, the Company has provided loans to companies, firms, Limited Liability Partnerships or any other parties as follows:

	Loans (Rs in lakhs)
Aggregate amount granted/ provided during the year	
- Subsidiaries	346.16*
Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	5,835.45

\* Does not include forex adjustment.

During the year, the Company has not stood guarantee, provided any advance in the nature of loan, or security to any company, firm, Limited Liability Partnership or any other party.





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- (b) The terms and conditions of the grant of loans during the year to companies, firms, Limited Liability Partnership or any other parties are not prejudicial to the Company's interest. During the year, the Company has not made investments, stood guarantee, provided any advance in the nature of loan, or security to any company, firm, Limited Liability Partnership or any other party.
- (c) The Company has granted loans to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which had fallen due during the year.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products/services of the Company.
- (vii)(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to sales tax, value added tax, service tax, duty of excise and duty of customs are not applicable to the company.



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- (b) According to the records of the Company, the dues outstanding of income tax, goods and service tax which have not been deposited on account of a dispute, are as follows:

Sr No	Name of Statute	Nature of dues	Amount (Rs lakhs) *	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	2.00	AY 2009-10	Commissioner of Income Tax
2	Income Tax Act, 1961	Income Tax	-	AY 2016-17	The Commissioner of Income Tax Appeals, NFAC
3	Income Tax Act, 1961	Income Tax	258.39	AY 2018-19	The Commissioner of Income Tax Appeals, NFAC
4	Income Tax Act, 1961	Income Tax	143.17	AY 2020-21	The Commissioner of Income Tax Appeals, NFAC
5	Income Tax Act, 1961	Income Tax	0.03	AY 2021-22	The Commissioner of Income Tax Appeals, NFAC
6	Income Tax Act, 1961	Income Tax	6.37	AY 2022-23	The Commissioner of Income Tax Appeals, NFAC
7	Goods and Service Tax Act, 2017	GST	42.30	AY 2018-19	The Additional Commissioner State Tax (Appeals), Bihar
8	Goods and Service Tax Act, 2017	GST	63.39	AY 2018-19	The Additional Commissioner (Appeals), Tamil Nadu
9	Goods and Service Tax Act, 2017	GST	3.04	AY 2018-19	The Joint Commissioner (Appeals), Delhi
10	Goods and Service Tax Act, 2017	GST	6.88	AY 2019-20	The Additional Commissioner State Tax (Appeals), Bihar

\* After adjusted pre-deposit of Rs. 195.84 lakhs

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.





- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associate or joint venture. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments) and hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No material fraud by or on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor or secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.



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- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company ('CIC') as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) According to the information and explanation given to us by the management, the Group has four CICs which are registered with the Reserve Bank of India.
- (xvii) The Company has incurred cash losses in the current year amounting to Rs. 1,691.88 lakhs. In the immediately preceding financial year, the Company had not incurred cash losses.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 42 to the standalone financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and the letter of financial support obtained by the Company from the Holding Company, nothing has come to our attention, which causes us to believe that Company is not capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date. We, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The provisions of Section 135 to the Act in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The provisions of Section 135 to the Act in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



**per Abhishek Burad**

Partner

Membership Number: 122860

UDIN: 24122860BKFGOG3046



Place of Signature: Mumbai

Date: April 16, 2024



**Annexure 2 referred to in paragraph 2 under the heading “Report on Other Legal and Regulatory requirements” of our report of even date**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

We have audited the internal financial controls with reference to standalone financial statements of Tata Communications Transformation Services Limited (the “Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to these standalone financial statements.



### **Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements**

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



**per Abhishek Burad**

Partner

Membership Number: 122860

UDIN: 24122860BKFQOG3046



Place of Signature: Mumbai

Date: April 16, 2024



Tata Communications Transformation Services Limited				
Standalone Balance Sheet as at 31 March 2024				
	Particulars	Notes	As at 31 March 2024 ₹ in Lakhs	As at 31 March 2023 ₹ in Lakhs
<b>A</b>	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
(a)	Property, plant and equipment	3	4,019.93	3,846.82
(b)	Capital work-in-progress	4	3.19	82.33
(c)	Right of use Asset	5	3,591.78	4,221.64
(d)	Intangible assets	6	370.38	462.41
(e)	Intangible assets under development	7	-	15.00
(f)	Financial assets			
	(i) Investments	8A	110.66	110.66
	(ii) Loans	9	5,835.45	5,751.90
	(iii) Other financial assets	10A	963.63	961.92
(g)	Income tax assets (net)	12	4,788.27	3,309.85
(h)	Other assets	13A	29.14	20.98
	<b>Total non-current assets</b>		<b>18,712.48</b>	<b>18,783.11</b>
(2)	<b>Current assets</b>			
(a)	Financial assets			
	(i) Investments	8B	-	3,700.50
	(ii) Trade receivables	14	48,798.87	42,398.89
	(iii) Cash and cash equivalents	15	3,446.91	3,781.41
	(iv) Other financial assets	10B	258.09	355.81
(b)	Other assets	13B	3,058.71	2,142.51
	<b>Total current assets</b>		<b>55,502.58</b>	<b>51,750.06</b>
	<b>Total assets</b>		<b>75,215.01</b>	<b>70,533.57</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
(2)	Equity share capital	16	50.00	50.00
(b)	Other equity	17	21,108.43	26,989.07
	<b>Total equity</b>		<b>21,158.43</b>	<b>27,039.07</b>
	<b>Liabilities</b>			
(1)	<b>Non-current liabilities</b>			
(a)	Financial liabilities			
	(i) Lease liabilities	19A	2,732.97	3,302.14
(b)	Provisions	21A	1,734.86	1,587.45
(c)	Other liabilities	22A	266.37	352.57
	<b>Total non-current liabilities</b>		<b>4,734.20</b>	<b>5,242.16</b>
(3)	<b>Current liabilities</b>			
(a)	Financial liabilities			
	(i) Borrowings	18	12,983.15	-
	(ii) Lease liabilities	19B	1,571.76	1,781.40
	(iii) Trade and other payables	23	2,004.87	3,288.13
	1. Total outstanding dues of micro enterprises and small enterprises			
	2. Total outstanding dues of creditors other than micro enterprises and small enterprises			
	(iv) Other financial liabilities	20	23,224.24	24,455.05
	(v) Other financial liabilities	21B	171.73	164.44
(b)	Provisions	21B	332.57	930.27
(c)	Other liabilities	22B	8,034.91	7,632.11
	<b>Total current liabilities</b>		<b>49,322.38</b>	<b>38,252.38</b>
	<b>Total equity and liabilities</b>		<b>75,215.01</b>	<b>70,533.57</b>

The accompanying notes are forming part of the standalone financial statements

As per our report attached  
for S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 201009AA/1300004

For Abhinav Burod  
Partner  
Membership Number: 122860  
Place : Mumbai  
Dated: 16 April 2024



For and on behalf of the Board of Directors

Vasudevan Natarajan  
Director

DIN Number: 08912508  
Place : Delhi  
Dated: 16 April 2024

Agneel Nandan  
Chief Executive Officer

Place : Delhi  
Dated: 16 April 2024

Lenina Sekhri  
Director

DIN Number: 09711933  
Place : Mumbai  
Dated: 16 April 2024

Sandeep Agarwal  
Chief Financial Officer

Place : Mumbai  
Dated: 16 April 2024



**Tata Communications Transformation Services Limited**  
**Standalone Statement of Profit and Loss for the year ended 31 March 2024**

	Particulars	Notes	Year ended	
			31 March 2024 ₹ in Lakhs	31 March 2023 ₹ in Lakhs
I	Revenue from operations		144,302.24	133,805.74
II	Other Income	24	1,465.65	2,306.55
III	<b>Total Income (I + II)</b>		<b>145,767.89</b>	<b>136,112.29</b>
IV	<b>Expenses:</b>			
	Operating and other expense	25	90,744.43	79,242.92
	Employee benefits expense	26	54,802.01	52,858.60
	Finance costs	27	959.94	846.65
	Depreciation and amortisation expense	28	3,502.04	3,350.84
	<b>Total Expenses</b>		<b>150,008.42</b>	<b>136,299.01</b>
V	<b>Profit/(Loss) before exceptional items and tax (III - IV)</b>		<b>(4,240.53)</b>	<b>(186.72)</b>
VI	Exceptional gain/(loss)	29	(1,555.00)	-
VII	<b>Profit/(Loss) before period (V + VI)</b>		<b>(5,795.53)</b>	<b>(186.72)</b>
VIII	<b>Tax expense :</b>			
	(a) Current tax	30	103.76	44.32
	(b) Deferred tax		-	-
IX	<b>Profit/(Loss) for the period (VII - VIII)</b>		<b>(5,899.29)</b>	<b>(231.04)</b>
X	<b>Other comprehensive income/(loss)</b>			
	<b>Items that will not be reclassified to profit or loss</b>			
	(i) Remeasurements of the defined benefit plans		18.65	(363.32)
	(ii) Tax on above		-	-
	<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>18.65</b>	<b>(363.32)</b>
XI	<b>Total comprehensive income/(loss) for the year, net of tax (IX + X)</b>		<b>(5,880.64)</b>	<b>(594.36)</b>
	<b>Basic/Diluted Earnings per share (of ₹ 10 each)</b>	32	<b>(1,179.86)</b>	<b>(46.21)</b>

The accompanying notes are forming part of the standalone financial statements

As per our report attached  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

Per Abhishek Burad  
Partner

Membership Number: 122860  
Place : Mumbai  
Dated: 16 April 2024



For and on behalf of the Board of Directors

Sivasamban Natarajan  
Director  
DIN Number: 08912108  
Place : Delhi  
Dated: 16 April 2024

Leena Solanki  
Director  
DIN Number: 09711933  
Place : Mumbai  
Dated: 16 April 2024

Agnel Navin  
Chief Executive Officer

Place : Delhi  
Dated: 16 April 2024

Sanjay Agarwal  
Chief Financial Officer

Place : Mumbai  
Dated: 16 April 2024



Standalone Balance Sheet as at 31 March 2024		
Standalone Cash Flow Statement for the year ended 31 March 2024		
Particulars	Year Ended 31 March 2024 ₹ in Lakhs	Year Ended 31 March 2023 ₹ in Lakhs
<b>Cash flows from operating activities</b>		
(Loss) before tax	(5,795.53)	(186.72)
Adjustments for :		
Depreciation and amortisation expense	3,502.04	3,350.84
Finance costs	959.94	846.65
Loss on sale of/write off assets	(50.83)	(20.56)
Exchange fluctuation on foreign exchange	107.22	(64.56)
Interest income	(379.29)	(340.94)
Gain on investments carried at fair value through profit and loss (net)	(55.43)	(62.21)
Interest on income tax refund	(20.85)	(377.53)
Allowance for doubtful advances	4.81	(4.04)
Allowance of doubtful trade receivables	2,620.77	(376.23)
Provision/Liabilities no longer required written back	(98.70)	(309.06)
<b>Operating profit before working capital changes</b>	<b>794.14</b>	<b>2,455.64</b>
<b>Changes in working capital</b>		
Adjustment for (increase) / decrease in operating assets:		
Trade receivables	(9,197.47)	12,105.68
Other assets	(832.25)	3,108.77
<b>Adjustment for increase / (decrease) in operating liabilities:</b>		
Trade and other payables	(1,417.16)	469.01
Provisions	(530.36)	(846.36)
Other liabilities	237.47	(580.37)
<b>Cash generated from operations</b>	<b>(10,945.62)</b>	<b>16,772.37</b>
Income tax (paid) /refund received (net)	(1,561.34)	3,741.41
<b>Net cash flow generated from operating activities</b>	<b>(12,506.96)</b>	<b>20,513.77</b>
<b>Cash flow from investing activities</b>		
Payments for purchase of property, plant & equipment and intangibles	(1,691.79)	(1,502.81)
Proceeds from disposal of property, plant and equipment and intangibles	50.83	20.56
Loan given to subsidiary	(346.16)	(312.78)
Loan repaid by subsidiary	262.62	-
Purchase of current investment	(14,999.25)	(17,099.15)
Sale of current investment	18,255.19	13,960.85
<b>Net cash used in investing activities</b>	<b>1,531.44</b>	<b>(4,933.33)</b>
<b>Cash flow from financing activities</b>		
Net (decrease)/increase in working capital borrowings	13,362.48	(9,981.30)
Interest paid	(468.87)	(349.34)
Payment towards Lease Liabilities	(2,252.54)	(2,114.81)
Repayment of long term Loans	-	(7,945.76)
<b>Net cash flow generated used in financing activities</b>	<b>10,641.03</b>	<b>(20,391.00)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(334.49)</b>	<b>(4,810.56)</b>
Cash and cash equivalents as at beginning of the year	3,791.80	8,591.96
Cash and cash equivalents as at end of the year	3,457.31	3,781.40

The accompanying notes are forming part of the standalone financial statements

As per our report attached

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Per Abhishek Burad

Partner

Membership Number: 172860

Place : Mumbai

Dated: 16 April 2024



For and on Behalf of the Board of Directors

*(Signatures of Sivasamban Natarajan and Leena Solanki)*

Sivasamban Natarajan

Director

DIN Number: 08912108

Place : Delhi

Dated: 16 April 2024

Leena Solanki

Director

DIN Number: 09711933

Place : Mumbai

Dated: 16 April 2024

Agneel Navin

Chief Executive Officer

Place : Delhi

Dated: 16 April 2024

Sanjay Agarwal

Chief Financial Officer

Place : Mumbai

Dated: 16 April 2024



**Tata Communications Transformation Services Limited**  
**Standalone Statement of changes in equity for the year ended 31 March 2024**

**Equity share capital**

(₹ in Lakhs)

	No. of Shares	Amount
Balance as at 1 April 2023	500,000	50.00
Changes in equity share capital during the year		-
Balance as at 31 March 2023	500,000	50.00
Changes in equity share capital during the year		-
Balance as at 31 March 2024	500,000	50.00

**Other equity**

(₹ in Lakhs)

Particulars	Reserves and surplus		Items of other comprehensive income	Total
	General reserve	Retained earnings	Remeasurement of the defined benefit plans	
Balance as at 1 April 2023	1,181.97	27,003.87	(802.41)	27,583.43
Net loss for the year	-	(231.04)	-	(231.04)
Other comprehensive income/(loss) for the year	-	-	(363.37)	(363.37)
Total comprehensive income/(loss) for the year	-	(231.04)	(363.37)	(594.41)
Balance as at 31 March 2023	1,181.97	26,772.83	(1,165.78)	26,589.02
Net loss for the period	-	(5,899.29)	-	(5,899.29)
Other comprehensive income/(loss) for the period	-	-	18.65	18.65
Total comprehensive income/(loss) for the year	-	(5,899.29)	18.65	(5,880.64)
Balance as at 31 March 2024	1,181.97	20,873.54	(1,147.08)	21,108.43

The accompanying notes are forming part of the standalone financial statements

As per our report attached

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 1000499W/E3000004

Per Abhishek Burali  
Partner  
Membership Number: 122860  
Place : Mumbai  
Dated: 16 April 2024



For and on behalf of the Board of Directors

*(Signature)*

Shravan Kumar Natarajan  
Director  
DIN Number: 08912308  
Place : Delhi  
Dated: 16 April 2024

*(Signature)*  
Agnel Navin  
Chief Executive Officer

Place : Delhi  
Dated: 16 April 2024

*(Signature)*

Leena Solanki  
Director  
DIN Number: 09711933  
Place : Mumbai  
Dated: 16 April 2024

*(Signature)*  
Sanjay Agarwal  
Chief Financial Officer

Place : Mumbai  
Dated: 16 April 2024





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 1. Corporate Information

**TATA Communications Transformation Services Limited** (U93090MH2006PLC165083) (the 'Company'), was incorporated on 6 October 2006 to engage in the business of providing telecommunication network management and support services and is a wholly owned subsidiary of **Tata Communications Limited** (Holding Company).

The Company is domiciled in India and its registered office is at C-21/ C 36, G Block, Bandra Kurla Complex Mumbai – 400098, Maharashtra. The Company also has branches in United Kingdom and Saudi Arabia.

### 2. Material Accounting Policies

#### a. *Statement of compliance*

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

#### b. *Basis of preparation of financial statements*

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

- i. Derivative financial instruments
- ii. Certain financial assets and liabilities measured at fair value (refer note 2(q))

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The accounting policies adopted for preparation and presentation of financial statements have been consistently applied. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle.

The financial statements are presented in Indian Rupees (INR), and all values are rounded to the nearest lakh (INR 00,000), except when otherwise indicated.

#### c. *Significant accounting, estimates and assumptions*

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

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

#### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### Defined benefit plans

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

### Useful lives and residual values of property plant and equipment and intangible assets

The Company reviews the useful lives and residual values of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

### Provision for decommissioning of asset

Provision for decommissioning of assets relates to the costs associated with the removal of long-lived assets when they will be retired. The Company records a liability at the estimated current fair value of the costs associated with the removal obligations, discounted at present value using risk-free rate of return. The liability for decommissioning of assets is capitalised by increasing the carrying amount of the related asset and is depreciated over its useful life. The estimated removal liabilities are based on historical cost information and industry factors.

### Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

Provisions and contingent liabilities are reviewed at each balance sheet date.

### Fair value of Financial Instruments

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





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### Deferred taxes

Assessment of the appropriate amount and classification of income taxes is dependent on several factors, including estimates of the timing and probability of realisation of deferred income taxes and the timing of income tax payments. Deferred income taxes are provided for the effect of temporary differences between the amounts of assets and liabilities recognised for financial reporting purposes and the amounts recognised for income tax purposes. The Company measures deferred tax assets and liabilities using enacted tax rates that, if changed, would result in either an increase or decrease in the provision for income taxes in the period of change. The Company does not recognize deferred tax assets when there is no reasonable certainty that a deferred tax asset will be realized. In assessing the reasonable certainty, management considers estimates of future taxable income based on internal projections which are updated to reflect current operating trends the character of income needed to realise future tax benefits, and all available evidence.

### d. *Current versus non-current classification*

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.
- A liability is current when:
  - It is expected to be settled in normal operating cycle
  - It is held primarily for the purpose of trading
  - It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

### e. *Cash and cash equivalents (for purposes of Cash flow statement)*

Cash comprises cash on hand. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### f. *Property, plant and equipment*

Property, plant and equipment are stated at cost of acquisition or construction, less accumulated depreciation / amortisation and impairment loss, if any. Cost includes inward freight, duties, taxes and all incidental expenses incurred for making the asset ready for its intended use.

Capital work-in-progress includes cost of property, plant and equipment under installation/ under development as at the balance sheet date and are carried at cost, comprising of direct cost, directly attributable cost and attributable interest.

Depreciable amount for Property, plant and equipment is the cost of Property, plant and equipment, or other amount substituted for cost, less its estimated residual value (wherever applicable). Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful lives. The asset's residual values estimated useful lives and methods of depreciation are reviewed at each financial year end and any change in estimate is accounted for on a prospective basis.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

Estimated useful lives of the assets are as follows

Property, plant & equipment	Estimated useful life of Assets
a. Plant and Machinery	
- Network Equipment & Components (Refer note 1 below)	2 to 13 years
- Electrical Equipment & Installations*	10 years
- General Plant & Machinery*	15 years
b. Office Equipment	
- Integrated Building Management Systems (Refer note 1 below)	8 years
- Others*	5 years
c. Leasehold Improvements	Asset life or lease period, whichever is less
d. Buildings (Temporary Structures) *	3 years
e. Furniture & Fixtures*	8 to 10 years
f. Computers (servers and network) *	3 to 6 years

\* On the above categories of assets, the depreciation has been provided as per useful life prescribed in Schedule II to the Companies Act, 2013.

1. In these cases, the lives of the assets are other than the prescribed lives in Schedule II to the Companies Act, 2013. The lives of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, etc.
2. Property, plant and equipment are eliminated from financial statement, on disposal. Losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit and Loss in the year of occurrence.

Cost of property, plant and equipment also includes present value of provision for decommissioning of assets if the recognition criteria's for a provision are met.

### g. Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets under development includes expenditure on software development eligible for capitalisation which are carried as Intangible assets under development where such assets are not yet ready for their intended use.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of financial year. Changes in the expected useful life are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2024

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets are amortised as follows:

Computer (Software and Application)	3 to 6 years
-------------------------------------	--------------

An intangible asset is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

### *h. Impairment of non-financial asset*

The carrying values of assets / cash generating units ("CGU") at each balance sheet date are reviewed for impairment, if any indication of impairment exists. The following intangible assets are tested for impairment at the end of each financial year even if there is no indication that the asset is impaired:

- i. an intangible asset that is not yet available for use; and
- ii. an intangible asset with indefinite useful lives.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at a revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and the value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company as a CGU. These budgets and forecast calculations generally cover a significant period. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the significant period.

### *i. Leases*

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a Right of Use the asset or assets, even if that right is not explicitly specified in an arrangement.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### Lessee

The Company's lease asset classes primarily consist of leases for Land, buildings and office spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Refer to the accounting policies in note 2(h) Impairment of non-financial assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. The Company uses return on treasury bills with similar maturity as base rate and makes adjustments for spread based on the company's credit rating as the implicit interest rate cannot be readily determinable. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet.

### Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### J. Employee benefits

Employee benefits include contributions to provident fund, employee state insurance corporation (ESIC), gratuity fund, compensated absences, performance incentives, Share-Based Payments and post-employment medical benefits.

#### i. Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive, paid annual leaves and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

#### ii. Post-employment benefits

Contributions to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered services entitling them to the contributions.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if applicable), excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises changes in service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements under employee benefit expenses in the Statement of Profit and Loss.

The net interest expense or income is recognised as part of finance cost in the Statement of Profit and Loss.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

#### iii. Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### iv. Share-Based Payments

The Holding Company grants RSU's ("Restricted Stock Unit") to the employees of the Company entitling to Equity shares of the Holding Company subject to fulfilment of non-market vesting conditions. The Holding Company shall charge back the amount for units expected to vest over the vesting period based on the Grant Date Fair value determined by Holding Company to the Company which is accounted as employee benefit expenses by the Company.

### k. Revenue recognition

Revenue from contracts with customers is recognised upon transfer of control of promised products or services to the customers. As per the terms of the contract with the customers and accordingly the performance obligations are determined, and transactions prices are allocated. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable excluding taxes collected on behalf of the government and is reduced for estimated credit notes and other similar allowances.

The Company derives its revenues from telecommunication network management consulting, supply of equipment's and other support services. Revenues from the said services are derived from unit-priced contracts. The consideration due to the Company is based on the performance of these services. Revenue is recognised as the related services are performed, in accordance with the specific terms of the contract with the customers.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

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

#### Trade receivables

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

#### I. Contract assets

Contract asset is recorded when revenue is recognized in advance of companies right to bill and receive the consideration (i.e. we must perform additional services or complete a milestone of performance obligation in order to bill and receive the consideration as per the contract terms).

#### II. Contract liabilities

Contract liabilities represent consideration, received from customers in advance for providing the goods and services promised in the contract. The revenue recognition of the same is deferred until the related performance obligation as per the contract with the customer is satisfied.

#### **Cost Deferment**

The Company incurs certain costs for transitioning customer processes before commencement of services to the customers. Such costs are aligned with the revenue recognition for related customer contracts.

### l. Other Income

- i. Dividends from investments are recognised when the right to receive payment is established and no significant uncertainty as to measurability or collectability exists.
- ii. Interest income for all financial instruments measured at amortised cost is recorded on accrual basis. Interest income is included in other income in the Statement of Profit and Loss





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### m. Taxation

#### 1. Current income tax

- i. Current tax expense is determined in accordance with the provisions of the Income Tax Act, 1961(as amended).
- ii. Provision for current income taxes and advance taxes paid in respect of the same jurisdiction are presented in the balance sheet after offsetting them on an assessment year basis.
- iii. Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

#### 2. Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

Deferred tax relating to items recognised outside the Statement of Profit and Loss (either in Other comprehensive income or in equity) is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other comprehensive income or directly in equity.

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

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

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

The company has unused tax losses and tax credits for which no deferred tax asset have been recognised as it is not probable that sufficient taxable profits will be available to allow all or part of the deferred assets to be utilised.

### n. Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

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

- i. In the principal market for the asset or liability or



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

- ii. In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

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

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

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

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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

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

### ***o. Foreign currencies***

The Company's financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

Foreign currency transactions are converted into Indian Rupees at rates of exchange approximating those prevailing at the transaction dates or at the average exchange rate for the month in which the transaction occurs. Foreign currency monetary assets and liabilities are outstanding as at the balance sheet date are translated to Indian Rupees at the closing rates prevailing on the balance sheet date. Exchange differences on foreign currency transactions are recognised in the Statement of Profit and Loss.

### ***p. Earnings per share***

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2024

### q. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

#### Financial assets

##### i. Financial assets at amortised cost

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

##### ii. Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through Other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

##### iii. Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

##### iv. De-recognition

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

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

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### v. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- a. Financial assets measured at amortised cost
- b. Financial assets measured at Fair Value through Other Comprehensive Income

Expected credit losses are measured through a loss allowance at an amount equal to the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For assessing ECL on a collective basis, financial assets have been grouped on the basis of shared risk characteristics and basis of estimation may change during the course of time due to change in risk characteristics.

### Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

### vi. Subsequent measurement

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

#### i. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost on accrual basis and using the effective interest rate (EIR) method.

#### ii. De-recognition

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

#### iii. Offsetting of financial instruments

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

#### iv. Derivative financial instruments - initial and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### r. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

### 3. Property, plant and equipment

	(₹ in lakhs)						
	Leasehold Improvement	Building	Plant and Machinery	Furniture and Fixtures	Office Equipment	Computers	Total
<b>Cost</b>							
Balances as at 1 <sup>st</sup> April 2022	4,075.55	21.78	5,436.61	983.67	1,055.17	6,435.23	18,008.01
Additions	-	-	55.82	1.41	13.91	947.19	1,018.33
Disposals	-	-	(272.39)	(7.63)	(0.18)	(11.38)	(291.58)
Assets written off	-	-	(240.06)	-	-	(119.78)	(359.84)
<b>Balance as at 31 March 2023</b>	<b>4,075.55</b>	<b>21.78</b>	<b>4,979.98</b>	<b>977.45</b>	<b>1,068.90</b>	<b>7,251.26</b>	<b>18,374.92</b>
Additions	84.92	-	790.38	18.01	157.15	752.02	1,802.48
Disposals	-	-	(296.87)	(7.43)	(64.27)	(845.99)	(1,214.56)
Assets written off	(1,664.73)	-	(621.36)	(202.78)	(274.43)	(604.76)	(3,368.06)
<b>Balance as at 31 March 2024</b>	<b>2,495.74</b>	<b>21.78</b>	<b>4,852.13</b>	<b>785.25</b>	<b>887.35</b>	<b>6,552.53</b>	<b>15,594.78</b>
<b>Accumulated Depreciation</b>							
Balance	3,844.58	21.78	2,968.15	692.21	928.40	5,182.20	13,637.32
Depreciation	145.88	-	475.34	63.15	58.33	799.49	1,542.19
Disposals	-	-	(272.39)	(7.64)	(0.18)	(11.37)	(291.58)
Assets Written Off	-	-	(240.05)	-	-	(119.78)	(359.83)
<b>Balance as at 31 March 2023</b>	<b>3,990.46</b>	<b>21.78</b>	<b>2,931.05</b>	<b>747.72</b>	<b>986.55</b>	<b>5,850.54</b>	<b>14,528.10</b>
Depreciation	109.67	-	578.33	60.48	68.96	811.44	1,628.88
Disposals	-	-	(296.87)	(7.43)	(64.27)	(845.99)	(1,214.56)
Assets Written off	(1,664.73)	-	(621.36)	(202.77)	(274.43)	(604.28)	(3,367.57)
<b>Balance as at 31 March 2024</b>	<b>2,435.40</b>	<b>21.78</b>	<b>2,591.15</b>	<b>598.00</b>	<b>716.82</b>	<b>5,211.71</b>	<b>11,574.85</b>
<b>Carrying amount</b>							
Balance as at 31 March 2023	85.09	-	2,048.93	229.73	82.35	1,400.72	3,846.82
<b>Balance as at 31 March 2024</b>	<b>60.34</b>	<b>-</b>	<b>2,260.98</b>	<b>187.25</b>	<b>170.54</b>	<b>1,340.84</b>	<b>4,019.93</b>

During the year ended March 31, 2024, the Company carried out physical verification of its fixed assets. This has resulted in reduction of Property, Plant & Equipment with gross block and accumulated depreciation of ₹ 3,365.77 lakhs.

### 4. Capital work-in-progress

#### CWIP Ageing Schedule

Particulars	(₹ in lakhs)				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in Progress</b>					
As on 31 March 2024	3.19	-	-	-	3.19
As on 31 March 2023	82.33	-	-	-	82.33



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

**CWIP Completion Schedule (for projects whose completion is overdue or whose cost has exceeded its cost compared to its original plan):**

(₹ in lakhs)

Particulars	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As on 31 March 2024</b>					
Project 1	3.19	-	-	-	3.19

(₹ in lakhs)

Particulars	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As on 31 March 2023</b>					
Project 1	82.33	-	-	-	82.33

There are no projects which are temporarily suspended or whose cost has exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023 respectively.

### **Movement of Capital Work in Progress**

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Opening balance	82.33	11.25
Additions	1,733.35	1,109.09
Written Off	(10.02)	(20.04)
Capitalized	(1,802.48)	(1,018.06)
Closing Balance	3.19	82.33

### **5. Right of use Assets**

(₹ in lakhs)

Particulars	Amount
<b>Cost</b>	
Balance as at 1 April 2022	9,020.14
Additions	1,000.61
Termination	(1.02)
Balance as at 31 March 2023	10,020.73
Additions	1,101.08
Termination	(854.71)
<b>Balance as at 31 March 2024</b>	<b>10,267.10</b>
<b>Accumulated Depreciation</b>	
Balance as at 1 April 2022	4,142.77
Amortisation	1,656.32
Termination	-
Balance as at 31 March 2023	5,799.09
Amortisation	1,730.30
Termination	(854.07)
<b>Balance as at 31 March 2024</b>	<b>6,675.32</b>
<b>Carrying amount</b>	
Balance as at 31 March 2023	4,221.64
<b>Balance as at 31 March 2024</b>	<b>3,591.78</b>

The aggregate amortisation expense on ROU assets is included under depreciation and amortisation expenses in the statement of Profit and Loss.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2024

### 6. Intangible assets

	(₹ in lakhs)
<b>Computer (Software and Application)</b>	
<b>Cost</b>	
Balance as at 1 April 2022	4,133.27
Additions	31.47
Assets Written Off	(2,816.56)
Balance as at 31 March 2023	1,348.18
Additions	50.82
Disposal	(250.25)
Assets Written off	(284.38)
<b>Balance as at 31 March 2024</b>	<b>864.37</b>
<b>Accumulated amortization</b>	
Balance as at 1 April 2022	3,550.00
Amortisation Expense	152.33
Assets Written off	(2,816.56)
Balance as at 31 March 2023	885.77
Amortisation Expense	142.85
Disposal	(250.25)
Assets Written off	(284.38)
<b>Balance as at 31 March 2024</b>	<b>493.99</b>
<b>Carrying amount</b>	
Balance as at 31 March 2023	462.41
<b>Balance as at 31 March 2024</b>	<b>370.38</b>

During the year ended March 31, 2024, the Company carried out physical verification of its fixed assets. This has resulted in reduction of intangible assets of gross block and accumulated amortization of ₹ 284.38 lakhs due to retirement of such assets from active use / end of its useful life.

### 7. Intangible assets under development (ITUD)

ITUD Ageing Schedule:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in Progress</b>					
As on 31 March 2024	-	-	-	-	-
As on 31 March 2023	15.00	-	-	-	15.00

ITUD Completion Schedule (for projects whose completion is overdue or whose cost has exceeded its cost compared to its original plan):

Particulars	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As on 31 March 2024					
Project 1	-	-	-	-	-

Particulars	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As on 31 March 2023					
Project 1	15.00				15.00





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### Movement of Intangible Assets under development

Particulars	(₹ in lakhs)	
	31 March 2024	31 March 2023
Opening balance	15.00	20.55
Additions	35.82	25.92
Capitalized	(50.82)	(31.47)
Closing Balance	-	15.00

There are no projects which are temporarily suspended or whose cost has exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023 respectively.

### 8. Investments

	(₹ in lakhs)			
	As at 31 March 2024		As at 31 March 2023	
	Quantity (Shares/units)	Amount	Quantity (Shares/units)	Amount
<b>A Non-current</b>				
Investment at cost				
In subsidiary fully paid equity shares – Unquoted				
Tata Communications Transformation Services Pte. Limited	170,000	110.66	170,000	110.66
<b>Total (A)</b>	<b>170,000</b>	<b>110.66</b>	<b>170,000</b>	<b>110.66</b>
<b>B Current</b>				
Investments at fair value through profit or loss				
Investments in Mutual Funds (unquoted)	-	-	-	3,200.50
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,200.50</b>
<b>(A+B)</b>	<b>170,000</b>	<b>110.66</b>	<b>170,000</b>	<b>3,311.16</b>

### 9. Loans

	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
<b>A. Non-current</b>		
Loan to related parties (Refer note 34)		
Tata Communications Transformation Services Pte. Limited	5,835.45	5,751.90
<b>Total (A)</b>	<b>5,835.45</b>	<b>5,751.90</b>

The loan granted to Tata Communications Transformations Services PTE Limited is for meeting working capital requirements and credit facility payments. The loan is repayable in full on 11 May, 2026. Interest is charged at 5.83% p.a payable on half yearly basis. The loan has been utilized for the purpose it was granted, viz., meeting working capital requirements and credit facility payments.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 10. Other financial assets

(₹ in lakhs)		
	As at 31 March 2024	As at 31 March 2023
<b>A. Non-current</b>		
a. Security deposits – unsecured, considered good	963.63	961.92
<b>Total (A)</b>	<b>963.63</b>	<b>961.92</b>
<b>B. Current</b>		
a. Deposits to vendors - unsecured, considered good	229.28	181.92
b. Interest receivable on loan to subsidiaries (refer note 34)	-	144.79
c. Others	28.81	29.10
<b>Total (B)</b>	<b>258.09</b>	<b>355.81</b>
<b>(A+B)</b>	<b>1,221.72</b>	<b>1,317.73</b>

### 11. Deferred tax assets (net)

The Company has restricted recognition of deferred tax assets resulting from the carry forward losses and other timing differences to the extent of deferred tax liabilities, as the company has accumulated tax losses and the deferred tax recognition conditions prescribed by Ind AS are not met.

#### i. Details of deferred tax asset on temporary differences, unused tax losses, and unused tax credits which has not been recognised in the balance sheet along with expiry date if any (refer below table)

(₹ in lakhs)		
Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets with no expiry date	976.47	629.68
Deferred tax assets with expiry date	1,798.47	1,622.50

### 12. Income tax assets (Net)

(₹ in lakhs)		
	As at 31 March 2024	As at 31 March 2023
Advance tax (net of provision for taxes) (refer (i) below)	4,788.27	3,309.85
<b>Total</b>	<b>4,788.27</b>	<b>3,309.85</b>

#### i. Advance tax includes amount paid under dispute of ₹ Nil (2023: ₹ 82.49 lakhs).



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 13. Other assets

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>A. <u>Non-current</u></b>		
a. Prepaid expenses	29.14	20.98
<b>Total (A)</b>	<b>29.14</b>	<b>20.98</b>
<b>B. <u>Current</u></b>		
a. Advances to employees		
Unsecured, considered good	40.65	24.73
Unsecured, considered doubtful	6.95	3.25
	47.60	27.98
Less: allowance for doubtful advances	(6.95)	(3.25)
	40.65	24.73
b. Indirect tax recoverable – considered good (net)	1,382.97	988.97
c. Advances to vendors		
Unsecured, considered good	865.78	487.09
Unsecured, considered doubtful	11.22	10.11
	877.01	497.20
Less: allowance for doubtful advances	(11.22)	(10.11)
	865.78	487.09
d. Prepaid expenses	769.31	641.72
<b>Total (B)</b>	<b>3,058.71</b>	<b>2,142.51</b>
<b>(A+B)</b>	<b>3,087.85</b>	<b>2,163.49</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 14. Trade receivables

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>Unsecured</b> (including unbilled receivables) (refer note i below)		
a. Considered good *	48,738.87	42,269.83
b. Considered doubtful	4,961.14	2,340.37
	<b>53,700.01</b>	<b>44,610.20</b>
Less: Allowance for doubtful debt (Refer note 41 (d))	(4,961.14)	(2,340.37)
<b>Total</b>	<b>48,738.87</b>	<b>42,269.83</b>

\* Includes Trade Receivables from Related Parties (refer note 34)

i. The Company has significant part of the 'revenue from operations' for the year ended March 31, 2024, and trade receivables outstanding (including unbilled revenue) as at March 31, 2024 from a large customer ("customer"). The customer in its declared unaudited results for quarter ended December 31, 2023, had expressed its ability to continue as a going concern, to be dependent on raising additional funds as required, successful negotiations with lenders and vendors for continued support and generation of cash flow from operations that it needs to settle its liabilities as they fall due. Further, the results stated that as at December 31, 2023, the said customer has met all its debt obligations payable to its lenders / banks and financial institutions along with applicable interest and has utilized extended credit period to discharge some of its contractual obligations. The said customer continues to be in discussion with its vendors to agree to a payment plan for the outstanding dues. Also, during February 2023, the said customer allotted equity shares to the Department of Investment and Public Asset Management, Government of India ("GOI"), towards conversion of net present value of the interest amount relating to deferment of certain dues and accordingly GOI now holds 33.1 % in the said customer.

During the year, the Company based on the strategic assessment has issued a termination notice to the said customer and is in discussion on disengagement transition plan.

As at March 31, 2024, the carrying amount of trade receivables (including unbilled revenue and net of provisions) from the said customer was ₹ 23,517 lakhs (March 31, 2023 ₹ 17,150 lakhs). The Company believes that the balance is good and recoverable basis its on-going interactions with that customer and accordingly the same has been included under undisputed trade receivables which have significant increase in credit risk below.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### Trade receivable ageing as on 31 March 2024

(₹ in lakhs)

Particulars	Unbilled	Not Due	Outstanding for following payments from due date of payment					Total
			Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
A Undisputed trade receivables – considered good	5,510.74	9,267.75	9,320.81	738.63	45.39	231.79	387.54	25,502.65
B Undisputed trade receivables – which have significant increase in credit risk (refer i above)	584.78	5,347.01	18,271.96	2,288.38	453.21	-	1,239.52	28,184.86
C Undisputed trade receivables – credit impaired	-	-	-	-	-	-	12.50	12.50
D Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
E Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
F Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6,095.52</b>	<b>14,614.76</b>	<b>27,592.77</b>	<b>3,027.01</b>	<b>498.60</b>	<b>231.79</b>	<b>1,639.56</b>	<b>53,700.01</b>
Less: Allowance for doubtful receivables								(4,961.14)
<b>Total</b>								<b>48,738.87</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2024

### Trade receivable ageing as on 31 March 2023

(₹ in lakhs)

Particulars	Unbilled	Not Due	Outstanding for following payments from due date of payment					Total
			Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
A Undisputed trade receivables – considered good	5,951.75	10,410.35	5,629.86	2,665.33	171.80	284.33	35.27	25,148.69
B Undisputed trade receivables – which have significant increase in credit risk	3,166.75	6,837.02	6,429.24	409.14	695.03	642.38	1,269.45	19,449.01
C Undisputed trade receivables – credit impaired	-	-	-	-	-	-	12.50	12.50
D Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
E Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
F Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9,118.50</b>	<b>17,247.37</b>	<b>12,059.10</b>	<b>3,074.47</b>	<b>866.83</b>	<b>926.71</b>	<b>1317.22</b>	<b>44,610.20</b>
Less: Allowance for doubtful receivables								(2,340.37)
<b>Total</b>								<b>42,269.83</b>





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2024

### 15. Cash and cash equivalents

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Current accounts with banks	3,446.91	3,781.41
<b>Total</b>	<b>3446.91</b>	<b>3,781.41</b>

### 16. Equity share capital

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>a. Authorised:</b>		
1,000,000 (2023: 1,000,000) Equity shares of ₹ 10 each	100.00	100.00
	100.00	100.00
<b>b. Issued, subscribed and paid up:</b>		
500,000 (2023: 500,000) Equity shares of ₹ 10 each, fully paid up	50.00	50.00
<b>Total</b>	<b>50.00</b>	<b>50.00</b>

#### a. Issued, subscribed and paid up:

There was no movement in the issued, subscribed and paid up share capital of the Company during the year.

#### b. Number of shares held by each shareholder holding more than 5% of the issued share capital:

	As at 31 March 2024		As at 31 March 2023	
	No of shares	Percentage	No of shares	Percentage
Tata Communications Limited (Holding Company)	500,000	100%	500,000	100%

#### c. Terms / rights attached to equity shares:

The Company has only one class of equity shares having a face value of ₹ 10 per share. Equity shareholders are entitled to one vote per share at any General Meeting of Shareholders.

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

### 17. Other equity

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
a. General reserve (Refer Note i below)	1,381.97	1,381.97
b. Retained earnings	20,873.54	26,772.38
c. Other comprehensive income (Refer Note ii below)	(1,147.08)	(1,165.73)
<b>Total</b>	<b>21,108.43</b>	<b>26,988.62</b>

#### i. General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2024

### ii. Other comprehensive income

This represents the cumulative gains and losses arising on remeasurement of defined employee benefit plans (net of tax).

### 18. Borrowings

	(₹ in lakhs)	
	As at	As at
	31 March 2024	31 March 2023
<b>A. Current</b>		
<b>Unsecured</b>		
Cash credit facility	12,979.42	-
(Rate of Interest per annum: 7.61% to 8.84%)		
Bank overdraft	3.73	-
	<b>12,983.15</b>	<b>-</b>

### 19. Lease liabilities

	(₹ in lakhs)	
	As at	As at
	31 March 2024	31 March 2023
<b>A. Non-current</b>		
Lease liabilities (refer note 35)	2,732.97	3,302.14
<b>Total (A)</b>	<b>2,732.97</b>	<b>3,302.14</b>
<b>B. Current</b>		
Lease liabilities (refer note 35)	1,571.76	1,781.40
<b>Total (B)</b>	<b>1,571.76</b>	<b>1,781.40</b>
<b>(A+B)</b>	<b>4,304.73</b>	<b>5,083.54</b>

### 20. Other financial liabilities

	(₹ in lakhs)	
	As at	As at
	31 March 2024	31 March 2023
<b>Current</b>		
a. Capital goods		
- Payable to related parties (refer note 34)	1.81	20.20
- Others	140.98	55.15
b. Fair value of foreign currency forward contracts	6.81	84.65
c. Other payables	22.13	4.44
<b>Total</b>	<b>171.73</b>	<b>164.44</b>





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 21. Provisions

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>A. Non-current</b>		
Provision for employee benefits		
a. Provision for gratuity (refer note 33)	437.00	403.17
b. Provision for compensated absences (refer note 33)	1,287.53	1,174.16
c. Provision for Asset Retirement Obligation liability	10.33	10.08
<b>Total (A)</b>	<b>1,734.86</b>	<b>1,587.41</b>
<b>B. Current</b>		
a. Provision for compensated absences (refer note 33)	230.65	239.97
b. Provision for others	101.87	690.30
<b>Total (B)</b>	<b>332.52</b>	<b>930.27</b>
<b>(A+B)</b>	<b>2,067.38</b>	<b>2,517.68</b>

### Movement of provisions

(₹ in lakhs)

	As at 31 March 2024		As at 31 March 2023	
	Provision for Asset retirement obligation liability (refer a below)	Provision for others (refer b below)	Provision for Asset retirement obligation liability (refer a below)	Provision for others (refer b below)
Opening balance	10.08	690.30	10.50	710.14
Addition	-	-	0.60	-
Utilisation/ adjustments	0.25	588.43	(1.03)	19.84
Closing balance	10.33	101.87	10.08	690.30
Non-current provision	10.33	-	10.08	-
Current provision	-	101.87	-	690.30

- The provision for asset retirement obligation liability has been recorded in the books of the Company in respect of certain property, plant and equipment [refer note 2(c)].
- Provision for others is mainly towards provision for other tax matters.

### 22. Other liabilities

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>A. Non-current</b>		
Accrued employee costs	266.37	352.57
<b>Total (A)</b>	<b>266.37</b>	<b>352.57</b>
<b>B. Current</b>		
a. Deferred revenue (Refer note below)	170.98	576.43
b. Accrued employee costs	6,577.06	5,972.12
c. Statutory liabilities	1,286.87	1,083.56
<b>Total (B)</b>	<b>8,034.91</b>	<b>7,632.11</b>
<b>(A+B)</b>	<b>8,301.28</b>	<b>7,984.68</b>

Deferred revenue represents contract liabilities.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 23. Trade and other payables

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
A Total outstanding dues of micro enterprises and small enterprises (Refer note 37)	3,004.07	3,289.11
(I)	3,004.07	3,289.11
B Total outstanding dues of creditors other than micro enterprises and small enterprises		
i. Other creditors	18,769.55	18,492.79
ii. Payable to related parties (refer note 34)	4,454.69	5,962.26
(II)	23,224.24	24,455.05
Total (I+II)	26,228.31	27,744.16

### Trade payable ageing as on 31 March 2024

(₹ in lakhs)

	Particulars	Unbilled	Not Due	Outstanding for following payments from due date of payment				
				Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
A	Total outstanding dues of micro enterprises and small enterprises	-	3,001.28					3,001.28
B	Total outstanding dues of creditors other than micro enterprises and small enterprises	16,516.66	2,246.79	4,177.05	80.25	92.90	19.57	23,133.22
C	Disputed dues of micro enterprises and small enterprises	-	2.79	-	-	-	-	2.79
D	Disputed dues of creditors other than micro enterprises and small enterprises	37.79	53.23	-	-	-	-	91.02

### Trade payable ageing as on 31 March 2023

(₹ in lakhs)

	Particulars	Unbilled	Not Due	Outstanding for following payments from due date of payment				
				Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
A	Total outstanding dues of micro enterprises and small enterprises	-	3,289.05	-	-	-	-	3,289.05
B	Total outstanding dues of creditors other than micro enterprises and small enterprises	16,625.62	1,010.78	6,226.48	414.61	-0.09	125.39	24,402.79
C	Disputed dues of micro enterprises and small enterprises		0.06	-	-	-	-	0.06
D	Disputed dues of creditors other than micro enterprises and small enterprises	1.42	50.84	-	-	-	-	52.26





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 24. Other income

	(₹ in lakhs)	
	Year ended 31 March 2024	Year ended 31 March 2023
a. Interest Income on		
- Loan to related party (refer note 34)	344.29	337.49
- Income tax refund	20.85	377.53
- Others	35.00	3.45
b. Foreign exchange gain/(loss) (net)	239.63	537.07
c. Net gain on investments carried at fair value through profit and loss	55.43	62.21
d. Liabilities no longer required - written back	98.70	309.06
e. Others	671.75	679.74
<b>Total</b>	<b>1,465.65</b>	<b>2,306.55</b>

### 25. Operating and other expense

	(₹ in lakhs)	
	Year ended 31 March 2024	Year ended 31 March 2023
a. Light and power	705.11	601.99
b. Repairs and maintenance:		
i. Building	334.87	359.31
ii. Plant and machinery	3,096.64	3,279.54
iii. Others	190.07	184.93
c. Allowance for doubtful trade receivables	2,620.77	(376.23)
d. Allowance for doubtful advances	4.81	-
e. Rent	1,244.18	1,447.59
f. Network management and sub-contracting charges	57,406.36	50,922.31
g. Travelling expenses	1,242.07	1,375.21
h. Local conveyance	1,055.41	988.25
i. Telephone expenses	942.46	1,075.17
j. Printing, postage and stationery	59.73	31.87
k. Outsourced manpower cost	18,989.51	17,087.39
l. Legal and professional charges	605.67	887.18
m. Brand Equity and Business Promotion expenses	309.41	-
n. Advertising and publicity	252.92	189.90
o. Recruitment expenses	100.96	159.82
p. Security charges	340.05	325.41
q. Corporate social responsibility (Refer Note i)	-	-
r. Other expenses (refer note ii)	1,243.43	703.28
<b>Total</b>	<b>90,744.43</b>	<b>79,242.92</b>

- i. The Company has made no profits in the previous financial years. Accordingly, provisions of Section 135 to the Companies Act 2013 in relation to Corporate Social Responsibility are not applicable to the Company.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

- ii. Other expenses include auditor's remuneration as follows: (excluding goods and service tax):

	(₹ in lakhs)	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>Auditors' remuneration and expenses</b>		
a. Audit fees	24.64	22.77
b. Taxation matters	4.05	4.05
c. Other professional services	1.42	0.83

### 26. Employee benefits expenses

	(₹ in lakhs)	
	Year ended 31 March 2024	Year ended 31 March 2023
a. Salaries and related costs	49,331.56	46,751.00
b. Contributions to provident, gratuity and other funds (Refer note 33)	3,524.82	3,371.15
c. Staff welfare expenses	1,913.12	2,736.45
d. Employee Based Share payments (Refer Note 33)	32.51	-
<b>Total</b>	<b>54,802.01</b>	<b>52,858.60</b>

### 27. Finance costs

	(₹ in lakhs)	
	Year ended 31 March 2024	Year ended 31 March 2023
a. Interest on bank overdraft and loans	488.66	147.12
b. Interest on lease liability	372.65	413.56
c. Interest on loan from related parties (refer note 34)	-	200.26
d. Other interest	98.63	85.71
<b>Total</b>	<b>959.94</b>	<b>846.65</b>

### 28. Depreciation and amortisation expense

	(₹ in lakhs)	
	Year ended 31 March 2024	Year ended 31 March 2023
a. Depreciation for the year on property, plant and equipment (Refer note 3)	1,628.88	1,542.19
b. Amortisation for the year on right of use assets (Refer note 5)	1,730.30	1,656.32
c. Amortisation for the year on intangible assets (Refer note 6)	142.85	152.33
<b>Total</b>	<b>3,502.04</b>	<b>3,350.84</b>

### 29. Staff cost optimization

As part of Company's initiative to enhance the long-term efficiency of the business, the Company, undertook organisational changes to align to the Company's current and prospective business requirements. These changes involved certain positions in the Company becoming redundant and the Company had incurred one-time costs of ₹ 1,555.00 lakhs in FY 2023-24.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 30. Income tax

#### a. Income tax recognised in Statement of Profit and Loss

(₹ in lakhs)		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Current tax</b>		
In respect of prior years (Refer note i)	103.76	44.32
<b>Total current tax (a)</b>	<b>103.76</b>	<b>44.32</b>
<b>Deferred tax</b>		
In respect of the current year	-	-
In respect of prior years	-	-
<b>Total deferred tax (b)</b>	<b>-</b>	<b>-</b>
<b>Total income tax (a+b)</b>	<b>103.76</b>	<b>44.32</b>

#### b. The Income tax expense for the year can be reconciled to the accounting profit as follows

(₹ in lakhs)		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Profit/(Loss) before tax</b>	<b>(5,795.53)</b>	<b>(186.72)</b>
Income tax expense calculated at 25.168% tax rate (2023: 25.168% Tax rate) (A)	(1,458.62)	(46.99)
<b>Adjustments:</b>		
Effect of expenses / adjustments that are not deductible in determining taxable income	156.09	6.27
Losses and temporary differences on which deferred tax asset is not recognised	1,302.53	40.72
Adjustment in respect of previous years (Refer note i)	103.76	44.32
<b>Sub-total (B)</b>	<b>1,562.38</b>	<b>91.31</b>
<b>Income tax expense recognised in Statement of Profit and Loss (A+B)</b>	<b>103.76</b>	<b>44.32</b>

i. Income tax charge of ₹ 103.76 lakhs (March 31, 2023 ₹ 44.32 lakhs) recorded by the Company is basis the demand raised by the tax authorities.

### 31. Segment information

#### a. Operating segments

The Board of Directors of the Company constitute the Chief Operating Decision Makers ("CODM") which allocate resources to and assess the performance of the Company. The Company is engaged primarily in the business of providing telecommunication network management, consulting and other support services. Considering the nature of the Company's business and operations, there are no other reportable segments in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segments' prescribed under section 133 of the Companies Act, 2013.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### b. Geographical information

Geographical revenue is allocated based on the location of the customer. Information regarding geographical revenue is as follows:

(₹ in lakhs)

Geography	Year ended 31 March 2024	Year ended 31 March 2023
India	1,03,577.71	96,410.42
United Kingdom	25,443.59	19,292.45
Canada	2,541.78	6,222.18
Luxemburg	2,675.44	3,581.55
Others	10,063.72	8,299.15
	<b>1,44,302.24</b>	<b>1,33,805.75</b>

For segment, non-current assets comprises of property, plant and equipment, capital work in progress, intangible assets, intangible assets under development and other assets which are mainly located in India.

### c. Information about major customers

(₹ in lakhs)

Customer name	As at 31 March 2024	% of total revenue	As at 31 March 2023	% of total revenue
Customer A	51,465.76	36%	49,385.27	37%
Customer B	24,355.77	17%	22,873.99	17%
Customer C	17,572.26	12%	19,315.30	14%
Customer D*	15,098.49	11%	17,915.55	13%

\*Customer D includes its subsidiaries

The Company's exposure to customers other than the four largest customers is diversified and no other single customer has more than 10% of total revenue as on 31 March 2024 and 31 March 2023.

### 32. Earnings per share

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Net Profit after tax attributable to the equity shareholders (A)	(5,899.29)	(231.04)
Number of equity shares outstanding at the end of the year	5,00,000	5,00,000
Weighted average number of shares outstanding during the year (B)	5,00,000	5,00,000
Basic and diluted earnings per share (₹ per equity share of ₹ 10 each) (A/B)	(1,179.86)	(46.21)



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 33. Employee Benefit plans

#### i. Defined Contribution Plan - Provident Fund

The Company makes contribution towards provident fund under a defined contribution retirement benefit plan for employees. The provident fund is administered by the Regional Provident Fund Commissioner. Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Provident fund contributions amounting to ₹ 2,675.50 lakhs (2023: ₹ 2,572.01 lakhs) lakhs have been charged to the Statement of Profit and Loss, under contributions to provident, gratuity and other funds in note 26 "Employee benefits".

#### ii. Defined Benefit Plan - Gratuity

The Company makes annual contributions under the Employees Gratuity scheme to a fund administered by Trustees covering all eligible employees. The plan provides for lump sum payments to employees whose right to receive gratuity had vested at the time of resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service except in case of death.

These plans typically expose the Company to actuarial risk such as investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, the plan has a relatively balanced mix of investments in government securities, high quality corporate bonds, equity and other debt instruments.
Interest rate risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
Salary risk	Higher than expected increases in salary will increase the defined benefit obligation
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2024 by an accredited actuary.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

The principal assumptions used for the purposes of the actuarial valuations were as follows

	As at 31 March 2024	As at 31 March 2023
<b>Principal actuarial assumptions</b>		
Discount rate	7.00%	7.20%
Salary escalation rate	7.00%	7.00%
<b>Withdrawal rate</b>		
Less than 5 years	15.00%	15.00%
5 years and more	8.00%	8.00%

The discount rate is based on the prevailing market yields of the Government of India Securities as at Balance sheet date for the estimated term of the obligation.

The estimation of the future salary increase is considered by taking into account the inflation, seniority, promotion, increments and other relevant factors.

Amounts recognised in the Statement of Profit and Loss in respect of these defined benefit plans are as follows

	As at 31 March 2024	As at 31 March 2023
<b>Expenses recognised in the Statement of Profit and Loss</b>		
a. Current service cost	683.70	678.09
b. Interest cost	6.10	7.08
<b>Components of defined benefit costs recognized in the Statement of Profit and Loss</b>	<b>689.80</b>	<b>685.17</b>
<b>Remeasurement on the net defined benefit liability</b>		
a. Return on plan assets (excluding amounts included in net interest expense)	(88.36)	190.88
b. Actuarial (gains) / losses arising from DBO assumption changes	92.97	188.47
c. Actuarial (gains) / losses arising from experience adjustments	(23.26)	(16.03)
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>18.65</b>	<b>363.32</b>





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2024

The details in respect of the status of funding and the amounts recognised in the Company's financial statements are as under

(₹ in lakhs)		
	As at 31 March 2024 (Funded)	As at 31 March 2023 (Funded)
I. <b>Amount recognized in the balance sheet</b>		
Liability at the end of the year	(6,217.77)	(5,713.25)
Fair value of plan assets at the end of the period	5,780.77	5,310.08
<b>Net (liability)/ asset in the balance sheet</b>	<b>(437.00)</b>	<b>(403.17)</b>
Non-current provision (Refer note 21A)	(437.00)	(403.17)
II. <b>Change in the Defined Benefit Obligation (DBO)</b>		
Liability at the beginning of the period	5,713.25	5,229.67
Current service cost	683.70	678.09
Interest cost	388.43	331.86
Acquisitions (credit)/ Cost	(55.68)	0.00
Actuarial (gain) / loss on financial assumption	92.97	188.47
Actuarial (gain) / loss on experience assumption	(23.26)	(16.03)
Benefits paid	(581.64)	(698.81)
<b>Liability at the end of the period</b>	<b>6,217.77</b>	<b>5,713.25</b>
III. <b>Change in fair value of assets</b>		
Opening fair value of plan assets	5,310.08	4,376.18
Expected return on plan assets	382.33	324.78
Employer's contribution	-	800.00
Actuarial gain / (loss)	88.36	(190.88)
Benefits paid	-	-
<b>Closing fair value of plan assets</b>	<b>5,780.77</b>	<b>5,310.08</b>

### Major categories of plan assets are as follows

	As at 31 March 2024	As at 31 March 2023
a. Government of India securities (central and state)	55.20%	51.71%
b. High quality corporate bonds (including public sector bonds)	28.93%	27.19%
c. Equity shares of listed companies	9.32%	12.17%
d. Cash (including special deposits)	4.33%	7.41%
f. Other (including assets under schemes of insurance)	2.21%	1.52%
<b>Total</b>	<b>100%</b>	<b>100%</b>

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets. This policy has been implemented during the current and prior years.

A quantitative sensitivity analysis for significant assumptions as at 31 March 2024 and 31 March 2023 is as shown below

Significant actuarial assumptions for the determination of the defined obligation are discount rate, salary escalation rate and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### a. Discount rate

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Effect on DBO due to 1% increase	(439.89)	(400.34)
Effect on DBO due to 1% decrease	500.77	455.61

### b. Salary escalation rate

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Effect on DBO due to 1% increase	400.55	364.33
Effect on DBO due to 1% decrease	(378.77)	(346.64)

### c. Withdrawal rate

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Effect on DBO due to 5% increase	26.89	50.17
Effect on DBO due to 5% decrease	(92.29)	(127.69)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

### Maturity profile of defined benefit plan

(₹ in lakhs)

	As at 31 March 2024
a. March 31, 2025	522.53
b. March 31, 2026	662.70
c. March 31, 2027	643.14
d. March 31, 2028	748.88
e. March 31, 2029	869.41
f. March 31, 2030 to March 31, 2034	5,155.90

There has been no change in the process used by the company to manage its risks from prior years.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### iii. Leave Plan and compensated absences

#### For executives

Leaves unavailed by eligible employees may be carried forward upto 60 days and for employees who have joined post 1st January 2020 carry forward shall be restricted to 45 days. Encashment will be maximum of 30 days by them / their nominees in the event of death or permanent disablement or resignation.

#### For non-executives

Leave unavailed of by eligible employees may be carried forward / encashed by them / their nominees in the event of death or permanent disablement or resignation, subject to a maximum leave of 300 days.

The liability for compensated absences as at the year-end is ₹ 1,484.90 lakhs (2023: ₹ 1,376.35 lakhs) as shown under non-current provisions ₹ 1,287.53 lakhs (2023: ₹ 1,174.16 lakhs) and current provision ₹ 197.37 lakhs (2023: ₹ 202.19 lakhs). The amount charged to the Statement of Profit and Loss under Salaries and related costs in note 26 "Employee benefits expense" is ₹ 237.45 lakhs (2023: ₹ 334.56 lakhs).

The balance of liability of ₹ 33.28 lakhs (2023: ₹ 37.78 lakhs) as shown under current provisions and amount of ₹ 28.98 lakhs charged to the Statement of Profit and Loss pertains to foreign branches.

### iv. Share based payment

#### Equity settled share based payments

The Holding Company has granted RSU's ("Restricted Stock Unit") to certain employees of the Company as on January 1, 2024. The RSUs shall vest with the employee on the satisfaction of a time-based and a performance-based vesting criteria as prescribed by the Holding Company. On vesting, employees of the Company shall receive the shares of the Holding company.

The Holding Company shall chargeback the amount for such RSU's on yearly basis based on actual shares issued to employees of subsidiary in respect of vested RSU's and the expected cost for unvested RSU's. The description of RSU's Granted as on March 31, 2024 are as follows:

Name of Plan	No. of shares arising out of the plan	Maximum term of Option	Vesting Condition
RSU Plan 2023	28,953	3 years	Time based and performance-based vesting condition as prescribed by the Holding Company

#### Summary of RSU's Granted

Name of Plan	No. of Units	Weighted average Ex. Price (INR per unit)
Opening balance	-	-
Granted during the year	28,953	10
Lapsed during the year	(4,604)	-
Closing Balance	24,349	10

The weighted average contractual life of the RSU's outstanding as on March 31, 2024, is 25 months.

The total amount charged in the Statement of Profit and Loss for the year ended March 31, 2024 is ₹ 32.51 lakhs.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 34. Related party transactions

#### i. Names of related parties and nature of relationship

Sr. No	Category of related parties	Names
A	Ultimate Holding company	Tata Sons Private Limited
B	Controlling Entity	Panatone Finvest Limited
C	Holding company	Tata Communications Limited
D	Subsidiaries, associates and joint ventures of ultimate holding company/ controlling entity and their subsidiaries* ("Affiliates")	Tata Consultancy Services Limited Tata Teleservices Limited Tata Teleservices Maharashtra Limited Tata Sky Broadband Private Limited Tata projects Ltd Lokmanaya Hospitals Private Limited Tata AIG General Insurance Company Limited Sir Dorabji Tata trust Tata Capital Financial Services Limited TVS Supply Chain Solutions Limited Tata Elxsi Limited The Indian Hotels Company Ltd Piem Hotels Limited Roots Corporation Limited Infiniti Retail Limited Tata Industries Limited Tata International Limited
E	Subsidiary (Direct)	Tata Communications Transformation Services Pte Limited (Singapore)
F	Subsidiary (Indirect)	Tata Communications Transformation Services (Hungary) Kft Tata Communications Transformation Services (US) Inc Tata Communications Transformation Services South Africa (Pty) Ltd TCTS Senegal Limited SUARL
G	Fellow subsidiaries*	Tata Communications International Pte Limited Tata Communications (Australia) Pty Limited Tata Communications (America) Inc. Tata Communications (Bermuda) Limited



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

Sr. No	Category of related parties	Names
		Tata Communications Collaboration Services Private Limited Tata Communication Services International Pte Ltd Tata Communications (Canada) Limited Tata Communications (Netherlands) B.V. Tata Communications (UK) Limited Tata Communications (Middle East) FZ-LLC Tata Communications (Ireland) Limited Tata Communications (Poland) SPZoo Tata Communications (Spain) SL Tata Communication (NZ) Ltd. Tata Communications Deutschland GmbH. Tata Communications (France) SAS Tata Communications Hongkong Limited Tata Communications (Malaysia) SDN.BHD Tata Communications Payments Solutions Limited
H	Associate of holding company	STT Global Data Centers India Private Limited
I	Key managerial Personnel	Sivasamban Natarajan
J	Others	Tata Communications Transformation Services Limited Employees Gratuity Trust Peoplestrong Technologies Private Limited (formerly 'Peoplestrong HR Services Private Limited') Go Digit General Insurance Limited (ceased w.e.f. 31 March 2023) Alamelu Charitable Foundation

\*Where transactions have taken place / there are balances

¶ Reimbursement made of expenses incurred by related party for business purpose of the Company, or reimbursement received for expenses incurred by the Company on behalf of a related party shall not be deemed related party transactions.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### ii. Summary of transactions with related parties

(₹ in lakhs)

Particulars	Holding company & its associates	Ultimate holding company and its affiliates	Subsidiaries (Direct and Indirect)	Fellow subsidiaries	Key management Personnel	Others	Total
Revenue from operations	15,214.44 14,569.08	24,247.23 27,752.02	2,851.18 1,944.54	2,003.36 1,742.96	- -	- -	44,316.21 46,008.60
Other Income	491.76 503.20	- -	344.29 337.79	13.44 8.41	- -	- -	849.49 849.40
Rent	424.99 431.78	- -	- -	- -	- -	- -	424.99 431.78
Interest on lease liabilities (forms a part of lease payout of ₹ 1,052.93 lakhs (2023: 980.46 lakhs))	269.09 242.56	- -	- -	- -	- -	- -	269.09 242.56
Interest on loan from related parties	- 200.26	- -	- -	- -	- -	- -	- 200.26
Telephone expenses	477.92 480.97	52.41 24.69	- -	- -	- -	- -	530.33 505.66
Brand Equity and Business Promotion expenses	- -	309.41 -	- -	- -	- -	- -	309.41 -
Outsourced manpower cost	774.98 1,296.35	- -	- -	2,765.60 2,413.92	- -	- -	3,540.58 3,710.27
Insurance	- -	21.67 10.86	- -	- -	- -	- -	21.67 10.86
Repairs & Maintenance	- -	153.01 103.12	- -	- -	- -	- -	153.01 103.12
Provision for Doubtful Debts	- -	2,797.18 -	- -	- -	- -	- -	2,797.18 -
Other expenses	- -	15.09 54.30	- -	- -	- -	21.55 368.59	36.63 422.89
Purchase/Sale of PPE	109.20 @	- -	0.35 -	- -	- -	- -	109.55 @
Additions to right of use assets	193.80 974.07	- -	- -	- -	- -	- -	193.80 974.07
Loan taken	- -	- -	- -	- -	- -	- -	- -
Repayment of loan taken	- 7,945.77	- -	- -	- -	- -	- -	- 7,945.77





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

Particulars	Holding company & its associates	Ultimate holding company and its affiliates	Subsidiaries (Direct and Indirect)	Fellow subsidiaries	Key management Personnel	Others	Total
Loan given	-	-	346.16	-	-	-	346.16
	-	-	283.55	-	-	-	283.55
Repayment of loan given	-	-	262.62	-	-	-	262.62
	-	-	425.13	-	-	-	425.13
Key Managerial Remuneration	-	-	-	-	429.80	-	429.80
	-	-	-	-	444.50	-	444.50
Contribution to Gratuity trust	-	-	-	-	-	800	800
Purchase on Current Investments	-	999.95	-	-	-	-	999.95
	-	-	-	-	-	-	-
Redemption on current Investments	-	1,000.69	-	-	-	-	1,000.69
	-	-	-	-	-	-	-

### iii. Summary of balances with related parties

(₹ in lakhs)

Particulars	Holding company & its associates	Ultimate holding company and its affiliates	Subsidiaries (Direct and Indirect)	Fellow subsidiaries	Key management Personnel	Others	Total
Trade Receivables	3,817.18	7,030.41	1,136.78	581.89	-	3.68	12,569.94
	3,046.89	6,151.93	4,026.56	1,178.54	-	5.24	14,589.16
Loan to	-	-	5,835.45	-	-	-	5,835.45
Subsidiary	-	-	5,751.90	-	-	-	5,751.90
Other financial assets- Non-current	115.37	28.50	-	-	-	-	143.87
	115.37	0.50	144.79	-	-	-	260.66
Other assets- Current	238.56	184.87	-	-	-	-	423.44
	267.25	0.43	-	-	-	-	267.68
Trade Payables	3,011.20	94.01	(39.30)	1,384.31	-	4.47	4,454.69
	3,535.59	73.35	77.59	2,274.29	-	1.44	5,962.26
Other current Liabilities	20.47	-	-	(0.23)	90.77	-	111.01
	209.19	105.22	-	(4.04)	201.76	-	512.13
Other financial Liabilities	-	1.81	-	-	-	-	1.81
	-	20.20	-	-	-	-	20.20
Other non-current Liabilities	-	-	-	-	282.17	-	282.17
	-	-	-	-	163.61	-	163.61
Lease liabilities – Current	756.76	-	-	-	-	-	756.76
	728.14	-	-	-	-	-	728.14
Lease liabilities – Non Current	2,680.40	-	-	-	-	-	2,680.40
	2,651.35	-	-	-	-	-	2,651.35

# Amount in italics denote previous year figures.

@ represents amounts less than ₹ 500



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### List of material balances with related parties

Category of service	Name of Related Party	Relationship	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations	Tata Communications Limited	Holding Company & its associates	15,098.49	14,227.61
	Tata Teleservices Limited	Ultimate holding company and its associates*	17,572.26	19,315.30
	Tata Teleservices Maharashtra Ltd	Ultimate holding company and its associates*	5,209.67	5,277.24
Other income	STT Global Data Centres India Private Limited	Holding Company & its associates	451.28	451.28
	Tata Communications Transformation Services Pte Limited	Subsidiary	344.29	337.49
Lease rent	Tata Communications Limited	Holding Company & its associates	424.99	431.78
Interest on lease liabilities	Tata Communications Limited	Holding Company & its associates	269.09	242.56
Interest on loan from related parties	Tata Communications Limited	Holding Company & its associates	-	200.26
Internet lease line expenses	Tata Communications Limited	Holding Company & its associates	477.92	529.53
BEBP Expenses	Tata Sons Limited	Ultimate holding company and its associates*	309.41	-
For Service Fee	Tata Communications (America) Inc.	Fellow Subsidiaries	1,490.18	1,175.71
	Tata Communications (Canada) Limited	Fellow Subsidiaries	383.81	387.00
	Tata Communications Limited	Holding Company & its associates	774.98	1,296.35
	Tata Communications (Netherlands) B.V.	Fellow Subsidiaries	373.40	353.35
Repairs, maintenance & AMC	Tata Consultancy Services Ltd	Ultimate holding company and its associates*	153.01	88.62
Others	Go Digit General Insurance Limited	Others	-	349.00
Additions to right of use assets	Tata Communications Limited	Holding Company & its associates	193.80	974.07
Repayment of Loan	Tata Communications Limited	Holding Company & its associates	-	7,945.77
Loan given	Tata Communications Transformation Services Pte Limited	Subsidiary	346.16	283.55
Loan Repaid	Tata Communications Transformation Services Pte Limited	Subsidiary	262.62	425.13
Contribution to Gratuity trust	Tata Communications Transformation Services Employee Gratuity Trust	Others	-	800.00
Purchase on Current Investments	Tata Asset Management Ltd	Ultimate holding company and its associates*	999.95	-
Redemption on current Investments	Tata Asset Management Ltd	Ultimate holding company and its associates*	1,000.69	-

@ represent amount below ₹ 1 lakhs.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2024

### List of material balances with related parties

Category of Balance	Name of Related Party	Relationship	For the year ended 31 March 2024	For the year ended 31 March 2023
Receivables and advances	Tata Communications Limited	Holding Company & its associates	3,804.61	3,012.99
	Tata Teleservices Limited	Ultimate holding company and its associates*	3,281.91	3,032.45
	Tata projects Ltd	Ultimate holding company and its associates*	2,797.15	1,932.89
	Tata Communications Transformation Services Pte Limited (Australia)	Subsidiary	1,057.72	3,767.88
Loan to subsidiaries	Tata Communications Transformation Services Pte Limited	Subsidiary	5,635.45	5,751.90
Other assets - Current	Tata AIA Life Insurance Company Ltd	Ultimate holding company and its associates*	184.45	-
	Tata Communications Limited	Holding Company & its associates	238.56	267.25
Other financial Assets - Non current deposits	Tata Communications Limited	Holding Company & its associates	115.37	115.37
	Tata AIA Life Insurance Company Ltd	Ultimate holding company and its associates*	28.00	-
Payables	Tata Communications (America) Inc.	Fellow Subsidiaries	610.41	778.74
	Tata Communications Limited	Holding Company & its associates	2,984.20	3,492.43
Lease liabilities - Current	Tata Communications Limited	Holding Company & its associates	756.76	728.14
Lease liabilities - Non Current	Tata Communications Limited	Holding Company & its associates	2,680.40	2,651.35





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 35. Lease arrangements

#### As lessee

The Company has lease contracts for immovable properties across various locations used in its operations. Such leases generally have lease terms between 3 to 10 years. Generally, The Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments.

The Company also has certain leases with lease terms of 12 months or less.

The following is the movement in lease liabilities:

Particulars	(₹ in lakhs)
<b>Balance as at 1 April 2022</b>	<b>5,783.18</b>
Additions	1,001.61
Finance cost accrued during the year	413.56
Payment/Reversal of lease liabilities	(2,114.81)
Liabilities settled against leased assets terminated	-
<b>Balance as at 31 March 2023</b>	<b>5,083.54</b>
Additions	1,101.08
Finance cost accrued during the year	372.65
Payment/Reversal of lease liabilities	(2,252.54)
Liabilities settled against leased assets terminated	-
<b>Balance as at 31 March 2024</b>	<b>4,304.73</b>

The following is the break-up of current and non-current lease liabilities.

Particulars	(₹ in lakhs)	As at 31 March 2024	As at 31 March 2023
Current liability	1,571.76	1,571.76	1,781.40
Non-current liability	2,732.97	2,732.97	3,302.14
<b>Total liabilities</b>	<b>4,304.73</b>	<b>4,304.73</b>	<b>5,083.54</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	(₹ in lakhs)	As at 31 March 2024	As at 31 March 2023
Due not later than one year	1,749.59	1,749.59	2,112.85
Due later than one year but not later than five years	3,109.08	3,109.08	3,313.02
Later than five years	166.21	166.21	521.31
	<b>5,024.88</b>	<b>5,024.88</b>	<b>5,947.18</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 36. Contingent liabilities and commitments

#### I. Contingent liabilities

	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Claims against the Company not acknowledged as debt		
- Claims for taxes on income* (Refer i)	489.20	504.90
- Claims for other Indirect taxes (GST)	128.45	23.22
- Others (Refer ii)	909.96	1,047.62

\*In case the above tax matters are against the Company, then the Company may be liable for interest exposure of ₹ 270.53 lakhs (2023: ₹ 184.32 lakhs) on final settlement of the claims.

- These pertain to demand notices in respect of certain transfer pricing and other adjustments carried out by Revenue authorities and non-compliance of TDS for which the Company has preferred appeals and/ or filed rectifications which are pending at various forums.
- Other claims include the claim of ₹ 823.79 lakhs (2023: ₹ 761.82 lakhs) pertaining to claims raised by a service provider for alleged breach of the contract. The contract provided for arbitration as the means of dispute resolution. The arbitrator has been appointed by the honorable High Court. However, it is difficult to predict the outcome of these proceedings as the dispute is currently at a very nascent stage. While the company believes that it has reasonable defense and doesn't expect any outflow of resources against Service provider's claims.
- There are other legal cases, including cases filed by the employees, pending against the Company where the estimated contingency in respect of these cases cannot be ascertained. Based on the management's assessment of the current status and also the past trends in respect of such cases, the Company believes that it is probable that the decisions shall be in its favour in respect of above and hence no provision is considered necessary.

#### II. Commitments

##### I. Capital commitments

Estimated amount of contracts remaining (net of advances) to be executed on capital account, not provided for ₹ 45.91 lakhs (2023: ₹ 35.01 lakhs).

##### II. Other commitments

The Company does not have any other commitments as at March 31, 2024 (2023: Nil)



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 37. Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
a. Principal amount remaining unpaid to any supplier as at the end of the accounting year	3,004.07	3,289.11
b. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
c. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day Includes amount of interest ₹ Nil paid during the year	5,146.11	6,907.29
d. The amount of interest due and payable for the year	-	-
e. The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
f. The amount of further interest due and payable even in the succeeding year, until such date when the interest's dues as above are actually paid	-	-
g. Total outstanding dues of micro and small enterprises	3,004.07	3,289.11

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

### 38. Struck off Companies

		(₹ in lakhs)	
Name of Struck off Company	Nature of Transaction with Struck- off Company	As at 31 March 2024	As at 31 March 2023
Manikanta Network Communication	Payables	3.77	3.77
Corpuscles Optic Solutions And	Payables	2.30	-
Prime Transmission Line Pvt Lt	Payables	0.01	-
Goclinix Healthcare Private Limited	Receivables	12.50	12.50

- i. Amount receivable from customers is gross of provision for doubtful debts of ₹ 12.50 lakhs and ₹ 12.50 lakhs for 31 March 2024 and 31 March 2023 respectively.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 39. Derivatives

#### Derivatives not designated as hedge instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within 1 year.

Outstanding derivatives instruments are as follows:

(₹ in lakhs)

	As at 31 March 2024		As at 31 March 2023	
	(Amount in Foreign Currency)	(Amount in INR)	(Amount in Foreign Currency)	(Amount in INR)
i. Forward exchange contracts (Sell)				
GBP	27.88	2,925.37	49.86	5,011.59
EUR	-	-	5.05	446.38
USD	77.57	6,490.13	109.74	9,074.00

### 40. Financial instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(q) to the financial statements.

#### Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2024 is as follows

(₹ in lakhs)

	Fair value through profit or loss	Derivatives instrument	Amortised cost	Total carrying value
<b>Financial Assets:</b>				
Investments	-	-	110.66	110.66
Other financial assets	-	-	1,221.72	1,221.72
Loans	-	-	5,835.45	5,835.45
Trade receivables	-	-	48,738.87	48,738.87
Cash and Cash equivalents	-	-	3,446.91	3,446.91
<b>Total</b>	-	-	<b>59,353.59</b>	<b>59,353.61</b>
<b>Financials Liabilities:</b>				
Borrowings	-	-	12,983.15	12,983.15
Lease liabilities	-	-	4,304.72	4,304.72
Other financial liabilities	-	6.81	164.92	171.73
Trade payables	-	-	26,288.31	26,288.31
<b>Total</b>	-	<b>6.81</b>	<b>43,741.10</b>	<b>43,747.91</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

The carrying value of financial instruments by categories as at 31 March 2023 is as follows

(₹ in lakhs)

	Fair value through profit or loss	Derivatives instrument	Amortised cost	Total carrying value
<b>Financial Assets:</b>				
Investments	3,200.50	-	110.66	3,311.16
Other financial assets	-	-	1,317.73	1,317.73
Loans	-	-	5,751.90	5,751.90
Trade receivables	-	-	42,269.83	42,269.83
Cash and Cash equivalents	-	-	3,781.41	3,781.41
<b>Total</b>	<b>3,200.50</b>	<b>-</b>	<b>53,120.87</b>	<b>56,432.03</b>
<b>Financial Liabilities:</b>				
Borrowings	-	-	-	-
Lease liabilities	-	-	5,083.54	5,083.54
Other financial liabilities	-	84.65	79.79	164.44
Trade payables	-	-	27,744.16	27,744.16
<b>Total</b>	<b>-</b>	<b>84.65</b>	<b>32,907.49</b>	<b>32,992.14</b>

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payables as at 31 March 2024 and 31 March 2023 approximate the fair value because of their short-term nature. Difference between carrying amounts and fair values of other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

### Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of following three levels

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The investments included in level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2024

- (i) The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required)

(₹ in lakhs)

	Fair value as at		Fair value hierarchy
	31 March 2024	31 March 2023	
<b>Financial Assets</b>			
Investments in mutual funds	-	3,200.50	Level 1
<b>Financial Liabilities</b>			
Foreign exchange forward contracts	6.81	84.65	Level 2

### 41. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include loans, trade and other receivables, current investments and cash and cash equivalents that derive directly from its operations. The Company has investments in mutual funds on which gain or loss on fair value is recognised through profit or loss and also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Senior Management reviews and agrees policies for managing each of these risks, which are summarised below:

#### a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, Fair Value Through Profit or Loss investments and derivative financial instruments.

#### b. Interest rate risk

Interest rate risk is the risk that the future cash flows with respect to interest receipts and payments on loans extended or availed will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rates as it does not have long-term debt obligations and loan receivables with fixed interest rates and loans extended on variable rate are classified as short term.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2024

### c. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12- month period for hedges of forecasted sales and purchases.

### Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rate shift of all the currencies by 5% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures of the Company as of the date of balance sheet which would affect the statement of Profit and Loss and equity.

The following tables sets forth information relating to foreign currency exposure (net) as at 31 March 2024 and 31 March 2023.

Currency	As at 31 March 2024		As at 31 March 2023	
	Financial liabilities	Financial Assets	Financial liabilities	Financial Assets
Omani Riyal	317.98	-	332.97	-
CAD	-	208.52	-	683.90
GBP	3,608.79	-	9,889.07	-
EUR	-	647.93	-	551.64
USD	-	2,659.52	-	2,510.40
AUD	-	10.91	-	32.30
Others	634.17	0.22	807.04	1.76

5% appreciation/ depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease/ increase in the Company's profit before tax by approximately ₹ 51.69 lakhs and ₹ 362.45 lakhs for the year ended 31 March 2024 and 31 March 2023 respectively.

### d. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company has applied simplified approach for computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix takes in to consideration the historical credit loss experience and the adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>Ageing of receivables (net)</b>		
Within credit period	19,403.08	26,299.60
01-90 days	20,778.59	10,307.66
91-180 days	6,620.73	1,697.11
181-360 days	1,570.36	3,063.55
More than 360 days	366.11	901.91
<b>Total</b>	<b>48,738.87</b>	<b>42,269.83</b>

### Movement in the expected credit loss allowance

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Balance at beginning of the year	2,340.37	2,716.60
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net)	2,620.77	(376.23)
<b>Balance at the end of the year</b>	<b>4,961.14</b>	<b>2,340.37</b>

Refer note 14 for balances outstanding from a large customer as at 31 March 2024 and 31 March 2023.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### e. Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual payments.

(₹ in lakhs)

As at 31 March 2024	On demand	0 to 12 months	1 to 2 years	2 to 5 years	>5 years	Total
Trade and other payables	2,356.52	23,871.79	-	-	-	26,228.31
Lease Liabilities	-	1,571.76	725.25	1,844.14	163.57	4,304.72
Borrowings	3.73	12,979.42	-	-	-	12,983.15
Other Financial Liability	7.47	164.26	-	-	-	171.73

(₹ in lakhs)

As at 31 March 2023	On demand	0 to 12 months	1 to 2 years	2 to 5 years	>5 years	Total
Trade and other payables	10,118.91	17,625.25	-	-	-	27,744.16
Lease Liabilities	-	1,781.40	1,263.13	1,547.23	491.78	5,083.54
Borrowings	-	-	-	-	-	-
Other Financial Liability	4.11	160.33	-	-	-	164.44

Refer note 14 for balances outstanding from a large customer as at 31 March 2024 and 31 March 2023





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

### 42. Ratios

Sr. No.	Particulars	31 March 2024	31 March 2023
1	<b>Net Profit Margin (%)</b> (Profit/(Loss) for the period/ Income from Operations) (refer note a)	(4.09)%	(0.17) %
2	<b>Debt Equity ratio</b> (Total Debt (Long term borrowings + Short term borrowings (including Current maturities of long term borrowings)) / Equity) (refer note b)	61.36%	-
3	<b>Debt service coverage ratio (no. of times)</b> Earning before exceptional items, interest, depreciation and amortisation and tax (EBIDTA)/ (Finance costs + Short term borrowings (including Current maturities of long term borrowings) (refer note b)	(0.09)	-
4	<b>Current Ratio (no. of times)</b> Total Current Assets/ Total Current Liabilities	1.13	1.35
5	<b>Trade Receivables turnover (no. of times)</b> Income from Operations/ Average Trade receivables	3.17	2.78
6	<b>Return on equity</b> Profit/ (Loss) for the year/ Average Equity (refer note c)	(24.48)%	(0.85) %
7	<b>Trade Payables turnover (no. of times)</b> (Operating and other expenses - Allowance for doubtful trade receivables - Allowance for doubtful advances)/ Average Trade payables (refer note d)	3.27	2.88
8	<b>Net Capital turnover (no. of times)</b> Income from Operations/ Working Capital (Current Assets-Current Liabilities) (refer note e)	23.35	10.02
9	<b>Return on Capital Employed (no. of times)</b> Earnings before interest & tax/ Capital Employed (Net worth + Total Debt) (refer note f)	(0.14)	0.02

- Increase in losses has resulted in variance
- Increase in borrowing has resulted in variance
- Increase in losses has resulted in lower return on equity
- Increase in cost has resulted in variance
- Increase in working capital and Income has resulted in variance
- Increase in debt has resulted in increase in variance



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2024

43. The remuneration payable to the Managing Director of the Company for the year ended 31 March 2024 is in excess of the limits applicable under section 197 of the Companies Act 2013 (the 'Act'), read with Schedule V thereto, by ₹ 309.81 lakhs. The Company proposes to obtain approval of the shareholders in a general meeting by way of a special resolution to ensure compliance with the Act.

### 44. Going Concern

The Company continues to implement initiatives towards improving the profitability through operational efficiencies. The Company expects that these initiatives would result in sustainable cash flows. The Ultimate Holding Company has issued letter to the Company stating its intent to support as and when required over the next 12 months. The Company, based on the liquid funds available as at the year end, ability to roll over existing short-term facilities, approved unutilized debt facilities yet to be drawn and basis the letter of support from the Ultimate Holding Company is confident of meeting its operational and capital funding requirements for the financial year ending March 31, 2025. Accordingly, the financial statements of the Company have been prepared on a going concern basis.

### 45. Audit Trail

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that, audit trail feature is not enabled at the database level and certain master fields (asset master, supplier master and general ledger account master) for users with certain privileged access rights as it relates to SAP application.

Also, the Company has used an accounting software which is operated by a third-party software service provider, for processing the payroll for its employees, for which the Management is in possession of Service Organisation Controls report for the period April 1, 2023 to December 31, 2023.

### 46. Backup of the books of accounts

The Company has taken backup of the books of accounts and other books and papers and the same is retained on a server in India, except that the backup was not taken during certain holidays during the year ended March 31, 2024.

### 47. Events after the reporting period

There are no subsequent events between the year ended 31 March 2024 and signing of financial statements as on 16 April 2024 which have material impact on the financials of the Company.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2024

### 48. Approval of financial statements

The financial statements were approved for issue by the Board of Directors on 16 April 2024.

49. Previous year's figures have been regrouped/ re-arranged where necessary to conform to current year's classification / disclosure.

In terms of our report attached  
For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

For and on behalf of Board of Directors



Per Abhishek Burad

Partner

Membership Number: 122860

Place: Mumbai

Date: 16 April 2024



Sivasamban Natarajan

Director

DIN Number: 08912108

Place: Delhi

Date: 16 April 2024



Agnel Navin

Chief Executive Officer

Place: Delhi

Date: 16 April 2024



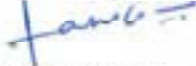
Leena Solanki

Director

DIN Number: 09711933

Place: Mumbai

Date: 16 April 2024



Sanjay Agarwal

Chief Financial Officer

Place: Mumbai

Date: 16 April 2024





**INDEPENDENT AUDITOR'S REPORT**

To the Members of Tata Communications Transformation Services Limited

**Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying consolidated financial statements of Tata Communication Transformations Services Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' 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 together with the ethical requirements that are relevant to our audit of the consolidated financial statements 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Emphasis of Matter**

We draw attention to Note 13 to the consolidated financial statements, which describes the material uncertainty on ability of a large customer of the Group to continue as a going concern and the corresponding impact on the business operations, receivables and financial position of the Group thereon. Our opinion is not modified in this regard.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

Tata Communications Transformation Services Limited

Audit report on consolidated financial statements – March 31, 2024

Page 2 of 8

## **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 their respective companies 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 consolidated financial statements 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 the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

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

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





## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 these consolidated financial statements.

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 statements, 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 statements 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 statements, including the disclosures, and whether the consolidated financial statements 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 or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements 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.

## **Report on Other Legal and Regulatory Requirements**

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the 'Order' or 'CARO') issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's Report, according to the information and explanations given to us, and based on the CARO Report issued by us for the Holding Company, we report that there are no qualifications or adverse remarks in the CARO report. The subsidiary companies included in consolidated financial statements are not incorporated in India.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of accounts as required by the law have been kept by the Holding Company so far as it appears from our examination of those books, except that the backup of the books of accounts was not kept on servers physically in India for certain days as stated in note 45 to the consolidated financial statements; and for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g).
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Companies Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company none of the directors of the Group's companies, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act. The Holding Company does not have any subsidiaries incorporated in India and accordingly provisions of this section are not applicable to the subsidiaries;
  - (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);



- (h) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure I" to this report. The Holding Company does not have any subsidiaries incorporated in India.
- (i) According to information and explanation given by the management, we report that the remuneration of the Managing Director of the Holding Company for the year ended March 31, 2024 is in excess of the limits applicable under section 197 read with Schedule V, by 309.81 lakhs. We are informed by the management that it proposes to obtain approval of the shareholders in a general meeting by way of a special resolution. Since the Company does not have any subsidiaries incorporated in India, in our opinion, the provisions of Section 197 read with Schedule V of the Act are not applicable to these subsidiaries.
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 36 to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2023. The Holding Company does not have any subsidiaries incorporated in India and accordingly, the provisions related to Investor Education and Protection Fund are not applicable to these subsidiaries.
  - iv. a) The management of the Holding Company have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The Company does not have any subsidiaries incorporated in India and accordingly, the said provisions related to advances, loans or investments are not applicable to these subsidiaries;
  - b) The management of the Holding Company has represented to us that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The Company does not have any subsidiaries incorporated in India and accordingly, the said provisions related to receipt of funds are not applicable to these subsidiaries; and





# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

Tata Communications Transformation Services Limited

Audit report on consolidated financial statements – March 31, 2024

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c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

- v. No dividend has been declared or paid during the year by the Holding Company or its subsidiaries.
- vi. Based on our examination which included test checks, the Holding Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain changes made using privileged/ administrative access rights, as described in note 45 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of other accounting software.

Also, in the absence of Service Organisation Controls report covering the full financial year as stated in note 45 to the consolidated financial statements, we are unable to comment on whether audit trail feature with respect to a third-party operated software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



**per Abhishek Burad**

Partner

Membership Number: 122860

UDIN: 24122860BKFQOF3947



Place of Signature: Mumbai

Date: April 16, 2024



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

Tata Communications Transformation Services Limited

Audit report on consolidated financial statements – March 31, 2024

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## **ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF TATA COMMUNICATIONS TRANSFORMATION SERVICES LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')**

In conjunction with our audit of the consolidated financial statements of Tata Communications Transformation Services Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"). The provision of internal financial controls is not applicable to subsidiaries as none of the subsidiaries are incorporated in India.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the companies included in the Group, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

Tata Communications Transformation Services Limited

Audit report on consolidated financial statements – March 31, 2024

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## **Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Group has maintained, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Abhishek Burad**

Partner

Membership Number: 122860



UDIN: 24122860BKFQOF3947

Place of Signature: Mumbai

Date: April 16, 2024



Tata Communications Transformation Services Limited				
Consolidated Balance Sheet as at 31 March 2024				
	Particulars	Notes	As at 31 Mar 2024 ₹ in Lakhs	As at 31 Mar 2023 ₹ in Lakhs
<b>A</b>	<b>ASSETS</b>			
(1)	Non-current assets			
(a)	Property, plant and equipment	3	4,068.34	3,898.42
(b)	Capital work-in-progress	4	3.19	82.33
(c)	Right of use Asset	5	3,857.37	4,560.04
(d)	Intangible assets	6	370.38	482.41
(e)	Intangible assets under development	7	-	15.00
(f)	Financial assets			
(i)	Other financial assets	8A	963.64	961.91
(g)	Income tax assets (net)	10	4,769.02	3,466.08
(h)	Other assets	11A	175.03	98.91
	<b>Total non-current assets</b>		<b>14,206.97</b>	<b>13,545.38</b>
(2)	Current assets			
(a)	Financial assets			
(i)	Investments	12	-	3,200.50
(ii)	Trade receivables	13	50,438.35	40,495.05
(iii)	Cash and cash equivalents	14	5,627.19	7,522.03
(iv)	Other financial assets	18	281.75	232.92
(b)	Other assets	11B	3,526.30	2,716.33
	<b>Total current assets</b>		<b>59,873.39</b>	<b>54,166.79</b>
	<b>Total assets</b>		<b>74,080.36</b>	<b>67,711.89</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>I</b>	<b>Equity</b>			
(a)	Equity share capital	15	50.00	50.00
(b)	Other equity	16	(480.50)	6,579.46
	<b>Total equity</b>		<b>(430.50)</b>	<b>6,629.46</b>
<b>II</b>	<b>Liabilities</b>			
(1)	Non-current liabilities			
(a)	Financial liabilities			
(i)	Lease liabilities	18A	2,927.68	3,568.02
(b)	Provisions	20A	2,083.94	1,821.99
(c)	Other liabilities	21A	273.08	352.57
	<b>Total non-current liabilities</b>		<b>5,284.70</b>	<b>5,742.58</b>
(2)	Current liabilities			
(a)	Financial liabilities			
(i)	Borrowings	17	30,349.92	13,508.02
(ii)	Lease liabilities	18B	1,639.48	1,843.03
(iii)	Trade and other payables	22	27,032.13	29,929.49
(iv)	Other financial liabilities	19	167.81	183.10
(b)	Provisions	20B	576.46	1,086.91
(c)	Other liabilities	21B	9,660.42	8,799.30
	<b>Total current liabilities</b>		<b>69,226.22</b>	<b>55,339.85</b>
	<b>Total equity and liabilities</b>		<b>74,080.36</b>	<b>67,711.89</b>


The accompanying notes are forming part of the standalone financial statements

As per our report attached  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 121049W/E300004

  
Per Abhishek Bural  
Partner  
Membership Number: 122860  
Place : Mumbai  
Dated: 16 April 2024



For and on behalf of the Board of Directors

  
Sivasamban Natarajan  
Director  
DIN Number: 08912108  
Place : Delhi  
Dated: 16 April 2024

  
Agnel Navin  
Chief Executive Officer

Place : Delhi  
Dated: 16 April 2024

  
Leena Bilanki  
Director  
DIN Number: 03711933  
Place : Mumbai  
Dated: 16 April 2024

  
Sanjay Agarwal  
Chief Financial Officer

Place : Mumbai  
Dated: 16 April 2024





Tata Communications Transformation Services Limited				
Consolidated Statement of Profit and Loss for the year ended 31 March 2024				
Particulars	Notes	Year Ended		
		31 March 2024	31 March 2023	
		₹ in Lakhs	₹ in Lakhs	
I Revenue from operations	23	155,107.54	141,993.43	
II Other Income		1,167.78	1,986.49	
III Total Income (I + II)		156,275.32	143,979.92	
IV Expenses:				
Operating and other expense	24	93,715.18	82,994.73	
Employee benefits expense	25	61,921.25	57,270.10	
Finance costs	26	2,141.58	1,491.00	
Depreciation and amortisation expense	27	3,607.14	3,401.89	
Total Expenses		161,385.15	145,157.72	
V Profit/(Loss) before exceptional items and tax (III - IV)		(5,109.83)	(1,177.80)	
VI Exceptional gain/(loss)	28	(1,555.00)	-	
VII Profit/(Loss) before tax (V + VI)		(6,664.83)	(1,177.80)	
VIII Tax expense				
(a) Current tax	29	130.65	80.64	
(b) Deferred tax		-	-	
IX Profit/(Loss) for the year (VII - VIII)		(6,795.48)	(1,258.44)	
X Other comprehensive income/(loss)				
Items that will not be reclassified to profit or loss				
(i) Remeasurements of the defined benefit plans		18.65	(363.32)	
(ii) Tax on above		-	-	
Other comprehensive income/(loss) for the year, net of tax		18.65	(363.32)	
XI Total comprehensive income for the year, net of tax (IX + X)		(6,776.83)	(1,621.76)	
Basic/Diluted Earnings per share (of ₹ 10 each)	32	(1,359.10)	(251.69)	

The accompanying notes are forming part of the standalone financial statements.

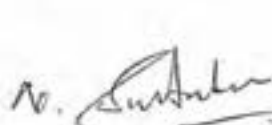
As per our report attached  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004



Per Abhishek Burad  
Partner  
Membership Number: 122860  
Place : Mumbai  
Dated: 16 April 2024



For and on behalf of the Board of Directors



Sivasamban Natarajan  
Director  
DIN Number: 08912108  
Place : Delhi  
Dated: 16 April 2024

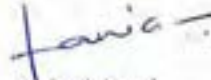


Leena Solanki  
Director  
DIN Number: 09711933  
Place : Mumbai  
Dated: 16 April 2024



Agnel Navin  
Chief Executive Officer

Place : Delhi  
Dated: 16 April 2024



Sanjay Agarwal  
Chief Financial Officer

Place : Mumbai  
Dated: 16 April 2024



**Tata Communications Transformation Services Limited**  
**Consolidated Cash Flow Statement for the year ended 31 March 2024**

Particulars	Year Ended	Year Ended
	31 Mar 2024	31 Mar 2023
	₹ in Lakhs	₹ in Lakhs
<b>Cash Flows from operating activities</b>		
(Loss) before tax	(5,664.83)	(1,177.80)
Adjustments for :		
Depreciation and amortisation expense	3,607.14	3,403.89
Finance costs	2,141.58	1,491.00
Loss on sale of/write off assets	(51.17)	(20.56)
Exchange fluctuation on foreign exchange	167.62	(64.58)
Interest income	(38.56)	(5.46)
Gain on investments carried at fair value through profit and loss	(55.43)	(62.21)
Interest on income tax refund	(20.85)	(377.53)
Allowance for doubtful advances	7.51	(4.04)
Allowance of doubtful trade receivables	1,341.69	(429.55)
Provision/Liabilities no longer required written back	(98.70)	(309.06)
<b>Operating profit before working capital changes</b>	<b>336.00</b>	<b>2,442.12</b>
<b>Changes in working capital</b>		
<b>Adjustment for (increase) / decrease in operating assets:</b>		
Trade receivables	(11,452.61)	15,573.20
Other assets	(943.21)	2,839.57
<b>Adjustment for increase / (decrease) in operating liabilities:</b>		
Trade and other payables	(2,788.65)	172.06
Provisions	(658.30)	(2,712.12)
Other liabilities	679.98	(746.24)
<b>Cash generated from operations</b>	<b>(14,826.79)</b>	<b>17,568.61</b>
Income tax (paid) /refund received (net)	(1,412.75)	3,612.25
<b>Net cash flow generated from operating activities</b>	<b>(16,239.54)</b>	<b>21,180.85</b>
<b>Cash Flow from Investing activities</b>		
Payments for purchase of property, plant & equipment and intangibles	(1,720.56)	(1,526.90)
Proceeds from disposal of property, plant and equipment and intangibles	51.28	20.56
Purchase of current investments	(14,999.25)	(17,099.15)
Sale of current investments	18,255.19	13,960.86
<b>Net cash used in investing activities</b>	<b>1,586.66</b>	<b>(4,644.63)</b>
<b>Cash flow from financing activities</b>		
Net (decrease)/increase in working capital borrowings	16,680.46	(8,977.84)
Interest paid	(1,588.44)	(963.12)
Payment towards lease liabilities	(2,333.97)	(2,134.31)
Repayment of long term loans	-	(7,345.77)
<b>Net cash flow generated used in financing activities</b>	<b>12,758.05</b>	<b>(20,021.05)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(1,894.82)</b>	<b>(3,484.83)</b>
Cash and cash equivalents as at beginning of the year	7,522.01	11,006.84
<b>Cash and cash equivalents as at end of the year</b>	<b>5,627.19</b>	<b>7,522.01</b>

The accompanying notes are forming part of the standalone financial statements

As per our report attached  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

Per Abhishek Burad  
Partner  
Membership Number: 122860  
Place : Mumbai  
Dated: 16 April 2024



For and on behalf of the Board of Directors

*(Signature)* *(Signature)*

Sivasamban Natarajan      Leena Solanki  
Director                              Director  
DIN Number: 08912108      DIN Number: 09711933  
Place : Delhi                      Place : Mumbai  
Dated: 16 April 2024              Dated: 16 April 2024

*(Signature)* *(Signature)*  
Agnel Navin                      Sanjay Agarwal  
Chief Executive Officer      Chief Financial Officer

Place : Delhi                      Place : Mumbai  
Dated: 16 April 2024              Dated: 16 April 2024



**Tata Communications Transformation Services Limited**  
**Consolidated Statement of changes in equity for the year ended 31 March 2024**

Equity share capital

(₹ in Lakhs)

	No. of Shares	Amount
Balance as at 1 April 2022	500,000	50.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2023	500,000	50.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2024	500,000	50.00

Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus			Items of other comprehensive income	Total
	General reserve	Retained earnings	Foreign currency translation reserve	Remeasurement of the defined benefit plans	
Balance as at 1 April 2022	1,381.97	8,534.52	(455.18)	(802.42)	9,658.89
Net loss for the year	-	(1,258.44)	-	-	(1,258.44)
Other comprehensive income / (loss) for the year	-	-	-	(363.32)	(363.32)
Foreign exchange translation Reserve	-	-	(1,457.67)	-	(1,457.67)
Total comprehensive income/(loss) for the year	-	(1,258.44)	(1,457.67)	(363.32)	(3,079.43)
Balance as at 31 March 2023	1,381.97	8,276.08	(1,912.85)	(1,165.74)	6,579.46
Net loss for the period	-	(6,795.48)	-	-	(6,795.48)
Other comprehensive income / (loss) for the year	-	-	-	18.65	18.65
Foreign exchange translation Reserve	-	-	(283.19)	-	(283.19)
Total comprehensive income/(loss) for the year	-	(6,795.48)	(283.19)	18.65	(7,060.02)
Balance as at 31 March 2024	1,381.97	1,480.60	(2,196.04)	(1,147.09)	(480.56)

The accompanying notes are forming part of the standalone financial statements.

As per our report attached  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 105049W/E300004

Per Abhishek Burad  
Partner  
Membership Number: 122860  
Place : Mumbai  
Dated: 16 April 2024



For and on behalf of the Board of Directors

*N. Sankaranarayanan*

Sivasamban Natarajan  
Director  
DIN Number: 08912108  
Place : Delhi  
Dated: 16 April 2024

*Agnel Navin*

Agnel Navin  
Chief Executive Officer

Place : Delhi  
Dated: 16 April 2024

*Leena Solanki*

Leena Solanki  
Director  
DIN Number: 09711933  
Place : Mumbai  
Dated: 16 April 2024

*Sanjay Agarwal*

Sanjay Agarwal  
Chief Financial Officer

Place : Mumbai  
Dated: 16 April 2024





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 1. Corporate Information

**TATA Communications Transformation Services Limited** (U93090MH2006PLC165083) (the 'Company'), was incorporated on 6 October 2006 and is a wholly owned subsidiary of **Tata Communications Limited** (Holding Company).

The Company is domiciled in India and its registered office is at C-21/ C 36, G Block, Bandra Kurla Complex Mumbai – 400098, Maharashtra. The Company has branches in United Kingdom and Saudi Arabia.

Tata Communications Transformation Services Limited and its subsidiaries (collectively "the Group") are engaged in the business of providing telecommunication network management and support services.

### 2. Material Accounting Policies

#### a. *Statement of compliance*

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

#### b. *Basis of preparation of consolidated financial statements*

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

- i. Derivative financial instruments
- ii. Certain financial assets and liabilities measured at fair value (refer note 2(r))

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The accounting policies adopted for preparation and presentation of financial statements have been consistently applied. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle.

The consolidated financial statements are presented in Indian Rupees (INR), and all values are rounded to the nearest lakh (INR 00,000), except when otherwise indicated.

#### c. *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Group and entities controlled by the Group and its subsidiaries. Control is achieved when the Group:

- i. has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ii. is exposed or has rights, to variable returns from its involvement with the investee, and
- iii. has the ability to use its power over the investee to affect its returns

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group obtains control until the date the Group ceases to control the subsidiary.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- i. De-recognises the assets and liabilities of the subsidiary
- ii. De-recognises the carrying amount of any non-controlling interests
- iii. De-recognises the cumulative translation differences recorded in equity
- iv. Recognises the fair value of the consideration received
- v. Recognises any surplus or deficit in profit or loss
- vi. Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed off the related assets or liabilities.

### d. *Significant accounting estimates and assumptions*

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

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

### **Estimates and assumptions**

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

### **Defined benefit plans**

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





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### Useful lives and residual values of property plant and equipment and intangible assets

The Group reviews the useful lives and residual values of assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

### Provision for decommissioning of asset

Provision for decommissioning of assets relates to the costs associated with the removal of long-lived assets when they will be retired. The Company records a liability at the estimated current fair value of the costs associated with the removal obligations, discounted at present value using risk-free rate of return. The liability for decommissioning of assets is capitalised by increasing the carrying amount of the related asset and is depreciated over its useful life. The estimated removal liabilities are based on historical cost information and industry factors.

### Impairment of investments in subsidiaries

The carrying values of the investments are reviewed for impairment at each balance sheet date or earlier, if any indication of impairment exists. For the purpose of impairment testing the Company prepares budgets and forecast.

### Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the consolidated financial statements.

Provisions and contingent liabilities are reviewed at each balance sheet date.

### Fair value of Financial Instruments

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

### Deferred taxes

Assessment of the appropriate amount and classification of income taxes is dependent on several factors, including estimates of the timing and probability of realisation of deferred income taxes and the timing of income tax payments. Deferred income taxes are provided for the effect of temporary differences between the amounts of assets and liabilities recognised for financial reporting purposes and the amounts recognised for income tax purposes. The Group measures deferred tax assets and liabilities using enacted tax rates that, if changed, would result in either an increase or decrease in the provision for income taxes in the period of change. The Group does not recognize deferred tax assets when there is no reasonable certainty that a deferred tax asset will be realized. In assessing the reasonable certainty, management





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

considers estimates of future taxable income based on internal projections which are updated to reflect current operating trends the character of income needed to realise future tax benefits, and all available evidence.

### e. **Current versus non-current classification**

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

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

All other assets are classified as non-current.

A liability is current when:

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

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

### f. **Cash and cash equivalents (for purposes of Cash flow statement)**

Cash comprises cash on hand. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### g. **Property, plant and equipment**

Property, plant and equipment are stated at cost of acquisition or construction, less accumulated depreciation / amortisation and impairment loss, if any. Cost includes inward freight, duties, taxes and all incidental expenses incurred for making the asset ready for its intended use.

Capital work-in-progress includes cost of property, plant and equipment under installation/ under development as at the balance sheet date and are carried at cost, comprising of direct cost, directly attributable cost and attributable interest.

Depreciable amount for Property, plant and equipment is the cost of Property, plant and equipment, or other amount substituted for cost, less its estimated residual value (wherever applicable). Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful lives. The asset's residual values estimated useful lives and methods of depreciation are reviewed at each financial year end and any change in estimate is accounted for on a prospective basis.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

Estimated useful lives of the assets are as follows

Property, plant & equipment	Estimated useful life of Assets
a. Plant and Machinery	
- Network Equipment & Components (Refer note 1 below)	2 to 13 years
- Electrical Equipment & Installations*	10 years
- General Plant & Machinery*	15 years
b. Office Equipment	
- Integrated Building Management Systems (Refer note 1 below)	8 years
- Others*	5 years
c. Leasehold Improvements	Asset life or lease period, whichever is less
d. Buildings (Temporary Structures) *	3 years
e. Furniture & Fixtures*	8 to 10 years
f. Computers, servers and network*	3 to 6 years

\* On the above categories of assets, the depreciation has been provided as per useful life prescribed in Schedule II to the Companies Act, 2013.

1. In these cases, the lives of the assets are other than the prescribed lives in Schedule II to the Companies Act, 2013. The lives of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, etc.
2. Property, plant and equipment are eliminated from financial statement, on disposal. Losses arising from disposal of property, plant and equipment are recognised in the Consolidated Statement of Profit and Loss in the year of occurrence.
3. Cost of property, plant and equipment also includes present value of provision for decommissioning of assets if the recognition criteria's for a provision are met.

### h. *Intangible assets*

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets under development includes expenditure on software development eligible for capitalisation which are carried as Intangible assets under development where such assets are not yet ready for their intended use.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of financial year. Changes in the expected useful life are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

Intangible assets are amortised as follows:

Computer (Software and Application)	3 to 6 years
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An intangible asset is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is de-recognised.

### i. **Impairment of non-financial asset**

The carrying values of assets / cash generating units ("CGU") at each balance sheet date are reviewed for impairment, if any indication of impairment exists. The following intangible assets are tested for impairment at the end of each financial year even if there is no indication that the asset is impaired:

- an intangible asset that is not yet available for use; and
- an intangible asset with indefinite useful lives.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Consolidated Statement of Profit and Loss, unless the asset is carried at a revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and the value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

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

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Group as a CGU. These budgets and forecast calculations generally cover a significant period. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the significant period.

### j. **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a Right of Use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### **Lessee**

The Company's lease asset classes primarily consist of leases for Land, buildings and office spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Refer to the accounting policies in note 2(i) Impairment of non-financial assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. The Company uses return on treasury bills with similar maturity as base rate and makes adjustments for spread based on the company's credit rating as the implicit interest rate cannot be readily determinable. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet.

### **Lessor**

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

### **k. Employee benefits**

Employee benefits include contributions to provident fund, employee state insurance corporation (ESIC), gratuity fund, compensated absences, performance incentives, Share-Based Payments and post-employment medical benefits.

#### **i. Short term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive, paid annual leaves and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

#### **ii. Post-employment benefits**

Contributions to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered services entitling them to the contributions.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if applicable), excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Consolidated Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Consolidated Statement of Profit and Loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises changes in service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements under employee benefit expenses in the Consolidated Statement of Profit and Loss.

The net interest expense or income is recognised as part of finance cost in the Consolidated Statement of Profit and Loss.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

### iii. Other long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

### iv. Share-Based Payments

The Holding Company grants RSU's ("Restricted Stock Unit") to the employees of the Company entitling to Equity shares of the Holding Company subject to fulfilment of non-market vesting conditions. The Holding Company shall charge back the amount for units expected to vest over the vesting period based on the Grant Date Fair value determined by Holding Company to the Company which is accounted as employee benefit expenses by the Company.

## I. Revenue recognition

Revenue from contracts with customers is recognised upon transfer of control of promised products or services to the customers. As per the terms of the contract with the customers and accordingly the performance obligations are determined and transactions prices are allocated. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable excluding taxes collected on behalf of the government and is reduced for estimated credit notes and other similar allowances.

The group derives its revenues from telecommunication network management consulting, supply of equipment's and other support services. Revenues from the said services are derived from unit-priced contracts. The consideration due to the group is based on the performance of these services. Revenue is recognised as the related services are performed, in accordance with the specific terms of the contract with the customers.





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

The group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

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

### *Trade receivables*

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

### I. Contract assets

Contract asset is recorded when revenue is recognized in advance of group's right to bill and receive the consideration (i.e. we must perform additional services or complete a milestone of performance obligation in order to bill and receive the consideration as per the contract terms).

### II. Contract liabilities

Contract liabilities represent consideration, received from customers in advance for providing the goods and services promised in the contract. The revenue recognition of the same is deferred until the related performance obligation as per the contract with the customer is satisfied.

### **Cost Deferment**

The Company incurs certain costs for transitioning customer processes before commencement of services. Such costs are aligned to the tenure of the revenue recognition for related customer contracts.

### **m. Other Income**

- i. Dividends from investments are recognised when the right to receive payment is established and no significant uncertainty as to measurability or collectability exists.
- ii. Interest income for all financial instruments measured at amortised cost is recorded on accrual basis. Interest income is included in other income in the Consolidated Statement of Profit and Loss.

### **n. Taxation**

#### **1. Current income tax**

- i. Current income tax expense comprises taxes on income from operations in India and foreign tax jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to overseas operations is determined in accordance with tax laws applicable in respective countries where such operations are domiciled.
- ii. Provision for current income taxes and advance taxes paid in respect of the same jurisdiction are presented in the balance sheet after offsetting them on an assessment year basis.
- iii. Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

#### **2. Deferred tax**

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

Deferred tax relating to items recognised outside the Consolidated Statement of Profit and Loss (either in Other comprehensive income or in equity) is recognised outside the Consolidated Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other comprehensive income or directly in equity.

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

Deferred tax relating to items recognised outside the Consolidated Statement of Profit and Loss is recognised outside the Consolidated Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

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

The Group in certain tax jurisdictions, has unused tax losses and tax credits for which no deferred tax asset have been recognised as it is not probable that sufficient taxable profits will be available to allow all or part of the deferred assets to be utilised.

### **o. Fair value measurement**

The Group measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

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

- i. In the principal market for the asset or liability or
  - ii. In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or the most advantageous market must be accessible by the Group.

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

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

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

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

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

### p. *Foreign currencies*

The Group's financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. For each entity the Group determines the functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Foreign currency transactions are converted into Indian Rupees at rates of exchange approximating those prevailing at the transaction dates or at the average exchange rate for the month in which the transaction occurs. Foreign currency monetary assets and liabilities are outstanding as at the balance sheet date are translated to Indian Rupees at the closing rates prevailing on the balance sheet date. Non-monetary assets and liabilities of the Group are carried at historical cost. Exchange differences on foreign currency transactions are recognised in the Consolidated Statement of Profit and Loss.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

### q. *Earnings per share*

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

### r. *Financial instruments*

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

#### **Financial assets**

#### i. **Financial assets at amortised cost**

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

#### ii. **Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through Other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

### iii. **Financial assets at Fair Value Through Profit or Loss (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

### iv. **De-recognition**

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

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

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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

### v. **Impairment of financial assets**

The Group assesses impairment based on expected credit losses (ECL) model to the following:

- a. Financial assets measured at amortised cost
- b. Financial assets measured at Fair Value through Other Comprehensive Income

Expected credit losses are measured through a loss allowance at an amount equal to the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date)

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For assessing ECL on a collective basis, financial assets have been grouped on the basis of shared risk characteristics and basis of estimation may change during the course of time due to change in risk characteristics.





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

#### i. Subsequent measurement

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

##### I. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost on accrual basis and using the effective interest rate (EIR) method.

##### II. De-recognition

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

#### ii. Offsetting of financial instruments

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

#### iii. Derivative financial instruments - Initial and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

#### s. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 3. Property, plant and equipment

(₹ in lakhs)

	Leasehold Improvement	Building	Plant and Machinery	Furniture and Fixtures	Office Equipment	Computers	Total
<b>Cost</b>							
Balance as at 1 April 2022	4,075.56	21.78	5,458.76	983.67	1,082.80	6,688.72	18,311.29
Additions	-	-	55.82	1.41	13.91	951.60	1,022.74
Disposals	-	-	(272.39)	(7.63)	(0.18)	(11.38)	(291.58)
Assets Written Off	-	-	(240.06)	-	-	(119.78)	(359.84)
Effect of foreign currency translation	-	-	1.85	-	2.32	21.08	25.25
Balance as at 31 March 2023	4,075.56	21.78	5,003.98	977.45	1,098.85	7,530.24	18,707.86
Additions	84.92	-	791.19	18.01	157.14	775.37	1,826.63
Disposals	-	-	(296.87)	(7.43)	(64.27)	(862.44)	(1,231.01)
Assets Written Off	(1,664.73)	-	(621.36)	(202.77)	(274.43)	(604.76)	(3,368.05)
Effect of foreign currency translation	-	-	0.35	-	0.44	3.99	4.78
Balance as at 31 March 2024	2,495.75	21.78	4,877.29	785.26	917.73	6,842.40	15,940.21
<b>Accumulated Depreciation</b>							
Balance as at 1 April 2022	3,844.59	21.78	2,972.03	692.21	943.87	5,391.81	13,866.29
Depreciation	145.88	-	478.26	63.15	60.36	826.86	1,574.51
Disposals	-	-	(272.39)	(7.63)	(0.19)	(11.37)	(291.58)
Assets Written Off	-	-	(240.06)	-	-	(119.78)	(359.84)
Effect of foreign currency translation	-	-	0.40	-	1.35	18.31	20.06
Balance as at 31 March 2023	3,990.47	21.78	2,938.24	747.73	1,005.39	6,105.83	14,809.44
Depreciation	109.67	-	581.44	60.48	71.05	834.14	1,656.78
Disposals	-	-	(296.87)	(7.43)	(64.27)	(862.33)	(1,230.90)
Assets Written Off	(1,664.73)	-	(621.36)	(202.77)	(274.43)	(604.28)	(3,367.57)
Effect of foreign currency translation	-	-	0.13	-	0.29	3.71	4.13
Balance as at 31 March 2024	2,435.41	21.78	2,601.58	598.00	738.03	5,477.07	11,871.87
Balance as at 31 March 2023	85.09	-	2,065.74	229.72	93.46	1,424.41	3,898.42
Balance as at 31 March 2024	60.34	-	2,275.71	187.26	179.70	1,365.33	4,068.34

During the year ended March 31, 2024, the Group carried out physical verification of its fixed assets. This has resulted in reduction of Property, Plant & Equipment with gross block and accumulated depreciation of ₹ 3,365.77 lakhs.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 4. Capital work-in-progress

#### CWIP Ageing Schedule:

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
As on 31 March 2024	3.19	-	-	-	3.19
As on 31 March 2023	82.33	-	-	-	82.33

CWIP Ageing Schedule (for projects whose completion is overdue or whose cost has exceeded its cost compared to its original plan) :

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As on 31 March 2024					
Project 1	3.19	-	-	-	3.19

(₹ in lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As on 31 March 2023					
Project 1	82.33	-	-	-	82.33

There are no projects which are temporarily suspended or whose cost has exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023 respectively.

#### Movement of Capital Work in Progress

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Opening balance	82.33	11.25
Additions	1,757.52	1,113.60
Written off	(10.02)	(20.04)
Capitalized	(1,826.64)	(1,022.47)
Closing Balance	3.19	82.33





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 5. Right of use Assets

(₹ in lakhs)

Tangible assets	ROU Asset
Cost	Amount
Balance as at 1 April 2022	9,020.13
Additions	1,363.65
Termination	-
Effect of foreign currency translation	(5.51)
Balance as at 31 March 2023	10,378.27
Additions	1,101.08
Termination	(854.69)
Effect of foreign currency translation	5.20
<b>Balance as at 31 March 2024</b>	<b>10,629.86</b>
<b>Accumulated Depreciation</b>	
Balance as at 1 April 2022	4,142.76
Amortisation	1,675.05
Termination	-
Effect of foreign currency translation	0.42
Balance as at 31 March 2023	5,818.23
Amortisation	1,807.51
Termination	(854.06)
Effect of foreign currency translation	0.81
<b>Balance as at 31 March 2024</b>	<b>6,772.49</b>
Carrying amount	
Balance as at 31 March 2023	4,560.04
<b>Balance as at 31 March 2024</b>	<b>3,857.37</b>

The aggregate amortisation expense on ROU assets is included under depreciation and amortisation expenses in the Statement of Profit and Loss.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 6. Intangible assets

(₹ in lakhs)	
Intangible assets	Computer (Software and application)
<b>Cost</b>	
Balance as at 1 April 2022	4,133.28
Additions	31.47
Assets Written Off	(2,816.56)
Balance as at 31 March 2023	1,348.19
Additions	50.82
Disposal	(250.25)
Assets written off	(284.38)
<b>Balance as at 31 March 2024</b>	<b>864.38</b>
<b>Accumulated amortization</b>	
Balance as at 1 April 2022	3,550.01
Amortisation Expense	152.33
Assets Written Off	(2,816.56)
Balance as at 31 March 2023	885.78
Amortisation Expense	142.85
Disposal	(250.25)
Assets written off	(284.38)
<b>Balance as at 31 March 2024</b>	<b>494.00</b>
<b>Carrying amount</b>	
Balance as at 31 March 2023	462.41
<b>Balance as at 31 March 2024</b>	<b>370.38</b>

During the year ended March 31, 2024, the Group carried out physical verification of its fixed assets. This has resulted in reduction of intangible assets of gross block and accumulated amortization of ₹ 284.38 lakhs due to retirement of such assets from active use / end of its useful life.

### 7. Intangible assets under development (ITUD)

#### ITUD Ageing Schedule:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in Progress</b>					
As on 31 March 2024	-	-	-	-	-
As on 31 March 2023	15.00	-	-	-	15.00

ITUD Completion Schedule (for projects whose completion is overdue or whose cost has exceeded its cost compared to its original plan):

Particulars	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As on 31 March 2024</b>					
Project 1	-	-	-	-	-



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

(₹ in lakhs)

Particulars	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As on 31 March 2023					
Project 1	15.00	-	-	-	15.00

### Movement of Intangible Assets under development

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Opening balance	15.00	20.55
Additions	35.82	25.92
Capitalized	(50.82)	(31.47)
Closing Balance	-	15.00

There are no projects which are temporarily suspended or whose cost has exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023 respectively.

### 8. Other financial assets

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>A. Non-current</b>		
Security deposits – unsecured, considered good	963.64	961.91
<b>Total (A)</b>	<b>963.64</b>	<b>961.91</b>
<b>B. Current</b>		
a. Deposits to contractors and vendors - unsecured, considered good	249.48	206.51
b. Others	26.28	26.41
c. Fair value of Foreign currency forward contracts	5.99	-
<b>Total (B)</b>	<b>281.75</b>	<b>232.92</b>
<b>(A+B)</b>	<b>1,245.39</b>	<b>1,194.83</b>

### 9. Deferred tax assets (net)

The Group has restricted recognition of deferred tax assets resulting from the carry forward losses and other timing differences to the extent of deferred tax liabilities, as the Group has accumulated tax losses and the deferred tax recognition conditions prescribed by Ind AS are not met.

- i. Details of deferred tax asset on temporary differences, unused tax losses, and unused tax credits which has not been recognised in the balance sheet along with expiry date, if any. (refer below table)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets with no expiry date	5,264.18	4,817.68
Deferred tax assets with expiry date	1,798.47	1,622.63





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 10. Income tax assets (net)

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Advance tax (net of provision for taxes) (refer (i) below)	4,769.02	3,466.08
<b>Total</b>	<b>4,769.02</b>	<b>3,466.08</b>

i. Advance tax includes amount paid under dispute ₹ Nil lakhs (2023: ₹ 82.49 lakhs).

### 11. Other assets

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>Unsecured</b>		
<b>A. Non-current</b>		
a. Prepaid expenses	175.03	98.91
<b>Total (A)</b>	<b>175.03</b>	<b>98.91</b>
<b>B. Current</b>		
a. Advances to employees		
Unsecured, considered good	57.11	90.80
Unsecured, considered doubtful	9.66	3.25
	66.77	94.05
Less: allowance for doubtful advances	(9.66)	(3.25)
	57.11	90.80
b. Indirect tax recoverable – considered good (net)	1,659.42	1,400.75
c. Advances to vendors		
Unsecured, considered good	903.36	521.29
Unsecured, considered doubtful	11.20	10.11
	914.56	531.40
Less: allowance for doubtful advances	(11.20)	(10.11)
	903.36	521.29
d. Prepaid expenses	906.21	703.47
<b>Total (B)</b>	<b>3,526.10</b>	<b>2,716.31</b>
<b>Total (A+B)</b>	<b>3,701.13</b>	<b>2,815.22</b>

### 12. Investments

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>Current</b>		
<b>Investments at fair value through profit or loss</b>		
Investments in Mutual Funds (unquoted)	-	3,200.50
<b>Total</b>	<b>-</b>	<b>3,200.50</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 13. Trade receivables

	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
<b>Unsecured</b> (including unbilled receivables) (refer note i below)		
a. Considered good *	50,438.35	40,495.05
b. Doubtful debts	6,903.71	5,524.62
	57,342.06	46,019.67
Less: Allowance for doubtful debt (Refer note 40 (d))	(6,903.71)	(5,524.62)
<b>Total</b>	<b>50,438.35</b>	<b>40,495.05</b>

\* Includes Trade Receivables from Related Parties (refer note 34)

i. The Group has significant part of the 'revenue from operations' for the year ended March 31, 2024, and trade receivables outstanding (including unbilled revenue) as at March 31, 2024 from a large customer ("customer"). The customer in its declared unaudited results for quarter ended December 31, 2023, had expressed its ability to continue as a going concern, to be dependent on raising additional funds as required, successful negotiations with lenders and vendors for continued support and generation of cash flow from operations that it needs to settle its liabilities as they fall due. Further, the results stated that as at December 31, 2023, the said customer has met all its debt obligations payable to its lenders / banks and financial institutions along with applicable interest and has utilized extended credit period to discharge some of its contractual obligations. The said customer continues to be in discussion with its vendors to agree to a payment plan for the outstanding dues. Also, during February 2023, the said customer allotted equity shares to the Department of Investment and Public Asset Management, Government of India ("GOI"), towards conversion of net present value of the interest amount relating to deferment of certain dues and accordingly GOI now holds 33.1 % in the said customer.

During the year, the Group based on the strategic assessment has issued a termination notice to the said customer and is in discussion on disengagement transition plan.

As at March 31, 2024, the carrying amount of trade receivables (including unbilled revenue and net of provisions) from the said customer was ₹ 23,517 lakhs (March 31, 2023 ₹ 17,150 lakhs). The Group believes that the balance is good and recoverable basis its on-going interactions with that customer and accordingly the same has been included under undisputed trade receivables which have significant increase in credit risk below.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### Trade receivable ageing as on 31 March 2024

(₹ in lakhs)

Particulars	Unbilled	Not Due	Outstanding for following payments from due date of payment					Total
			Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
A Undisputed trade receivables – considered good	6,388.17	10,434.37	8,899.67	719.05	46.55	235.91	255.31	26,979.03
B Undisputed trade receivables – which have significant increase in credit risk (refer i above)	584.78	5,259.21	18,271.96	2,288.38	453.21	1,900.36	1,592.63	30,350.53
C Undisputed trade receivables – credit impaired	-	-	-	-	-	-	12.50	12.50
D Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
E Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
F Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6,972.95</b>	<b>15,693.58</b>	<b>27,171.63</b>	<b>3,007.43</b>	<b>499.76</b>	<b>2,136.27</b>	<b>1,860.44</b>	<b>57,342.06</b>
Less: Allowance for doubtful receivables								(6,903.71)
<b>Total</b>								<b>50,438.35</b>





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

Trade receivable ageing as on 31 March 2023

(₹ in lakhs)

	Particulars	Unbilled	Not Due	Outstanding for following payments from due date of payment					Total
				Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
A	Undisputed trade receivables – considered good	6,736.06	11,976.53	4,500.29	234.03	169.17	166.06	41.86	23,824.00
B	Undisputed trade receivables – which have significant increase in credit risk (Refer i above)	2,078.11	6,837.02	6,429.24	409.14	3,917.83	1,242.38	1,269.45	22,183.17
C	Undisputed trade receivables – credit impaired	-	-	-	-	-	-	12.50	12.50
D	Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
E	Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
F	Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>		<b>8,814.17</b>	<b>18,813.55</b>	<b>10,929.53</b>	<b>643.17</b>	<b>4,087.00</b>	<b>1,408.44</b>	<b>1,323.81</b>	<b>46,019.67</b>
Less: Allowance for doubtful receivables									(5,524.62)
<b>Total</b>									<b>40,495.05</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 14. Cash and cash equivalents

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Current accounts with banks	5,627.19	7,522.01
<b>Total</b>	<b>5,627.19</b>	<b>7,522.01</b>

### 15. Equity share capital

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>a. Authorised:</b>		
1,000,000 (2023: 1,000,000) Equity shares of ₹ 10 each	100.00	100.00
	<b>100.00</b>	<b>100.00</b>
<b>b. Issued, subscribed and paid up:</b>		
500,000 (2023: 500,000) Equity shares of ₹ 10 each, fully paid up	50.00	50.00
<b>Total</b>	<b>50.00</b>	<b>50.00</b>

#### a. Issued, subscribed and paid up:

There was no movement in the issued, subscribed and paid-up share capital of the Parent Company during the year.

#### b. Number of shares held by each shareholder holding more than 5% of the issued share capital:

	As at 31 March 2024		As at 31 March 2023	
	No of shares	Percentage	No of shares	Percentage
Tata Communications Limited (Holding Company)	500,000	100%	500,000	100%

#### c. Terms / rights attached to equity shares:

The Company has only one class of equity shares having a face value of ₹ 10 per share. Equity shareholders are entitled to one vote per share at any General Meeting of Shareholders.

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

### 16. Other equity

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
a. General reserve (Refer Note i below)	1,381.97	1,381.97
b. Retained earnings	1,480.60	8,276.08
c. Other comprehensive income (Refer Note ii below)	(1,147.09)	(1,165.74)
d. Foreign currency translation reserve (Refer Note iii below)	(2,196.04)	(1,912.85)
<b>Total</b>	<b>(480.56)</b>	<b>6,579.46</b>

#### i. General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### ii. Other comprehensive income

This represents the cumulative gains and losses arising on remeasurement of defined employee benefit plans (net of tax).

### iii. Foreign currency translation reserve

Exchange difference relating to the translation of the result and net asset of the Group's foreign operation from their functional currencies to the Group's presentation currency are recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating the net assets of foreign operations) are reclassified to profit or loss on disposal of the foreign operation.

## 17. Borrowings

	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
<b>Current</b>		
<b>Unsecured</b>		
Loans repayable on demand (from banks)		
a. Cash credit facility	12,979.42	-
(Rate of Interest per annum: 7.61% to 8.84%)		
b. Bank overdraft	17,170.50	13,508.02
(Rate of Interest per annum in India: 9.00% to 9.50%)		
(Rate of Interest per annum in subsidiary: 6.75% to 7.25%)		
	<b>30,149.92</b>	<b>13,508.02</b>

## 18. Lease liabilities

	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
<b>A. Non-current</b>		
Lease Liability (refer note 35)	2,927.68	3,568.02
<b>Total (A)</b>	<b>2,927.68</b>	<b>3,568.02</b>
<b>B. Current</b>		
Lease Liability (refer note 35)	1,639.48	1,843.03
<b>Total (B)</b>	<b>1,639.48</b>	<b>1,843.03</b>
<b>(A+B)</b>	<b>4,567.16</b>	<b>5,411.05</b>





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 19. Other financial liabilities

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>Current</b>		
a. Capital goods		
- Payable to related parties (refer note 34)	1.81	20.20
- Others	140.98	55.15
b. Fair value of foreign currency forward contracts	-	103.31
c. Other payables	25.02	4.44
<b>Total</b>	<b>167.81</b>	<b>183.10</b>

### 20. Provisions

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>A. Non-current</b>		
Provision for employee benefits		
a. Provision for gratuity (refer note 33)	437.00	403.17
b. Provision for compensated absences (refer note 33)	1,636.61	1,408.74
c. Provision for Asset Retirement Obligation liability	10.33	10.08
<b>Total (A)</b>	<b>2,083.94</b>	<b>1,821.99</b>
<b>B. Current</b>		
a. Provision for compensated absences (refer note 33)	474.59	396.61
b. Provision for others	101.87	690.30
<b>Total (B)</b>	<b>576.46</b>	<b>1,086.91</b>
<b>(A+B)</b>	<b>2,660.40</b>	<b>2,908.90</b>

### Movement of provisions

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
	Provision for Asset retirement obligation liability (refer a below)	Provision for others (refer b below)
Opening balance	10.08	690.30
Addition	-	0.60
Utilisation/ adjustments	0.25	(588.43)
Closing balance	10.33	101.87
Non-current provision	10.33	-
Current provision	-	101.87

- a. The provision for asset retirement obligation liability has been recorded in the books of the Group in respect of certain property, plant and equipment [refer note 2(d)].
- b. Provision for others is mainly towards provision for other tax matters.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 21. Other liabilities

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
<b>A. Non-current</b>		
a. Accrued employee costs	273.08	352.57
<b>Total (A)</b>	<b>273.08</b>	<b>352.57</b>
<b>B. Current</b>		
a. Deferred revenue (Refer note i below)	850.87	1,037.14
b. Accrued employee costs	6,956.50	6,092.22
c. Statutory liabilities	1,847.96	1,641.87
d. Other liabilities	5.09	28.07
<b>Total (B)</b>	<b>9,660.42</b>	<b>8,799.30</b>
<b>(A+B)</b>	<b>9,933.50</b>	<b>9,151.87</b>

i. Deferred revenue represents contract liabilities.

### 22. Trade and other payables

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
a. Trade payables	22,266.34	22,460.26
b. Payable to related parties (refer note 34)	4,765.79	7,459.23
<b>Total</b>	<b>27,032.13</b>	<b>29,919.49</b>

#### Trade payable ageing as on 31 March 2024

(₹ in lakhs)

	Particulars	Unbilled	Not Due	Outstanding for following payments from due date of payment				
				Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
A	Total outstanding dues of creditors	16,426.81	5,336.83	4,978.51	44.23	121.97	29.96	26,938.32
B	Disputed dues of creditors	37.79	56.02	-	-	-	-	93.81

#### Trade payable ageing as on 31 March 2023

(₹ in lakhs)

	Particulars	Unbilled	Not Due	Outstanding for following payments from due date of payment				
				Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
A	Total outstanding dues of creditors	17,183.95	4,297.92	7,141.61	1,107.04	8.60	128.05	29,867.17
B	Disputed dues of creditors	1.42	50.90	-	-	-	-	52.32



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 23. Other income

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
a. Interest income	38.56	5.46
b. Interest on income tax refund	20.85	377.53
c. Foreign exchange gain/(loss) (net)	262.12	553.26
d. Net gain on investments carried at fair value through profit and loss	55.43	62.21
e. Liabilities no longer required - written back	98.70	309.06
f. Others	692.12	678.97
<b>Total</b>	<b>1,167.78</b>	<b>1,986.49</b>

### 24. Operating and other expense

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
a. Light and power	705.11	601.99
b. Repairs and maintenance		
i. Building	343.38	362.58
ii. Plant and machinery (refer note iii)	3,173.42	3,323.58
iii. Others	831.52	607.89
c. Allowance for doubtful trade receivables	1,341.69	(429.55)
d. Allowance for doubtful advances	7.51	-
e. Rent	1,585.23	1,649.12
f. Network management and sub-contracting charges	57,406.36	50,922.31
g. Travelling expenses	1,387.81	1,440.62
h. Local conveyance	1,137.92	1,049.40
i. Telephone expenses	1,003.40	1,152.05
j. Printing, postage and stationery	82.95	48.06
k. Outsourced manpower cost	20,614.20	18,871.52
l. Legal and professional charges	1,164.53	1,734.49
m. Brand equity and business promotion expenses	343.37	-
n. Advertising and publicity	277.57	203.65
o. Recruitment expenses	165.25	294.98
p. Security Charges	340.05	325.41
q. Corporate social responsibility (Refer note i)	-	-
r. Other expenses (refer note ii)	1,803.91	836.63
<b>Total</b>	<b>93,715.18</b>	<b>82,994.73</b>

- i. The Company has made no profits in the previous financial years. Accordingly, provisions of Section 135 to the Companies Act 2013 in relation to Corporate Social Responsibility are not applicable to the Company. Further, CSR is not applicable to the foreign subsidiary of the Group.





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

ii. Other expenses include auditor's remuneration as follows: (excluding goods and service tax):

	Year ended 31 March 2024	Year ended 31 March 2023
<i>(₹ in lakhs)</i>		
<b>Auditors' remuneration and expenses</b>		
a. Audit fees	24.64	22.77
b. Taxation matters	4.05	4.05
c. Other professional services	1.42	0.83

iii. Repairs & maintenance – Plant & Machinery includes cost of materials supplied to a customer ₹ 594.36 lakhs FY 23-24 (₹ 415.91 lakhs FY 22-23).

### 25. Employee benefits expense

	Year ended 31 March 2024	Year ended 31 March 2023
<i>(₹ in lakhs)</i>		
a. Salaries and related costs	56,222.94	51,098.34
b. Contributions to provident, gratuity and other funds (Refer note 33)	3,537.38	3,371.15
c. Staff welfare expenses	2,128.42	2,800.61
d. Employee Based Share payments (Refer note 33)	32.51	-
<b>Total</b>	<b>61,921.25</b>	<b>57,270.10</b>

### 26. Finance costs

	Year ended 31 March 2024	Year ended 31 March 2023
<i>(₹ in lakhs)</i>		
a. Interest on bank overdraft and loans	1,608.23	760.90
b. Interest on lease liability	388.61	417.93
c. Interest on loan from related parties (refer note 34)	-	200.26
d. Other interest	144.74	111.91
<b>Total</b>	<b>2,141.58</b>	<b>1,491.00</b>

### 27. Depreciation and amortisation expense

	Year ended 31 March 2024	Year ended 31 March 2023
<i>(₹ in lakhs)</i>		
a. Depreciation for the year on property, plant and equipment (Refer note 3)	1,656.78	1,574.51
b. Amortisation for the year on right of use assets (Refer note 5)	1,807.51	1,675.05
c. Amortisation for the year on intangible assets (Refer note 6)	142.85	152.33
<b>Total</b>	<b>3,607.14</b>	<b>3,401.89</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 28. Staff cost optimisation

As part of Group's initiative to enhance the long-term efficiency of the business, the Company undertook organisational changes to align to the Company's business requirements. These changes involved certain positions in the Company becoming redundant and the Company had incurred one-time costs of ₹ 1,555.00 lakhs in FY 2023-24.

### 29. Income tax

#### a. Income tax recognised in consolidated Statement of Profit and Loss

Particulars	(₹ in lakhs)	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>Current tax</b>		
In respect of current year	16.09	36.32
In respect of prior years (refer note i)	114.56	44.32
<b>Total current tax (a)</b>	<b>130.65</b>	<b>80.64</b>
<b>Deferred tax</b>		
In respect of the current year	-	-
In respect of the prior years	-	-
<b>Total deferred tax (b)</b>	<b>-</b>	<b>-</b>
<b>Total income tax (a+b)</b>	<b>130.65</b>	<b>80.64</b>

#### b. The Income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	(₹ in lakhs)	
	Year ended 31 March 2024	Year ended 31 March 2023
<b>Profit before tax</b>	<b>(6,664.83)</b>	<b>(1,177.80)</b>
Income tax expense calculated at 25.168% Tax rate (2023: 25.168% Tax rate) (A)	(1,677.40)	(296.43)
<b>Adjustments:</b>		
Effect of expenses / adjustments that are not deductible in determining taxable profit	156.09	6.27
Adjustment in respect of previous years (refer note i)	114.56	44.32
Losses and temporary differences on which deferred tax assets is not recognised	1,537.40	290.16
Others	-	36.32
<b>Sub-total (B)</b>	<b>1,808.05</b>	<b>377.07</b>
<b>Income tax expense recognised in consolidated statement of profit and loss (A+B)</b>	<b>130.65</b>	<b>80.64</b>

i. Income tax charge of ₹ 114.56 lakhs (March 31, 2023 ₹ 44.32 lakhs) recorded by the Group is in respect of the demands raised by the tax authorities.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 30. Segment information

#### a. Operating segments

The Board of Directors of the Company constitute the Chief Operating Decision Makers ("CODM") which allocate resources to and assess the performance of the Group. The Group is engaged primarily in the business of providing telecommunication network management, consulting and other support services. Considering the nature of the Group's business and operations, there are no other reportable segments in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segments' prescribed under section 133 of the Companies Act, 2013.

#### b. Geographical information

Geographical revenue is allocated based on the location of the customer. Information regarding geographical revenue is as follows:

(₹ in lakhs)		
Geography	Year ended 31 March 2024	Year ended 31 March 2023
India	1,03,528.47	96,410.42
United Kingdom	25,443.59	19,292.45
Australia	13,042.34	10,393.04
Canada	2,541.78	6,222.18
Luxemburg	2,675.44	3,581.55
Others	7,875.92	6,093.79
	<b>1,55,107.54</b>	<b>1,41,993.43</b>

For segment, non-current assets comprises of property, plant and equipment, capital work in progress, intangible assets, intangible assets under development and other assets which are mainly located in India.

#### c. Information about major customers

(₹ in lakhs)				
Customer name	As at 31 March 2024	% of total revenue	As at 31 March 2023	% of total revenue
Customer A	51,465.76	33%	49,385.27	35%
Customer B	24,355.77	15%	22,873.99	16%
Customer C	17,572.26	11%	19,315.30	14%
Customer D*	15,098.49	10%	16,008.84	11%

\*Customer D includes its subsidiaries

The Group's exposure to customers other than the four largest customers is diversified and no other single customer has more than 10% of total revenue as on 31 March 2024 and 31 March 2023





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 31. Particulars of subsidiaries considered in the preparation of the consolidated financial statements:

	Principal Activity	Country of incorporation	Percentage of holding and voting power	
			As at 31 March 2024	As at 31 March 2023
a. <b>Subsidiaries (held directly)</b>				
Tata Communications Transformation Services Pte Limited	Telecommunication services	Singapore	100.00	100.00
b. <b>Subsidiaries (held indirectly)</b>				
Tata Communications Transformation Services (Hungary) Kft	Telecommunication services	Hungary	100.00	100.00
Tata Communications Transformation Services (US) Inc	Telecommunication services	United States	100.00	100.00
Tata Communications Transformation Services South Africa (PTY)	Telecommunication services	South Africa	100.00	100.00
TCTS Senegal Limited SUARL	Telecommunication services	Senegal	100.00	100.00

### 32. Earnings per share

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Net Profit after tax attributable to the equity shareholders (A)	(6,795.48)	(1,258.44)
Number of equity shares outstanding at the end of the year	5,00,000	5,00,000
Weighted average number of shares outstanding during the year (B)	5,00,000	5,00,000
Basic and diluted earnings per share (₹ per equity share of ₹ 10 each) (A/B)	(1,359.10)	(251.69)

### 33. Employee benefit plans

#### i. Defined Contribution Plan - Provident Fund

The Company makes contribution towards provident fund under a defined contribution retirement benefit plan for employees. The provident fund is administered by the Regional Provident Fund Commissioner. Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Provident fund contributions amounting to ₹ 2,675.50 lakhs (2023: ₹ 2,572.01 lakhs) have been charged to the Statement of Profit and Loss, under contributions to provident, gratuity and other funds in note 25 "Employee benefits".

The Group does not have any defined contribution plans in its subsidiaries in foreign jurisdictions.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### II. Defined Benefit Plan - Gratuity

The Company makes annual contributions under the Employees Gratuity scheme to a fund administered by Trustees covering all eligible employees. The plan provides for lump sum payments to employees whose right to receive gratuity had vested at the time of resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service except in case of death.

These plans typically expose the Company to actuarial risk such as investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Currently, the plan has a relatively balanced mix of investments in government securities, high quality corporate bonds, equity and other debt instruments.
Interest rate risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
Salary risk	Higher than expected increases in salary will increase the defined benefit obligation
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2024 by an accredited actuary.

The principal assumptions used for the purposes of the actuarial valuations were as follows

	As at 31 March 2024	As at 31 March 2023
<u>Principal actuarial assumptions</u>		
Discount rate	7.00%	7.20%
Salary Escalation Rate	7.00%	7.00%
<u>Withdrawal rate</u>		
Less than 5 years	15.00%	15.00%
5 years and more	8.00%	8.00%

The discount rate is based on the prevailing market yields of the Government of India Securities as at Balance sheet date for the estimated term of the obligation.

The estimation of the future salary increase is considered by taking into account the inflation, seniority, promotion, increments and other relevant factors.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

Amounts recognised in the Statement of profit and loss in respect of these defined benefit plans are as follows

	As at 31 March 2024	As at 31 March 2023
(₹ in lakhs)		
Expenses recognised in the Statement of Profit and Loss		
a. Current service cost	683.70	678.09
b. Interest cost	6.10	7.08
<b>Components of defined benefit costs recognized in the Statement of Profit and Loss</b>	<b>689.80</b>	<b>685.17</b>
Remeasurement on the net defined benefit liability		
a. Return on plan assets (excluding amounts included in net interest expense)	(88.36)	190.88
b. Actuarial (gains) / losses arising from DBO assumption changes	92.97	188.47
c. Actuarial (gains) / losses arising from experience adjustments	(23.26)	(16.03)
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>18.65</b>	<b>363.32</b>

The details in respect of the status of funding and the amounts recognised in the Company's financial statements are as under

	As at 31 March 2024 (Funded)	As at 31 March 2023 (Funded)
(₹ in lakhs)		
I. <b>Amount recognized in the balance sheet</b>		
Liability at the end of the year	(6217.77)	(5,713.25)
Fair value of plan assets at the end of the year	5,780.77	5,310.08
<b>Net (liability)/ asset in the balance sheet</b>	<b>(437.00)</b>	<b>(403.17)</b>
Non-current provision (Refer note 20A)	(437.00)	(403.17)
II. <b>Change in the Defined Benefit Obligation (DBO)</b>		
Liability at the beginning of the year	5,713.25	5,229.67
Current service cost	683.70	678.09
Interest cost	388.43	331.86
Acquisitions (credit)/ Cost	(55.68)	0.00
Actuarial (gain) / loss on financial assumption	92.97	188.47
Actuarial (gain) / loss on experience assumption	(23.26)	(16.03)
Benefits paid	(581.64)	(698.81)
<b>Liability at the end of the year</b>	<b>6,217.77</b>	<b>5,713.25</b>
III. <b>Change in fair value of assets</b>		
Opening fair value of plan assets	5,310.08	4,376.18
Expected return on plan assets	382.33	324.78
Employer's contribution	-	800.00
Actuarial gain / (loss)	88.36	(190.88)
Benefits paid	-	-
<b>Closing fair value of plan assets</b>	<b>5,780.77</b>	<b>5,310.08</b>





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

Major categories of plan assets are as follows

	As at 31 March 2024	As at 31 March 2023
a. Government of India securities (central and state)	55.20%	51.71%
b. High quality corporate bonds (including public sector bonds)	28.93%	27.19%
c. Equity shares of listed companies	9.32%	12.17%
d. Cash (including special deposits)	4.33%	7.41%
f. Other (including assets under schemes of insurance)	2.21%	1.52%
<b>Total</b>	<b>100%</b>	<b>100%</b>

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets. This policy has been implemented during the current and prior years.

A quantitative sensitivity analysis for significant assumptions as at 31 March 2024 and 31 March 2023 is as shown below

Significant actuarial assumptions for the determination of the defined obligation are discount rate, salary escalation rate and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

### a. Discount rate

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Effect on DBO due to 1% increase	(439.89)	(400.34)
Effect on DBO due to 1% decrease	500.77	455.61

### b. Salary escalation rate

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Effect on DBO due to 1% increase	400.55	364.33
Effect on DBO due to 1% decrease	(378.77)	(346.64)

### c. Withdrawal rate

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Effect on DBO due to 5% increase	26.89	50.17
Effect on DBO due to 5% decrease	(92.29)	(127.69)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

### Maturity profile of defined benefit plan

	(₹ in lakhs)
	As at 31 March 2024
a. March 31, 2025	522.53
b. March 31, 2026	662.70
c. March 31, 2027	643.14
d. March 31, 2028	748.88
e. March 31, 2029	869.41
f. March 31, 2030 to March 31, 2034	5,155.90

There has been no change in the process used by the company to manage its risks from prior years.

The Group does not have any defined benefit plans in its subsidiaries in foreign jurisdictions.

### iii. Leave plan and compensated absences

#### For executives

Leaves unavailed by eligible employees may be carried forward upto 60 days and for employees who have joined post 1st January 2020 carry forward shall be restricted to 45 days. Encashment will be maximum of 30 days by them / their nominees in the event of death or permanent disablement or resignation.

#### For non-executives

Leave unavailed of by eligible employees may be carried forward / encashed by them / their nominees in the event of death or permanent disablement or resignation, subject to a maximum leave of 300 days.

The liability for compensated absences as at the year-end is ₹ 1,484.90 lakhs (2023: ₹ 1,376.35 lakhs) as shown under non-current provisions ₹ 1,287.53 lakhs (2023: ₹ 1,174.16 lakhs) and current provisions ₹ 197.37 lakhs (2023 ₹ 202.19 lakhs). The amount charged to the Statement of Profit and Loss under Salaries and related costs in note 25 "Employee benefits expense" is ₹ 237.45 lakhs (2023: ₹ 334.56 lakhs).

The balance liability for compensated absences pertaining to foreign entities is of ₹ 626.31 lakhs (2023: ₹ 429.00 lakhs) as shown under non-current provisions ₹ 349.09 lakhs (2023: ₹ 234.58 lakhs) and current provisions ₹ 277.22 lakhs (2023 ₹194.42 lakhs) and amount of ₹ 284.95 lakhs (2023: ₹ (152.52) lakhs) charged/ (reversed) to the Statement of Profit and Loss pertains to foreign entities.

### iv. Share based payment

#### Equity settled share based payments

The Holding Company has granted RSU's ("Restricted Stock Unit") to certain employees of the Company as on January 1, 2024. The RSUs shall vest with the employee on the satisfaction of a time-based and a performance-based vesting criteria as prescribed by the Holding Company. On vesting, employees of the Company shall receive the shares of the Holding company.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

The Holding Company shall chargeback the amount for such RSU's on yearly basis based on actual shares issued to employees of subsidiary in respect of vested RSU's and the expected cost for unvested RSU's. The description of RSU's Granted as on Mar 31, 2024 are as follows:

Name of Plan	No. of shares arising out of the plan	Maximum term of Option	Vesting Condition
RSU Plan 2023	28,953	3 years	Time based and performance-based vesting condition as prescribed by the Holding Company

### Summary of RSU's Granted

Name of Plan	No. of Units	Weighted average Ex. Price (INR per unit)
Opening balance	-	-
Granted during the year	28,953	10
Lapsed during the year	(4,604)	-
Closing Balance	24,349	10

The weighted average contractual life of the RSU's outstanding as on March 31, 2024 is 25 months.

The total amount charged in the Statement of Profit and Loss for the year ended March 31, 2024 is ₹ 32.51 lakhs.





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 34. Related party transactions

#### L. Names of related parties and nature of relationship

Sr. No	Category of related parties	Names
A	Ultimate holding company	Tata Sons Private Limited
B	Controlling Entity	Panatone Finvest Limited
C	Holding company	Tata Communications Limited
D	Subsidiaries, associates and joint ventures of ultimate holding company/ controlling entity and their subsidiaries* ("Affiliates")	Tata Consultancy Services Limited Tata Teleservices Limited Tata Teleservices Maharashtra Limited Tata Sky Broadband Private Limited Tata projects Ltd Lokmanya Hospitals Private Limited Tata AIG General Insurance Company Limited Sir Dorabji Tata trust Tata Capital Financial Services Limited TVS Supply Chain Solutions Limited Tata Elxsi Limited The Indian Hotels Company Ltd Piem Hotels Limited Roots Corporation Limited Infiniti Retail Limited Tata Industries Limited Tata International Unitech (Senegal) SARL (formerly Tata Africa (Senegal) S.A.R.L.) Tata International Limited
E	Fellow subsidiaries*	Tata Communications International Pte Limited Tata Communications (Australia) Pty Limited Tata Communications (America) Inc. Tata Communications (Bermuda) Limited Tata Communications (Canada) Limited Tata Communications (Netherlands) B.V. Tata Communications (UK) Limited Tata Communications (Middle East) FZ-LLC Tata Communications (Ireland) Limited Tata Communications (Poland) SPZoo Tata Communications (Spain) SL Tata Communication (NZ) Ltd. Tata Communications Deutschland GmbH. Tata Communications (France) SAS Tata Communications Hongkong Limited Tata Communications (Malaysia) SDN.BHD Tata Communications Payments Solutions Limited Tata Communication Services International Pte Ltd Tata Communications Collaboration Services Private Limited
F	Associate of holding company	STT Global Data Centers India Private Limited



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

Sr. No	Category of related parties	Names
G	Key managerial Personnel	Sivasamban Natarajan
H	Others	Tata Communications Transformation Services Limited Employees Gratuity Trust Peoplestrong Technologies Private Limited (formerly Peoplestrong HR Services Private Limited") Go Digit General Insurance Limited (ceased w.e.f. 31 March 2023) Alamelu Charitable Foundation

\*Where transactions have taken place / there are balances

# Reimbursement made of expenses incurred by related party for business purpose of the Company, or reimbursement received for expenses incurred by the Company on behalf of a related party shall not be deemed related party transactions.

### ii. Summary of transactions with related parties

Particulars	Holding company & its associates	Ultimate holding company and its affiliates	Fellow subsidiaries	Key management Personnel	Others	(₹ in lakhs)
						Total
Revenue from operations	15,214.44 14,569.08	24,411.91 27,975.85	2,075.51 1,778.45	-	-	41,701.86 44,323.38
Other Income	491.76 503.20	-	13.44 8.41	-	-	505.20 511.61
Rent	424.99 431.78	-	-	-	-	424.99 431.78
Interest on lease liabilities (forms a part of lease payout of ₹ 1,052.93 lakhs (2023: 980.46 lakhs))	269.09 242.56	-	-	-	-	269.09 242.56
Interest on loan from related parties	- 200.26	-	-	-	-	- 200.26
Telephone expenses	200.26 480.97	- 31.04	-	-	-	200.26 512.01
Brand Equity and Business Promotion expenses	-	343.37	-	-	-	343.37
Outsource manpower cost	823.93 1,341.26	-	3,329.30 3,526.02	-	-	4,153.23 4,867.28
Insurance	-	21.67 10.86	-	-	-	21.67 10.86



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

Particulars	Holding company & its associates	Ultimate holding company and its affiliates	Fellow subsidiaries	Key management Personnel	Others	Total
Repairs & Maintenance	-	153.01	-	-	-	153.01
	-	103.12	-	-	-	103.12
Provision for Doubtful Debts	-	2,797.18	-	-	-	2,797.18
	-	-	-	-	-	-
Other expenses	34.39	15.09	-	-	21.55	71.03
	26.41	54.30	-0.21	-	368.59	449.09
Purchase/Sale of PPE	109.20	-	0.35	-	-	109.55
	@	-	-	-	-	@
Additions to right of use assets	193.80	-	-	-	-	193.80
	974.07	-	-	-	-	974.07
Repayment of loan Taken	-	-	-	-	-	-
	7,945.77	-	-	-	-	7,945.77
Key Managerial Remuneration	-	-	-	429.80	-	429.80
	-	-	-	444.50	-	444.50
Contribution to Gratuity trust	-	-	-	-	-	-
	-	-	-	-	800.00	800.00
Purchase on Current Investments	-	999.95	-	-	-	999.95
	-	-	-	-	-	-
Redemption on current Investments	-	1,000.69	-	-	-	1,000.69
	-	-	-	-	-	-





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### iii. Summary of balances with related parties

(₹ in lakhs)

Particulars	Holding company & its associates	Ultimate holding company and its affiliates	Fellow subsidiaries	Key management Personnel	Others	Total
Trade Receivables	3,817.18	7,052.02	743.13		3.68	11,616.00
	3,046.89	6,226.94	1,501.24	-	5.24	10,780.31
Other assets- current	238.56	184.87	-	-	-	423.43
	267.25	0.43	-	-	-	267.68
Other financial assets – non-current	115.37	28.50	-	-	-	143.87
	115.37	0.50	-	-	-	115.87
Trade Payables	3,092.80	94.01	1,574.51		4.48	4,765.79
	3,657.47	73.35	3,726.97	-	1.44	7,459.23
Other current Liabilities	20.47	-	(0.23)	90.77		111.01
	209.19	105.22	(4.04)	201.76	-	512.13
Other financial liabilities	-	1.81	-	-	-	1.81
	-	20.20	-	-	-	20.20
Other non-current Liabilities	-	-	-	282.17		282.17
	-	-	-	163.61	-	163.61
Lease liabilities – Current	756.76	-	-	-	-	756.76
	728.14	-	-	-	-	728.14
Lease liabilities – Non-current	2,680.40	-	-	-	-	2,680.40
	2,651.35	-	-	-	-	2,651.35

# Amount in italics denote previous year figures.

@ represents amounts less than ₹ 500



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### List of material transactions with related parties

(₹ in lakhs)

Category of service	Name of Related Party	Relationship	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations	Tata Communications Limited	Holding Company & its associates	15,098.49	14,227.61
	Tata Teleservices Limited	Ultimate holding company and its associates*	17,572.26	19,315.30
	Tata Teleservices Maharashtra Ltd	Ultimate holding company and its associates*	5,209.67	5,277.24
Other income	STT Global Data Centres India Private Limited	Holding Company & its associates	451.28	451.28
Lease rent	Tata Communications Limited	Holding Company & its associates	424.99	431.78
Interest on lease liabilities	Tata Communications Limited	Holding Company & its associates	269.09	242.56
Interest on loan from related parties	Tata Communications Limited	Holding Company & its associates	-	200.26
Internet lease line expenses	Tata Communications Limited	Holding Company & its associates	477.92	529.53
	Tata International Unitech (Senegal) SARL (formerly Tata Africa (Senegal) S.A.R.L.)	Ultimate holding company and its associates*	153.01	2.52
BESP Expenses	Tata Sons Limited	Ultimate holding company and its associates*	309.41	-
For Service Fee	Tata Communications (America) Inc.	Fellow Subsidiaries	1,826.39	1,550.88
	Tata Communications (Canada) Limited	Fellow Subsidiaries	383.81	387.00
	Tata Communications Limited	Holding Company & its associates	823.93	1,341.26
	Tata Communications (Netherlands) B.V.	Fellow Subsidiaries	373.40	353.03
	Tata Communications (Australia) Pty Limited	Fellow Subsidiaries	227.48	737.26
Repairs, maintenance & AMC	Tata Consultancy Services Ltd	Ultimate holding company and its associates*	153.01	88.62
Others	Go Digit General Insurance Limited	Others	-	349.00
Additions to right of use assets	Tata Communications Limited	Holding Company & its associates	193.80	974.07
Repayment of Loan	Tata Communications Limited	Holding Company & its associates	-	7,945.77
Contribution to Gratuity trust	Tata Communications Transformation Services Employee Gratuity Trust	Others	-	800.00
Purchase on Current Investments	Tata Asset Management Ltd	Ultimate holding company and its associates*	999.95	-
Redemption on current investments	Tata Asset Management Ltd	Ultimate holding company and its associates*	1,000.69	-



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### List of material balances with related parties

(₹ in lakhs)

Category of Balance	Name of Related Party	Relationship	For the year ended 31 March 2024	For the year ended 31 March 2023
Receivables and advances	Tata Communications Limited	Holding Company & its associates	3,804.61	3,012.99
	Tata Teleservices Limited	Ultimate holding company and its associates*	3,281.91	3,032.45
	Tata projects Ltd	Ultimate holding company and its associates*	2,797.15	1,932.89
Other assets - Current	Tata AIA Life Insurance Company Ltd	Ultimate holding company and its associates*	184.45	-
	Tata Communications Limited	Holding Company & its associates	238.56	267.25
Payables	Tata Communications (America) Inc.	Fellow Subsidiaries	683.28	1,520.32
	Tata Communications Limited	Holding Company & its associates	3,065.80	3,614.30
Other current liabilities	Tata Communications Limited	Holding Company & its associates	20.47	5.70
Lease liabilities - Current	Tata Communications Limited	Holding Company & its associates	756.76	728.14
Lease liabilities - Non Current	Tata Communications Limited	Holding Company & its associates	2,680.40	2,651.35

### 35. Lease arrangements

#### As lessee

The Group has lease contracts for immovable properties across various locations used in its operations. Such leases generally have lease terms between 3 to 10 years. Generally, The Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments.

The Group also has certain leases with lease terms of 12 months or less.

The following is the movement in lease liabilities

(₹ in lakhs)

Particulars	Amount
<b>Balance as at 1 April 2022</b>	<b>5,783.18</b>
Additions	1,359.16
Finance cost accrued during the year	417.93
Payment/Reversal of lease liabilities	(2,134.31)
Liabilities settled against leased assets terminated	-
Translation Difference	(14.91)
<b>Balance as at 31 March 2023</b>	<b>5,411.05</b>
Additions	1,101.08
Finance cost accrued during the year	388.61
Payment/Reversal of lease liabilities	(2,333.97)
Liabilities settled against leased assets terminated	-
Translation Difference	0.39
<b>Balance as at 31 March 2024</b>	<b>4,567.16</b>





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

The following is the break-up of current and non-current lease liabilities.

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Current liability	1,639.48	1,843.03
Non-current liability	2,927.68	3,568.02
<b>Total liabilities</b>	<b>4,567.16</b>	<b>5,411.05</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Due not later than one year	1,834.88	2,227.50
Due later than one year but not later than five years	3,331.41	3,746.07
Later than five years	166.21	521.31
	<b>5,332.50</b>	<b>6,494.88</b>

### 36. Contingent liabilities and commitments

#### i. Contingent liabilities

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Claims against the Company not acknowledged as debt		
- Claims for taxes on income* (Refer i)	489.20	504.90
- Claims for other indirect taxes (GST)	128.45	23.22
- Others (Refer ii)	909.96	1,047.62

\*In case the above tax matters are against the Company, then the Company may be liable for interest exposure of ₹ 270.53 lakhs (2023: ₹ 184.32 lakhs) on final settlement of the claims.

- i. These pertain to demand notices in respect of certain transfer pricing and other adjustments carried out by Revenue authorities and non-compliance of TDS for which the Company has preferred appeals and/ or filed rectifications which are pending at various forums.
- ii. Other claims include the claim of ₹ 823.79 lakhs (2023: ₹ 761.82 lakhs) pertaining to claims raised by a service provider for alleged breach of the contract. The contract provided for arbitration as the means of dispute resolution. The arbitrator has been appointed by the honorable High Court. However, it is difficult to predict the outcome of these proceedings as the dispute is currently at a very nascent stage. While the company believes that it has reasonable defense and doesn't expect any outflow of resources against Service provider's claims.
- iii. There are other legal cases, including cases filed by the employees, pending against the Group where the estimated contingency in respect of these cases cannot be ascertained. Based on management's assessment of the current status and also the past trends in respect of such cases, the Group believes that it is probable that the decisions shall be in its favour in respect of above and hence no provision is considered necessary.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### II. Commitments

#### i. Capital commitments

Estimated amount of contracts remaining (net of advances) to be executed on capital account, not provided for 45.91 lakhs (2023: ₹ 35.49 lakhs)

#### ii. Other commitments

The Group does not have any other commitments as at March 31, 2024 (2023: Nil)

### 37. Struck off Companies

Name of Struck off Company	Nature of Transaction with Struck- off Company	(₹ in lakhs)	
		As at 31 March 2024	As at 31 March 2023
Manikanta Network Communication	Payables	3.77	3.77
Corpuscles Optic Solutions And	Payables	2.30	-
Prime Transmission Line Pvt Ltd	Receivables	0.01	-
Godlinx Healthcare Private Limited	Receivables	12.50	12.50

- i. Amount receivable from customers is gross of provision for doubtful debts of ₹ 12.50 lakhs and ₹ 12.50 lakhs for 31 March 24 and 31 March 23 respectively.

### 38. Derivatives

#### Derivatives not designated as hedge instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within 1 year.

Outstanding derivatives instruments are as follows

	As at 31 March 2024		As at 31 March 2023	
	(Amount in foreign currency)	(Amount in INR)	(Amount in foreign currency)	(Amount in INR)
i. Forward exchange contracts (Sell)				
GBP	27.88	2,925.37	49.86	5,011.59
AUD	73.00	47.78	59.50	3,261.51
EUR	-	-	5.05	446.38
USD	77.57	6,490.13	109.74	9,074.00



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 39. Financial instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(r) to the consolidated financial statements.

#### Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2024 is as follows

				(₹ in lakhs)
	Fair value through profit or loss	Derivatives instrument	Amortised cost	Total carrying value
<b>Financial Assets:</b>				
Investments	-	-	-	-
Other financial assets	-	5.99	1,239.40	1,245.39
Trade receivables	-	-	50,438.35	50,438.35
Cash and Cash equivalents	-	-	5,627.19	5,627.19
<b>Total</b>	-	5.99	57,304.94	57,310.93
<b>Financials Liabilities:</b>				
Borrowings	-	-	30,149.92	30,149.92
Lease liabilities	-	-	4,567.16	4,567.16
Other financial liabilities	-	-	167.81	167.81
Trade payables	-	-	27,032.13	27,032.13
<b>Total</b>	-	-	61,917.02	61,917.02

The carrying value of financial instruments by categories as at 31 March 2023 is as follows

				(₹ in lakhs)
	Fair value through profit or loss	Derivatives instrument	Amortised cost	Total carrying value
<b>Financial Assets:</b>				
Investments	3,200.50	-	-	3,200.50
Other financial assets	-	-	1,194.83	1,194.83
Trade receivables	-	-	40,495.05	40,495.05
Cash and Cash equivalents	-	-	7,522.01	7,522.01
<b>Total</b>	3,200.50	-	49,211.89	52,412.39
<b>Financials Liabilities:</b>				
Borrowings	-	-	13,508.02	13,508.02
Lease liabilities	-	-	5,411.05	5,411.05
Other financial liabilities	-	103.31	79.79	183.10
Trade payables	-	-	29,919.49	29,919.49
<b>Total</b>	-	103.31	48,918.35	49,021.66

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payables as at 31 March 2024 and 31 March 2023 approximate the fair value because of their short-term nature. Difference between carrying amounts and fair values of other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

#### Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of following three levels:





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.  
Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).  
Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The investments included in level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market.

- (i) The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required)

	Fair value as at		Fair value hierarchy
	31 March 2024	31 March 2023	
<b>Financial Assets</b>			
Investments in mutual funds	-	3,200.50	Level 1
Foreign exchange forward contracts	5.99	-	Level 2
<b>Financial Liabilities</b>			
Foreign exchange forward contracts	-	103.31	Level 2

#### 40. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include loans, trade and other receivables, current investments and cash and cash equivalents that derive directly from its operations. The Company has investments in mutual funds on which gain or loss on fair value is recognised through profit or loss and also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Senior Management reviews and agrees policies for managing each of these risks, which are summarised below

##### a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, Fair Value Through Profit or Loss investments and derivative financial instruments.

##### b. Interest rate risk

Interest rate risk is the risk that the future cash flows with respect to interest receipts and payments on loans extended or availed will fluctuate because of changes in market interest rates. The Company does



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

not have exposure to the risk of changes in market interest rates as it does not have long-term debt obligations and loan receivables with fixed interest rates and loans extended on variable rate are classified as short term.

### c. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12- month period for hedges of forecasted sales and purchases.

#### Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rate shift of all the currencies by 5% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures of the Company as of the date of balance sheet which would affect the statement of Profit and Loss and equity.

The following tables sets forth information relating to foreign currency exposure (net) as at 31 March 2024 and 31 March 2023.

Currency	As at 31 March 2024		As at 31 March 2023	
	Financial liabilities	Financial Assets	Financial liabilities	Financial Assets
Omani Riyal	-	1,083.97	-	149.70
CAD	-	208.52	-	683.90
GBP	3,609.40	-	9,931.61	-
EUR	-	600.18	-	373.09
USD	-	1,798.24	-	878.96
AUD	2,776.20	-	2,321.61	-
Others	632.73	13.55	825.27	10.65

5% appreciation/ depreciation of the respective foreign currencies with respect to functional currency of the Group would result in decrease/ increase in the Group's profit before tax by approximately ₹ 165.69 lakhs and ₹ 549.11 lakhs for the year ended 31 March 2024 and 31 March 2023 respectively.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### d. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group has applied simplified approach for computing the expected credit loss allowance for trade receivables based on provision matrix. The provision matrix takes into consideration the historical credit loss experience and the adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due.

(₹ in lakhs)

Ageing of receivables (net)	As at 31 March 2024	As at 31 March 2023
Within credit period	21,524.99	27,555.08
01-90 days	20,154.91	9,402.59
91-180 days	6,648.74	1,034.17
181-360 days	1,550.78	626.96
More than 360 days	558.93	1,876.25
<b>Total</b>	<b>50,438.35</b>	<b>40,495.05</b>

### Movement in the expected credit loss allowance

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Balance at beginning of the year	5,524.62	5,704.01
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	1,341.69	(429.55)
Effect of foreign currency translation	37.40	250.16
<b>Balance at the end of the year</b>	<b>6,903.71</b>	<b>5,524.62</b>

i. Refer note 13 for balances outstanding from a large customer as at 31 March 2024





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### e. Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's corporate treasury is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual payments.

(₹ in lakhs)

As at 31 March 2024	On demand	0 to 12 months	1 to 2 years	2 to 5 years	>5 years	Total
Trade and other payables	2,737.91	24,294.22	-	-	-	27,032.13
Lease Liabilities	-	1,639.48	791.42	1,972.69	163.57	4,567.16
Borrowings	17,170.50	12,979.42	-	-	-	30,149.92
Other Financial Liability	7.47	160.34	-	-	-	167.81

(₹ in lakhs)

As at 31 March 2023	On demand	0 to 12 months	1 to 2 years	2 to 5 9years	>5 years	Total
Trade and other payables	11,429.23	18,490.26	-	-	-	29,919.49
Lease Liabilities	-	1,830.87	1,334.88	1,753.52	491.78	5,411.05
Borrowings	13,508.02	-	-	-	-	13,508.02
Other Financial Liability	4.11	178.99	-	-	-	183.10



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 41. Ratios

Sr. No.	Particulars	31 March 2024	31 March 2023
1	<b>Net Profit Margin (%)</b> (Profit/(Loss) for the period/ Income from Operations) (refer note a)	(4.38) %	(0.89) %
2	<b>Debt Equity ratio</b> (Total Debt (Long term borrowings + Short term borrowings (including Current maturities of long term borrowings)) / Equity) (refer note b)	(7002.50) %	203.76
3	<b>Debt service coverage ratio (no. of times)</b> Earning before exceptional items, interest, depreciation and amortisation and tax (EBIDTA)/ (Finance costs + Short term borrowings (including Current maturities of long term borrowings) (refer note b)	(0.02)	0.12
4	<b>Current Ratio (no. of times)</b> Total Current Assets/ Total Current Liabilities	0.86	0.98
5	<b>Trade Receivables turnover (no. of times)</b> Income from Operations/ Average Trade receivables	3.41	2.95
6	<b>Return on equity</b> Profit/ (Loss) for the year/ Average Equity (refer note c)	(219.05) %	(15.40) %
7	<b>Trade Payables turnover (no. of times)</b> (Operating and other expenses - Allowance for doubtful trade receivables - Allowance for doubtful advances)/ Average Trade payables (refer note d)	3.24	2.78
8	<b>Net Capital turnover (no. of times)</b> Income from Operations/ Working Capital (Current Assets-Current Liabilities) (refer note e)	(16.58)	1.30
9	<b>Return on Capital Employed (no. of times)</b> Earnings before interest & tax/ Capital Employed (Net worth + Total Debt) (refer note f)	(0.15)	0.02

- Increase in losses has resulted in variance
- Increase in borrowings has resulted in variance
- Increase in losses has resulted in lower return on equity
- Increase in cost and payables has resulted in variance
- Increase in current liability has resulted in unfavorable ratio
- Increase in debt has resulted in variance



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

42. As per Schedule III of the Companies Act 2013, the required information on subsidiaries is provided in the following table:

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Name of the entity	Net assets/(liabilities), i.e., total assets minus total liabilities		Share of profit or (Loss)		Share of Other Comprehensive Income/(Loss) (OCI)		Share of Total Comprehensive Income/(Loss)	
	As percentage of consolidated net assets	Amount in ₹ lakhs	As percentage of consolidated profit or loss	Amount in ₹ lakhs	As percentage of consolidated OCI	Amount in ₹ lakhs	As percentage of Total Comprehensive Income	Amount in ₹ lakhs
<b>Parent</b>								
Tata Communications Transformation Services Limited	25,373.52	21,158.43	87.70	(5,899.29)	100.00	18.65	87.66	(5,880.63)
<b>Subsidiaries</b>								
<b>Foreign</b>								
Tata Communications Transformation Services (Hungary)	32.45	27.06	0.20	(13.16)	-	-	0.20	(13.16)
Tata Communications Transformation Services Pte Limited	(23,213.21)	(19,357.00)	10.35	(695.94)	-	-	10.38	(695.94)
Tata Communications Transformation Services (US) Inc.	85.90	71.63	(1.31)	88.08	-	-	(1.31)	88.08
Tata Communications Transformation Services South Africa (Pty) Ltd	(26.98)	(22.50)	0.13	(8.57)	-	-	0.13	(8.57)
TCTS Senegal Limited SUARL	(2,151.68)	(1,794.24)	2.94	(198.05)	-	-	2.95	(198.05)
<b>Total</b>	<b>100.00</b>	<b>83.39</b>	<b>100.00</b>	<b>(6,726.93)</b>	<b>100.00</b>	<b>18.65</b>	<b>100.00</b>	<b>(6,708.27)</b>
Adjustments on Consolidation		(513.95)		(68.55)		-		(68.55)
<b>Grand Total</b>		<b>(430.56)</b>		<b>(6,795.48)</b>		<b>18.65</b>		<b>(6,776.83)</b>





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

43. The remuneration payable to the Managing Director of the Company for the year ended 31 March 2024 is in excess of the limits applicable under section 197 of the Companies Act 2013 (the 'Act'), read with Schedule V thereto, by ₹ 309.81 lakhs. The Company proposes to obtain approval of the shareholders in a general meeting by way of a special resolution to ensure compliance with the Act.

### 44. Going Concern

The Group continues to implement initiatives towards improving the profitability through operational efficiencies. The Group expects that these initiatives would result in sustainable cash flows. The Ultimate Holding Company has issued letter to the Group stating its intent to support as and when required over the next 12 months. The Group, based on the liquid funds available as at the year end, ability to roll over existing short-term facilities, approved unutilized debt facilities yet to be drawn and basis the letter of support from the Ultimate Holding Company is confident of meeting its operational and capital funding requirements for the financial year ending March 31, 2025. Accordingly, the financial statements of the Group have been prepared on a going concern basis.

### 45. Audit Trail

The Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that, audit trail feature is not enabled at the database level and certain master fields (asset master, supplier master and general ledger account master) for users with certain privileged access rights as it relates to SAP application.

Also, the Group has used an accounting software which is operated by a third-party software service provider, for processing the payroll for its employees, for which the Management is in possession of Service Organisation Controls report for the period April 1, 2023 to December 31, 2023.

The subsidiary companies included in consolidated financial statements are not incorporated in India and accordingly the provisions with respect to maintaining audit trail are not applicable to these subsidiaries.

### 46. Backup of the books of accounts

The Company has taken backup of the books of accounts and other books and papers and the same is retained on a server in India, except that the backup was not taken during certain holidays during the year ended March 31, 2024.

The subsidiary companies included in consolidated financial statements are not incorporated in India and accordingly the provisions with respect to maintaining backup are not applicable to these subsidiaries.

### 47. Events after the reporting period

There are no subsequent events between the year ended 31 March 2024 and signing of financial statements as on 16 April 2024 which have material impact on the consolidated financial statements of the Group.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2024

### 48. Approval of consolidated financial statements

The consolidated financial statements were approved for issue by the Board of Directors on 16 April 2024.

### 49. Previous year's figures have been regrouped/ re-arranged where necessary to conform to current year's classification / disclosure.

In terms of our report attached  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004



Per Abhishek Burad  
Partner  
Membership Number: 122860  
Place: Mumbai  
Date: 16 April 2024



For and on behalf of Board of Directors



Sivasamban Natarajan  
Director  
DIN Number: 08912108  
Place: Delhi  
Date: 16 April 2024

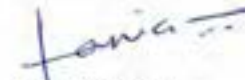


Agnel Navin  
Chief Executive Officer

Place: Delhi  
Date: 16 April 2024



Leena Solanki  
Director  
DIN Number: 09711933  
Place: Mumbai  
Date: 16 April 2024



Sanjay Agarwal  
Chief Financial Officer

Place: Mumbai  
Date: 16 April 2024



**INDEPENDENT AUDITOR'S REPORT**

To the Members of Tata Communications Payment Solutions Limited

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Tata Communications Payment Solutions Limited (the "Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 Financial Statements' 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 together with the ethical requirements that are relevant to our audit of the financial statements 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





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**Responsibility of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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 financial statements, 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. Under section 143(3)(i) of the Act, we are also responsible



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for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company's ability 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;





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- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph b above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that






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the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain changes made using privileged/ administrative access rights, as described in note 42 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of other accounting software. Also, in the absence of Service Organisation Controls report covering the full financial year as stated in note 42 to the financial statements, we are unable to comment on whether audit trail feature with respect to a third-party operated software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

  
per Abhishek Burad  
Partner  
Membership Number: 122860  
UDIN: 24122860BKFQOE4947  
Place of Signature: Mumbai  
Date: April 15, 2024



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**Annexure 1 referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our Report of even date**

**Re: Tata Communications Payment Solutions Limited (the "Company")**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a)(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were identified on such verification.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3a to the financial statements included in property, plant and equipment are held in the name of the Company except various number of immovable properties where the Company is the lessee and the lease agreements are not duly executed in the favour of the lessee as indicated in the below mentioned cases as at March 31, 2024:

Description of Property	Gross carrying value (Rs in lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Right of Use Assets	471.46	Various vendors	No	0-2 years	The Company is in the process of executing the lease agreements

- (d) The Company has not revalued its property, plant and equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.



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- (ii)(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii)(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.





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- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products/services of the Company.
- (vii)(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to employees' state insurance, value added tax, service tax, duty of customs and duty of excise are not applicable to the Company.
- (b) According to the records of the Company, the dues outstanding of income tax, goods and service tax and value added tax which have not been deposited on account of a dispute, are as follows:

Name of Statute	Nature of dues	Amount (Rs lakhs)*	Period to which the amount relates	Forum where dispute is pending
Bihar Value Added Tax	VAT Demand	121.23	2014-15	Deputy Commissioner of Commercial Taxes, Central Circle, Patna
Income Tax Act, 1961	TDS	37.75	AY 2018-19	The Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	TDS	5.28	AY 2019-20	The Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1.41	AY 2016-17	The Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	0.24	AY 2024-25	Income Tax Officer
Goods and Service Tax, 2017	GST Demand	63.38	2019-20	The Joint Commissioner (Appeals)
Goods and Service Tax, 2017	GST Demand	7.34	2017-18	The Joint Commissioner (Appeals) (Rajasthan)
Goods and Service Tax, 2017	GST Demand	20.12	2017-18	The Joint Commissioner (Appeals) – (West Bengal)
Goods and Service Tax, 2017	GST Demand	399.32	2017-18 to 2019-20	The Commissioner (Appeals) – (Tamil Nadu)
Goods and Service Tax, 2017	GST Demand	6.00	2017-18	Chief Commissioner (Appeals) (Delhi)

\* The Company has paid Rs 65.89 lakhs under protest towards demand raised.



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- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x)(a) The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments) and hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) No material fraud by or on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor or secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.



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- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company ('CIC') as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) According to the information and explanation given to us by the management, the Group has four CICs which are registered with the Reserve Bank of India.
- (xvii) The Company has not incurred cash losses in the current financial year and incurred cash losses amounting to Rs. 5,279.21 lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 40 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and the letter of financial support obtained by the Company from the Holding Company, nothing has come to our attention, which causes us to believe that Company is not capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date. We, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period





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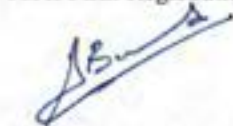
of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) The provisions of Section 135 to the Act in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The provisions of Section 135 to the Act in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



**per Abhishek Burad**

Partner

Membership Number: 122860

UDIN: 24122860BKFQOE4947

Place of Signature: Mumbai

Date: April 15, 2024



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**Annexure 2 referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory requirements" of our report of even date**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to financial statements of Tata Communications Payment Solutions Limited (the "Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.



## **Meaning of Internal Financial Controls With Reference to these Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls With Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
per Abhishek Burad

Partner

Membership Number: 122860

UDIN: 24122860BKFAQE4947

Place of Signature: Mumbai

Date: April 15, 2024





Tata Communications Payment Solutions Limited				
Balance Sheet as at 31 March 2024				
	Particulars	Notes	As at 31 March 2024 ₹ in Lacs	As at 31 March 2023 ₹ in Lacs
<b>A</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>Non-current assets</b>			
(a)	Property, plant and equipment	3	4,972.40	7,082.84
(b)	Right of Use Asset	4	1,149.46	6,438.43
(c)	Capital work-in-progress	5	115.06	385.14
(d)	Intangible assets	6	1.06	1.30
(e)	Financial Assets			
	(i) Other financial assets	7A	342.02	370.34
(f)	Income tax assets (net)	8	63.24	27.41
(g)	Other assets	9A	0.21	21.65
	<b>Total non-current assets</b>		<b>6,643.45</b>	<b>14,324.51</b>
<b>(2)</b>	<b>Current assets</b>			
(a)	Financial Assets			
	(i) Investments	10	10,168.80	2,500.39
	(ii) Trade receivables	11	16.61	729.50
	(iii) Cash and cash equivalents	12	10,410.01	28,568.86
	(iv) Bank balances other than (a) above	13	5,033.09	22.92
	(v) Other financial assets	7B	1,170.76	2,775.31
(b)	Other assets	9B	2,994.73	3,320.84
	<b>Total current assets</b>		<b>31,784.00</b>	<b>37,896.02</b>
	<b>Total assets</b>		<b>38,427.45</b>	<b>52,220.53</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>I</b>	<b>Equity</b>			
(a)	Equity share capital	14	1,21,709.18	1,21,709.18
(b)	Other equity	15	(1,11,312.78)	(1,11,300.57)
	<b>Total equity</b>		<b>10,396.40</b>	<b>10,408.61</b>
<b>II</b>	<b>Liabilities</b>			
<b>(1)</b>	<b>Non-current liabilities</b>			
(a)	Financial liabilities			
	(i) Lease liabilities	16A	1,366.25	5,342.00
	(ii) Other financial liabilities	21A	12,410.94	11,270.63
(b)	Provisions	17A	811.76	325.85
(c)	Other liabilities	18A	80.42	98.76
	<b>Total non-current liabilities</b>		<b>14,169.37</b>	<b>17,027.24</b>
<b>(2)</b>	<b>Current liabilities</b>			
(a)	Financial liabilities			
	(i) Borrowings	19	-	12,000.00
	(ii) Lease liabilities	16B	332.64	2,323.84
	(iii) Trade and other payables			
	1. Total outstanding dues of micro enterprises and small enterprises	20A	6.80	2.96
	2. Total outstanding dues of creditors other than micro enterprises and small enterprises	20B	5,387.20	7,298.42
	(iv) Other financial liabilities	21B	7,484.60	2,067.04
(b)	Provisions	17B	38.92	52.67
(c)	Other liabilities	18B	611.53	849.70
	<b>Total current liabilities</b>		<b>13,861.68</b>	<b>24,584.63</b>
	<b>Total equity and liabilities</b>		<b>38,427.45</b>	<b>52,220.53</b>

The accompanying notes are an integral part of the financial statements

As per our report attached  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 1010490

per Abhishek Burad  
Partner  
Membership Number: 122840



Ridhi Sood  
Company Secretary

Place : Mumbai  
Dated: 15 April 2024

For and on behalf of the board of Directors

Leena Solanki  
Director  
DIN Number: 09711933

Sanjeev Patel  
Chief Executive Officer

Sumeet Walia  
Director  
DIN Number: 06758031

Abhinav Lakshmi  
Chief Financial Officer



**Tata Communications Payment Solutions Limited**  
**Statement of Profit and Loss for the year ended 31 March 2024**

Particulars	Notes	Year ended	
		31 March 2024 ₹ in Lacs	31 March 2023 ₹ in Lacs
I Revenue from operations		16,602.24	18,535.82
II Other Income	22	3,114.35	1,046.16
III Total Income (I + II)		19,716.59	19,581.98
IV Expenses:			
Employee benefit expense	23	2,252.19	2,359.82
Operating and other expenses	24	13,731.21	14,541.72
Depreciation and amortisation expense	25	4,262.03	6,300.96
Finance costs	26	1,495.30	2,783.34
Total Expenses		21,740.73	25,985.84
V Loss before exceptional items and tax (III - IV)		(2,024.14)	(6,403.86)
VI Exceptional Items		-	-
VII Loss before tax (V - VI)		(2,024.14)	(6,403.86)
VIII Tax expense		-	-
IX Loss for the period (VII - VIII)		(2,024.14)	(6,403.86)
X Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		11.88	(13.89)
Other comprehensive income/(loss) for the year, net of tax		11.88	(13.89)
XI Total comprehensive loss for the year, net of tax (IX + X)		(2,012.26)	(6,417.75)
Basic/ Diluted Earnings per share (of ₹ 10 each)	30	(0.16)	(0.54)

The accompanying notes are an integral part of the financial statements

As per our report attached  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

For and on behalf of the board of Directors

  
per Abhishek Burad  
Partner  
Membership Number: 122860



  
Ridhi Sood  
Company Secretary

  
Leena Solanki  
Director  
DIN Number: 09711933

  
Sanjeev Patel  
Chief Executive Officer

  
Sumeet Walia  
Director  
DIN Number: 06758031

  
Abhinav Lathia  
Chief Financial Officer

Place : Mumbai  
Dated: 15 April 2024

Place : Mumbai  
Dated: 15 April 2024



Tata Communications Payment Solutions Limited Cash Flow Statement for the year ended 31 March 2024		
	Year Ended 31 March 2024 ₹ in Lacs	Year Ended 31 March 2023 ₹ in Lacs
<b>Cash Flows from operating activities</b>		
Loss before tax	(2,024.14)	(6,403.86)
Adjustments for:		
Depreciation and amortisation expense	4,262.03	6,300.96
Finance cost	1,495.30	2,783.34
Loss/(Gain) on sale of property, plant and equipment and intangible assets (net)	(79.41)	(51.85)
Write off of property, plant and equipment and intangible assets	2.30	5.36
Gain on derecognition/modification of ROU	(591.00)	(217.12)
Allowance for doubtful advances	61.70	(132.60)
Allowance for doubtful trade receivables	7.13	(1,849.90)
Bad debts written off	-	1,281.00
Gain on investments carried at fair value through profit or loss	(510.18)	(16.53)
Provision/Liabilities no longer required written back	(53.99)	(90.37)
<b>Operating profit before working capital changes</b>	<b>2,569.79</b>	<b>1,608.42</b>
<b>Adjustment for (increase) / decrease in operating assets:</b>		
Trade receivable	705.75	182.34
Other assets	(579.79)	(115.32)
<b>Adjustment for increase / (decrease) in operating liabilities:</b>		
Trade and other payables	(1,853.41)	(532.38)
Provisions	(5.96)	(18.88)
Other Liabilities	5,947.39	6,764.95
<b>Cash generated from operations</b>	<b>6,783.77</b>	<b>7,889.13</b>
Income tax (paid)/refund received (net)	(35.83)	148.95
<b>Net cash flow generated from operating activities</b>	<b>6,747.94</b>	<b>8,038.08</b>
<b>Cash flow from investing activities</b>		
Payments for purchase of property, plant and equipment and intangible assets	(867.27)	(1,580.83)
Proceeds from disposal of property, plant and equipment	118.04	76.24
Purchase of current investment (Mutual Fund)	(42,097.26)	(6,999.65)
Sale of current investment (Mutual Fund)	34,938.98	4,515.79
Fixed deposit placed	(5,000.17)	(0.12)
<b>Net cash used in investing activities</b>	<b>(12,907.68)</b>	<b>(3,988.57)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity share capital	2,000.00	5,000.00
Repayment of current borrowings	(12,000.00)	(16,686.90)
Interest paid	(271.19)	(1,446.68)
Repayment of lease liabilities	(1,725.92)	(3,697.38)
<b>Net cash flow used in financing activities</b>	<b>(11,997.11)</b>	<b>(16,830.94)</b>
<b>Net Decrease in cash and cash equivalents</b>	<b>(18,156.85)</b>	<b>(12,781.43)</b>
Cash and cash equivalents as at beginning of the year	28,566.86	41,348.29
<b>Cash and cash equivalents as at end of the year</b>	<b>10,410.01</b>	<b>28,566.86</b>
Note: Figures in bracket represent outflows.		

As per our report attached  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

  
per Abhishek Burad  
Partner  
Membership Number: 122860



Place: Mumbai  
Dated: 15 April 2024

For and on Behalf of the Board of Directors

  
Leela Solanki  
Director  
DIN Number: 09721931

  
Sumesh Walla  
Director  
DIN Number: 06758031

  
Sanjeev Patel  
Chief Executive Officer

  
Abhay Lohit  
Chief Financial Officer

  
Ridhi Sood  
Company Secretary

Place: Mumbai  
Dated: 15 April 2024





Tata Communications Payment Solutions Limited  
Statement of changes in equity for the year ended 31 March 2024

**A. Equity Share Capital**


Particulars	No. of Shares	(₹ in Lacs) Amount
Balance as at 1 April 2022	1,16,70,91,784	1,16,709.18
Issue of share Capital	5,00,00,000	5,000.00
Balance as at 31 March 2023	1,21,70,91,784	1,21,709.18
Issue of share Capital	2,00,00,000	2,000.00
Balance as at 31 March 2024	1,23,70,91,784	1,23,709.18

**B. Other Equity**

Particulars	Reserves and surplus			Items of other comprehensive income	Total
	Securities premium	Contribution from parent company	Retained earnings	Remeasurement of the defined benefit plans	
Balance as at 1 April 2022	45,490.81	5,496.42	(1,55,865.64)	(4.36)	(1,04,882.77)
Loss for the year	-	-	(6,403.86)	-	(6,403.86)
Other comprehensive loss for the year	-	-	-	(13.89)	(13.89)
Total comprehensive income/(loss) for the year	-	-	(6,403.86)	(13.89)	(6,417.75)
Balance as at 31 March 2023	45,490.81	5,496.42	(1,62,269.50)	(18.25)	(1,11,300.52)
Loss for the year	-	-	(2,024.14)	-	(2,024.14)
Other comprehensive income for the year	-	-	-	11.88	11.88
Total comprehensive income/(loss) for the year	-	-	(2,024.14)	11.88	(2,012.26)
Balance as at 31 March 2024	45,490.81	5,496.42	(1,64,293.64)	(6.37)	(1,13,312.78)

The accompanying notes are integral part of the financial statements

As per our report attached  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

  
per Abhishek Burad  
Partner  
Membership Number: 122850




  
Ridhi Sood  
Company Secretary

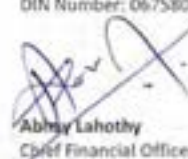
Place: Mumbai  
Dated: 15 April 2024

For and on behalf of the Board of Directors

  
Leena Solanki  
Director  
DIN Number: 09711933

  
Sumeet Walla  
Director  
DIN Number: 06758031

  
Sanjeev Patel  
Chief Executive Officer

  
Abhinav Lahothy  
Chief Financial Officer

Place: Mumbai  
Dated: 15 April 2024



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### 1. Corporate information

**TATA Communications Payment Solutions Limited** (CIN-U72900MH2008PLC179551) (the 'Company') was incorporated in India on 28 February 2008 to engage in the business of providing infrastructure managed services and incidental activities to banking sector and has obtained authorization from Reserve Bank of India ('RBI') to set up, own and operate White Label Automated Teller Machine ('ATM') under the Payment and Settlement Systems Act, 2007. The Company operates under the brand name 'Indicash' for its White Label ATM Business. The Company also deals in and handling a portfolio of products that integrate white label ATM management, POS and merchant system, credit and debit card system and internet banking, mobile banking and other related services. The Company is a wholly owned subsidiary of Tata Communications Limited (CIN-L64200MH1986PLC039266) (Holding Company).

The Company is domiciled in India and its registered office is at Plot No. C21 & C36 'G' Block Bandra Kurla Complex Mumbai - 400 098.

### 2. Material accounting policies

#### a. Statement of compliance

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

#### b. Basis of preparation of financial statements

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities which have been measured at fair value or revalued amount.

- i. Derivative financial instruments and
- ii. Certain financial assets and liabilities measured at fair value (refer note 2 (q))

The accounting policies adopted for preparation and presentation of financial statements have been consistently applied. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle.

The financial statements are presented in Indian Rupees (INR), and all values are rounded to the nearest lac (INR 00,000), except when otherwise indicated.

#### c. Significant accounting estimates and assumptions

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liability as at the date of the financial statement and the reported amounts of income and expense for the year presented.

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

#### Estimates and assumptions

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





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### I. Defined benefit plans

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

### II. Useful life and residual value of Property, Plant and equipment and Intangible assets

The Company reviews the useful life and residual value of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and /or amortisation expense in future periods.

### III. Fair value measurement of financial instruments

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

### IV. Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

Provisions and contingent liabilities are reviewed at each balance sheet date.

### d. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

A liability is current when:

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

### e. Cash and cash equivalents (for purposes of Cash flow statement)

Cash comprises cash on hand (including cash in ATM, cash in vault held with Cash Replenishment Agencies ('CRA') and remittances in transit) and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### f. Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation / amortization and impairment losses, if any. The cost comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and all incidental expenses incurred on making the asset ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company de]recognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly only when it is probable that future economic benefits associated with item will flow to the Company and cost can be measured reliably. All other repairs and maintenance costs are recognized in profit and loss account as incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date and are carried at cost, comprising direct cost and related incidental expenses.

The depreciable amount for property, plant and equipment is the cost of the property, plant and equipment or other amount substituted for cost, less its estimated residual value (wherever applicable). Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful lives. The asset's residual values, estimated useful lives and methods of depreciation are reviewed at each financial year end and any change in estimate is accounted for on a prospective basis.

For batteries, the Company keeps 5% of value of asset as residual value and depreciates the balance amount over useful life of the asset.

Estimated useful lives of the assets are as follows:

Property, plant and equipment	Estimated Useful life of Assets
a. Plant and Machinery (Refer 1 below)	
- ATM & Cash Dispensers	10 years
- Other Equipment & accessories at ATM Site (UPS, AC, Battery, VSAT)	3 to 8 years
- Other General Plant & Machinery	3 to 8 years
b. Leasehold Improvements	Over the customer contract or term of the lease of the site or asset life, whichever is lower
c. Furniture*	10 years
d. Office equipment*	5 years
e. Computers & IT Servers*	3 to 6 years



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

\* On the above categories of assets, the depreciation has been provided as per useful life prescribed in Schedule II to the Companies Act, 2013.

1. In these cases, the life of the assets has been assessed based on technical advice, considering the nature of the asset, the estimated usage of the asset, the operating conditions of the asset.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit and Loss in the year of occurrence.

### g. Intangible assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets under development includes expenditure on software development eligible for capitalisation which are carried as Intangible assets under development where such assets are not yet ready for their intended use.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Estimated useful lives of intangible assets are as follows:

Software and Application	3 to 6 years
--------------------------	--------------

An intangible asset is de-recognized upon disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

### h. Impairment of non-financial assets

The carrying values of assets / cash generating units ("CGU") at each balance sheet date are reviewed for impairment, if any indication of impairment exists. The following intangible assets are tested for impairment at the end of each financial year even if there is no indication that the asset is impaired:

- i. an intangible asset that is not yet available for use and
- ii. an intangible asset with indefinite useful lives.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at a revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and the value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

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

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company as a CGU. These budgets and forecast calculations generally cover a significant period. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the significant period.

### i. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a Right of Use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### Lessee

The Company's lease asset classes primarily consist of leases for ATM Sites. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Refer to the accounting policies in note 2(h) Impairment of non-financial assets.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Lease liability and ROU asset have been separately presented in the Balance Sheet.

### Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

### j. Employee benefits

Employee benefits include provident fund, gratuity, compensated absences and performance incentives.

#### i. Short term employment benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives payable within twelve months.

#### ii. Post-employment benefits

Contributions to defined contribution retirement benefit schemes are recognized as expenses when employees have rendered services entitling them to the contributions.

For defined benefit schemes in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if applicable), excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognized in the Statement of Profit and Loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes changes in service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements under employee benefit expenses in the Statement of Profit and Loss. The net interest expense or income is recognized as part of finance cost in the Statement of Profit and Loss.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### iii. Other long-term employment benefits

Compensated absences, which are not expected to occur within twelve months after the end of the period in which the employee renders the related services, are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date.

### iv. Share-Based Payments

The Holding Company grants RSU's to the employees of the Company entitling to Equity shares of the Holding Company subject to fulfilment of non-market vesting conditions. The Holding Company shall charge back the amount for units expected to vest over the vesting period based on the Grant Date Fair value determined by Holding Company to the Company which is accounted as employee benefit expenses by the Company.

### k. Revenue recognition

Revenue is recognised upon transfer of control of promised products or rendering of services to the customers for an amount that reflects the consideration to which the Company expects to receive in exchange for those goods or services in normal course of business. Revenue is measured at the negotiated/ regulated transaction value of the consideration received or receivable excluding taxes collected on behalf of the government and is reduced for estimated credit notes and other similar allowances.

The consideration due to the Company is based on number of transactions in the ATMs and interchange rate fixed by Reserve Bank of India (RBI) for White Label ATM Business and Co-branding activities at white label ATMs are as per the contracts.

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

#### Trade Receivables

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

### l. Other income

- a. Dividends from investments are recognized when the right to receive payment is established and no significant uncertainty as to measurability or collectability exists.
- b. Interest income for all financial instruments measured at amortized cost is recorded on accrual basis. Interest income is included in other income in the Statement of Profit and Loss.

### m. Taxation

#### 1. Current income tax

Current Income tax expense is determined in accordance with the provisions of the Income Tax Act, 1961 (as amended).

Provisions for current income taxes and advance taxes paid in respect of the same jurisdiction are presented in the balance sheet after offsetting these balances on an assessment year basis. Current tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### 2. Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside the Statement of Profit and Loss (either in Other comprehensive income or in equity) is recognized outside the Statement of Profit and Loss. Deferred tax items are recognized in correlation to the underlying transaction either in Other comprehensive income or directly in equity.

Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

### n. Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

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

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

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

The fair value of a financial asset or a liability is measured using the assumption that market participants act in their economic best interest.

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

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

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

### o. Foreign currencies

The Company's financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

Foreign currency transactions are converted into Indian Rupees at rates of exchange approximating those prevailing at the transaction dates or at the average exchange rate for the month in which the transaction occurs. Foreign currency monetary assets and liabilities are outstanding as at the balance sheet date are translated to Indian Rupees at the closing rates prevailing on the balance sheet date. Exchange differences on foreign currency transactions are recognised in the Statement of Profit and Loss.

### p. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

### q. Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

#### Financial assets

##### i. Financial assets at amortized cost

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

##### ii. Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through Other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

##### iii. Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

### iv. Derecognition

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

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

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

### v. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- a. Financial assets measured at amortised cost
- b. Financial assets measured at Fair Value through Other Comprehensive Income

Expected credit losses are measured through a loss allowance at an amount equal to the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at reporting date.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For assessing expected credit loss on a collective basis, financial assets have been grouped on the basis of shared risk characteristics and basis of estimation may change during the course of time due to change in risk characteristics.

### vi. Financial liabilities

Financial liabilities are classified, at initial recognition, as Financial Liability at FVTPL, Loans and borrowings, payables, as appropriate.

All Financial Liability are recognized initially at fair value and, in case of loans and borrowings and payable, net of directly attributable transaction costs.





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### i. Subsequent measurement

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

#### I. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost on accrual basis.

#### II. Derecognition

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

### ii. Offsetting of financial instruments

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

### iii. Derivative financial instruments - Initial and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### r. Recent accounting pronouncements

Recent pronouncements Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### 3. Property, plant and equipment

(₹ in lacs)

	Plant and Machinery	Office Equipment	Computers	Furniture and Fixtures	Leasehold Improvements	Total
<b>Cost</b>						
Balance as at 01 April 2022	35,430.59	48.33	1,158.03	11.44	6,249.68	42,898.07
Additions	1,246.11	-	28.83	-	149.16	1,424.10
Disposals	(1,456.80)	(8.78)	(138.84)	-	-	(1,604.42)
Assets written off	(270.01)	-	-	-	(947.22)	(1,217.23)
Transfer	(1.01)	-	-	-	1.01	-
<b>Balance as at 31 March 2023</b>	<b>34,948.88</b>	<b>39.55</b>	<b>1,048.02</b>	<b>11.44</b>	<b>5,452.58</b>	<b>41,500.47</b>
Additions	662.80	-	-	-	247.33	910.13
Disposals	(3317.35)	(9.24)	(355.22)	-	(7.95)	(3,689.76)
Assets written off	(548.55)	(9.38)	(125.17)	(9.64)	(3,779.98)	(4,472.72)
Transfer	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>31,745.78</b>	<b>20.93</b>	<b>567.63</b>	<b>1.80</b>	<b>1,911.98</b>	<b>34,248.12</b>
<b>Accumulated Depreciation</b>						
Balance as at 01 April 2022	26,859.65	48.17	1,070.79	11.33	5,823.65	33,813.59
Depreciation	3,072.95	0.12	58.87	0.04	264.02	3,396.00
Disposals	(1,432.60)	(8.78)	(138.72)	-	-	(1,579.96)
Assets written off	(262.35)	-	-	-	(949.51)	(1,211.86)
Transfer	1.01	-	-	-	(1.01)	-
<b>Balance as at 31 March 2023</b>	<b>28,238.65</b>	<b>39.51</b>	<b>990.94</b>	<b>11.37</b>	<b>5,137.16</b>	<b>34,417.63</b>
Depreciation	2,690.54	0.04	30.89	0.03	258.14	2,979.64
Disposals	(3,278.73)	(9.24)	(355.22)	-	(7.95)	(3,651.14)
Assets written off	(546.24)	(9.38)	(125.17)	(9.64)	(3,779.98)	(4,470.41)
Transfer	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>27,104.22</b>	<b>20.93</b>	<b>541.44</b>	<b>1.76</b>	<b>1,607.37</b>	<b>29,275.72</b>
<b>Carrying amount</b>						
Balance as at 31 March 2023	6,710.23	0.04	57.08	0.07	315.42	7,082.84
<b>Balance as at 31 March 2024</b>	<b>4,641.56</b>	<b>-</b>	<b>26.19</b>	<b>0.04</b>	<b>304.61</b>	<b>4,972.40</b>

The aggregate depreciation expense on Property, plant and equipment is included under depreciation and amortisation expenses in the Statement of Profit and Loss.

#### a. Title deeds of Immovable Property not held in the name of the Company.

Description of item of property	Gross book value 31 March 24 (₹ in lacs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Right of use assets	471.46	Various parties	No	0-2 years	Lease agreements execution is in process



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### 4. Right of use Assets

(₹ in lacs)

Particulars	Amount
<b>Cost</b>	
Balance as at 01 April 2022	17,914.84
Additions	885.60
Terminations	(3,967.96)
<b>Balance as at 31 March 2023</b>	<b>14,832.48</b>
Additions	972.99
Terminations	(12,970.19)
<b>Balance as at 31 March 2024</b>	<b>2,835.28</b>
<b>Accumulated amortization</b>	
Balance as at 01 April 2022	7,618.81
Amortization	2,901.11
Terminations	(2,123.87)
<b>Balance as at 31 March 2023</b>	<b>8,396.05</b>
Amortization	1,282.15
Terminations	(7,992.38)
<b>Balance as at 31 March 2024</b>	<b>1,685.82</b>
<b>Carrying amount</b>	
Balance as at 31 March 2023	6,436.43
<b>Balance as at 31 March 2024</b>	<b>1,149.46</b>

The aggregate amortisation expense on ROU assets is included under depreciation and amortisation expenses in the Statement of Profit and Loss.

### 5. Capital Work in-progress (CWIP)

#### a. CWIP Ageing Schedule :

(₹ in lacs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in Progress</b>					
As on 31 arch 2024	115.06	-	-	-	115.06
As on 31 March 2023	385.14	-	-	-	385.14

There are no projects which are temporarily suspended or whose cost has exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023 respectively.

#### b. CWIP Completion Schedule as on 31<sup>st</sup> March 2024

(₹ in lacs)

CWIP	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in Progress</b>					
As on 31 March 2024	115.06	-	-	-	115.06
As on 31 March 2023	385.14	-	-	-	385.14



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### c. Movement of Capital Work in Progress

(₹ in lacs)

	31 March 2024	31 March 2023
Opening balance	385.14	378.31
Additions	693.45	1,530.08
Deletions	(53.40)	(99.16)
Transferred to property, plant and equipment	(910.13)	(1,424.10)
<b>Closing Balance</b>	<b>115.06</b>	<b>385.14</b>

### 6. Intangible assets

(₹ in lacs)

Computer software	
<b>Cost</b>	
Balance as at 01 April 2022	500.46
Additions	1.43
Assets written off	(16.60)
<b>Balance as at 31 March 2023</b>	<b>485.29</b>
Additions	-
Assets written off	(340.89)
<b>Balance as at 31 March 2024</b>	<b>144.40</b>
<b>Accumulated amortization</b>	
Balance as at 01 April 2022	496.74
Amortization Expense	3.85
Assets written off	(16.60)
<b>Balance as at 31 March 2023</b>	<b>483.99</b>
Amortization Expense	0.24
Assets written off	(340.89)
<b>Balance as at 31 March 2024</b>	<b>143.34</b>
<b>Carrying amount</b>	
Balance as at 31 March 2023	1.30
<b>Balance as at 31 March 2024</b>	<b>1.06</b>

The aggregate depreciation expense on Property, plant and equipment is included under depreciation and amortisation expenses in the Statement of Profit and Loss.





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### 7. Other financial assets

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
<b>A. Non-Current</b>		
Security deposits		
Unsecured, considered good	342.02	370.34
Unsecured, considered doubtful	113.43	113.43
	455.45	483.77
Less: Allowance for doubtful security deposits	(113.43)	(113.43)
<b>Total (A)</b>	<b>342.02</b>	<b>370.34</b>
<b>B. Current</b>		
Advance to vendors and contractors		
Unsecured, considered good	3,170.76	2,775.51
Unsecured, considered doubtful	264.76	264.76
	3,435.52	3,040.27
Less: Allowance for doubtful advances	(264.76)	(264.76)
<b>Total (B)</b>	<b>3,170.76</b>	<b>2,775.51</b>
<b>(A+B)</b>	<b>3,512.78</b>	<b>3,145.85</b>

### 8. Income tax assets (net)

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
Advance tax (net of provision for taxes)	63.24	27.41
<b>Total</b>	<b>63.24</b>	<b>27.41</b>

### 9. Other assets

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
<b>A. Non-current</b>		
a. Prepaid expenses	0.21	21.05
<b>Total (A)</b>	<b>0.21</b>	<b>21.05</b>
<b>B. Current</b>		
a. Taxes recoverable (net) – Considered good	1,843.83	2,082.46
b. Advance to Vendors		
Unsecured, considered good	622.07	957.48
Unsecured, considered doubtful	225.29	163.59
	847.36	1,121.07
Less: Allowance for doubtful advances	(225.29)	(163.59)
	622.07	957.48
c. Prepaid expenses	305.34	55.95
d. Other receivables – Unsecured, Considered good	217.35	2.27
e. Advances to Employees – Unsecured, Considered good	6.16	2.68
<b>Total (B)</b>	<b>2,994.75</b>	<b>3,100.84</b>
<b>(A+B)</b>	<b>2,994.96</b>	<b>3,121.89</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### 10. Current Investments

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
<b>Measured at Fair Value through Profit and Loss</b>		
Investments in Mutual Funds	10,168.80	2,500.39
<b>Total</b>	<b>10,168.80</b>	<b>2,500.39</b>

### 11. Trade receivables

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
<b>Unsecured (including unbilled receivables)</b>		
a. Considered good	16.61	729.50
b. Considered doubtful	221.12	213.99
	<b>237.73</b>	<b>943.49</b>
Less: Allowance for doubtful debts (Refer note 34 (c))	(221.12)	(213.99)
<b>Total</b>	<b>16.61</b>	<b>729.50</b>

### Trade Receivables ageing schedule as at 31 March 2024

(₹ in lacs)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	0.76	0.34	8.19	6.50	0.82	-	-	16.61
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.01	0.16	0.27	4.82	130.62	135.88
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	8.51	-	76.73	85.24
<b>Total</b>	<b>0.76</b>	<b>0.34</b>	<b>8.20</b>	<b>6.66</b>	<b>9.60</b>	<b>4.82</b>	<b>207.35</b>	<b>237.73</b>
Less: Allowance for doubtful receivables								(221.12)
<b>Net Total</b>								<b>16.61</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

Trade Receivables ageing schedule as at 31 March 2023

(₹ in lacs)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	14.35	10.54	21.56	11.21	11.83	0.12	659.89	729.50
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.03	1.80	0.32	3.41	208.43	213.99
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>14.35</b>	<b>10.54</b>	<b>21.59</b>	<b>13.01</b>	<b>12.15</b>	<b>3.53</b>	<b>868.32</b>	<b>943.49</b>
Less: Allowance for doubtful receivables								(213.99)
<b>Net Total</b>								<b>729.50</b>

### 12. Cash and cash equivalents

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
a. Balances at ATM	8,177.77	22,182.26
b. Remittance in transit	385.07	964.87
c. Cash in vault	45.31	2,543.41
d. Balances with banks	1,801.86	2,876.32
<b>Total</b>	<b>10,410.01</b>	<b>28,566.86</b>





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### 13. Bank balances (other than note 12 above)

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
<b>Other bank balances:</b>		
a. Deposits with original maturity over three months	5,000.00	-
b. Restricted bank deposits (refer note i below)	23.09	22.92
<b>Total</b>	<b>5,023.09</b>	<b>22.92</b>

i. ₹23.09 lacs (2023: ₹22.92 lacs) represents the amount withheld towards legal matters

### 14. Equity share capital

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
<b>a. Authorised:</b>		
1,500,000,000 (2023: 1,500,000,000) Equity Shares of ₹10 each	150,000.00	150,000.00
1,100,000,000 (2023: 1,100,000,000) 12% Convertible Preference Shares of face value ₹10/- each	110,000.00	110,000.00
	<b>260,000.00</b>	<b>260,000.00</b>
<b>b. Issued, Subscribed and Paid up:</b>		
1,237,091,784 (2023: 1,217,091,784) Equity Shares of ₹10 each, fully paid up	1,23,709.18	121,709.18
<b>Total</b>	<b>1,23,709.18</b>	<b>121,709.18</b>

#### a. Number of shares held by each shareholder holding more than 5% of the issued share capital:

Tata Communications Limited (Holding Company)	As at 31 March 2024		As at 31 March 2023	
	No of shares	Percentage	No of shares	Percentage
Equity shares	1,237,091,784	100%	1,217,091,784	100%

#### b. Terms/Rights attached to shares:

The Company has only one class of equity shares having a face value of ₹10 per share. Equity shareholders are entitled to one vote per share at any General Meeting of Shareholders.

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



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### 15. Other equity

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
a. Retained earnings	(1,64,293.64)	(1,62,269.50)
b. Other comprehensive income (refer note i below)	(6.37)	(18.25)
c. Securities premium (refer note ii below)	45,490.81	45,490.81
d. Contribution from parent company (refer note iii below)	5,496.42	5,496.42
<b>Total</b>	<b>(113,312.78)</b>	<b>(1,11,300.52)</b>

#### i. Other Comprehensive Income

This represents the cumulative gains and losses arising from remeasurement of defined employee benefit plans.

#### ii. Securities premium

It is the additional amount which shareholders have paid for shares issued; that was in excess of the face value of those shares. This premium can be used to write off equity related expenses and issue of bonus shares.

#### iii. Contribution from holding company

The interest on the debt component of the preference shares is disclosed as contribution from holding company on conversion to equity shares.

### 16. Lease liabilities

(₹ in lacs)

		As at 31 March 2024	As at 31 March 2023
A. <u>Non-current</u>			
Lease liability		1,366.25	5,342.00
	<b>Total (A)</b>	<b>1,366.25</b>	<b>5,342.00</b>
B. <u>Current</u>			
Lease liability		332.64	2,313.84
	<b>Total (B)</b>	<b>332.64</b>	<b>2,313.84</b>
	<b>(A+B)</b>	<b>1,698.89</b>	<b>7,655.84</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### 17. Provisions

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
<b>A. <u>Non-current</u></b>		
Provision for employee benefits		
a. Provision for gratuity (refer note 29 (ii))	255.21	258.75
b. Provision for compensated absences (refer note 29 (iii))	56.55	57.10
<b>Total (A)</b>	<b>311.76</b>	<b>315.85</b>
<b>B. <u>Current</u></b>		
a. Provision for compensated absences (refer note 29 (iii))	7.21	7.57
b. Provision for Others	31.71	45.10
<b>Total (B)</b>	<b>38.92</b>	<b>52.67</b>
<b>(A+B)</b>	<b>350.68</b>	<b>368.52</b>

### 18. Other liabilities

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
<b>A. <u>Non-current</u></b>		
Accrued employee benefits	80.42	98.76
<b>Total (A)</b>	<b>80.42</b>	<b>98.76</b>
<b>B. <u>Current</u></b>		
a. Accrued employee benefits	405.17	305.94
b. Statutory liabilities		
TDS payable	188.29	246.47
GST payable	-	278.09
Others statutory dues	17.83	18.97
c. Customer Advances	0.23	0.23
<b>Total (B)</b>	<b>611.52</b>	<b>849.70</b>
<b>(A+B)</b>	<b>691.94</b>	<b>948.46</b>

### 19. Borrowings

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
<b><u>Current</u></b>		
Loans repayable on demand (from banks)		
a. Working capital demand loan - Unsecured (Rate of interest: 2024: 7.90% to 9.30% (2023: 6.80% to 8.15%))	-	12,000.00
<b>Total</b>	<b>-</b>	<b>12,000.00</b>





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### 20. Trade and other payables

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
A Total outstanding dues of micro enterprises and small enterprises (Refer note 38)	6.80	2.96
<b>(A)</b>	<b>6.80</b>	<b>2.96</b>
B Total outstanding dues of creditors other than micro enterprises and small enterprises		
i. Trade payables	4,952.34	6,803.13
ii. Payable to related parties	434.86	495.29
<b>(B)</b>	<b>5,387.20</b>	<b>7,298.42</b>
<b>Total (A+B)</b>	<b>5,394.00</b>	<b>7,301.38</b>

### Trade Payable ageing Schedule as on 31 March 2024

(₹ in lacs)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total Outstanding dues to Micro enterprises and small enterprises	-	6.80	-	-	-	-	6.80
(ii) Total Outstanding due to Creditors other than Micro enterprises and small enterprises	3,929.33	492.43	769.11	22.83	23.68	37.72	5,275.10
(iii) Disputed dues to Micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues to Creditors other than Micro enterprises and small enterprises	43.48	60.78	-	-	-	7.84	112.10



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### Trade Payable ageing Schedule as on 31 March 2023

(₹ in lacs)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total Outstanding dues to Micro enterprises and small enterprises	-	2.96	-	-	-	-	2.96
(ii) Total Outstanding due to Creditors other than Micro enterprises and small enterprises	5,977.48	568.49	631.71	35.44	18.86	49.43	7,281.41
(iii) Disputed dues to Micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues to Creditors other than Micro enterprises and small enterprises	9.18	-	-	-	7.84	-	17.01

### 21. Other financial liabilities

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
<b>A. Non-Current</b>		
a. Franchisee deposit	11,568.38	10,496.91
b. Deferred Interest Cost	842.56	773.72
<b>Total (A)</b>	<b>12,410.94</b>	<b>11,270.63</b>
<b>B. Current</b>		
a. Capital goods		
i. Other	29.33	259.27
ii. Payable to related parties	17.87	15.15
b. Accrued interest	-	0.13
c. Deferred Interest Cost	1,004.61	730.20
d. Franchisee deposits	6,425.59	1,062.24
e. Other payables	7.20	0.05
<b>Total (B)</b>	<b>7,484.60</b>	<b>2,067.04</b>
<b>(A+B)</b>	<b>19,895.54</b>	<b>13,337.67</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### 22. Other income

(₹ in lacs)

	Year ended 31 March 2024	Year ended 31 March 2023
a. Interest on income tax refund	-	7.38
b. Interest on bank deposits	218.89	-
c. Net gain on current investments	510.13	16.53
d. Provision/Liabilities no longer required written back	53.99	90.37
e. Profit on sale of Property, Plant and equipment (net)	79.41	51.86
f. Gain on terminations of ROU asset	591.00	216.37
g. Interest income on fair valuation of franchisee deposits	863.68	522.17
h. Bad Debts Recovered	451.62	-
i. Others (net)(refer note i below)	345.63	141.49
<b>Total</b>	<b>3,114.35</b>	<b>1,046.16</b>

i Others include early termination charges etc

### 23. Employee benefit expense

(₹ in lacs)

	Year ended 31 March 2024	Year ended 31 March 2023
a. Salaries and related costs	2,044.71	2,142.10
b. Contributions to provident and other funds (Refer note 29)	145.95	151.31
c. Staff welfare expenses	51.06	66.41
d. Share based payment expense (Refer note 29)	10.47	-
<b>Total</b>	<b>2,252.19</b>	<b>2,359.82</b>





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### 24. Operating and other expense

(₹ in lacs)

	Year ended 31 March 2024	Year ended 31 March 2023
a. Network cost	330.21	532.30
b. Cash management fees	1,000.83	3,680.41
c. Caretaker charges	37.13	286.32
d. Lease rental		
i. Site rent charges (net of recoveries)	(543.06)	16.75
ii. Rent for hired building	168.32	239.30
e. Revenue Share to Franchisees	6,761.48	3,525.45
f. Electricity expenses	171.94	161.36
g. Consumables	24.75	31.80
h. Cash handling loss (net of recoveries)	(28.22)	(38.86)
i. Repairs and maintenance	3,602.16	3,861.42
j. Legal and professional fees	320.23	533.05
k. Services rendered by agencies	1,045.38	1,192.19
l. Rates and taxes	39.45	320.82
m. Travelling expenses	302.31	404.28
n. Advertising and publicity	5.21	54.66
o. Insurance	48.36	42.54
p. Write off or sale of property, plant and equipment and intangible assets	2.30	5.36
q. <b>Bad debts:</b>		
Bad Debts written off	-	1,281.00
Less: Utilized from allowance for doubtful trade receivables	-	(1,281.00)
r. Allowance for doubtful trade receivables	7.13	(568.90)
s. Allowance for doubtful advances	61.70	(132.60)
t. Telephone expenses	22.04	14.58
u. Printing, postage and stationery	6.55	8.03
v. Management fees WLA	4.20	16.72
w. Commission to agency	41.58	16.50
x. Other expenses (refer note i below)	299.23	338.24
<b>Total</b>	<b>13,731.21</b>	<b>14,541.72</b>

### i. Other expenses include auditor's remuneration as follows:

(₹ in lacs)

	Year ended 31 March 2024	Year ended 31 March 2023
<b>Auditor's remuneration and expenses</b> (excluding goods and service tax)		
a. Audit fees	19.58	18.04
b. Tax Audit fees	3.30	3.30
c. Other professional services	1.38	5.05

### ii. Operating and other expenses include an adjustment on account of liabilities no longer required written back, pertaining to prior years.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### 25. Depreciation and amortisation expense

(₹ in lacs)

	Year ended 31 March 2024	Year ended 31 March 2023
a. Depreciation for the year on property, plant and equipment (refer note 3)	2,979.64	3,396.00
b. Depreciation for the year on right-to-use assets (refer note 4)	1,282.15	2,901.11
c. Amortization for the year on intangible assets (refer note 6)	0.24	3.85
<b>Total</b>	<b>4,262.03</b>	<b>6,300.96</b>

During the current year, the Company has provided depreciation of ₹241.52 lacs (2023: ₹242.31 lacs) on certain assets that are not in use.

### 26. Finance costs

(₹ in lacs)

	Year ended 31 March 2024	Year ended 31 March 2023
a. Interest on bank overdraft	15.55	30.05
b. Interest on Working capital demand loan	255.65	1,419.98
c. Interest on lease liability	364.80	815.40
d. Interest on fair valuation of franchisee deposits	837.74	498.77
e. Others	21.56	19.14
<b>Total</b>	<b>1,495.30</b>	<b>2,783.34</b>

### 27. Deferred taxes

The Company has restricted recognition of deferred tax assets resulting from the carry forward tax losses and other timing differences to the extent of deferred tax liabilities, as the Company has accumulated tax losses and the deferred tax recognition conditions prescribed by Ind AS are not met.

### 28. Unrecognised deductible temporary differences, unused tax losses and unused tax credits

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following		
a. Business loss	23,186.46	23,221.52
b. Unabsorbed depreciation	73,750.39	69,761.83
<b>Total</b>	<b>96,936.85</b>	<b>92,983.35</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

The carried forward losses will expire as below

Particulars	Expiration of losses
a. Business losses	Between FY 2025 to 2031
b. Unabsorbed depreciation	Unlimited

### 29. Employee Benefits

#### i. Defined Contribution Plan

##### Provident Fund

The Company makes contribution towards Provident fund under a defined contribution retirement benefit plan for employees. The Provident Fund is administered by the Regional Provident Fund Commissioner. Under this Scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Provident fund contributions amounting to ₹ 103.89 lacs (2023: ₹ 110.75 lacs) have been charged to the Statement of Profit and Loss under contributions to provident and other funds (Refer note 23).

#### ii. Defined Benefit Plan

##### Gratuity

The plan provides for lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The cost of providing benefits for defined benefit schemes is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

These plans typically expose the Company to actuarial risk such as interest rate risk and salary risk.

Interest rate risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
Salary risk	Higher than expected increases in salary will increase the defined benefit obligation

The most recent actuarial valuation of the defined benefit obligation was carried out as at 31 March 2024 by an accredited actuary.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	As at 31 March 2024	As at 31 March 2023
<u>Principal Actuarial assumptions</u>		
Discount rate	7%	7.20%
Salary Escalation Rate	7%	7.00%
<u>Withdrawal rate</u>		
Less than 5 years	15%	15%
5 years and more	8%	8%





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future compensation cost considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

Amounts recognised in the Statement of Profit and Loss in respect of these defined benefit plans are as follows:

	(₹ in lacs)	
	As at 31 March 2024	As at 31 March 2023
<b>Expenses recognized in the Statement of Profit and Loss</b>		
a. Current service cost	28.48	32.20
b. Interest cost	17.28	15.30
<b>Components of defined benefit costs recognized in the Statement of Profit and Loss</b>	<b>45.76</b>	<b>47.50</b>
<b>Remeasurement on the net defined benefit liability</b>		
a. Actuarial (gains) / losses arising from Defined benefit obligation assumption changes	3.43	8.18
b. Actuarial (gains) / losses arising from the changes in experience adjustments	(15.31)	5.71
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>(11.88)</b>	<b>13.89</b>

The details in respect of the unfunded amounts recognized in the balance sheet for these defined benefit schemes are as under:

	(₹ in lacs)	
	As at 31 March 2024 (Unfunded)	As at 31 March 2023 (Unfunded)
<b>i. Amount recognized in the balance sheet</b>		
Liability at the end of the year	(255.21)	(258.75)
<b>Net liability in the balance sheet</b>	<b>(255.21)</b>	<b>(258.75)</b>
Non-current provision (refer note 17A(a))		
<b>ii. Change in the Defined Benefit Obligation (DBO)</b>		
Present value of DBO at the beginning of the year	(258.75)	(252.55)
Current service cost	(28.48)	(32.20)
Interest cost	(17.28)	(15.30)
Amount recognized in Other Comprehensive income	11.88	(13.89)
Benefits paid	37.42	55.19
<b>Present value of DBO at the end of the year</b>	<b>(255.21)</b>	<b>(258.75)</b>

A quantitative sensitivity analysis for significant assumptions as at 31 March 2024 and 31 March 2023 is as shown below

Significant actuarial assumptions for the determination of the defined obligation are discount rate, salary escalation rate and withdrawal rate. The sensitivity analysis below have been determined based on reasonably



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

### 1. Discount rate

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
Effect on DBO due to 1% increase	(16.40)	(17.42)
Effect on DBO due to 1% decrease	18.40	19.61

### 2. Salary escalation rate

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
Effect on DBO due to 1% increase	14.04	15.76
Effect on DBO due to 1% decrease	(13.20)	(15.08)

### 3. Withdrawal rate

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
Effect on DBO due to 5% increase	3.48	3.31
Effect on DBO due to 5% decrease	(7.03)	(6.65)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

### Maturity profile of defined benefit plan

(₹ in lacs)

	As at 31 March 2024
a. 31 March 2025	22.88
b. 31 March 2026	24.82
c. 31 March 2027	26.65
d. 31 March 2028	29.02
e. 31 March 2029	30.72
f. 31 March 2030 to 31 March 2034	214.73

There has been no change in the process used by the Company to manage its risks from prior years.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### iii. Leave plan and compensated absences

Leaves unavailed by eligible employees may be carried forward up to 60 days and for employees who have joined post 1 January 2020 carry forward shall be restricted to 45 days. Encashment will be maximum of 30 days by them / their nominees in the event of death or permanent disablement or resignation.

The liability for compensated absences as at the year-end is ₹ 63.76 lacs (2023: ₹ 64.67 lacs) as shown under non-current provisions ₹ 56.55 lacs (2023: ₹ 57.10 lacs) and current provisions ₹ 7.21 lacs (2023: ₹ 7.57 lacs). Compensated absences expenses amounting to ₹ 7.41 lacs (2023: ₹ 12.70 lacs) have been charged to the Statement of Profit and Loss under salaries and related costs in note 23 "Employee Benefit Expenses".

### iv. Share based payment

#### Equity settled share based payments

The Holding Company has granted RSU's to certain employees of the Company as on January 1, 2024. The RSUs shall vest with the employee on the satisfaction of a time-based and a performance-based vesting criteria as prescribed by the Holding Company. On vesting, employees of the Company shall receive the shares of the Holding company.

The Holding Company shall chargeback the amount for such RSU's on yearly basis based on actual shares issued to employees of subsidiary in respect of vested RSU's and the expected cost for unvested RSU's.

The description of RSU's Granted as on Mar 31, 2024 are as follows:

Name of Plan	No. of shares arising out of the plan	Maximum term of Option	Vesting Condition
RSU Plan 2023	6,214	3 years	Time based and performance based vesting condition as prescribed by the Holding Company

#### Summary of RSU's Granted

Name of Plan	No. of Units	Weighted average Ex. Price (INR per unit)
Opening balance	-	
Granted during the year	6,214	10
Lapsed during the year	-	
Closing Balance	6,214	10

The weighted average contractual life of the RSU's outstanding as on March 31, 2024 is 25 months

The total amount charged in the Statement of Profit and Loss for the year ended Mar 31, 2024 is Rs 10.47 lacs

### 30. Earnings per share

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
Net (Loss) after tax attributable to the equity shareholders (A)	(2,024.14)	(6,403.86)
Number of equity shares outstanding at the end of the year	1,237,091,784	1,217,091,784
Weighted average number of shares outstanding during the year (B)	1,233,913,702	1,195,820,551
Basic and diluted earnings per share (equity share of ₹ 10 each) (A/B)	(0.16)	(0.54)





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### 31. Segment reporting

The Board of Directors of the Company constitute the Chief Operating Decision Makers ("CODM") which allocate resources to and assess the performance of the Company. The Company is engaged in end-to-end ATM deployment, end-to-end POS enablement, hosted core banking, end to end financial inclusion and card issuance and related managed services, switching services to banking sector. Considering the nature of the Company's business and operations, there are no other reportable segments in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segments' prescribed under section 133 of the Companies Act, 2013. Further, the Company provides services only in India and accordingly, no disclosures are required under geographical segment reporting.

### 32. Derivatives

#### Derivatives not designated as hedge instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally for a period of 1 to 3 months.

Outstanding derivatives instruments are as follows:

(₹ in lacs)

As at 31 March 2024		As at 31 March 2023	
	(Amount in foreign currency)	(Amount in INR)	(Amount in INR)
i. Forward exchange contracts (Buy)			
CAD	-	-	@
USD	-	-	2.05
			@ 168.80

@ represents amount less than ₹ 1,000



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### 33. Financial Instruments

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(q) to the financial statements.

#### Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2024 is as follows:

(₹ in lacs)

	Derivative instrument	Amortized cost	Fair value through Profit & Loss	Total carrying value
<b>Financial Assets:</b>				
Investment	-	-	10,168.80	10,168.80
Other financial assets	-	3,512.78	-	3,512.78
Trade receivables	-	16.61	-	16.61
Cash and Cash equivalents	-	10,410.01	-	10,410.01
Other bank balances	-	5,023.09	-	5,023.09
<b>Total</b>	-	<b>18,962.49</b>	<b>10,168.80</b>	<b>29,131.29</b>
<b>Financials Liabilities:</b>				
Lease Liabilities	-	1,698.89	-	1,698.89
Borrowings	-	-	-	-
Other financial liabilities	-	19,895.54	-	19,895.54
Trade payables	-	5,394.00	-	5,394.00
<b>Total</b>	-	<b>26,988.43</b>	-	<b>26,988.43</b>

The carrying value of financial instruments by categories as at 31 March 2023 is as follows:

(₹ in lacs)

	Derivative instrument	Amortized cost	Fair value through Profit & Loss	Total carrying value
<b>Financial Assets:</b>				
Investment	-	-	2,500.39	2,500.39
Other financial assets	-	3,145.85	-	3,145.85
Trade receivables	-	729.50	-	729.50
Cash and Cash equivalents	-	28,566.86	-	28,566.86
Other bank balances	-	22.92	-	22.92
<b>Total</b>	-	<b>34,965.53</b>	<b>2,500.39</b>	<b>34,965.52</b>
<b>Financials Liabilities:</b>				
Lease Liabilities	-	7,655.84	-	7,655.84
Borrowings	-	12,000.00	-	12,000.00
Other financial liabilities	0.01	13,337.66	-	13,337.67
Trade payables	-	7,301.38	-	7,301.38
<b>Total</b>	<b>0.01</b>	<b>40,294.88</b>	-	<b>40,294.89</b>

Carrying amounts of cash and cash equivalents, trade receivables, borrowings and trade payables as at 31 March 2024 and 31 March 2023 approximate the fair value because of their short-term nature. The difference between the carrying amounts and fair values of other financial assets, other financial liabilities and borrowings subsequently measured at amortized cost is not significant in each of the years presented.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels.

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The investments included in level 1 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market.

(i) The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required)

(₹ in lacs)

Financial assets/liabilities	Fair value as at		Fair value hierarchy
	31 March 2024	31 March 2023	
<b>Financial Liabilities</b>			
Foreign exchange forward contracts	-	0.01	Level 2
<b>Financial Assets</b>			
Investment in mutual funds	10,168.80	2,500.39	Level 1

### 34. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include loans, trade and other receivables, current investments and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Senior Management reviews and agrees policies for managing each of these risks, which are summarized below.

#### a. Market risk

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





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### b. Interest rate risk

Interest rate risk is the risk that the future cash flows with respect to interest receipts and payments on loans extended or availed will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rates as it does not have long-term debt obligations and loans extended at variable rates are classified as short term.

### c. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

In determining the allowances for doubtful trade receivables, the Company has used a simplified approach by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix considers historical credit loss experience and is adjusted for forward looking information.

The expected credit loss allowance is based on the ageing of the receivables as mentioned below:

(₹ in lacs)		
Ageing of receivables net of provisions	As at 31 March 2024	As at 31 March 2023
Within credit period	1.10	24.54
1-90 days	4.89	24.28
91-180 days	3.30	-
181-360 days	7.32	8.83
More than 360 days	-	671.85
<b>Total</b>	<b>16.61</b>	<b>729.50</b>

### Movement in the expected credit loss allowance

(₹ in lacs)		
	Year ended 31 March 2024	Year ended 31 March 2023
Balance at beginning of the year	213.99	2,063.89
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net)	7.13	(568.90)
Less: Bad debts	-	(1,281.00)
<b>Balance at the end of the year</b>	<b>221.12</b>	<b>213.99</b>

### d. Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The table below summarizes the maturity profile of the Company's financial liabilities based on contractual payments.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

(₹ in lacs)

As at 31 March 2024	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Lease liabilities Non-Current	-	-	1,173.99	192.26	1,366.25
Other Non-Current Financial Liabilities	-	-	12,410.94	-	12,410.94
Current borrowings	-	-	-	-	-
Lease liabilities Current	-	332.64	-	-	332.64
Trade and other payables	461.88	4,932.12	-	-	5,394.00
Other Current Financial Liabilities	0.06	7,484.54	-	-	7,484.60

(₹ in lacs)

As at 31 March 2023	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Lease liabilities Non-Current	-	-	4,759.86	582.14	5,342.00
Other Non-Current Financial Liabilities	-	-	11,270.63	-	11,270.63
Current borrowings	12,000.00	-	-	-	12,000.00
Lease liabilities Current	-	2,313.84	-	-	2,313.84
Trade and other payables	473.35	6,828.03	-	-	7,301.38
Other Current Financial Liabilities	5.41	2,061.63	-	-	2,067.04



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### 35. Related party transactions

#### i. Names of related parties and nature of relationship

Category of related parties	Names
1 Ultimate Holding Company	Tata Sons Private Limited
2 Controlling Entity	Panatone Finvest Limited
3 Holding Company	Tata Communications Limited
4 Fellow Subsidiaries*	Tata Communications Transformation Services Limited Tata Communications (Canada) Limited Tata Communications (Middle East) FZ-LLC
5 Associate of Holding Company	STT Global Data Centers India Private Limited
6 Subsidiaries, associates and joint ventures of ultimate holding company/ controlling entity and their subsidiaries* ("Affiliates")	TRIL Infopark Limited Tata Consultancy Services Limited Tata Teleservices Limited Titan Company Limited Tata Teleservices (Maharashtra) Limited Nelco Limited Vortex Engineering Private Limited Nelco Network Products Limited The Indian Hotels Company Limited The Tata Power Company Limited Tata Motors Limited Tata AIA Life Insurance Company Limited Tata AIG General Insurance Company Limited Tata Communications Transformation Services Limited Employees Gratuity Trust Tata Asset Management Private Limited
7 Others	Peoplestrong Technologies Private Limited (formerly Peoplestrong HR Services Private Limited) GO Digit General Insurance Limited (ceased w.e.f 31.03.2023)

\*Where transactions have taken place / there are balances

# Reimbursement made of expenses incurred by the related party for business purpose of the Company, or reimbursement received for expenses incurred by the Company on behalf of a related party shall not be deemed related party transactions.





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### i. Summary of transactions with related parties

(₹ in lacs)

Particulars	Holding company & its associates	Fellow subsidiaries	Ultimate Holding Company and its affiliates	Others	Total
Revenue from operations	-	-	1.20	-	1.20
	-	-	1.20	-	1.20
<b>Other Income</b>					
Business support services	65.54	-	-	-	65.54
	33.13	-	-	-	33.13
<b>Operating and other expenses</b>					
Network cost	151.28	-	93.98	-	246.26
	280.44	-	162.37	-	442.81
Rent on hired building	155.66	-	-	-	155.66
	237.48	-	-	-	237.48
Interest on lease liabilities (forms a part of lease payout of ₹ 249.44 lacs 2023; ₹ 244.90 lacs)	89.05	-	0.17	-	89.22
	102.52	-	0.09	-	102.61
Services rendered by agencies	178.87	10.28	-	-	189.14
	192.14	10.13	-	-	202.27
Site rent charges	-	-	(2.56)	-	(2.56)
	-	-	(0.62)	-	(0.62)
Telephone expenses	-	-	8.64	-	8.64
	-	-	0.67	-	0.67
AMCs and Repairs & Maintenance	-	-	183.26	-	183.26
	-	-	204.01	-	204.01
Brand Equity Promotion Expenses	-	-	41.51	-	41.51
	-	-	-	-	-
Other expenses	-	-	21.47	0.04	21.51
	-	-	(4.11)	8.03	3.92
Capital Contribution	2,000.00	-	-	-	2,000.00
	5,000.00	-	-	-	5,000.00
Assets purchased	30.99	-	140.77	-	171.76
	68.52	-	189.19	-	257.71
Purchase of Current Investments	-	-	2,999.85	-	2,999.85
	-	-	-	-	-
Redemption of Current Investments	-	-	3,052.44	-	3,052.44
	-	-	-	-	-



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### ii. Balances with related parties as at 31 March 2024

(₹ in lacs)

Particulars	Holding company & its associates	Fellow subsidiaries	Affiliates	Others	Total
Trade and other payables	243.62	12.12	179.05	-	434.86
	368.36	13.27	113.62	0.04	495.29
Other financial liabilities	-	-	17.87	-	17.87
	-	-	15.15	-	15.15
Trade Receivables	-	-	1.15	-	1.15
	2.94	1.33	0.86	-	5.13
Lease liabilities					
Current	159.76	-	-	-	159.76
	159.76	-	-	-	159.76
Lease liabilities					
Non-current	827.05	-	-	-	827.05
	987.43	-	-	-	987.43
Other current assets	157.27	-	13.92	-	171.19
	137.94	-	30.61	-	168.55

#Amounts in italics denote previous year figures



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### 36. Operating lease arrangements

#### As lessee

The Company has lease contracts for immovable properties across various locations used in its operations. Such leases generally have lease terms between 3 to 10 years. Generally, the Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments.

The Company also has certain leases with lease terms of 12 months or less.

The following is the movement in lease liabilities:

(₹ in lacs)	
Particulars	Amount
<b>Balance as at 31 March 2022</b>	<b>11,713.41</b>
Additions	885.60
Finance cost accrued during the year	815.40
Payment of lease liabilities	(3,697.36)
Liabilities settled against leased assets terminated	(2,061.21)
<b>Balance as at 31 March 2023</b>	<b>7,655.84</b>
Additions	972.98
Finance cost accrued during the year	364.80
Payment of lease liabilities	(1,725.92)
Liabilities settled against leased assets terminated	(5,568.81)
<b>Balance as at 31 March 2024</b>	<b>1,698.89</b>

The following is the break-up of current and non-current lease liabilities.

(₹ in lacs)		
Particulars	Amount 31 March 2024	Amount 31 March 2023
Current liability	332.64	2,313.84
Non-current liability	1,366.25	5,342.00
<b>Total liabilities</b>	<b>1,698.89</b>	<b>7,655.84</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in lacs)		
	As at 31 March 2024	As at 31 March 2023
Due not later than one year	457.61	2,812.22
Due later than one year but not later than five years	1,422.98	5,017.68
Later than five years	185.61	1,086.08
	<b>2,066.20</b>	<b>8,915.98</b>

The Company is confident that it shall meet the lease liabilities obligations as and when they fall due.





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### 37. Contingent liabilities and commitments

#### i. Contingent liabilities

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
a. Claims for taxes on income* (refer note i)	55.44	53.80
b. Claims for other taxes* (refer note ii)	695.29	261.27
c. Other claims (reference iii)	73.49	-

\* If the above cases are against the Company, then the Company may be liable for interest exposure of ₹ 659.63 lacs on final settlement of the claims.

The Company has contested the claims with the relevant authorities and has preferred appeals which are pending. The Company believes these claims are not probable and would not result in outflow:

- i. The Company has received Order u/s 201/201(A) of the Income Tax Act, 1961 on account of alleged non-deduction of taxes on year-end provisions.
- ii. The Company has various claims from authorities for entry tax, value added tax and sales taxes related to various states on account of movement of ATM machines and related equipment's from one state to another.
- iii. Other claims of ₹ 73.49 lacs (2023: ₹ Nil) mainly pertain to routine suits for commercial disputes and claims from suppliers.

#### ii. Commitments

##### Capital commitments

Estimated amount of contracts remaining (net of advances) to be executed on capital account not provided for ₹ 93.58 lacs (2023: ₹ 239.61 lacs).

### 38. Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in lacs)

	As at 31 March 2024	As at 31 March 2023
a. Principal amount remaining unpaid to any supplier as at the end of the accounting year	6.80	2.96
b. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
c. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	92.82	522.31
d. The amount of interest due and payable for the year	-	-
e. The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
f. The amount of further interest due and payable even in the succeeding year, until such date when the interest's dues as above are actually paid	-	-
g. Total outstanding dues of micro and small enterprises	6.80	2.96

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified based on information collected by the Management. This has been relied upon by the auditors.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2024

### 39. Relationship with Struck off Companies

(₹ in lacs)

Name of Struck off Company	Nature of Transaction with Struck- off Company	As on 31 March 24	As on 31 March 23
Paramount Infra Services Private Limited	Trade Payable	-	@
Horus Facility and Security	Advance Receivable (net)	3.36	3.36
Robopay Technology Pvt Ltd	Advance Receivable (net)	7.87	-
Robopay Technology Pvt Ltd	Trade Payable	-	50.19
Shri Yash Towers Pvt. Ltd.	Trade Receivable	1.93	1.93
Console Of Integrated Nodal Pvt Ltd	Trade Receivable	0.09	-

i. The amount receivable from customers is gross of provision for doubtful debts of ₹ 4.98 lakhs and ₹ 1.93 lakhs for 31 March 24 and 31 March 23 respectively.

ii. @ Indicates amounts below ₹ 1,000

### 40. Ratio analysis and its elements

Sr. No.	Particulars	31 March 2024	31 March 2023
1	<b>Net Profit Margin (%)</b> (Profit/(Loss) for the period/ Income from Operations) (refer note i)	(12.19%)	(34.55%)
2	<b>Debt Equity ratio</b> (Total Debt (Long term borrowings + Short term borrowings (including Current maturities of long-term borrowings)) / Equity) (refer note ii)	-	1.15
3	<b>Debt service coverage ratio (no. of times)</b> (EBITDA/ (Finance costs + Short term borrowings (including Current maturities of long-term borrowings) (refer note ii)	0.41	0.11
4	<b>Current Ratio (no. of times)</b> (Total Current Assets/ Total Current Liabilities) (refer note ii)	2.29	1.53
5	<b>Trade Receivables turnover (no. of times)</b> (Income from Operations/ Average Trade receivables) (refer note vi)	44.50	34.57
6	<b>Return on equity</b> (Profit/ (Loss) for the year/ Average Equity) (refer note iii)	(19.46%)	(57.60%)
7	<b>Trade payables turnover ratio (no of times)</b> (Operating and other expenses - Bad Debts written off - Allowance for doubtful trade receivables - Allowance for doubtful advances)/ Average Trade payables	2.14	2.00
8	<b>Net Capital turnover (no. of times)</b> (Income from Operations/ Working Capital (Current Assets- Current Liabilities)) (refer note iv)	0.93	1.41
9	<b>Return on Capital Employed (no. of times)</b> (Earnings before interest & tax/ Capital Employed (Net worth + Total Debt)) (refer note v)	(0.35)	(0.21)





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

- i. Improvement is on account of increase in other income and decrease in finance cost and depreciation.
- ii. Repayment of borrowings has resulted in improvement in the ratio.
- iii. Capital infusion and improvement in the earnings has resulted in improvement in ratio.
- iv. Higher efficiency on working capital improvement has resulted in an improvement in the ratio.
- v. Improvement is on account of repayment of debt during the year.
- vi. Improvement on account of collections during the current year.

### 41. Going Concern

The Company has incurred a loss of ₹ 2,024.14 lacs (2023: ₹ 6,403.86 lacs) and a cash loss of ₹ NIL lacs during the year (2023: ₹ 5,279.23 lacs). It has accumulated losses of ₹ 164,293.64 lacs as at 31 March 2024 (2023: of ₹ 162,269.50 lacs). The license issued by the Reserve Bank of India ('RBI') authorising the Company for setting up and operating payment system for White Label ATMs is due for renewal on 30 June 2024 and the company has filed the application for renewal of the validity of Certificate of Authorization (CoA) with RBI dated 27<sup>th</sup> March 2024.

The Company as at March 31, 2024, has balance with banks of ₹ 1,801.86 lacs and investment in liquid funds of ₹ 10,168.80 and Fixed deposits of Rs 5,000 lacs as at 31 March 2024, which is available for working capital use. Further, the Company has unutilized sanctioned fund-based facilities of ₹ 12,500 lacs that is available for use in its WLA business. The Holding Company has committed to provide financial support to the Company to meet its operational, capital requirements and settle its obligations as they fall due over next twelve months from the date of the approval of the said financial statements. Also, the management continues to implement various initiatives directed towards improving the profitability through transforming the business model and operational efficiencies. The Company expects that these initiatives would result in sustainable cash flows.

Based on the above factors, these financial statements are prepared on going concern basis.

### 42. Audit Trail

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that, audit trail feature is not enabled at the database level and certain master fields (asset master, supplier master and general ledger account master) for users with certain privileged access rights as it relates to SAP application.

Also, the Company has used an accounting software which is operated by a third-party software service provider, for processing the payroll for its employees, for which the Management is in possession of Service Organisation Controls report for the period April 1, 2023 to December 31, 2023.

### 43. Events after reporting period

There are no subsequent events between the year ended 31 March 2024 and signing of financial statements as on 15 April 2024 which have material impact on the financials of the Company.





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### 44. Approval of financial statements

The financial statements were approved for issue by the Board of Directors on 15 April 2024.

### 45. Previous year's figures have been regrouped/ re-arranged where necessary to conform to current year's classification / disclosure.

As per our report attached  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004



**Abhishek Burad**  
Partner  
Membership Number: 122860



For and on behalf of Board of Directors



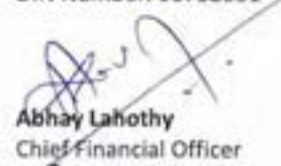
**Leena Solanki**  
Director  
DIN Number: 09711933



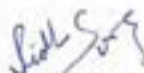
**Sumeet Walia**  
Director  
DIN Number: 06758031



**Sanjeev Patel**  
Chief Executive Officer



**Abhay Lahothy**  
Chief Financial Officer



**Ridhi Sood**  
Company Secretary

Place: Mumbai  
Date: 15 April 2024

Place: Mumbai  
Date: 15 April 2024



**INDEPENDENT AUDITOR'S REPORT**

To the Members of Tata Communications Collaboration Services Private Limited

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Tata Communications Collaboration Services Private Limited (the "Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 Financial Statements' 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 together with the ethical requirements that are relevant to our audit of the financial statements 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



**Responsibility of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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 financial statements, 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





- Conclude on the appropriateness of management's 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 Company's ability 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the Company does not have server physically located in India for the daily backup with respect to one of the third-party software used to maintain other books and papers, as stated in note 43 to the financial statements; and for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;



- (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph b above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. No dividend has been declared or paid during the year by the Company.



- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain changes made using privileged/ administrative access rights, as described in note 42 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of other accounting software.

Also, in the absence of Service Organisation Controls report covering the full financial year as stated in note 42 to the financial statements, we are unable to comment on whether audit trail feature with respect to a third-party operated software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Abhishek Burad

Partner

Membership Number: 122860

UDIN: 24122860BKFQOH7004

Place of Signature: Mumbai

Date: April 16, 2024





**Annexure 1 referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our Report of even date.**

**Re: Tata Communications Collaboration Services Private Limited (the "Company")**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a)(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) All property, plant and equipment were physically verified by the management in the earlier years in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its property, plant and equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii)(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.



- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to voicemail/ audiotex services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii)(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to sales tax, value added tax, service tax, duty of excise, employees' state insurance, duty of customs are not applicable to the company.
- (b) According to the records of the Company, the dues outstanding of income tax and Goods and Service Tax which have not been deposited on account of a dispute, are as follows:

Sr No	Name of Statute	Nature of dues	Amount (Rs lakhs)	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	TDS	119.92	AY 2018-19	The Commissioner of Income Tax (Appeals), Mumbai
2	Income Tax Act, 1961	Income Tax	1.44	AY 2018-19	The Commissioner of Income Tax (Appeals), Mumbai
3	Goods and Service Tax*	GST	172.99	FY 2017-18 to FY 2019-20	Commissioner (Appeals), Maharashtra

\* After adjusting the amount paid under protest of Rs 19.22 lakhs



- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments) and hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No material fraud by or on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor or secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.





- (xiv)(a) The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Act.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-1A of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company ('CIC') as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanation given to us by the management, the Group has four CICs which are registered with the Reserve Bank of India.
- (xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 41 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 24(i) to the financial statements.



# **S.R. BATLIBOI & ASSOCIATES LLP**


Chartered Accountants

- (b) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 24(i) to the financial statements.

## **For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
per Abhishek Burad

Partner

Membership Number: 122860

UDIN: 24122860BKFQOH7004



Place of Signature: Mumbai

Date: April 16, 2024

**Annexure 2 referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory requirements" of our report of even date**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to financial statements of Tata Communications Collaboration Services Private Limited (the "Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.





**Meaning of Internal Financial Controls With Reference to these Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls With Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**per Abhishek Burad**

Partner

Membership Number: 122860

UDIN: 24122860BKFOH7004

Place of Signature: Mumbai

Date: April 16, 2024



**TATA COMMUNICATIONS COLLABORATION SERVICES PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2024**

₹ in lakhs

	Note	As at 31 March 2024	As at 31 March 2023
<b>I ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	4	2,881.92	3,744.27
(b) Capital work-in-progress	5	418.09	188.65
(c) Other intangible assets	6	913.04	739.03
(d) Right of Use assets	7	11.89	3.20
(e) Intangible assets under development	8	280.49	8.40
(f) Deferred tax assets (net)	9	387.14	209.79
(g) Non current tax assets (net)		328.74	163.58
(h) Other non-current assets	10A	31.47	17.38
<b>Total non-current assets</b>		<b>5,252.78</b>	<b>5,074.30</b>
<b>2 Current assets</b>			
(a) Inventories		356.12	251.18
<b>(b) Financial assets</b>			
(i) Investments	11	4,759.40	1,071.39
(ii) Trade receivables	12	2,671.09	5,310.49
(iii) Cash and cash equivalents	13	75.00	197.61
(iv) Other financial assets	14	40.92	34.73
(c) Other current assets	10B	2,769.44	3,207.03
<b>Total current assets</b>		<b>10,671.97</b>	<b>10,072.43</b>
<b>Total assets</b>		<b>15,924.75</b>	<b>15,146.73</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Share capital	15	3.70	3.70
(b) Other equity	16	11,220.18	10,954.19
		<b>11,223.88</b>	<b>10,957.89</b>
<b>2 Non-current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Lease Liabilities	34	5.86	1.91
(b) Provisions	17A	245.35	190.96
(c) Other non-current liabilities	18A	105.52	257.44
<b>Total non-current liabilities</b>		<b>356.73</b>	<b>450.31</b>
<b>3 Current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Lease Liabilities	34	6.48	1.49
(ii) Trade payables	19		
(A) Total outstanding dues of micro enterprises and small enterprises		36.29	8.67
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,507.27	2,202.08
(iii) Other financial liabilities	20	162.13	307.77
(b) Provisions	17B	117.51	120.94
(c) Current tax liability (net)		122.00	229.58
(d) Other liabilities	18B	1,392.46	868.00
<b>Total current liabilities</b>		<b>4,344.14</b>	<b>3,738.53</b>
<b>Total equity and liabilities</b>		<b>15,924.75</b>	<b>15,146.73</b>

See accompanying notes forming part of the financial statements

In terms of our report attached

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101040W/6300004


  
per ABHISHEK BURAD  
Partner

Membership No: 122860


Place: Mumbai  
Date: 16 April 2024



For and on behalf of the Board of Directors

  
KAMIR AHMED SHAKIR  
DIN: 03584898  
Director

Mumbai  
Date: 16 April 2024

  
SUMEET WALIA  
DIN: 06758031  
Director

Mumbai



**TATA COMMUNICATIONS COLLABORATION SERVICES PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024**

	Particulars	Note	₹ in lakhs	
			For the year ended	
			31-Mar-24	31-Mar-23
	<b>INCOME</b>			
I	Revenue from operations		9,823.88	9,186.09
II	Other Income	21	319.18	106.98
III	<b>Total income (I + II)</b>		<b>10,143.06</b>	<b>9,293.07</b>
	<b>IV EXPENSES</b>			
	Network and transmission	22	3,356.07	2,705.16
	Employee benefits	23	2,547.39	2,108.75
	Operating and other expenses	24	1,871.58	1,804.92
	Finance costs	25	19.88	10.37
	Depreciation and amortisation	26	1,686.20	1,204.49
	<b>Total expenses</b>		<b>9,481.12</b>	<b>7,833.69</b>
V	<b>Profit/ (Loss) before exceptional items and taxes (III-IV)</b>		<b>661.94</b>	<b>1,459.38</b>
VI	Exceptional items	27	(248.00)	-
VII	<b>Profit/ (Loss) before tax (V+VI)</b>		<b>413.94</b>	<b>1,459.38</b>
VIII	<b>Tax expense</b>	28		
(a)	Current tax expense		313.09	296.89
(b)	Deferred tax		(174.28)	(68.32)
IX	<b>Profit/ (Loss) for the year (VII - VIII)</b>		<b>275.13</b>	<b>1,230.81</b>
X	<b>Other comprehensive income/ (loss)</b>			
a.	<b>Items that will not be reclassified to profit or loss</b>			
(i)	Remeasurement of the defined benefit plans		(12.21)	(17.16)
b.	Income tax relating to items that will not be reclassified to profit or loss		3.07	0.56
	<b>Total other comprehensive income/ (loss) (a+b)</b>		<b>(9.14)</b>	<b>(16.60)</b>
XI	<b>Total comprehensive income/ (loss) for the year (IX+X)</b>		<b>265.99</b>	<b>1,214.21</b>
XII	<b>Earnings per equity share</b>			
	Basic and diluted (of ₹ 10 each)	31	743.59	5,058.40


See accompanying notes forming part of the financial statements

In terms of our report attached

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101049W/ E300004

  
**per ABHISHEK BURAD**  
 Partner  
 Membership No: 122860



Place: Mumbai  
 Date: 16 April 2024

For and on behalf of the Board of Directors

  
**KABIR AHMED SHAKIR**  
 DIN : 03584898  
 Director

Mumbai  
 Date: 16 April 2024

  
**SUMEET WALIA**  
 DIN : 06758031  
 Director

Mumbai





TATA COMMUNICATIONS COLLABORATION SERVICES PRIVATE LIMITED  
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

A. Equity share capital

₹ in lakhs

Particulars	No. of shares	Amount
Balance as at 01 April 2022	20,000	2.00
Changes in equity share capital during the year	17,000	1.70
Balance as at 31 March 2023	37,000	3.70

₹ in lakhs

Particulars	No. of shares	Amount
Balance as at 01 April 2023	37,000	3.70
Changes in equity share capital during the year	-	-
Balance as at 31 March 2024	37,000	3.70

B. Other Equity

₹ in lakhs

Particulars	Reserves & Surplus		Items of other comprehensive income	Total Other Equity
	Securities premium	Retained earnings	Remeasurement of the defined benefit plans	
Balance as at 01 April 2022	-	5,483.82	-	5,483.82
Profit for the year	-	1,230.81	-	1,230.81
Other comprehensive income/(loss)	-	-	(17.16)	(17.16)
Premium on issue of shares	4,857.04	-	-	4,857.04
Tax impact on other comprehensive income/(loss)	-	-	0.56	0.56
Business Combination	-	(615.81)	14.93	(600.88)
Total comprehensive income/(loss)	4,857.04	615.00	(1.67)	5,470.37
Balance as at 31 March 2023	4,857.04	6,098.82	(1.67)	10,954.19

₹ in lakhs

Particulars	Reserves & Surplus		Items of other comprehensive income	Total Other Equity
	Securities premium	Retained earnings	Remeasurement of the defined benefit plans	
Balance as at 01 April 2023	4,857.04	6,098.82	(1.67)	10,954.19
Profit for the year	-	275.13	-	275.13
Other comprehensive income/(loss)	-	-	(12.21)	(12.21)
Tax impact on other comprehensive income/(loss)	-	-	3.07	3.07
Total comprehensive income/(loss)	-	275.13	(9.14)	265.99
Balance as at 31 March 2024	4,857.04	6,373.95	(10.81)	11,220.18

See accompanying notes forming part of the financial statements

In terms of our report attached

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 401049W/T/300004

per ABHISHEK BURAD  
Partner  
Membership No: 122860

Place: Mumbai  
Date: 16 April 2024



For and on behalf of the Board of Directors

KABIR AHMED SHAKIR  
DIN : 03584898  
Director

Mumbai  
Date: 16 April 2024

SUMMIT WALLA  
DIN : 06758031  
Director

Mumbai



TATA COMMUNICATIONS COLLABORATION SERVICES PRIVATE LIMITED  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

		₹ in lakhs	
	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
1	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	<b>PROFIT BEFORE TAX</b>	<b>413.94</b>	<b>1,459.38</b>
	Adjustment as per Ind AS 103	-	(600.88)
	<b>Adjustments for:</b>		
	Depreciation and amortisation expense	1,686.20	1,204.49
	Finance cost	19.88	10.37
	Gain on investments at fair value through profit and loss (net)	(242.02)	(103.18)
	(Profit)/loss on sale of fixed assets	-	0.16
	Provisions for Doubtful advances	(17.50)	21.46
	Provisions for doubtful trade receivables	22.47	(23.15)
	Provisions for diminution in value of inventories (including capex)	146.50	43.19
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>2,029.47</b>	<b>2,011.84</b>
	<b>Changes in working capital</b>		
	Adjustment for (increase)/decrease in operating assets		
	Inventories	(222.81)	69.85
	Trade receivables	2,616.93	(2,948.43)
	Other current assets	437.58	1,757.33
	Other financial assets	11.31	(36.24)
	Other non current assets	(15.98)	(1.46)
	Adjustment for increase/ (decrease) in operating liabilities		
	Trade payables	332.82	(4,412.00)
	Other Current liabilities	524.44	39.20
	Short term provisions	(3.44)	(15.91)
	Long Term Provisions	28.23	12.26
	Other Financial liabilities	5.11	31.47
	Other non current liabilities	(151.93)	250.34
	<b>Cash generated from operations before tax</b>	<b>5,591.73</b>	<b>(3,241.75)</b>
	Income tax paid	(591.03)	(225.47)
	<b>NET CASH (USED IN) OPERATING ACTIVITIES</b>	<b>5,000.70</b>	<b>(3,467.22)</b>
2	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	Purchase of property, plant and equipment and intangible assets	(1,672.53)	(1,551.80)
	Purchase of current investments	(14,829.26)	(11,734.95)
	Proceeds from sale of current investments	11,383.27	12,064.32
	<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>	<b>(5,118.52)</b>	<b>(1,222.43)</b>
3	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	Repayment of lease liabilities	(4.77)	(1.67)
	Proceeds from issue of share capital	-	4,858.74
	Interest paid	(0.02)	(2.47)
	<b>NET CASH (USED IN) FINANCING ACTIVITIES</b>	<b>(4.79)</b>	<b>4,854.60</b>
	<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(122.61)</b>	<b>164.95</b>
	<b>CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR</b>	<b>197.61</b>	<b>32.66</b>
	<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR (refer note 13)</b>	<b>75.00</b>	<b>197.61</b>

*Figures in brackets represent outflows.*

See accompanying notes forming part of the financial statements

In terms of our report attached

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101049W/ E300004

per ABHISHEK BURAD

Partner

Membership No: 122860

Place: Mumbai

Date: 16 April 2024



For and on behalf of the Board of Directors

KABIR AHMED SHAKIR

Director

Director

Mumbai

Date: 16 April 2024

SUMEET WALIA

Director

Director

Mumbai



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### 1. Corporate Information

Tata Communications Collaboration Services Private Limited (CIN - U72900MH2008PTC181502) ('the Company') was incorporated in India on 24 April 2008. The name of the Company was changed from Wirefree Internet Services Private Limited to Tata Communications Collaboration Services Private Limited with effect from 25 February 2016. The Company holds unified licenses all over India from the Department of Telecommunications for providing voice mail / audiotex services. The Company is also authorised to carry out the business of designing, developing, manufacturing, importing, exporting, distributing, licensing Information, Automation, Communication, Mobility, Analytics and Entertainment Technology Software, Hardware, Content, Applications and Services, in the domains of Machine-to-Machine, Internet-of-Things, Big Data, Cloud, Surveillance, Security, Tracking and Navigation for the benefit of Consumers and Enterprises, through foreign collaboration and local development and ancillary services and to design, develop, supply software for SIM cards and eSIM, and to build, operate, maintain, consult, host (e)SIM provisioning platforms, connectivity platforms and solutions, vehicle data platforms and solutions, and all related software and applications.

Pursuant to the approval of Board of Directors at the meeting held on 14 December 2022, the Internet of Things Machine-to-Machine business comprising of Device, Application, Platform and Managed Services components ('identified business undertaking') along with its respective assets and liabilities, of Tata Communications Limited, the parent company, was transferred to the Company as a going concern on a 'slump sale basis', by way of a business transfer agreement.

### 2. Material accounting policies

#### a. Statement of compliance

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

#### b. Basis of preparation of financial statements

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

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer note 2(i)).

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

#### c. Significant accounting judgements, estimates and assumptions

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires the management of the Company to make judgements, estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liability as at the date of the financial statement and the reported amounts of income and expense for the year presented.

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

#### i. Judgements

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

##### Operating lease commitments – Company as lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.





# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### ii. Estimates and assumptions

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

#### Defined benefit plans

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

#### Useful lives of property plant and equipment and intangible assets

The Company reviews the useful life of assets at the end of each reporting year. This reassessment may result in change in depreciation expense in future years.

#### Fair value measurement of financial instruments

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

#### Provision for decommissioning of assets

Provision for decommissioning of assets relates to the costs associated with the removal of long-lived assets when they will be retired. The Company records a liability at the estimated current fair value of the costs associated with the removal obligations, discounted at present value using risk-free rate of return. The liability for decommissioning of assets is capitalised by increasing the carrying amount of the related asset and is depreciated over its useful life. The estimated removal liabilities are based on historical cost information, industry factors and engineering estimates.

#### Deferred Taxes

Assessment of the appropriate amount and classification of income taxes is dependent on several factors, including estimates of the timing and probability of realisation of deferred income taxes and the timing of income tax payments. Deferred income taxes are provided for the effect of temporary differences between the amounts of assets and liabilities recognised for financial reporting purposes and the amounts recognised for income tax purposes. The Company measures deferred tax assets and liabilities using enacted tax rates that, if changed, would result in either an increase or decrease in the provision for income taxes in the period of change. The Company does not recognize deferred tax assets when there is no reasonable certainty that a deferred tax asset will be realized. In assessing the reasonable certainty, management considers estimates of future taxable income based on internal projections which are updated to reflect current operating trends the character of income needed to realise future tax benefits, and all available evidence.

#### Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is neither not probable



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

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

Provisions and contingent liabilities are reviewed at each balance sheet date.

### d. Cash and cash equivalents

Cash comprises cash on hand. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### e. Property, plant and equipment

- Property, plant and equipment are stated at cost of acquisition or construction, less accumulated depreciation/ amortisation and impairment loss, if any. Cost includes purchase price, inward freight, duties, taxes and all incidental expenses incurred to bring the assets to its working condition for their intended use.
- Capital work-in-progress includes cost of property, plant and equipment under installation/ under development as at the balance sheet date are carried at cost, comprising of direct cost, directly attributable cost and attributable interest.

The depreciable amount for property, plant and equipment is the cost or other amount substituted for cost, less its estimated residual value (wherever applicable). Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful lives. The asset's residual values, estimated useful lives and methods of depreciation are reviewed at each financial year end and any change in estimate is accounted for on a prospective basis.

Estimated useful lives of the asset is as follows:

Property, plant and equipment's	Useful lives of Assets
i. Plant and machinery (Refer 1 below)	
Switches, equipment's and components	2 to 10 years
ii. Computers and IT servers	3 to 6 years
iii. Office Equipment	5 years

- In the above case, the useful lives of the assets are different from the useful lives prescribed in Schedule II to the Companies Act, 2013. The useful lives of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, etc.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit and Loss in the year of occurrence.

Cost of property, plant and equipment also includes present value of provision for decommissioning of assets if the recognition criterias for a provision are met.

### f. Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Cost incurred on intangible assets not ready for their intended use is disclosed as intangible assets under development.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits are considered to modify the amortisation period or method, as appropriate, and are treated as





# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

changes in accounting estimates. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets are amortised as follows:

Intangible asset	Useful economic lives
Software and Application	3 to 6 years
License	Over the license period

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

### g. Internal-Use Software Development Costs

Certain costs of the technology platform and other software applications developed for internal use are capitalized. The Company capitalises qualifying internal-use software development costs that are incurred during the application development stage of projects with a useful life greater than one year. Capitalisation of costs begins when two criteria are met: (i) the preliminary project stage is completed, and (ii) it is probable that the software will be completed and used for its intended purpose.

Capitalization ceases when the software is substantially complete and ready for its intended use, including the completion of all-significant testing. The Company also capitalizes costs related to specific upgrades and enhancements when it is probable the expenditures will result in additional functionality and expenses costs incurred for maintenance and minor upgrades and enhancements. Costs related to maintenance, minor upgrades, enhancements, preliminary project activities and post-implementation operating activities are expensed as incurred.

### h. Impairment of non-financial assets

The carrying values of assets/ cash generating units ("CGU") at each balance sheet date are reviewed for impairment, if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at a revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company as a CGU. These budgets and forecast calculations generally cover a significant period. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the significant period.

### i. Revenue recognition

Revenue is recognized upon transfer of control of promised goods or services to the customers for an amount, that reflects the consideration which the Company expects to receive in exchange of those goods or services in normal course of business. Revenue is measured at the transaction price that is allocated to performance obligation excluding taxes collected on behalf of the government and is reduced for estimated credit notes and other similar allowances.

Types of products and services and their revenue recognition criterion are as follows:





# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

- i. Revenue from Voice Solutions (VS) is recognised at the end of each month based on minutes of traffic carried during the month.
- ii. Revenue from Audio conferencing services is recognised over the period of the respective arrangements based on contracted fee schedules and usage revenue is recognised based on minutes of traffic carried during the month.
- iii. Revenue from Data Managed Services (DMS) is recognised over the period of the arrangement based on contracted fee schedule or based on usage. In respect of sale of equipment (ancillary to DMS) revenue is recognised when the control over the goods has been passed to the customer and/ or the performance obligation has been fulfilled.

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

- I. Trade receivable  
Trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).
- II. Contract assets  
Contract asset is recorded when revenue is recognized in advance of the Company's right to bill and receive the consideration (i.e. the Company must perform additional services or complete a milestone of performance obligation in order to bill and receive the consideration as per the contract terms).
- III. Contract liabilities  
Contract liabilities represent consideration received from customers in advance for providing the goods and services promised in the contract. The Company defers recognition of the consideration until the related performance obligation is satisfied. Contract liabilities include recurring services billed in advance and the non-recurring charges recognized over the contract/ service period. Contract liabilities have been disclosed as deferred revenue in the financial statements.

### j. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### Lessee

The Company's lease asset classes primarily consist of leases for Land, buildings and colocation spaces. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Refer to the accounting policies in note 2(h) Impairment of non-financial assets.



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. The Company uses return on treasury bills with similar maturity as base rate and makes adjustments for spread based on the Company's credit rating as the implicit interest rate cannot be readily determinable. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet.

### k. Inventories

Inventories of traded goods, required to provide Data Managed Services ("DMS"), are valued at the lower of cost or net realisable value. Cost includes cost of purchase and all expenses incurred to bring the inventory to its present location and condition. Cost is determined on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost necessary to make the sale.

### l. Employee benefits

Employee benefits include provident fund, gratuity, compensated absences and performance incentives.

#### i. Short term employment benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives payable within twelve months.

#### ii. Post-employment benefits

Contributions to defined contribution retirement benefit schemes are recognized as expenses when employees have rendered services entitling them to the contributions.

For defined benefit schemes in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if applicable), excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Past service cost is recognized in the Statement of Profit and Loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes changes in service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements under employee benefit expenses in the Statement of Profit and Loss. The net interest expense or income is recognized as part of finance cost in the Statement of Profit and Loss.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

#### iii. Other long-term employment benefits

Compensated absences, which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date.

#### iv. Shared based payments

The Holding Company grants Restricted Stock Units ("RSU") to the employees of the Company entitling to Equity shares of the Holding Company subject to fulfilment of non-market vesting conditions. The Holding Company shall





# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

charge back the amount for units expected to vest over the vesting period based on the Grant Date Fair value determined by Holding Company to the Company which is accounted as employee benefit expenses by the Company.

### **m. Other Income**

Interest income for all financial instruments measured at amortised cost is recorded on accrual basis. Interest income is included in Other income in the Statement of Profit and Loss.

### **n. Taxation**

#### **Current income tax**

Current tax expense is determined in accordance with the provisions of the Income Tax Act, 1961.

Provision for current income taxes and advance taxes paid in respect of the same jurisdiction are presented in the balance sheet after offsetting these balances on an assessment year basis.

Current tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

#### **Deferred tax**

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

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

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

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

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

### **o. Fair value measurement**

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

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

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

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

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

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

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





# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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

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

### **p. Foreign currencies**

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are converted into INR at rates of exchange approximating those prevailing at the transaction dates or at the average exchange rate for the month in which the transaction occurs. Foreign currency monetary assets and liabilities are outstanding as at the balance sheet date are translated to INR at the closing rates prevailing on the balance sheet date. Exchange differences on foreign currency transactions are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not re-translated.

### **q. Borrowing costs**

Borrowing costs are expensed in the year in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### **r. Earnings per share**

Basic and diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

### **s. Provisions and contingent liabilities**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

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

Provisions and contingent liabilities are reviewed at each balance sheet date.

### **t. Financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of an instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### A. Financial assets

#### i. Financial assets at amortised cost

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

#### ii. Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets are measured at FVTPL unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

#### iii. De-recognition

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

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

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

#### iv. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at reporting date.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The historical observed default rates are updated and changes in the forward-looking estimates are analysed annually.

For assessing ECL on a collective basis, financial assets have been grouped on the basis of shared risk characteristics and basis of estimation may change during the course of time due to change in risk characteristics.

### B. Offsetting of financial instruments

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

### C. Derivative financial instruments - Initial and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.





# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### D. Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest. Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

### u. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

### 3. Business Combination

The Company had entered into Business Transfer Agreement dated 14 December 2022 with Tata Communications Limited ("TCL", the holding company) for purchase of the Internet of Things (IoT) business undertaking engaged in providing non-network services, including IoT enabled applications, devices, and other managed services (the "Non-network IoT Business Undertaking").

In accordance to above, the Company had acquired below assets and liabilities as at 1 January 2023 from TCL at their carrying values for a consideration of ₹ 5,082.10 lakhs.

Amount in ₹ lakhs	
Particulars	Amounts
Property, plant and equipment, Intangible assets and Capital work in progress (A)	4,181.93
Other Non-current assets (B)	135.12
Current assets (C)	2,652.85
<b>Total Assets (D = A + B + C)</b>	<b>6,969.90</b>
Non-current liabilities (E)	209.25
Current liabilities (F)	1,678.55
<b>Total Liabilities (G = E + F)</b>	<b>1,887.80</b>
<b>Purchase Consideration (H = D - G)</b>	<b>5,082.10</b>

As per Appendix C to Ind AS 103, Business combinations involving entities or businesses under common control shall be accounted for using the pooling of interests method. Accordingly, the results for previous year had been reinstated to include the financial statements for the period from 1 April 2022 to 31 December 2022.

The Company has reinstated Statement of Profit and loss accounts for the period ended 31 December 2022 as below. Net Profit for the period ended 31 December 2022 has been added to "Other equity".

		Amount in ₹ lakhs
Sr No	Particulars	For Period ended 31 December 2022
I	Revenue from operations	3,745.77
II	Other income	(0.16)
III	<b>Total Revenue (I + II)</b>	<b>3,745.61</b>
IV	<b>Expenses</b>	
	Network and transmission	155.95
	Employee benefits	1,485.45
	Operating and other expenses	824.08
	Finance costs	7.42
	Depreciation and amortisation expense	716.09
	<b>Total Expenses</b>	<b>3,188.99</b>
V	<b>Profit before tax (III - IV)</b>	<b>556.62</b>
VI	Tax expense*	(59.19)
VII	<b>Profit after tax (V - VI)</b>	<b>615.81</b>
VIII	Other comprehensive income	
	Remeasurements of the defined benefit plans	(14.93)
IX	<b>Total comprehensive income (VII + VIII)</b>	<b>600.88</b>





**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2024*

\* In accordance, with the Income Tax regulation, the profit upto the date of business transfer is taxable as the income of the holding company ("the transferor company") and accordingly the Company has not accounted current tax expense on the said profit. However, the Company has recorded deferred tax on the temporary difference between the tax base and book base.

**4. Property, plant and equipment**

Particulars	Amount in ₹ Lakhs			
	Plant and Machinery	Computers	Office Equipment	Total
<b>Cost</b>				
Balance as at 1 April 2022	3,996.12	62.81	7.98	4,066.91
Additions	2,643.56	27.76	0.92	2,672.24
Disposals/ adjustments	(17.86)	(2.80)	-	(20.66)
<b>Balance as at 31 March 2023</b>	<b>6,621.82</b>	<b>87.77</b>	<b>8.90</b>	<b>6,718.49</b>
Additions	435.57	12.67	0.04	448.28
Disposals/ adjustments	(160.46)	-	-	(160.46)
<b>Balance as at 31 March 2024</b>	<b>6,896.93</b>	<b>100.44</b>	<b>8.94</b>	<b>7,006.31</b>
<b>Accumulated depreciation</b>				
Balance as at 1 April 2022	1,981.44	31.71	4.36	2,017.51
Depreciation	942.51	19.04	1.49	963.04
Disposals/ adjustments	(3.53)	(2.80)	-	(6.33)
<b>Balance at 31 March 2023</b>	<b>2,920.42</b>	<b>47.95</b>	<b>5.85</b>	<b>2,974.22</b>
Depreciation	1,285.34	23.80	1.49	1,310.63
Disposals/ adjustments	(160.46)	-	-	(160.46)
<b>Balance as at 31 March 2024</b>	<b>4,045.30</b>	<b>71.75</b>	<b>7.34</b>	<b>4,124.39</b>
<b>Carrying amount</b>				
Balance as at 31 March 2023	3,701.40	39.82	3.05	3,744.27
Balance as at 31 March 2024	2,851.63	28.69	1.60	2,881.92

**5. Capital work-in-progress (CWIP)**

**a) CWIP Ageing Schedule:**

Particulars	Amount in ₹ lakhs			
	Ageing			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
<b>Projects in Progress</b>				
As on 31 March 2024	312.10	105.99	-	-
As on 31 March 2023	181.88	6.77	-	-

**b) CWIP completion schedule (for projects whose completion is overdue):**

Particulars	Amount in ₹ lakhs			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
<b>As on 31 March 2024</b>	<b>118.60</b>	-	-	-
Project 1	109.15	-	-	-
Project 2	9.25	-	-	-
Project 3	0.20	-	-	-
<b>As on 31 March 2023</b>	<b>153.06</b>	<b>22.14</b>	-	-
Project 1	7.92	-	-	-
Project 2	145.14	22.14	-	-

There are no projects which are temporarily suspended or whose cost has exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023, respectively.



**Tata Communications Collaboration Services Private Limited**  
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**c) CWIP Movement:**

Particulars	Amount in ₹ lakhs	
	As at 31 March 2024	As at 31 March 2023
Opening Balance	188.65	1,657.02
Additions	677.72	1,472.70
Disposals/ adjustment	-	(268.83)
Transferred to property, plant and equipment	(448.28)	(2,672.24)
Closing Balance	418.09	188.65

**6. Other Intangible assets**

Particulars	Amount in ₹ lakhs		
	Software	License Fees	Total
<b>Cost</b>			
Balance as at 1 April 2022	1,146.11	-	1,146.11
Additions	392.63	21.25	413.88
Disposals/ adjustments	-	-	-
Balance as at 31 March 2023	1,538.74	21.25	1,559.99
Additions	545.26	-	545.26
Disposals/ adjustments	-	-	-
Balance as at 31 March 2024	2,084.00	21.25	2,105.25
<b>Accumulated amortization</b>			
Balance as at 1 April 2022	580.90	-	580.90
Amortization	238.14	1.92	240.06
Disposals/ adjustments	-	-	-
Balance as at 31 March 2023	819.04	1.92	820.96
Amortization	365.75	5.50	371.25
Disposals/ adjustments	-	-	-
Balance as at 31 March 2024	1,184.79	7.42	1,192.21
<b>Carrying amount</b>			
Balance as at 31 March 2023	719.70	19.33	739.03
Balance as at 31 March 2024	899.21	13.83	913.04

**7. Right of Use assets**

Particulars	Amount in ₹ lakhs	
	Amount	
Balance as at 1 April 2022	1.93	
Additions	2.66	
Termination	-	
Depreciation	(1.39)	
Balance as at 31 March 2023	3.20	
Additions	13.01	
Termination	-	
Depreciation	(4.32)	
Balance as at 31 March 2024	11.89	

- a. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation in the Statement of Profit and Loss.



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2024*

**8. Intangibles assets under development (ITUD)**

**a. ITUD Ageing Schedule:**

Particulars	Ageing				Amount in ₹ lakhs
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Projects in Progress</b>					
As on 31 March 2024	280.49	-	-	-	280.49
As on 31 March 2023	8.40	-	-	-	8.40

**b. ITUD Completion Schedule (for projects whose completion is overdue):**

Particulars	To be Completed in				Amount in ₹ lakhs
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As on 31 March 2024</b>	247.18	-	-	-	-
Project 1	245.96	-	-	-	-
Project 2	1.22	-	-	-	-
<b>As on 31 March 2023</b>	-	-	-	-	-
Project 1	-	-	-	-	-

There are no projects which are temporarily suspended or whose cost has exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023 respectively.

**c. ITUD Movement:**

Particulars	Amount in ₹ lakhs	
	As at 31 March 2024	As at 31 March 2023
<b>Opening Balance</b>	8.40	229.27
Additions	817.35	193.01
Transferred to Intangible Assets	(545.26)	(413.88)
<b>Closing Balance</b>	280.49	8.40

**9. Deferred tax asset (net)**

Major components of deferred tax asset and liability consist of the following:

	As at 1 April 2023	Recognised in Statement of Profit or Loss	Recognised in Other Comprehensive Income	As at 31 March 2024
<b>Deferred tax asset arising out of timing differences on:</b>				
Provision for doubtful debts and advances	27.14	1.25	-	28.39
Expenditure disallowed under section 40 (a) (ia)	0.46	-	-	0.46
Difference between accounting and tax depreciation/ amortization	133.56	138.68	-	272.24
Interest received on provisional income-tax assessment	13.46	0.83	-	14.29
Accrued expenditure	32.85	34.02	-	66.87
Provision for employee benefits	3.93	10.90	3.07	17.90
<b>Deferred tax liability arising out of timing differences on:</b>				
MTM gain on Mutual Funds	1.48	11.47	-	12.95
Expenditure on License Fees	0.13	(0.07)	-	0.06
<b>Total Deferred tax (liabilities)/assets</b>	<b>209.79</b>	<b>174.28</b>	<b>3.07</b>	<b>387.14</b>





**Tata Communications Collaboration Services Private Limited**  
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*for the year ended 31 March 2024*

Major components of deferred tax asset and liability consist of the following:

	Amount in ₹ lakhs			
	As at 1 April 2022	Recognised in Statement of Profit or Loss	Recognised in Other Comprehensive Income	As at 31 March 2023
<b>Deferred tax asset arising out of timing differences on:</b>				
Provision for doubtful debts and advances	27.50	(0.36)	-	27.14
Expenditure disallowed under section 40 (a) (ia)	0.46	-	-	0.46
Difference between accounting and tax depreciation/ amortization	78.83	54.73	-	133.56
Interest received on provisional income-tax assessment	10.99	2.47	-	13.46
Accrued expenditure	32.81	0.04	-	32.85
Provision for employee benefits	-	3.93	-	3.93
<b>Deferred tax liability arising out of timing differences on:</b>				
MTM gain on Mutual Funds	9.12	(7.64)	-	1.48
Expenditure on License Fees	-	0.13	-	0.13
<b>Total Deferred tax (liabilities)/assets</b>	<b>141.47</b>	<b>68.32</b>	<b>-</b>	<b>209.79</b>

**10. Other assets**

		Amount in ₹ lakhs	
		As at 31 March 2024	As at 31 March 2023
<b>A</b>	<b>Non current</b>		
	<b>Unsecured – considered good</b>		
a.	Amount paid under protest	19.22	-
b.	Capital advances	8.50	10.40
c.	Prepaid expenses	3.75	6.98
	<b>Sub-total (A)</b>	<b>31.47</b>	<b>17.38</b>
<b>B</b>	<b>Current</b>		
	<b>Unsecured – considered good</b>		
a.	Goods and Service tax receivable	2,751.38	2,720.61
b.	Unamortised premium on forward contracts	-	1.34
c.	<u>Prepaid expenses</u>		
	Related parties (refer note 33)	6.12	475.47
	Others	11.94	9.61
	<b>Sub-total (B)</b>	<b>2,769.44</b>	<b>3,207.03</b>
	<b>Total (A + B)</b>	<b>2,800.91</b>	<b>3,224.41</b>

**11. Investments**

	Amount in ₹ lakhs	
	As at 31 March 2024	As at 31 March 2023
<b>Current</b>		
Investments at FVTPL (Mutual Funds)	4,759.40	1,071.39
<b>Total</b>	<b>4,759.40</b>	<b>1,071.39</b>



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2024*

**12. Trade Receivables**

	Amount in ₹ lakhs	
	As at 31 March 2024	As at 31 March 2023
<b>Unsecured</b>		
Considered good *	2,671.09	5,310.49
Considered doubtful	108.56	86.09
	<b>2,779.65</b>	<b>5,396.58</b>
Less: allowance for doubtful debts (refer note 37(c))	(108.56)	(86.09)
<b>Total</b>	<b>2,671.09</b>	<b>5,310.49</b>

\* Includes Trade Receivables from Related Parties (refer note 33)

**Trade receivable ageing schedule**

**As at 31 March 2024**

Particulars	Unbilled	Not due	Amount in ₹ lakhs					Total
			Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,149.02	966.26	509.61	48.93	0.04	0.08	0.78	2,674.72
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.06	0.64	5.02	4.11	36.41	7.57	50.48	104.29
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.06	-	-	-	0.58	0.64
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,149.08</b>	<b>966.90</b>	<b>514.69</b>	<b>53.04</b>	<b>36.45</b>	<b>7.65</b>	<b>51.84</b>	<b>2,779.65</b>
Less: allowances for doubtful debts								(108.56)
<b>Total</b>								<b>2,671.09</b>



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2024*

As at 31 March 2023

Particulars	Unbilled	Not due	Amount in ₹ lakhs					
			Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	473.22	2,865.70	1,888.86	40.55	3.73	42.48	6.79	5,321.33
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.57	11.93	11.96	0.07	6.61	10.36	33.75	75.25
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>473.79</b>	<b>2,877.63</b>	<b>1,900.82</b>	<b>40.62</b>	<b>10.34</b>	<b>52.84</b>	<b>40.54</b>	<b>5,396.58</b>
Less: allowances for doubtful debts								(86.09)
<b>Total</b>								<b>5,310.49</b>

**13. Cash and cash equivalents**

	Amount in ₹ lakhs	
	As at 31 March 2024	As at 31 March 2023
Current accounts with scheduled banks	75.00	197.61
<b>Total</b>	<b>75.00</b>	<b>197.61</b>

**14. Other financial assets**

	Amount in ₹ lakhs	
	As at 31 March 2024	As at 31 March 2023
<b>Current</b>		
a. Advances to contractors and vendors		
<b>Unsecured considered good</b>		
- Related parties (refer note 33)	6.81	-
- Others	21.43	30.97
Unsecured, considered doubtful	3.96	21.46
Less: allowance for doubtful advances	(3.96)	(21.46)
	<b>28.24</b>	<b>30.97</b>
b. Security deposits		
<b>Unsecured considered good</b>		
- Related parties (refer note 33)	3.91	1.56
- Others	5.79	0.24
c. Other advances	2.98	1.96
<b>Total</b>	<b>40.92</b>	<b>34.73</b>





**Tata Communications Collaboration Services Private Limited**  
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*for the year ended 31 March 2024*

**15. Equity share capital**

		Amount in ₹ lakhs	
		As at 31 March 2024	As at 31 March 2023
a.	<b>Authorised:</b>		
	150,000 (31 March 2023: 150,000) Equity shares of ₹ 10 each	15.00	15.00
b.	<b>Issued, subscribed and paid up:</b>		
	37,000 (31 March 2023: 37,000) Equity shares of ₹ 10 each fully paid up	3.70	3.70

**a. Issued, subscribed and paid up:**

During the previous year, the Company had allotted 17,000 equity shares of face value of ₹10 per share to Tata Communications Limited, the holding company.

**b. Terms/ rights attached to equity shares:**

The Company has only one class of equity shares with a face value of ₹10 per share. Each shareholder of equity shares is entitled to one vote per share at any general meeting of shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

**c. Number of shares held by each shareholder holding more than 5% of the issued share capital:**

	As at 31 March 2024		As at 31 March 2023	
	No of shares	Percentage	No of shares	Percentage
Tata Communications Limited (Holding Company)	37,000	100%	37,000	100%

**d. Details of shares held by the promoter and promoter group**

	As at 31 March 2024		As at 31 March 2023	
	No of shares	Percentage	No of shares	Percentage
Tata Communications Limited (Holding Company)	37,000	100%	37,000	100%

**16. Other equity**

		Amount in ₹ lakhs	
		As at 31 March 2024	As at 31 March 2023
a.	Securities Premium Reserve (refer i below)	4,857.04	4,857.04
b.	Retained Earnings	6,373.95	6,098.82
c.	Other comprehensive income (refer ii below)	(10.81)	(1.67)
<b>Total</b>		<b>11,220.18</b>	<b>10,954.19</b>

**i. Securities premium:** It is the additional amount which shareholders have paid for shares issued; that was in excess of the face value of those shares. This premium can be used to write off equity related expenses and issue of bonus shares.

**ii. Other comprehensive income:** This represents the cumulative gains and losses arising on remeasurement of defined employee benefit plans (net of taxes).



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2024*

**17. Provisions**

		Amount in ₹ lakhs	
		As at 31 March 2024	As at 31 March 2023
<b>A</b>	<b>Non current</b>		
a.	Provision for compensated absences	60.02	46.88
b.	Provision for Gratuity	185.33	144.08
	<b>Sub total (A)</b>	<b>245.35</b>	<b>190.96</b>
<b>B</b>	<b>Current</b>		
a.	Provision for compensated absences	9.99	8.39
b.	Provision for others (refer note below)	107.52	112.55
	<b>Sub total (B)</b>	<b>117.51</b>	<b>120.94</b>
	<b>Total (A + B)</b>	<b>362.86</b>	<b>311.90</b>

Movement of provisions for others

	As at 31 March 2024	As at 31 March 2023
<b>Opening balance</b>	<b>112.55</b>	<b>130.34</b>
Addition	-	-
Utilisation/ adjustments	(5.03)	(17.79)
<b>Closing balance</b>	<b>107.52</b>	<b>112.55</b>
Non-current provision	-	-
Current provision	107.52	112.55

Provision for others is towards other tax matters.

**18. Other liabilities**

		Amount in ₹ lakhs	
		As at 31 March 2024	As at 31 March 2023
<b>A</b>	<b>Non current</b>		
a.	Deferred revenue		
	- Related parties (refer note 33)	57.32	174.55
	- Others	14.92	41.29
b.	Accrued employee cost	33.28	41.60
	<b>Sub total (A)</b>	<b>105.52</b>	<b>257.44</b>
<b>B</b>	<b>Current</b>		
a.	Statutory dues payable	221.82	119.69
b.	Deferred revenue		
	- Related parties (refer note 33)	274.86	282.16
	- Others	254.71	146.90
c.	Accrued employee cost	641.07	319.25
	<b>Sub total (B)</b>	<b>1,392.46</b>	<b>868.00</b>
	<b>Total (A+B)</b>	<b>1,497.98</b>	<b>1,125.44</b>



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2024*

**19. Trade payables**

Amount in ₹ lakhs		
	As at 31 March 2024	As at 31 March 2023
A. Total outstanding dues of micro enterprises and small enterprises (refer note 39)	36.29	8.67
<b>Sub-total (A)</b>	<b>36.29</b>	<b>8.67</b>
B. Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Payable to related parties (refer note 33)	1,673.11	1,363.20
- Other creditors	834.16	838.88
<b>Sub-total (B)</b>	<b>2,507.27</b>	<b>2,202.08</b>
<b>Total (A+B)</b>	<b>2,543.56</b>	<b>2,210.75</b>

**Trade payable ageing schedule**

**As at 31 March 2024**

Amount in ₹ lakhs							
Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	36.29	-	-	-	-	36.29
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,808.97	508.64	97.22	0.82	0.08	91.54	2,507.27
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>1,808.97</b>	<b>544.93</b>	<b>97.22</b>	<b>0.82</b>	<b>0.08</b>	<b>91.54</b>	<b>2,543.56</b>

**As at 31 March 2023**

Amount in ₹ lakhs							
Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	8.67	-	-	-	-	8.67
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,216.28	234.28	522.05	26.48	121.62	81.37	2,202.08
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>1,216.28</b>	<b>242.95</b>	<b>522.05</b>	<b>26.48</b>	<b>121.62</b>	<b>81.37</b>	<b>2,210.75</b>





**Tata Communications Collaboration Services Private Limited**  
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**20. Other financial liabilities**

		Amount in ₹ lakhs	
		As at 31 March 2024	As at 31 March 2023
<b>Current</b>			
a. Deposits from customers and contractors		2.96	2.96
b. Capital creditors			
- Related parties (refer note 33)		55.80	95.46
- Others		58.55	169.64
		<b>114.35</b>	<b>265.10</b>
c. Other liabilities			
- Related parties (refer note 33)		4.33	-
- Others		40.49	39.71
<b>Total</b>		<b>162.13</b>	<b>307.77</b>

**21. Other income**

		Amount in ₹ lakhs	
		For the year ended 31 March 2024	For the year ended 31 March 2023
a. Gain on investments carried at fair value through profit and loss		242.02	103.18
b. Gain/(loss) on disposal of property, plant and equipment (net)		-	(0.16)
c. Foreign exchange (loss)/ gain (net)		47.66	(15.01)
d. Others		29.50	18.97
<b>Total</b>		<b>319.18</b>	<b>106.98</b>

**22. Network and Transmission**

		Amount in ₹ lakhs	
		For the year ended 31 March 2024	For the year ended 31 March 2023
a. Charges for use of transmission facilities		3,292.18	2,531.66
b. Royalty and license fee to Department of Telecommunications		63.89	173.50
<b>Total</b>		<b>3,356.07</b>	<b>2,705.16</b>

**23. Employee benefits**

		Amount in ₹ lakhs	
		For the year ended 31 March 2024	For the year ended 31 March 2023
a. Salaries and related costs		2,337.54	1,967.12
b. Contributions to provident and other funds		155.93	124.39
c. Staff welfare expenses		49.59	17.24
d. Shared based payment expenses		4.33	-
<b>Total</b>		<b>2,547.39</b>	<b>2,108.75</b>

Refer note 29 for disclosures required under Ind As 19 – Employee benefits & Ind AS 102 – Share Based Payments.



**Tata Communications Collaboration Services Private Limited**  
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**24. Operating and other expenses**

	Amount in ₹ lakhs	
	For the year ended 31 March 2024	For the year ended 31 March 2023
a. Services rendered to agencies	778.63	634.42
b. Provision for doubtful debts	22.47	(23.15)
c. Provision for doubtful advances	(17.50)	21.46
D Legal and professional fees	273.60	161.08
e. Corporate social responsibility expenditure (Refer i below)	129.51	204.94
f. Repairs and Maintenance:		
Buildings	1.99	10.08
Plant and Machinery	404.69	396.23
Others	17.36	2.30
g. Rent	87.35	36.33
h. Travelling	102.59	136.85
i. Advertising & publicity	23.48	27.47
j. Other expenses (Refer note 30)	47.41	196.91
<b>Total</b>	<b>1,871.58</b>	<b>1,804.92</b>

i. Disclosure in respect of Corporate social responsibility (CSR) expenditure:

	Amount in ₹ lakhs	
	For the year ended 31 March 2024	For the year ended 31 March 2023
1 Amount required to be spent by the Company during the year	126.07	203.47
2 Amount approved by CSR committee	126.07	203.47
3 Amount of expenditure incurred on		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	129.51	204.94
4 Shortfall at the end of the year	-	-
5 Total of previous years shortfall (spent during the year)	-	139.72
6 Unspent amount in relation to ongoing project	-	-
7 Reason for shortfall	NA	NA
	Pertains to ongoing Projects	Pertains to ongoing projects
8 Nature of CSR activities	Mainly for sustainable livelihoods, environmental sustainability and education	Mainly for sustainable livelihoods and environmental sustainability
9 Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

**25. Finance cost**

	Amount in ₹ lakhs	
Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on lease liabilities	0.70	0.48
Other interest (refer i below)	19.18	9.89
<b>Total</b>	<b>19.88</b>	<b>10.37</b>

i. Includes interest cost on actuarial valuation (refer note 29)



**Tata Communications Collaboration Services Private Limited**  
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**26. Depreciation and amortization**

Amount in ₹ lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment (note 4)	1,310.63	963.04
Amortization of intangible assets (note 6)	371.25	240.06
Depreciation on Right of use assets (note 7)	4.32	1.39
<b>Total</b>	<b>1,686.20</b>	<b>1,204.49</b>

**27. Exceptional item**

Amount in ₹ lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Staff cost optimization (refer note below)	248.00	-
<b>Total</b>	<b>248.00</b>	<b>-</b>

As part of its initiative to enhance the long term efficiency of the business during the year, the Company undertook organisational changes to align to the Company's current and prospective business requirements. These changes involved certain positions in the Company becoming redundant and the Company incurred a one-time charge in current year.

**28. Income tax**

i. Income tax recognised in Statement of Profit and Loss

Amount in ₹ lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Current tax</b>		
In respect of current year*	292.43	288.25
In respect of prior years	20.66	8.64
<b>Total Current tax (a)</b>	<b>313.09</b>	<b>296.89</b>
<b>Deferred tax</b>		
In respect of the current year*	(154.21)	(68.32)
In respect of prior years	(20.07)	-
<b>Total deferred tax (b)</b>	<b>(174.28)</b>	<b>(68.32)</b>
<b>Total Income tax (a + b)</b>	<b>138.81</b>	<b>228.57</b>

\* includes impact of Business Combination (Refer Note 3)

ii. The income tax expense for the year can be reconciled to the accounting profit as follows:

Amount in ₹ lakhs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Profit before tax</b>	<b>413.94</b>	<b>1,459.38</b>
Income tax expense calculated at 25.168% tax rate (2022 - 2023: 25.168% tax rate)	104.18	367.30
<b>Reasoning</b>		
Effect of expenses /adjustments that are not deductible in determining taxable profit	34.04	51.92
Tax pertaining to prior years	0.59	8.64
<b>Business Combination</b> (Refer note 3)		
Deferred tax	-	(59.19)
Current tax	-	(140.10)
<b>Total</b>	<b>34.63</b>	<b>(138.73)</b>
Income tax expense recognised in Profit or Loss	138.81	228.57





**Tata Communications Collaboration Services Private Limited**  
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**iii. Income tax recognised in Other comprehensive income**

Particulars	Amount in ₹ lakhs	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax (a)	-	0.56
Deferred tax (b)	3.07	-
<b>Total (a+b)</b>	<b>3.07</b>	<b>0.56</b>
<b>Bifurcation of income tax recognised in other comprehensive income into -</b>		
Items that will be reclassified to Statement of Profit and Loss	-	-
Items that will not be reclassified to Statement of Profit and Loss	3.07	0.56

**29. Employee benefits (Defined benefit plan)**

**Provident Fund**

The Company makes contribution towards Provident fund under a defined contribution retirement benefit plan for employees. The Provident Fund is administered by the Regional Provident Fund Commissioner. Under this Scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. Provident fund contributions amounting to ₹ 117.15 lakhs (2023: ₹ 94.77 lakhs) have been charged to the Statement of Profit and Loss under contributions to provident and other funds (Refer note 23)

**Gratuity**

The plan provides for lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The cost of providing benefits for defined benefit schemes is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

These plans typically expose the Company to actuarial risk such as interest rate risk and salary risk.

Interest rate risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
Salary risk	Higher than expected increases in salary will increase the defined benefit obligation
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The most recent actuarial valuation of the defined benefit obligation were carried out as at 31 March 2024 by an accredited actuary.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Principal Actuarial assumptions	As at 31 March 2024	As at 31 March 2023
Discount rate	7.00%	7.20%
Salary Escalation Rate	7.00%	7.00%
Withdrawal rate		
Less than 5 years	15%	15%
5 years and more	8%	8%



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The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future compensation cost considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows:

Amount in ₹ lakhs		
	As at 31 March 2024	As at 31 March 2023
<u>Expenses recognized in the statement of profit and loss</u>		
a. Current service cost	25.89	21.91
b. Interest cost	10.12	7.27
<b>Components of defined benefit costs recognized in the Statement of Profit and Loss</b>	<b>36.01</b>	<b>29.18</b>
<u>Remeasurement on the net defined benefit liability</u>		
a. Actuarial (gains) / losses arising from Defined benefit obligation assumption changes	2.82	5.11
b. Actuarial (gains) / losses arising from the changes in experience adjustments	9.39	12.05
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>12.21</b>	<b>17.16</b>

The details in respect of the unfunded amounts recognized in the balance sheet for these defined benefit schemes are as under:

Amount in ₹ lakhs		
	As at 31 March 2024 (Unfunded)	As at 31 March 2023 (Unfunded)
<b>I Amount recognized in the balance sheet</b>		
Liability at the end of the year	185.33	144.08
<b>Net liability in the balance sheet</b>	<b>185.33</b>	<b>144.08</b>
Non-current provision (Refer note 17A)		
<b>II. Change in the Defined Benefit Obligation (DBO)</b>		
Present value of DBO at the beginning of the year	144.08	116.01
Current service cost	25.89	21.91
Interest cost	10.12	7.27
Amount recognized in Other Comprehensive income	12.21	17.16
Benefits paid	(6.97)	(18.27)
<b>Present value of DBO at the end of the year</b>	<b>185.33</b>	<b>144.08</b>

A quantitative sensitivity analysis for significant assumptions as at 31 March 2024 and 31 March 2023 is as shown below

Significant actuarial assumptions for the determination of the defined obligation are discount rate, salary escalation rate and withdrawal rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**Discount rate**

Amount in ₹ lakhs		
	As at 31 March 2024	As at 31 March 2023
Effect on DBO due to 1% increase	(13.41)	(10.53)
Effect on DBO due to 1% decrease	15.26	11.98



**Tata Communications Collaboration Services Private Limited**  
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**Salary escalation rate**

	Amount in ₹ lakhs	
	As at 31 March 2024	As at 31 March 2023
Effect on DBO due to 1% increase	9.80	7.64
Effect on DBO due to 1% decrease	(9.33)	(7.32)

**Withdrawal rate**

	Amount in ₹ lakhs	
	As at 31 March 2023	As at 31 March 2023
Effect on DBO due to 5% increase	4.03	3.93
Effect on DBO due to 5% decrease	(8.59)	(8.30)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

**Maturity profile of defined benefit plan**

	Amount in ₹ lakhs
	As at 31 March 2024
31 March 2025	17.99
31 March 2026	17.61
31 March 2027	19.96
31 March 2028	24.24
31 March 2029	27.98
31 March 2030 to 31 March 2034	168.55

There has been no change in the process used by the Company to manage its risks from prior years.

**i. Leave plan and compensated absences**

Leaves unavailed by eligible employees may be carried forward up to 60 days and for employees who have joined post 01 January 2020 carry forward shall be restricted to 45 days. Encashment will be maximum of 30 days by them / their nominees in the event of death or permanent disablement or resignation.

The liability for compensated absences as at the year-end is ₹ 70.01 lakhs (2023: ₹ 55.27 lakhs) as shown under non-current provisions ₹ 60.02 lakhs (2023: ₹ 46.88 lakhs) and current provisions ₹ 9.99 lakhs (2023: ₹ 8.39 lakhs). Compensated absences expenses amounting to ₹ 15.01 lakhs (2023: ₹ 4.74 lakhs) have been charged to the Statement of Profit and Loss under salaries and related costs in note 23 "Employee Benefit Expenses".

**ii. Share based payment**

The Holding Company has granted RSU's to certain employees of the Company as on 1 January 2024. The RSUs shall vest with the employee on the satisfaction of a time-based and a performance-based vesting criteria as prescribed by Holding Company. On vesting, employees of the Company shall receive the shares of the Holding company.

The Holding Company shall chargeback the amount for such RSU's accrued on an annual basis based on actual shares issued to employees of subsidiary in respect of vested RSU's and the expected cost for unvested RSU's. The description of RSU's Granted during the year are as follows:





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Name of Plan	No. of shares arising of the plan	Maximum term of option	Vesting Condition
RSU Plan 2023	3,858	3 years	Time based and performance-based vesting condition as prescribed by the Holding Company

**Summary of RSU's Granted**

Particulars	No. of units	Weighted average Ex. Price (₹ per unit)
Opening balance	-	-
Granted during the year	3,858	10
Lapsed/ cancelled during the year	618	10
<b>Closing Balance</b>	<b>3,240</b>	<b>10</b>
Exercisable at year end	-	-

The weighted average contractual life of the RSU's outstanding as on 31 March 2024 is 25 months.

The amount charged in the Statement of Profit and Loss for the year ended 31 March 2024 is ₹ 4.33 laes.

**30. Auditor's remuneration:**

(Included in Other expenses under operating and other expenses – Refer note 24)

	Amount in ₹ lakhs	
	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>a. Payment to statutory auditors</b>		
i. Audit fees	8.85	11.18
ii. Taxation Matters	1.60	1.55
iii. Others	2.39	2.28
<b>b. Payment to cost auditor</b>		
i. For cost audit services	0.57	0.89

*Above amount excludes GST/ Service tax*

**31. Earnings per share**

	Amount in ₹ lakhs	
	As at 31 March 2024	As at 31 March 2023
Net profit after tax attributable to the equity shareholders (A)	275.13	1,230.81
Number of equity shares outstanding at the end of the year	37,000	37,000
Weighted average number of shares outstanding during the year (B)	37,000	24,332
Basic and diluted earnings per share (₹ per equity share of ₹ 10 each) (A/B)	743.59	5,058.40

**32. Segment reporting**

The Company is engaged in telecommunication services in the form of voice mail / audiotex licenses for all India location as granted by the Department of Telecommunications. The Company is also engaged in the business of providing Internet-of-Things, Big Data, Cloud, surveillance, security, tracking and navigation for the benefit of Consumers and Enterprises, design, develop, supply software for SIM cards and eSIM, design, develop and deliver management solutions to distance from on-board SIM and eSIM software and to build, operate, maintain, consult, host (e)SIM provisioning platforms, connectivity platforms and solutions, vehicle data platforms and solutions, and all related software and applications.



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The revenues from operation have been allocated to countries based on location of the customers as shown below:

Amount in ₹ lakhs

Country	For the year ended 31 March 2024	For the year ended 31 March 2023
India	8,005.30	7,079.84
United States of America	1,714.16	2,035.44
United Kingdom	16.45	14.43
Others	87.97	56.38
<b>Total</b>	<b>9,823.88</b>	<b>9,186.09</b>

For segment, non-current assets comprises of property, plant and equipment, capital work in progress and other intangible assets which are mainly located in India.

**Information about major customer group:**

Amount in ₹ lakhs

Name	For the year ended 31 March 2024	For the year ended 31 March 2023
Customer F	5,842.43	4,770.62
Customer C	1,714.16	2,035.44
Customer E	50.20	826.34

**33. Related Party Transactions**

**i. Names of related parties and nature of relationship**

Sr No	Category of related parties	Names
A	Holding Company	Tata Communications Limited
B	Ultimate Holding Company/ Controlling party and its affiliates*	Tata Sons Private Limited  Tata Teleservices Limited Tata Consultancy Services Limited Tata AIG General Insurance Company Limited Automotive Stampings and Assemblies Limited Hampi Expressways Private Limited Tata Advanced Systems Limited Tata AIA Life Insurance Company Limited Tata Autocomp Hendrickson Suspensions Private Limited (Formerly known as Taco Hendrickson Suspensions Private Limited) Tata Autocomp Katcon Exhaust Systems Private Limited (Formerly known as Katcon India Private Limited) Tata Autocomp Systems Limited Tata Boeing Aerospace Limited (Formerly known as Tata Aerospace Limited)



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Sr No	Category of related parties	Names
		Tata Capital Financial Services Limited (merged with Tata Capital Limited w.e.f.01.01.2024)
		Tata Housing Development Company Limited
		Tata International Limited
		Tata Sikorsky Aerospace Limited (Formerly Tata Aerospace Systems Limited)
		Tata Motors Limited
		Tata Asset Management Private Limited (Formerly Tata Asset Management Limited)
		TML Business Services Limited
		Tata Chemicals Limited
		Tata Coffee Ltd.(merged with Tata Consumer Products Limited w.e.f.01.01.2024)
		Tata Metaliks Ltd.(merged with Tata Steel Ltd w.e.f.01.02.2024)
		Tata Power Solar Systems Limited
		Tata Projects Limited
		Tata Steel Limited
		Tata Teleservices (Maharashtra) Limited
		The Indian Hotels Company Limited
		The Tinsplate Company of India Limited.(merged with Tata Steel Ltd w.e.f.15.01.2024)
		Indian Steel & Wire Products Ltd.
		Nelco Limited
		Tata Steel Long Products Limited.(merged with Tata Steel Ltd w.e.f.15.11.2023)
		Tata Steel Mining Limited.(merged with Tata Steel Ltd w.e.f.01.09.2023)
		Tata Steel Utilities and Infrastructure Services Limited (Formerly known as Jamshedpur Utilities & Services Company Limited)
		Tata Unistore Limited (w.e.f. 09.12.2022)
		The Tata Power Company Limited
		TP Luminaire Private Limited
		TVS Supply Chain Solutions Limited (ceased w.e.f. 28.07.2023)
		Voltas Limited
		Tata Steel BSL Limited (merged with Tata Steel Ltd)





**Tata Communications Collaboration Services Private Limited**  
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Sr No	Category of related parties	Names
		Tata Steel Downstream Products Limited (formerly Tata Steel Processing and Distribution Limited)
		Tata 1mg Healthcare Solutions Private Limited
		Tata Industries Limited
		Tata Motors Passenger Vehicles Limited
		Air India Limited
		Tata Passenger Electric Mobility Limited
C	Fellow subsidiaries*	Tata Communications Transformation Services Limited
		Tata Communications (America) Inc.
		Tata Communications (UK) Limited
		Tata Communications (Canada) Limited
		Tata Communications Deutschland GmbH
		Tata Communications (Hong Kong) Limited
		Tata Communications (Netherlands) BV
		Tata Communications International Pte Ltd
		Tata Communications (Australia) Pty Limited
		Tata Communications (Ireland) DAC
		Tata Communications (Poland) Sp. Z.O.O.
		Tata Communications (Switzerland) GmbH
		Tata Communications (France) SAS
		Tata Communications (Sweden) AB
		Tata Communications Lanka Limited
		Tata Communications Comunicações E Multimídia (Brazil) Limitada
		Oasis Smart SIM Europe SAS
		Tata Communications (Belgium) Srl (Formerly Tata Communications (Belgium) S.P.R.L.)
		Tata Communications (Italy) SRL
		Tata Communications Services (International) Pte. Limited
D	Associates of holding company *	STT Global Data Centres India Private Limited
E	Others *	Go Digit Infoworks Services Private Limited
		Peoplestrong Technologies Private Limited (Formerly Peoplestrong HR Services Private Limited)

\* Where transactions have taken place or there are balances

# Reimbursement made of expenses incurred by related party for business purpose of the Company, or reimbursement received for expenses incurred by the Company on behalf of a related party shall not be deemed related party transactions.



**Tata Communications Collaboration Services Private Limited**  
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**ii. Summary of transactions and balances with related parties**

Particulars	Amount in ₹ lakhs					
	Holding company	Ultimate Holding Company/ Controlling party and its Affiliates	Fellow subsidiaries	Associates of holding company	Others	Total
<b>Transactions during the year</b>						
Revenue from operations	-	6,118.45	1,788.33	-	-	7,906.78
	-	4,842.59	2,099.71	0.06	-	6,942.36
Operating and other expenses (including services rendered by related parties)	654.56	1,449.84	1,671.51	38.07	0.07	3,814.05
	405.76	1,387.30	1,771.04	-	0.05	3,564.15
Purchase of Mutual Funds	-	2,004.90	-	-	-	2,004.90
	-	-	-	-	-	-
Redemption of Mutual Funds	-	1,420.00	-	-	-	1,420.00
	-	670.72	-	-	-	670.72
Purchase of PPE and Intangible assets (including CWIP and ITUD)	9.68	127.22	475.28	-	-	612.18
	122.22	-	33.51	-	-	155.73
Finance Cost	0.29	-	-	-	-	0.29
	0.28	-	-	-	-	0.28
Addition to Right of Use	1.40	-	-	-	-	1.40
	2.67	-	-	-	-	2.67
Purchase for transfer of business from holding company (refer note 3)	-	-	-	-	-	-
	5,082.10	-	-	-	-	5,082.10
Proceeds from issue of equity shares	-	-	-	-	-	-
	4,858.74	-	-	-	-	4,858.74
<b>Closing balances</b>						
Trade receivables	58.04	1,601.74	708.36	-	-	2,368.14
	853.04	1,415.39	2,700.68	-	-	4,969.11
Current investments	-	612.41	-	-	-	612.41
	-	-	-	-	-	-
Other assets (current)	5.00	1.12	-	-	-	6.12
	-	0.19	475.28	-	-	475.47
Trade payables (including capital creditors)	716.67	470.82	541.05	0.37	-	1,728.91
	945.32	306.54	206.80	-	-	1,458.66
Other liabilities – non - current	-	57.32	-	-	-	57.32
	-	174.55	-	-	-	174.55
Other liabilities – current	-	274.86	-	-	-	274.86
	-	282.16	-	-	-	282.16
Other financial assets – current	0.41	10.31	-	-	-	10.72
	0.24	1.32	-	-	-	1.56
Lease liabilities	3.09	-	-	-	-	3.09
	3.40	-	-	-	-	3.40
Other financial liabilities - current	4.33	-	-	-	-	4.33
	-	-	-	-	-	-

*Previous year figures are in italics*

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: ₹ Nil).



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2024*

**iii. List of material transactions with related parties:**

Amount in ₹ lakhs

Category of service	Name of Related Party	Relationship	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations	Tata Steel Limited	Controlling & affiliates	5,645.42	4,393.00
	Tata Communications (America) Inc.	Fellow subsidiaries	1,714.26	2,035.44
Operating and other expenses (including services rendered by related parties)	OASIS Smart SIM Europe SAS	Fellow subsidiaries	1,616.35	1,032.32
	Tata Teleservices (Maharashtra) Limited	Controlling & affiliates	999.25	1,044.45
	Tata Communications Limited	Holding Company	654.56	405.76
	Tata Communications (America) Inc.	Fellow subsidiaries	26.49	401.77
Purchase of Mutual Funds	Tata Asset Management Private Limited	Controlling & affiliates	2,004.90	-
Redemption of Mutual Funds	Tata Asset Management Private Limited	Controlling & affiliates	1,420.00	670.72
Purchase of PPE and Intangible assets (including CWIP and ITUD)	Tata Industries Limited	Controlling & affiliates	106.72	-
	Tata Communications Limited	Holding Company	9.68	122.22
	OASIS Smart SIM Europe SAS	Fellow subsidiaries	475.28	33.51
Purchase for transfer of business from holding company	Tata Communications Limited	Holding Company	-	5,082.10
Proceeds from issue of equity shares	Tata Communications Limited	Holding Company	-	4,858.74

**iv. List of material balances with related parties:**

Amount in ₹ lakhs

Category of Balance	Name of Related Party	Relationship	As at 31 March 2024	As at 31 March 2023
Trade Receivables	Tata Steel Limited	Controlling & affiliates	1,403.18	1,328.43
	Tata Communications (America) Inc.	Fellow subsidiaries	668.09	886.94
	Tata Communications Limited	Holding Company	58.04	853.04
	Tata Communications (International) Pte Limited	Fellow subsidiaries	-	1,810.09
Current Investments	Tata Asset Management Pvt Limited	Controlling & affiliates	612.41	-
Other Current Assets	OASIS Smart SIM Europe SAS	Fellow subsidiaries	-	475.28
Trade Payables	Tata Communications Limited	Holding Company	716.67	945.32
	OASIS Smart SIM Europe SAS	Fellow subsidiaries	448.98	66.67
	Tata Teleservices (Maharashtra) Limited	Controlling & affiliates	225.26	116.11
	Tata Teleservices Limited	Controlling & affiliates	143.36	167.79
Other liabilities - Non-current	Tata Steel Limited	Controlling & affiliates	54.49	151.54
Other liabilities - Current	Tata Steel Limited	Controlling & affiliates	154.52	265.01
	Tata Motors Passenger Vehicles Limited	Controlling & affiliates	118.93	-
Other Financial Assets	Tata AIA Life Insurance Company Limited	Controlling & affiliates	10.31	-

**34. Operating lease arrangements**

**a) As lessee**

The Company has lease contracts for immovable properties across various locations used in its operations. Such leases generally have lease terms between 3 to 10 years. Generally, the Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments.

The Company also has certain leases with lease terms of 12 months or less.





**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2024*

The following is the break-up of current and non-current lease liabilities:

Particulars	Amount in ₹ lakhs	
	As at 31 March 2024	As at 31 March 2023
Current liability	6.48	1.49
Non current liability	5.86	1.91
<b>Balances</b>	<b>12.34</b>	<b>3.40</b>

The following is the movement in lease liabilities during the year ended 31 March 2024 and 31 March 2023

Particulars	Amount
<b>Balance as at 31 March 2022</b>	<b>1.93</b>
Additions	2.66
Finance cost accrued during the year	0.48
Payment/ Reversal of lease liabilities	(1.67)
<b>Balance as at 31 March 2023</b>	<b>3.40</b>
Additions	13.01
Finance cost accrued during the year	0.70
Payment/ Reversal of lease liabilities	(4.77)
<b>Balance as at 31 March 2024</b>	<b>12.34</b>

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

	Amount in ₹ lakhs	
	As at 31 March 2024	As at 31 March 2023
Due not later than one year	7.18	1.68
Due later than one year but not later than five years	6.21	2.05
Later than five years	-	-
	<b>13.39</b>	<b>3.73</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

### 35. Derivatives

Derivatives are not designated as hedging instruments.

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within 1 year.

Outstanding derivatives instruments are as follows

	As at 31 March 2024			As at 31 March 2023		
	(Amount in foreign currency in millions)	(Amount in ₹ lakhs)	Fair value gain / (loss) (Amount in ₹ lakhs)	(Amount in foreign currency in millions)	(Amount in ₹ lakhs)	Fair value gain / (loss) (Amount in ₹ lakhs)
I. Forward exchange contracts (Sell)						
USD	-	-	-	1.10	905.23	1.24



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2024*

**36. Financial instruments**

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(i) to the financial statements.

**Financial assets and liabilities**

The carrying value of financial instruments by categories as at 31 March 2024 and 31 March 2023 are as follows:

	As at 31 March 2024			As at 31 March 2023		
	Fair value through profit or loss	Amortised cost	Total carrying value	Fair value through profit or loss	Amortised cost	Total carrying value
<b>Financial assets:</b>						
Investments	4,759.40	-	4,759.40	1,071.39	-	1,071.39
Trade receivables	-	2,671.09	2,671.09	-	5,310.49	5,310.49
Other financial assets	-	40.92	40.92	-	34.73	34.73
Cash and cash equivalents	-	75.00	75.00	-	197.61	197.61
<b>Total</b>	<b>4,759.40</b>	<b>2,787.01</b>	<b>7,546.41</b>	<b>1,071.39</b>	<b>5,542.83</b>	<b>6,614.22</b>

	As at 31 March 2024			As at 31 March 2023		
	Fair value through profit or loss	Amortised cost	Total carrying value	Fair value through profit or loss	Amortised cost	Total carrying value
<b>Financial liabilities:</b>						
Lease Liabilities	12.34	-	12.34	3.40	-	3.40
Trade payables	-	2,543.56	2,543.56	-	2,210.75	2,210.75
Other financial liabilities	-	162.13	162.13	-	307.77	307.77
<b>Total</b>	<b>12.34</b>	<b>2,705.69</b>	<b>2,718.03</b>	<b>3.40</b>	<b>2,518.52</b>	<b>2,521.92</b>

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at 31 March 2024 and 31 March 2023 approximate the fair value because of their short-term nature. Difference between carrying amount and fair value of other financial assets and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure is required)

**As at 31 March 2024**

	Amount in ₹ lakhs			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
i. Investment in mutual funds	4,759.40	-	-	4,759.40
<b>Total</b>	<b>4,759.40</b>	<b>-</b>	<b>-</b>	<b>4,759.40</b>

**As at 31 March 2023**

	Amount in ₹ lakhs			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
i. Investment in mutual funds	1,071.39	-	-	1,071.39
<b>Total</b>	<b>1,071.39</b>	<b>-</b>	<b>-</b>	<b>1,071.39</b>



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### 37. Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The senior management reviews and agrees policies for managing each of these risks, which are summarised below.

#### a. Market risk

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

#### b. Foreign currency sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company's objective is to try and protect the underlying values of the Company's balance sheet forex exposures. Exposures are broadly categorized into receivables and payable exposures.

The Company manages its foreign currency risk by entering into derivatives on Net Exposures, i.e. netting off the Receivable and Payable exposures in order to take full benefit of natural hedge.

Non-crystallised (not in books) exposures for which cash flows are highly probable are considered for hedging after due consideration of cost of cover, impact of such derivatives on Statement of Profit and Loss due to MTMs (mark to market loss or gains), market / industry practices, regulatory restrictions etc.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rate shift of all the currencies by 5% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures of the Company as of the date of balance sheet which would affect the Statement of Profit and Loss and equity.

The following table sets forth information relating to foreign currency exposure (net) as at 31 March 2024 and 31 March 2023.

Currency	Amount in ₹ lakhs	
	USD	EUR
<b>As at 31 March 2024</b>		
Financial assets	138.59	-
Financial Liabilities	-	19.85
<b>As at 31 March 2023</b>		
Financial assets	1,512.11	-
Financial Liabilities	-	15.01

5% appreciation/ depreciation of the respective foreign currencies with respect to functional currency of the Company would result in increase/ decrease in the Company's profit before tax by approximately ₹ 5.94 lakhs (2022 - 2023: ₹ 74.86 lakhs) for the year ended 31 March 2024.





# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

### a. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

In determining the allowances for doubtful trade receivables, the Company will use simplified approach by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the gross receivables as at the reporting date and the net receivables after considering expected credit loss allowance is as mentioned below:

Ageing of receivables	Amount in ₹ lakhs	
	As at 31 March 2024	As at 31 March 2023
Within credit period	2,112.13	3,366.92
1-90 days	450.20	1,837.23
91-180 days	55.41	47.91
181-360 days	50.97	39.20
More than 360 days	2.38	19.23
<b>Total</b>	<b>2,671.09</b>	<b>5,310.49</b>

### Movement in expected credit loss allowance

	Amount in ₹ lakhs	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance	86.09	109.24
Movement in expected credit loss calculated based on lifetime expected credit loss method	22.47	(23.15)
Balance at the end of the year	<b>108.56</b>	<b>86.09</b>

### b. Liquidity risk

The Company monitors its risk of shortage of funds using effective liquidity and cash management tools.

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at 31 March 2024	Amount in ₹ lakhs			
	On demand	0 to 12 months	1 to 5 years	Total
Other financial liabilities	61.82	100.31	-	162.13
Trade Payables	543.27	2,000.29	-	2,543.56

As at 31 March 2023	Amount in ₹ lakhs			
	On demand	0 to 12 months	1 to 5 years	Total
Other financial liabilities	102.37	205.40	-	307.77
Trade Payables	588.51	1,622.24	-	2,210.75



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2024*

**38. Contingent liabilities and commitments:**

**a. Contingent liabilities**

Amount in ₹ lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Income Tax* (refer i below)	180.41	180.41
Claim for other taxes* (GST) (refer ii below)	192.21	-
Other Claims (refer iii below)	134.01	-

\* In case the above cases are against the Company, then the Company may be liable for interest exposure of ₹ 217.16 lakhs (31 March 2023: ₹ 33.30 lakhs on final settlement of the claims).

- During the earlier years, the Company has received an Order u/s 201/201(A) of the Income Tax Act, 1961 for FY 2017-18 (AY 2018-19) raising demand of ₹ 119.93 lakhs on account of alleged non-deduction of taxes on year-end provisions. The Company has contested the claim with the relevant authority and has preferred appeal which is pending. The Company believes that the claim is not probable and would not result in outflow, subject to favorable outcome of the appeal filed there against.
- Indirect tax litigation relates to demand with respect to input tax credit and others wherein the Company has contested the demand and has preferred appeals which are pending. The Company believes that it will be able to defend its position hence disclosed the amount as contingent liability.
- During the current year, the Company received "Show cause cum demand notices" from Department of Telecom (DoT) aggregating to ₹ 134.01 Lacs towards License fees for the financial year 2022-23 in respect of its Audiotex licenses. The Company believes that it will be able to defend its position and accordingly, the Company has disclosed the amount as contingent liability.

**b. Commitments**

**i. Capital commitments**

Estimated amount of contracts remaining to be executed on capital account, not provided for amount to ₹ 248.35 lakhs (31 March 2023: ₹ 601.98 lakhs) (net of capital advances).

**39. Micro and small enterprises**

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management:

Amount in ₹ lakhs

	As at 31 March 2024	As at 31 March 2023
a. Principal amount remaining unpaid to any supplier as at the end of the accounting year	36.29	8.67
b. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
c. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	127.47	8.83
d. The amount of interest due and payable for the year	-	-
e. The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
f. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
g. Total outstanding dues of micro and small enterprises	36.29	8.67



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
for the year ended 31 March 2024

**40. Struck off Companies:**

Name of struck off Company	Nature of transactions with struck-off Company	Amount in ₹ lakhs	
		As at 31 March 24	As at 31 March 23
Asheroft India Private Limited	Trade Receivables	0.01	0.01
Transworld Rugby (India) Private Limited	Trade Payables	-	0.01
Faraji E Consulting Private Limited	Trade Receivables	-	0.01
Qubera IT Solutions India Private L	Trade Receivables	0.01	0.01
Rebeca Technologies Private Limited	Trade Receivables	0.36	0.36
Interface Microsystems	Trade Receivables	0.06	-
Essential Energy India Pvt Ltd	Trade Receivables	0.19	-
Process & Machines Automation System	Trade Receivables	0.01	0.01
<b>Total Receivable (net off payable)</b>		<b>0.64</b>	<b>0.40</b>

Gross receivable from struck off companies is ₹ 0.64 lakhs (allowance for doubtful receivable is ₹ 0.58 lakhs) & ₹ 0.41 lakhs (allowance for doubtful receivable is ₹ 0.40 lakhs) as of March 24 & March 23 respectively.

**41. Ratios:**

Ratios	31 March 2024	31 March 2023
<b>Current ratio (no of times)</b> <i>Total Current Assets/ Total Current Liabilities</i>	2.46	2.69
<b>Debt-Equity ratio (no of times)</b> <i>Total Debt (Long term borrowings + Short term borrowings (including Current maturities of long term borrowings)) / Equity</i>	NA	NA
<b>Debt Service Coverage ratio (no of times)</b> <i>Earning before exceptional items, interest, depreciation and amortization and tax (EBITDA)/ (Finance costs + Short term borrowings (including Current maturities of long - term borrowings))</i>	NA	NA
<b>Return on Equity ratio (%) (refer a below)</b> <i>Profit/ (Loss) for the year/ Average Equity</i>	2.48%	14.97%
<b>Inventory turnover ratio</b>	NA	NA
<b>Trade receivables turnover ratio (no of times)</b> <i>Income from Operations/ Average Trade receivables</i>	2.46	2.40
<b>Trade payables turnover ratio (no of times) (refer b below)</b> <i>(Operating and other expenses - Bad Debts written off - Advances written off - Allowance for doubtful trade receivables - Allowance for doubtful advances)/ Average Trade payables</i>	2.20	1.02
<b>Net capital turnover ratio (no of times)</b> <i>Income from Operations/ Working Capital (Current Assets-Current Liabilities)</i>	1.55	1.45
<b>Net profit ratio (%) (refer a below)</b> <i>Profit/(Loss) for the period/ Income from Operations</i>	2.80%	13.40%
<b>Return on capital employed (no of times) (refer a below)</b> <i>Earnings before interest &amp; tax/ Capital Employed (Net worth + Total Debt)</i>	0.06	0.13
<b>Return on investment (%) (refer a below)</b> <i>Profit/ (Loss) for the year/ Average Equity</i>	2.48%	14.97%

- Increase in employee cost has resulted in decrease in ratio.
- Reduction in average trade payables has resulted in increase in ratio





# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

42. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that, audit trail feature is not enabled at the database level and certain master fields (asset master, supplier master and general ledger account master) for users with certain privileged access rights as it relates to SAP application.

Also, the Company has used an accounting software which is operated by a third-party software service provider, for processing the payroll for its employees, for which the Management is in possession of Service Organisation Controls report for the period 1 April 2023 to 31 December 2023.

43. The Company maintains its sales order in a third party operated software. The backup of the same is taken on a daily basis and available to the Company at any point of time, however, the server on which the backup is maintained is not in India.

### 44. Events after the reporting period

There are no subsequent events between the year ended 31 March 2024 and signing of financial statements as on 16 April 2024 which have material impact on the financials of the Company.

### 45. Approval of financial statements

The financial statements were approved for issue by the board of directors on 16 April 2024.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No. 101049W/ E300004

  
per Abhishek Burad  
Partner  
Membership No. 122860




MUMBAI  
DATE: 16 April 2024

For and on behalf of the Board of Directors

  
Kabir Ahmed Shakir  
Director  
DIN : 03584898

MUMBAI  
DATE: 16 April 2024

  
Sumeet Walia  
Director  
DIN : 06758031

MUMBAI  
DATE: 16 April 2024



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## **APPENDIX - 1**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (UK) Limited** ("the subsidiary") registered in England and Wales as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information is prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	22,859,557	1,905,572,673	25,300,582	2,078,948,824
	Capital work-in-progress		8,161,959	680,380,902	2,896,897	238,038,026
	Right-of-use assets		10,109,407	842,720,168	11,698,523	961,267,635
	Goodwill		2,324,776	193,793,327	-	-
	Other Intangible assets	2	13,679,158	1,140,294,611	14,829,354	1,218,528,018
	Intangible assets under development		576,591	48,064,626	368,883	30,311,116
	Investments in subsidiaries & associates	3	156,552	13,050,175	156,552	12,863,878
	Financial assets					
	(i) Other financial assets	4	340,255	28,363,657	467,563	38,419,652
	Deferred tax assets (net)		3,647,854	304,085,109	3,920,852	322,176,409
	Advance tax (net)		678,822	56,586,602	194,645	15,993,980
	Other Non-current assets	5	1,209,025	100,784,324	666,138	54,736,559
			63,743,956	5,313,696,174	60,499,989	4,971,284,097
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	6	40,061,777	3,339,549,731	36,750,175	3,019,761,880
	(ii) Cash and cash equivalents	7	405,198	33,777,305	437,108	35,917,164
	(iii) Other financial assets	8	69,870	5,824,363	24,762	2,034,694
	Other Current assets	9	14,627,931	1,219,384,328	6,589,396	541,450,669
			55,164,776	4,598,535,727	43,801,441	3,599,164,407
	<b>TOTAL ASSETS</b>		<b>118,908,732</b>	<b>9,912,231,901</b>	<b>104,301,430</b>	<b>8,570,448,504</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	10	13,542,142	1,128,872,957	13,542,142	1,112,757,808
	Other equity	11	(46,710,777)	(3,893,810,371)	(53,382,201)	(4,386,415,459)
	<b>Total Equity</b>		<b>(33,168,635)</b>	<b>(2,764,937,414)</b>	<b>(39,840,059)</b>	<b>(3,273,657,651)</b>
(2)	<b>Non-current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Lease liabilities		4,884,276	407,153,247	6,557,427	538,823,777
	Provisions	12	9,984,833	832,335,679	9,515,422	781,882,225
	Other liabilities (Deferred revenue)		30,754,559	2,563,700,038	34,480,677	2,833,277,229
			45,623,668	3,803,188,964	50,553,526	4,153,983,231
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	13	31,349,434	2,613,288,818	16,559,934	1,360,729,777
	(ia) Lease liabilities		5,610,535	467,694,198	6,142,317	504,714,188
	(ii) Trade payables	14	48,481,354	4,041,405,672	51,534,982	4,234,629,475
	(iii) Other financial liabilities	15	1,280,537	106,745,564	823,983	67,706,684
	Other current liabilities	16	18,852,910	1,571,578,578	17,759,381	1,459,288,336
	Provisions	17	878,929	73,267,521	767,366	63,054,464
			106,453,699	8,873,980,351	93,587,963	7,690,122,924
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>118,908,732</b>	<b>9,912,231,901</b>	<b>104,301,430</b>	<b>8,570,448,504</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	18	225,055,436	18,760,621,145	235,412,478	19,343,843,317
ii	Other Income		484,510	40,388,754	4,497,492	369,558,918
iii	<b>Total income (i + ii)</b>		<b>225,539,946</b>	<b>18,801,009,899</b>	<b>239,909,970</b>	<b>19,713,402,235</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	19	125,692,657	10,477,739,888	145,180,279	11,929,463,525
	Employee benefits expenses	20	47,942,926	3,996,522,311	37,821,225	3,107,770,059
	Finance costs	21	1,895,400	158,000,544	994,170	81,690,949
	Depreciation and amortisation expenses		10,245,622	854,075,050	10,799,728	887,413,650
	Operating and other expenses	22	31,965,632	2,664,655,085	32,854,596	2,699,662,156
	<b>Total expenses</b>		<b>217,742,237</b>	<b>18,150,992,878</b>	<b>227,649,998</b>	<b>18,706,000,339</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>7,797,709</b>	<b>650,017,021</b>	<b>12,259,972</b>	<b>1,007,401,896</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		(467,081)	(38,935,872)	-	-
vii	<b>Profit before taxes (v - vi)</b>		<b>7,330,628</b>	<b>611,081,149</b>	<b>12,259,972</b>	<b>1,007,401,896</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		17,643	1,470,720	-	-
	(ii) Deferred tax expense/(benefit)		272,998	22,757,113	(3,920,852)	(322,176,409)
	<b>Net tax expenses</b>		<b>290,641</b>	<b>24,227,833</b>	<b>(3,920,852)</b>	<b>(322,176,409)</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>7,039,987</b>	<b>586,853,316</b>	<b>16,180,824</b>	<b>1,329,578,305</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	524,909	43,756,414	524,909	43,131,773
Building	1,865,475	155,505,996	1,865,475	153,286,081
Lease hold improvement	12,045,382	1,004,103,044	9,807,434	805,876,852
Cables	21,043,760	1,754,207,834	21,291,026	1,749,483,606
Plant and machinery	108,771,249	9,067,171,317	106,804,669	8,776,139,652
Furniture and fixtures	689,874	57,507,897	664,955	54,639,352
Computers	5,404,296	450,502,115	5,252,577	431,604,252
Office equipment	857,558	71,486,035	779,288	64,034,095
(a)	151,202,503	12,604,240,652	146,990,333	12,078,195,663
<b>Accumulated depreciation:</b>				
Building	1,391,584	116,002,442	1,314,959	108,050,181
Lease hold improvement	8,962,470	747,111,499	6,064,600	498,328,182
Cables	17,333,716	1,444,938,566	16,277,693	1,337,538,034
Plant and machinery	95,885,752	7,993,036,287	93,051,981	7,646,081,279
Furniture and fixtures	555,797	46,331,238	499,285	41,026,248
Computers	3,472,581	289,474,352	3,878,432	318,690,757
Office equipment	741,046	61,773,595	602,801	49,532,158
(b)	128,342,946	10,698,667,979	121,689,751	9,999,246,839
<b>Net block (a) - (b)</b>	<b>22,859,557</b>	<b>1,905,572,673</b>	<b>25,300,582</b>	<b>2,078,948,824</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	7,047,686	587,495,105	7,884,082	647,835,018
Indefeasible right to use assets	25,085,477	2,091,125,363	24,830,506	2,040,322,678
(a)	32,133,163	2,678,620,468	32,714,588	2,688,157,696
<b>Accumulated amortisation:</b>				
Computer software	5,186,458	432,343,139	6,057,741	497,764,578
Indefeasible right to use assets	13,267,547	1,105,982,718	11,827,493	971,865,100
(b)	18,454,005	1,538,325,857	17,885,234	1,469,629,678
<b>Net block (a) - (b)</b>	<b>13,679,158</b>	<b>1,140,294,611</b>	<b>14,829,354</b>	<b>1,218,528,018</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments in subsidiaries	156,552	13,050,175	156,552	12,863,878
<b>Total</b>	<b>156,552</b>	<b>13,050,175</b>	<b>156,552</b>	<b>12,863,878</b>

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	340,255	28,363,657	467,563	38,419,652
<b>Total</b>	<b>340,255</b>	<b>28,363,657</b>	<b>467,563</b>	<b>38,419,652</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	1,209,025	100,784,324	666,138	54,736,559
<b>Total</b>	<b>1,209,025</b>	<b>100,784,324</b>	<b>666,138</b>	<b>54,736,559</b>

## 6 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	42,703,671	3,559,778,015	39,554,510	3,250,194,087
Provision for doubtful debts	(2,641,894)	(220,228,284)	(2,804,335)	(230,432,207)
<b>Total</b>	<b>40,061,777</b>	<b>3,339,549,731</b>	<b>36,750,175</b>	<b>3,019,761,880</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	405,198	33,777,305	437,108	35,917,164
<b>Total</b>	<b>405,198</b>	<b>33,777,305</b>	<b>437,108</b>	<b>35,917,164</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	162,222	13,522,826	24,762	2,034,694
Provision for Security Deposit	(136,986)	(11,419,153)	-	-
Others	44,634	3,720,690	-	-
<b>Total</b>	<b>69,870</b>	<b>5,824,363</b>	<b>24,762</b>	<b>2,034,694</b>

## 9 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	41,143	3,429,680	560,114	46,024,567
Advances to employees	53,875	4,491,020	103,699	8,520,947
Provision for doubtful advance	(33,626)	(2,803,063)	-	-
Prepaid expenses	10,912,331	909,651,912	5,899,788	484,785,580
Others	3,654,208	304,614,779	25,795	2,119,575
<b>Total</b>	<b>14,627,931</b>	<b>1,219,384,328</b>	<b>6,589,396</b>	<b>541,450,669</b>

## 10 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	13,542,142	1,128,872,957	13,542,142	1,112,757,808
<b>Total</b>	<b>13,542,142</b>	<b>1,128,872,957</b>	<b>13,542,142</b>	<b>1,112,757,808</b>

## 11 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(65,290,201)	(5,442,591,155)	(81,471,025)	(6,694,474,124)
ECL impact	(368,563)	(30,723,412)	-	-
Profit / (loss) for the year	7,039,987	586,853,316	16,180,824	1,329,578,305
<b>Closing balance</b>	<b>(58,618,777)</b>	<b>(4,886,461,251)</b>	<b>(65,290,201)</b>	<b>(5,364,895,819)</b>
Share premium	11,908,000	992,650,880	11,908,000	978,480,360
<b>Total</b>	<b>(46,710,777)</b>	<b>(3,893,810,371)</b>	<b>(53,382,201)</b>	<b>(4,386,415,459)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	9,465,820	789,070,755	9,052,490	743,843,103
Retention liability	519,013	43,264,924	462,932	38,039,122
<b>Total</b>	<b>9,984,833</b>	<b>832,335,679</b>	<b>9,515,422</b>	<b>781,882,225</b>

## 13 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	31,349,434	2,613,288,818	16,559,934	1,360,729,777
<b>Total</b>	<b>31,349,434</b>	<b>2,613,288,818</b>	<b>16,559,934</b>	<b>1,360,729,777</b>

## 14 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	45,978,436	3,832,762,428	41,296,497	3,393,333,163
Inter Company - Payables (Net)	2,502,918	208,643,244	10,238,485	841,296,312
<b>Total</b>	<b>48,481,354</b>	<b>4,041,405,672</b>	<b>51,534,982</b>	<b>4,234,629,475</b>

## 15 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	407,254	33,948,693	440,610	36,204,924
Interest accrued but not due on Inter Co. loan (Net)	873,158	72,786,451	197,256	16,208,526
Others	125	10,420	186,117	15,293,234
<b>Total</b>	<b>1,280,537</b>	<b>106,745,564</b>	<b>823,983</b>	<b>67,706,684</b>

## 16 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	8,203,692	683,859,765	8,954,236	735,769,572
Other Employee dues	8,808,955	734,314,489	7,046,355	578,998,990
Other Statutory dues	1,840,263	153,404,324	1,758,790	144,519,774
<b>Total</b>	<b>18,852,910</b>	<b>1,571,578,578</b>	<b>17,759,381</b>	<b>1,459,288,336</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 17 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	878,929	73,267,521	767,366	63,054,464
<b>Total</b>	<b>878,929</b>	<b>73,267,521</b>	<b>767,366</b>	<b>63,054,464</b>

## 18 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	12,849	1,071,093	3,719	305,590
Interest on loan to subsidiaries	-	-	33,574	2,758,776
Profit on sale of fixed assets	12	1,000	-	-
Exchange gain -Net	-	-	3,403,688	279,681,043
Miscellaneous income	471,649	39,316,661	1,056,511	86,813,509
<b>Total</b>	<b>484,510</b>	<b>40,388,754</b>	<b>4,497,492</b>	<b>369,558,918</b>

## 19 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	125,692,657	10,477,739,888	144,916,278	11,907,770,563
Rent of satellite channels	-	-	264,001	21,692,962
<b>Total</b>	<b>125,692,657</b>	<b>10,477,739,888</b>	<b>145,180,279</b>	<b>11,929,463,525</b>

## 20 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	45,268,431	3,773,576,408	35,933,809	2,952,681,086
Contribution to provident and other funds	2,209,827	184,211,179	1,551,354	127,474,758
Staff welfare expenses	464,668	38,734,724	336,062	27,614,215
<b>Total</b>	<b>47,942,926</b>	<b>3,996,522,311</b>	<b>37,821,225</b>	<b>3,107,770,059</b>



## 21 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	304,841	25,411,546	198,888	16,342,627
Interest on inter companies loan	1,590,559	132,588,998	795,282	65,348,322
<b>Total</b>	<b>1,895,400</b>	<b>158,000,544</b>	<b>994,170</b>	<b>81,690,949</b>

## 22 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	8,511,044	709,480,628	8,381,818	688,733,985
Auditors remuneration	223,321	18,616,039	244,662	20,103,877
Communication expenses	437,885	36,502,094	465,138	38,220,389
Electricity	4,507,045	375,707,271	3,713,391	305,129,338
Entertainment expenses	47,449	3,955,349	38,819	3,189,757
Exchange loss -Net	460,071	38,351,519	-	-
Insurance expenses	157,911	13,163,461	135,787	11,157,618
IT consumables	79,765	6,649,210	82,090	6,745,335
Legal and professional fees	2,396,278	199,753,734	2,897,606	238,096,285
Loss on sale of fixed asset	85	7,086	-	-
Miscellaneous expenses	1,463,029	121,958,097	1,536,376	126,244,016
Printing and stationery	74,899	6,243,581	87,515	7,191,108
Provision for doubtful debts	(531,004)	(44,264,493)	63,656	5,230,614
Provision For Doubtful advances	(3,840)	(320,102)	28,739	2,361,484
Rates and Taxes	1,684,107	140,387,160	1,942,483	159,613,828
Recruitment expenses	260,984	21,755,626	810,634	66,609,796
Relocation Expense	171,459	14,292,822	253,763	20,851,706
Rent	981,059	81,781,078	1,064,305	87,453,942
Repairs and Maintenance - Plant & Machinery	4,546,380	378,986,237	4,703,122	386,455,535
Repairs and Maintenance -Building	340,989	28,424,843	468,994	38,537,237
Security charges	422,861	35,249,693	419,703	34,486,996
Seminars, trainings and conferences	116,487	9,710,356	149,153	12,255,902
Services rendered by agencies	2,349,338	195,840,816	2,296,280	188,685,328
Bad debts written off	742,379	61,884,713	195,869	16,094,556
Travelling and conveyance expenses	2,525,651	210,538,267	2,874,693	236,213,524
<b>Total</b>	<b>31,965,632</b>	<b>2,664,655,085</b>	<b>32,854,596</b>	<b>2,699,662,156</b>





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LLP Identity No. AAB-7509

## APPENDIX - 2

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Canada) Limited** ("the subsidiary") registered in Canada as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	18,717,785	1,560,314,558	19,734,522	1,621,585,672
Capital work-in-progress		478,355	39,875,673	1,055,783	86,753,689
Goodwill		826,258	68,876,867	-	-
Other Intangible assets	2	2,522,238	210,253,759	2,277,087	187,108,239
Intangible assets under development		111,508	9,295,307	892,184	73,310,759
Financial assets					
(i) Investments -others	3	805	67,105	805	66,147
(ii) Other financial assets	4	102,260	8,524,394	475	39,031
Advance tax (net)		1,207,188	100,631,192	1,207,188	99,194,638
Other Non-current assets	5	14,718,330	1,226,919,988	19,426,823	1,596,302,045
		38,684,727	3,224,758,843	44,594,867	3,664,360,220
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	6	10,564,977	880,696,483	16,794,170	1,379,976,949
(ii) Cash and cash equivalents	7	395,379	32,958,793	164,022	13,477,688
(iii) Other financial assets	8	891,795	74,340,031	664,149	54,573,123
Other Current assets	9	1,882,358	156,913,363	1,941,243	159,511,936
		13,734,509	1,144,908,670	19,563,584	1,607,539,696
<b>TOTAL ASSETS</b>		52,419,236	4,369,667,513	64,158,451	5,271,899,916
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	10	108,520,000	9,046,227,200	73,520,000	6,041,138,400
Other equity	11	(311,266,612)	(25,947,184,777)	(302,957,775)	(24,894,040,371)
<b>Total Equity</b>		(202,746,612)	(16,900,957,577)	(229,437,775)	(18,852,901,971)
<b>(2) Non-current liabilities</b>					
Financial liabilities					
(i) Borrowings	12	50,000,000.00	4,168,000,000	100,000,000	8,217,000,000
(ii) Lease liabilities		-	-	-	-
(iii) Other financial liabilities	13	-	-	513,993	42,234,805
Provisions	14	143,110	11,929,650	198,287	16,293,243
Other liabilities (Deferred revenue)		3,238	269,920	65,087	5,348,199
		50,146,348	4,180,199,570	100,777,367	8,280,876,247
<b>(3) Current liabilities</b>					
Financial liabilities					
(i) Borrowings	15	162,455,103	13,542,257,386	142,713,404	11,726,760,407
(ii) Trade payables	16	35,679,436	2,974,237,786	42,566,174	3,497,662,514
(iii) Other financial liabilities	17	4,675,601	389,758,099	5,145,842	422,833,837
Other current liabilities	18	1,727,398	143,995,897	1,894,501	155,671,147
Provisions	19	481,962	40,176,352	498,938	40,997,735
		205,019,500	17,090,425,520	192,818,859	15,843,925,640
<b>TOTAL EQUITY AND LIABILITIES</b>		52,419,236	4,369,667,513	64,158,451	5,271,899,916

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	20	145,517,837	12,130,366,892	148,964,944	12,240,449,448
ii	Other Income		671,979	56,016,169	730,628	60,035,703
iii	<b>Total income (i + ii)</b>		<b>146,189,816</b>	<b>12,186,383,061</b>	<b>149,695,572</b>	<b>12,300,485,151</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	21	105,202,759	8,769,701,990	106,092,767	8,717,642,664
	Employee benefits expenses	22	14,612,101	1,218,064,739	13,118,041	1,077,909,429
	Finance costs	23	15,858,014	1,321,924,047	13,023,785	1,070,164,414
	Depreciation and amortisation expenses		4,417,047	368,205,038	5,190,777	426,526,146
	Operating and other expenses	24	12,600,570	1,050,383,516	12,267,690	1,008,036,086
	Impairment of investment		-	-	-	-
	<b>Total expenses</b>		<b>152,690,491</b>	<b>12,728,279,330</b>	<b>149,693,060</b>	<b>12,300,278,739</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>(6,500,675)</b>	<b>(541,896,269)</b>	<b>2,512</b>	<b>206,412</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		73	6,085	64,158	5,271,863
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>73</b>	<b>6,085</b>	<b>64,158</b>	<b>5,271,863</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(6,500,748)</b>	<b>(541,902,354)</b>	<b>(61,646)</b>	<b>(5,065,451)</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	7,380,000	615,196,800	7,380,000	606,414,600
Building	7,377,179	614,961,641	7,183,701	590,284,711
Lease hold improvement	86,908	7,244,651	86,908	7,141,230
Cables	50,291	4,192,258	50,291	4,132,411
Plant and machinery	50,917,325	4,244,468,212	49,910,084	4,101,111,602
Furniture and fixtures	3,543,369	295,375,240	3,461,181	284,405,243
Computers	5,500,034	458,482,834	5,566,011	457,359,124
Office equipment	977,263	81,464,644	990,714	81,406,969
Vehicles	24,004	2,000,973	-	-
(a)	75,856,373	6,323,387,253	74,628,890	6,132,255,890
<b>Accumulated depreciation:</b>				
Building	4,567,666	380,760,638	4,249,720	349,199,492
Lease hold improvement	86,908	7,244,651	86,908	7,141,230
Cables	42,251	3,522,043	40,615	3,337,335
Plant and machinery	43,849,358	3,655,282,483	41,852,855	3,439,049,095
Furniture and fixtures	2,959,867	246,734,513	2,833,314	232,813,411
Computers	4,717,717	393,268,889	4,951,322	406,850,129
Office equipment	911,834	76,010,482	879,634	72,279,526
Vehicles	2,987	248,996	-	-
(b)	57,138,588	4,763,072,695	54,894,368	4,510,670,218
<b>Net block (a) - (b)</b>	18,717,785	1,560,314,558	19,734,522	1,621,585,672

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	75,649,279	6,306,123,897	77,952,818	6,405,383,055
Indefeasible right to use assets	5,613	467,900	35,861	2,946,698
(a)	75,654,892	6,306,591,797	77,988,679	6,408,329,753
<b>Accumulated amortisation:</b>				
Computer software	73,127,041	6,095,870,138	75,675,731	6,218,274,816
Indefeasible right to use assets	5,613	467,900	35,861	2,946,698
(b)	73,132,654	6,096,338,038	75,711,592	6,221,221,514
<b>Net block (a) - (b)</b>	2,522,238	210,253,759	2,277,087	187,108,239

## 3 Financial asset - Investment others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments - others	805	67,105	805	66,147
<b>Total</b>	805	67,105	805	66,147



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	-	-	475	39,031
MTM on IRS	102,260	8,524,394	-	-
<b>Total</b>	<b>102,260</b>	<b>8,524,394</b>	<b>475</b>	<b>39,031</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	795,068	66,276,868	1,359,526	111,712,251
Prepaid pension asset	13,923,262	1,160,643,120	18,067,297	1,484,589,794
<b>Total</b>	<b>14,718,330</b>	<b>1,226,919,988</b>	<b>19,426,823</b>	<b>1,596,302,045</b>

## 6 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	12,372,416	1,031,364,598	14,321,565	1,176,802,996
Intercompany receivables (Net)	-	-	5,297,664	435,309,051
Provision for doubtful debts	(1,807,439)	(150,668,115)	(2,825,059)	(232,135,098)
<b>Total</b>	<b>10,564,977</b>	<b>880,696,483</b>	<b>16,794,170</b>	<b>1,379,976,949</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	395,379	32,958,793	164,022	13,477,688
<b>Total</b>	<b>395,379</b>	<b>32,958,793</b>	<b>164,022</b>	<b>13,477,688</b>

## 8 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	325	27,092	8,832	725,725
Provision for Security Deposit	(326)	(27,175)	-	-
MTM on IRS	568,415	47,383,074	379,912	31,217,369
Others	323,381	26,957,040	275,405	22,630,029
<b>Total</b>	<b>891,795</b>	<b>74,340,031</b>	<b>664,149</b>	<b>54,573,123</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	26,979	2,248,969	31,913	2,622,291
Advances to employees	4,221	351,863	21,779	1,789,580
Provision for doubtful advance	(32,397)	(2,700,614)	-	-
Prepaid expenses	1,826,492	152,256,373	1,730,896	142,227,724
Indirect tax receivable	-	-	154,941	12,731,502
Others	57,063	4,756,772	1,714	140,839
<b>Total</b>	<b>1,882,358</b>	<b>156,913,363</b>	<b>1,941,243</b>	<b>159,511,936</b>

## 10 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	108,520,000	9,046,227,200	73,520,000	6,041,138,400
<b>Total</b>	<b>108,520,000</b>	<b>9,046,227,200</b>	<b>73,520,000</b>	<b>6,041,138,400</b>

## 11 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(282,313,125)	(23,533,622,100)	(282,251,479)	(23,192,604,029)
ECL impact	(95,812)	(7,986,888)	-	-
Profit / (loss) for the year	(6,500,748)	(541,902,354)	(61,646)	(5,065,451)
<b>Closing balance</b>	<b>(288,909,685)</b>	<b>(24,083,511,342)</b>	<b>(282,313,125)</b>	<b>(23,197,669,480)</b>
OCI - Reserves derivatives	670,675	55,907,468	(134,082)	(11,017,518)
OCI Reserves Employee Benefit Plan	(23,027,602)	(1,919,580,903)	(20,510,568)	(1,685,353,373)
<b>Total</b>	<b>(311,266,612)</b>	<b>(25,947,184,777)</b>	<b>(302,957,775)</b>	<b>(24,894,040,371)</b>

## 12 Non-current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Loan from banks	50,000,000	4,168,000,000	100,000,000	8,217,000,000
<b>Total</b>	<b>50,000,000</b>	<b>4,168,000,000</b>	<b>100,000,000</b>	<b>8,217,000,000</b>

## 13 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Derivative liabilities	-	-	513,993	42,234,805
<b>Total</b>	<b>-</b>	<b>-</b>	<b>513,993</b>	<b>42,234,805</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 14 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Pension liability	18,003	1,500,730	29,247	2,403,226
Retention liability	125,107	10,428,920	169,040	13,890,017
<b>Total</b>	<b>143,110</b>	<b>11,929,650</b>	<b>198,287</b>	<b>16,293,243</b>

## 15 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Current portion of long term loans	50,000,000	4,168,000,000	50,000,000	4,108,500,000
Inter company loans taken (Net)	112,455,103	9,374,257,386	92,713,404	7,618,260,407
<b>Total</b>	<b>162,455,103</b>	<b>13,542,257,386</b>	<b>142,713,404</b>	<b>11,726,760,407</b>

## 16 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	34,629,759	2,886,736,711	42,566,174	3,497,662,514
Inter Company - Payables (Net)	1,049,677	87,501,075	-	-
<b>Total</b>	<b>35,679,436</b>	<b>2,974,237,786</b>	<b>42,566,174</b>	<b>3,497,662,514</b>

## 17 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	611,700	50,991,312	585,651	48,122,943
Interest accrued but not due on Inter Co. loan (Net)	3,874,143	322,948,560	4,288,983	352,425,733
Interest accrued but not due -others	179,245	14,941,863	271,208	22,285,161
Others	10,513	876,364	-	-
<b>Total</b>	<b>4,675,601</b>	<b>389,758,099</b>	<b>5,145,842</b>	<b>422,833,837</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 18 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	88,250	7,356,520	199,477	16,391,025
Other Employee dues	1,562,665	130,263,754	1,516,257	124,590,838
Other Statutory dues	76,483	6,375,623	178,767	14,689,284
<b>Total</b>	<b>1,727,398</b>	<b>143,995,897</b>	<b>1,894,501</b>	<b>155,671,147</b>

## 19 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	481,962	40,176,352	498,938	40,997,735
<b>Total</b>	<b>481,962</b>	<b>40,176,352</b>	<b>498,938</b>	<b>40,997,735</b>

## 20 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	-	-	207	17,009
Profit on sale of fixed assets	1	83	-	-
Miscellaneous income	671,978	56,016,086	730,421	60,018,694
<b>Total</b>	<b>671,979</b>	<b>56,016,169</b>	<b>730,628</b>	<b>60,035,703</b>

## 21 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	105,202,759	8,769,701,990	106,092,767	8,717,642,664
<b>Total</b>	<b>105,202,759</b>	<b>8,769,701,990</b>	<b>106,092,767</b>	<b>8,717,642,664</b>

## 22 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	12,501,818	1,042,151,548	12,082,947	992,855,755
Contribution to provident and other funds	2,021,087	168,477,812	931,556	76,545,957
Staff welfare expenses	89,196	7,435,379	103,538	8,507,717
<b>Total</b>	<b>14,612,101</b>	<b>1,218,064,739</b>	<b>13,118,041</b>	<b>1,077,909,429</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 23 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	7,408,201	617,547,635	6,261,654	514,520,109
Interest on inter companies loan	7,848,313	654,235,372	6,153,798	505,657,582
Guarantee fees	601,500	50,141,040	608,333	49,986,723
<b>Total</b>	<b>15,858,014</b>	<b>1,321,924,047</b>	<b>13,023,785</b>	<b>1,070,164,414</b>

## 24 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	8,000	666,880	-	-
Auditors remuneration	17,239	1,437,043	16,327	1,341,590
Communication expenses	102,888	8,576,744	107,048	8,796,134
Donations	38	3,168	-	-
Electricity	954,195	79,541,695	947,072	77,820,906
Entertainment expenses	1,596	133,043	3,753	308,384
Exchange loss -Net	1,174,689	97,922,075	59,155	4,860,766
Insurance expenses	197,928	16,499,278	194,564	15,987,324
IT consumables	3,837	319,852	6,120	502,880
Legal and professional fees	833,253	69,459,970	1,766,673	145,167,520
Loss on sale of fixed asset	4	333	-	-
Miscellaneous expenses	1,338,731	111,596,616	825,653	67,843,907
Printing and stationery	27,955	2,330,329	26,921	2,212,099
Provision for doubtful debts	(1,113,444)	(92,816,692)	(1,228,335)	(100,932,287)
Provision For Doubtful advances	(9,643)	(803,840)	6,479	532,379
Rates and Taxes	472,717	39,405,689	440,257	36,175,918
Recruitment expenses	10,836	903,289	116,838	9,600,578
Relocation Expense	7,213	601,276	5,699	468,287
Rent	248,849	20,744,053	81,547	6,700,717
Repairs and Maintenance - Plant & Machinery	4,363,748	363,762,033	4,602,558	378,192,191
Repairs and Maintenance -Building	413,334	34,455,522	440,157	36,167,701
Security charges	262,475	21,879,916	251,063	20,629,847
Seminars, trainings and conferences	18,421	1,535,575	4,477	367,875
Services rendered by agencies	2,196,121	183,068,647	2,736,685	224,873,406
Bad debts written off	770,331	64,214,792	454,547	37,350,127
Travelling and conveyance expenses	299,259	24,946,230	402,432	33,067,837
<b>Total</b>	<b>12,600,570</b>	<b>1,050,383,516</b>	<b>12,267,690</b>	<b>1,008,036,086</b>





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## APPENDIX - 3

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (France), SAS** ("the subsidiary") registered in (France) as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549

Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	96,64,053	80,55,95,459	1,06,16,780	87,23,80,813
	Capital work-in-progress		7,78,792	6,49,20,101	6,03,926	4,96,24,599
	Right-of-use assets		27,00,864	22,51,44,023	31,93,205	26,23,85,655
	Other Intangible assets	2	38,63,145	32,20,31,768	49,61,505	40,76,86,866
	Intangible assets under development		6,419	5,35,088	-	-
	(i) Loans	3	3,84,67,022	3,20,66,10,954	3,80,54,396	3,12,69,29,719
	(ii) Other financial assets	4	2,86,885	2,39,14,734	4,20,885	3,45,84,120
	Other Non-current assets	5	3,59,258	2,99,47,747	2,48,605	2,04,27,873
			5,61,26,438	4,67,86,99,874	5,80,99,302	4,77,40,19,645
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	6	48,37,331	40,32,39,912	40,28,699	33,10,38,197
	(ii) Cash and cash equivalents	7	3,12,113	2,60,17,740	-	-
	(iii) Other financial assets	8	2,97,309	2,47,83,678	9,74,154	8,00,46,234
	Other Current assets	9	22,82,058	19,02,32,356	17,15,088	14,09,28,782
			77,28,811	64,42,73,686	67,17,941	55,20,13,213
	TOTAL ASSETS		6,38,55,249	5,32,29,73,560	6,48,17,243	5,32,60,32,858
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	10	2,03,91,358	1,69,98,23,603	2,03,91,358	1,67,55,57,887
	Other equity	11	37,83,882	31,54,24,403	67,531	55,49,022
	Total Equity		2,41,75,240	2,01,52,48,006	2,04,58,889	1,68,11,06,909
(2)	Non-current liabilities					
	Financial liabilities					
	(i) Lease liabilities		21,42,046	17,85,60,955	25,99,170	21,35,73,799
	Provisions	12	9,21,610	7,68,25,410	9,12,504	7,49,80,454
	Other liabilities (Deferred revenue)		1,63,86,734	1,36,59,98,146	1,95,12,972	1,60,33,80,909
			1,94,50,390	1,62,13,84,511	2,30,24,646	1,89,19,35,162
(3)	Current liabilities					
	Financial liabilities					
	(i) Lease liabilities		5,70,469	4,75,54,296	5,85,343	4,80,97,634
	(ii) Trade payables	13	1,13,51,650	94,62,73,547	1,23,53,111	1,01,50,55,131
	(iii) Other financial liabilities	14	71,218	59,36,732	71,640	58,86,659
	Other current liabilities	15	67,44,647	56,22,33,775	67,44,841	55,42,23,585
	Provisions	16	9,98,217	8,32,11,369	7,52,209	6,18,09,014
	Current tax liability (Net)		4,93,418	4,11,31,324	8,26,564	6,79,18,764
			2,02,29,619	1,68,63,41,043	2,13,33,708	1,75,29,90,787
	TOTAL EQUITY AND LIABILITIES		6,38,55,249	5,32,29,73,560	6,48,17,243	5,32,60,32,858

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	17	4,52,59,735	3,77,28,51,510	4,56,82,398	3,75,37,22,644
ii	Other Income		24,71,419	20,60,17,487	18,43,225	15,14,57,799
iii	<b>Total income (i + ii)</b>		<b>4,77,31,154</b>	<b>3,97,88,68,997</b>	<b>4,75,25,623</b>	<b>3,90,51,80,443</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	18	2,22,18,770	1,85,21,56,667	2,13,02,750	1,75,04,46,968
	Employee benefits expenses	19	98,85,326	82,40,40,775	62,49,902	51,35,54,448
	Finance costs	20	1,55,504	1,29,62,814	13,488	11,08,309
	Depreciation and amortisation expenses	21	40,52,106	33,77,83,556	44,41,813	36,49,83,774
	Operating and other expenses		62,25,940	51,89,94,359	58,42,129	48,00,47,740
	<b>Total expenses</b>		<b>4,25,37,646</b>	<b>3,54,59,38,171</b>	<b>3,78,50,082</b>	<b>3,11,01,41,239</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>51,93,508</b>	<b>43,29,30,826</b>	<b>96,75,541</b>	<b>79,50,39,204</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		(1,13,259)	(94,41,270)	-	-
vii	<b>Profit before taxes (v - vi)</b>		<b>50,80,249</b>	<b>42,34,89,556</b>	<b>96,75,541</b>	<b>79,50,39,204</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		13,02,720	10,85,94,739	14,82,562	12,18,22,120
	<b>Net tax expenses</b>		<b>13,02,720</b>	<b>10,85,94,739</b>	<b>14,82,562</b>	<b>12,18,22,120</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>37,77,529</b>	<b>31,48,94,817</b>	<b>81,92,979</b>	<b>67,32,17,084</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	5,53,314	4,61,24,255	5,53,314	4,54,65,811
Cables	1,24,33,821	1,03,64,83,319	1,37,52,333	1,13,00,29,203
Plant and machinery	3,27,46,051	2,72,97,10,811	3,74,27,680	3,07,54,32,466
Furniture and fixtures	24,345	20,29,399	24,345	20,00,429
Computers	1,96,872	1,64,11,250	1,31,800	1,08,30,006
Office equipment	54,447	45,38,702	54,447	44,73,910
(a)	4,60,08,850	3,83,52,97,736	5,19,43,919	4,26,82,31,825
<b>Accumulated depreciation:</b>				
Lease hold improvement	3,64,734	3,04,04,226	3,09,104	2,53,99,076
Cables	70,75,776	58,98,36,687	73,61,752	60,49,15,162
Plant and machinery	2,87,10,072	2,39,32,71,602	3,35,16,091	2,75,40,17,197
Furniture and fixtures	24,345	20,29,399	24,345	20,00,429
Computers	1,22,583	1,02,18,519	69,161	56,82,959
Office equipment	47,287	39,41,844	46,686	38,36,189
(b)	3,63,44,797	3,02,97,02,277	4,13,27,139	3,39,58,51,012
<b>Net block (a) - (b)</b>	<b>96,64,053</b>	<b>80,55,95,459</b>	<b>1,06,16,780</b>	<b>87,23,80,813</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	12,70,698	10,59,25,385	13,10,404	10,76,75,897
Indefeasible right to use assets	1,86,15,849	1,55,18,17,173	2,64,81,148	2,17,59,55,931
(a)	1,98,86,547	1,65,77,42,558	2,77,91,552	2,28,36,31,828
<b>Accumulated amortisation:</b>				
Computer software	11,72,798	9,77,64,441	11,57,699	9,51,28,127
Indefeasible right to use assets	1,48,50,604	1,23,79,46,349	2,16,72,348	1,78,08,16,835
(b)	1,60,23,402	1,33,57,10,790	2,28,30,047	1,87,59,44,962
<b>Net block (a) - (b)</b>	<b>38,63,145</b>	<b>32,20,31,768</b>	<b>49,61,505</b>	<b>40,76,86,866</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	3,84,67,022	3,20,66,10,954	3,80,54,396	3,12,69,29,719
<b>Total</b>	<b>3,84,67,022</b>	<b>3,20,66,10,954</b>	<b>3,80,54,396</b>	<b>3,12,69,29,719</b>

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	2,86,885	2,39,14,734	4,20,885	3,45,84,120
<b>Total</b>	<b>2,86,885</b>	<b>2,39,14,734</b>	<b>4,20,885</b>	<b>3,45,84,120</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	3,59,258	2,99,47,747	2,48,605	2,04,27,873
<b>Total</b>	<b>3,59,258</b>	<b>2,99,47,747</b>	<b>2,48,605</b>	<b>2,04,27,873</b>

## 6 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	52,10,102	43,43,14,103	44,37,586	36,46,36,442
Provision for doubtful debts	(3,72,771)	(3,10,74,191)	(4,08,887)	(3,35,98,245)
<b>Total</b>	<b>48,37,331</b>	<b>40,32,39,912</b>	<b>40,28,699</b>	<b>33,10,38,197</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	3,12,113	2,60,17,740	-	-
<b>Total</b>	<b>3,12,113</b>	<b>2,60,17,740</b>	<b>-</b>	<b>-</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	1,71,151	1,42,67,147	-	-
Provision for Security Deposit	(1,71,150)	(1,42,67,064)	-	-
Interest Receivable on Inter Co. Loan (Net)	2,81,455	2,34,62,089	9,60,105	7,88,91,828
Others	15,853	13,21,506	14,049	11,54,406
<b>Total</b>	<b>2,97,309</b>	<b>2,47,83,678</b>	<b>9,74,154</b>	<b>8,00,46,234</b>

## 9 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	1,80,437	1,50,41,228	89,598	73,62,268
Advances to employees	5,760	4,80,154	9,716	7,98,364
Provision for doubtful advance	(11,962)	(9,97,152)		
Prepaid expenses	20,73,327	17,28,32,539	15,77,959	12,96,60,891
Others	34,496	28,75,587	37,815	31,07,259
<b>Total</b>	<b>22,82,058</b>	<b>19,02,32,356</b>	<b>17,15,088</b>	<b>14,09,28,782</b>

## 10 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	2,03,91,358	1,69,98,23,603	2,03,91,358	1,67,55,57,887
<b>Total</b>	<b>2,03,91,358</b>	<b>1,69,98,23,603</b>	<b>2,03,91,358</b>	<b>1,67,55,57,887</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 11 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	67,531	56,29,384	(81,25,448)	(66,76,68,062)
ECL impact	(61,178)	(50,99,798)	-	-
Profit / (loss) for the year	37,77,529	31,48,94,817	81,92,979	67,32,17,084
<b>Closing balance</b>	<b>37,83,882</b>	<b>31,54,24,403</b>	<b>67,531</b>	<b>55,49,022</b>
<b>Total</b>	<b>37,83,882</b>	<b>31,54,24,403</b>	<b>67,531</b>	<b>55,49,022</b>

## 12 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	9,21,610	7,68,25,410	9,12,504	7,49,80,454
<b>Total</b>	<b>9,21,610</b>	<b>7,68,25,410</b>	<b>9,12,504</b>	<b>7,49,80,454</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	84,05,449	70,06,78,232	1,01,11,162	83,08,34,182
Inter Company - Payables (Net)	29,46,201	24,55,95,315	22,41,949	18,42,20,949
<b>Total</b>	<b>1,13,51,650</b>	<b>94,62,73,547</b>	<b>1,23,53,111</b>	<b>1,01,50,55,131</b>

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	71,218	59,36,732	71,640	58,86,659
<b>Total</b>	<b>71,218</b>	<b>59,36,732</b>	<b>71,640</b>	<b>58,86,659</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	46,79,294	39,00,65,948	53,85,080	44,24,92,024
Other Employee dues	20,24,263	16,87,42,564	12,15,442	9,98,72,869
Other Statutory dues	41,041	34,21,178	1,44,319	1,18,58,692
Others	49	4,085	-	-
<b>Total</b>	<b>67,44,647</b>	<b>56,22,33,775</b>	<b>67,44,841</b>	<b>55,42,23,585</b>

## 16 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	9,98,217	8,32,11,369	7,52,209	6,18,09,014
<b>Total</b>	<b>9,98,217</b>	<b>8,32,11,369</b>	<b>7,52,209</b>	<b>6,18,09,014</b>

## 17 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	23,72,302	19,77,55,095	18,12,975	14,89,72,156
Profit on sale of fixed assets	1	83	-	-
Exchange gain -Net	42,512	35,43,800	-	-
Miscellaneous income	56,604	47,18,509	30,250	24,85,643
<b>Total</b>	<b>24,71,419</b>	<b>20,60,17,487</b>	<b>18,43,225</b>	<b>15,14,57,799</b>

## 18 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	2,22,18,770	1,85,21,56,667	2,13,02,052	1,75,03,89,613
Rent of satellite channels	-	-	698	57,355
<b>Total</b>	<b>2,22,18,770</b>	<b>1,85,21,56,667</b>	<b>2,13,02,750</b>	<b>1,75,04,46,968</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 19 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	97,89,651	81,60,65,307	61,84,492	50,81,79,708
Staff welfare expenses	95,675	79,75,468	65,410	53,74,740
<b>Total</b>	<b>98,85,326</b>	<b>82,40,40,775</b>	<b>62,49,902</b>	<b>51,35,54,448</b>

## 20 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	9,107	7,59,160	13,488	11,08,309
Interest on inter companies loan	1,46,397	1,22,03,654	-	-
<b>Total</b>	<b>1,55,504</b>	<b>1,29,62,814</b>	<b>13,488</b>	<b>11,08,309</b>

## 21 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	1,29,613	1,08,04,540	79,078	64,97,839
Auditors remuneration	49,000	40,84,640	45,675	37,53,115
Communication expenses	25,959	21,63,942	56,162	46,14,832
CSR expenses	214	17,839	-	-
Electricity	13,57,863	11,31,91,460	8,78,435	7,21,81,004
Entertainment expenses	14,077	11,73,459	7,640	6,27,779
Exchange loss -Net	-	-	7,35,751	6,04,56,660
Insurance expenses	41,448	34,55,105	32,687	26,85,891
IT consumables	6,216	5,18,166	4,835	3,97,292
Legal and professional fees	4,72,090	3,93,53,422	3,58,317	2,94,42,908
Loss on sale of fixed asset	75	6,252	-	-
Miscellaneous expenses	1,67,603	1,39,71,386	1,69,107	1,38,95,522
Printing and stationery	11,630	9,69,477	5,100	4,19,067
Provision for doubtful debts	(97,294)	(81,10,428)	(5,80,936)	(4,77,35,511)
Provision For Doubtful advances	1,78,850	1,49,08,936	13,495	11,08,884
Rates and Taxes	89,399	74,52,301	87,229	71,67,607
Recruitment expenses	57,003	47,51,770	89,624	73,64,404
Rent	2,96,410	2,47,08,738	1,97,818	1,62,54,705
Repairs and Maintenance - Plant & Machinery	27,29,988	22,75,71,800	31,62,726	25,98,81,195
Repairs and Maintenance -Building	36,313	30,27,052	9,565	7,85,956
Seminars, trainings and conferences	49,754	41,47,493	20,204	16,60,163
Services rendered by agencies	2,65,607	2,21,41,000	3,13,120	2,57,29,070
Bad debts written off	22,954	19,13,445	-	-
Travelling and conveyance expenses	3,21,168	2,67,72,564	1,56,497	1,28,59,358
<b>Total</b>	<b>62,25,940</b>	<b>51,89,94,359</b>	<b>58,42,129</b>	<b>48,00,47,740</b>



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LLP Identity No. AAB-7509

## **APPENDIX - 4**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Brazil) Participacoes Limitada** ("the subsidiary") registered in Brazil as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Investments in subsidiaries & associates	1	1,128,038	94,033,248	1,128,038	92,690,882
	Advance tax (net)		1,232	102,700	1,023	84,060
			1,129,270	94,135,948	1,129,061	92,774,942
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Cash and cash equivalents	2	50,394	4,200,844	51,275	4,213,267
	Other Current assets	3	1,744	145,380	1,694	139,196
			52,138	4,346,224	52,969	4,352,463
	<b>TOTAL ASSETS</b>		1,181,408	98,482,172	1,182,030	97,127,405
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	4	1,449,493	120,829,736	1,449,493	119,104,840
	Other equity	5	(268,493)	(22,381,576)	(273,726)	(22,492,066)
	<b>Total Equity</b>		1,181,000	98,448,160	1,175,767	96,612,774
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	6	408	34,012	6,263	514,631
			408	34,012	6,263	514,631
	<b>TOTAL EQUITY AND LIABILITIES</b>		1,181,408	98,482,172	1,182,030	97,127,405

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



**Tata Communications (Brazil) Participacoes Limitada**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024**

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	7	-	-	-	-
ii	Other Income		1,822	151,882	770	63,271
iii	<b>Total income (i + ii)</b>		<b>1,822</b>	<b>151,882</b>	<b>770</b>	<b>63,271</b>
iv	<b>Expenses:</b>	8				
	Finance costs		11	917	-	-
	Operating and other expenses	9	(3,422)	(285,258)	31,624	2,598,545
	<b>Total expenses</b>		<b>(3,411)</b>	<b>(284,341)</b>	<b>31,624</b>	<b>2,598,545</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>5,233</b>	<b>436,223</b>	<b>(30,854)</b>	<b>(2,535,274)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>5,233</b>	<b>436,223</b>	<b>(30,854)</b>	<b>(2,535,274)</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments in subsidiaries	1,128,038	94,033,248	1,128,038	92,690,882
<b>Total</b>	<b>1,128,038</b>	<b>94,033,248</b>	<b>1,128,038</b>	<b>92,690,882</b>

## 2 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	50,394	4,200,844	51,275	4,213,267
<b>Total</b>	<b>50,394</b>	<b>4,200,844</b>	<b>51,275</b>	<b>4,213,267</b>

## 3 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Indirect tax receivable	1,744	145,380	1,694	139,196
<b>Total</b>	<b>1,744</b>	<b>145,380</b>	<b>1,694</b>	<b>139,196</b>

## 4 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	1,449,493	120,829,736	1,449,493	119,104,840
<b>Total</b>	<b>1,449,493</b>	<b>120,829,736</b>	<b>1,449,493</b>	<b>119,104,840</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(273,726)	(22,817,799)	(242,872)	(19,956,792)
Profit / (loss) for the year	5,233	436,223	(30,854)	(2,535,274)
<b>Closing balance</b>	<b>(268,493)</b>	<b>(22,381,576)</b>	<b>(273,726)</b>	<b>(22,492,066)</b>
<b>Total</b>	<b>(268,493)</b>	<b>(22,381,576)</b>	<b>(273,726)</b>	<b>(22,492,066)</b>

## 6 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	408	34,012	6,263	514,631
<b>Total</b>	<b>408</b>	<b>34,012</b>	<b>6,263</b>	<b>514,631</b>

## 7 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	967	80,609	746	61,299
Exchange gain -Net	855	71,273	-	-
Miscellaneous income	-	-	24	1,972
<b>Total</b>	<b>1,822</b>	<b>151,882</b>	<b>770</b>	<b>63,271</b>

## 8 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	11	917	-	-
<b>Total</b>	<b>11</b>	<b>917</b>	<b>-</b>	<b>-</b>

## 9 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Exchange loss -Net	-	-	5,016	412,165
Legal and professional fees	(3,669)	(305,848)	28,339	2,328,616
Miscellaneous expenses	65	5,418	-	-
Rates and Taxes	182	15,172	(1,731)	(142,236)
<b>Total</b>	<b>(3,422)</b>	<b>(285,258)</b>	<b>31,624</b>	<b>2,598,545</b>





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	5,38,430	4,48,83,525	6,15,928	5,06,10,804
	Capital work-in-progress		2,13,444	1,77,92,692	1,60,622	1,31,98,310
	Other Non-current assets	2	14,172	11,81,378	27,972	22,98,459
			7,66,046	6,38,57,595	8,04,522	6,61,07,573
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	3	5,84,671	4,87,38,174	6,73,357	5,53,29,745
	(ii) Cash and cash equivalents	4	5,05,959	4,21,76,742	4,86,538	3,99,78,827
	(iii) Other financial assets	5	5,963	4,97,076	6,238	5,12,576
	Other Current assets	6	38,662	32,22,864	2,35,659	1,93,64,100
			11,35,255	9,46,34,856	14,01,792	11,51,85,248
	<b>TOTAL ASSETS</b>		<b>19,01,301</b>	<b>15,84,92,451</b>	<b>22,06,314</b>	<b>18,12,92,821</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	7	12,53,787	10,45,15,684	12,53,787	10,30,23,678
	Other equity	8	(4,42,101)	(3,68,53,538)	(2,87,701)	(2,36,40,388)
	<b>Total Equity</b>		<b>8,11,686</b>	<b>6,76,62,146</b>	<b>9,66,086</b>	<b>7,93,83,290</b>
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	9	7,79,007	6,49,38,023	9,91,075	8,14,36,629
	Other current liabilities	10	72,754	60,64,773	1,81,869	1,49,44,176
	Current tax liability (Net)		2,37,854	1,98,27,509	67,284	55,28,726
			10,89,615	9,08,30,305	12,40,228	10,19,09,531
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>19,01,301</b>	<b>15,84,92,451</b>	<b>22,06,314</b>	<b>18,12,92,821</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



**Tata Communications Comunicações E Multimídia (Brazil) Limitada**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024**

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	11	22,73,161	18,94,90,701	33,17,692	27,26,14,752
ii	Other Income		11,200	9,33,632	6,492	5,33,448
iii	<b>Total income (i + ii)</b>		<b>22,84,361</b>	<b>19,04,24,333</b>	<b>33,24,184</b>	<b>27,31,48,200</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	12	10,60,863	8,84,33,540	19,22,672	15,79,85,958
	Employee benefits expenses	13	29	2,417	16	1,315
	Finance costs	14	106	8,836	3	247
	Depreciation and amortisation expenses		2,26,542	1,88,84,541	2,19,213	1,80,12,732
	Operating and other expenses	15	9,50,085	7,91,99,085	7,77,739	6,39,06,811
	<b>Total expenses</b>		<b>22,37,625</b>	<b>18,65,28,419</b>	<b>29,19,643</b>	<b>23,99,07,063</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>46,736</b>	<b>38,95,914</b>	<b>4,04,541</b>	<b>3,32,41,137</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		1,94,809	1,62,39,278	6,05,801	4,97,78,668
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>1,94,809</b>	<b>1,62,39,278</b>	<b>6,05,801</b>	<b>4,97,78,668</b>
vii	<b>Profit / (loss) for the year (vii-viii)</b>		<b>(1,48,073)</b>	<b>(1,23,43,364)</b>	<b>(2,01,260)</b>	<b>(1,65,37,531)</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	14,82,480	12,35,79,533	13,94,033	11,45,47,692
Computers	8,128	6,77,550	-	-
(a)	14,90,608	12,42,57,083	13,94,033	11,45,47,692
<b>Accumulated depreciation:</b>				
Plant and machinery	9,50,431	7,92,27,928	7,78,105	6,39,36,888
Computers	1,747	1,45,630	-	-
(b)	9,52,178	7,93,73,558	7,78,105	6,39,36,888
<b>Net block (a) - (b)</b>	<b>5,38,430</b>	<b>4,48,83,525</b>	<b>6,15,928</b>	<b>5,06,10,804</b>

## 2 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	14,172	11,81,378	27,972	22,98,459
<b>Total</b>	<b>14,172</b>	<b>11,81,378</b>	<b>27,972</b>	<b>22,98,459</b>

## 3 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	5,99,909	5,00,08,414	6,84,627	5,62,55,801
Provision for doubtful debts	(15,238)	(12,70,240)	(11,270)	(9,26,056)
<b>Total</b>	<b>5,84,671</b>	<b>4,87,38,174</b>	<b>6,73,357</b>	<b>5,53,29,745</b>

## 4 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	5,05,959	4,21,76,742	4,86,538	3,99,78,827
<b>Total</b>	<b>5,05,959</b>	<b>4,21,76,742</b>	<b>4,86,538</b>	<b>3,99,78,827</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Others	5,963	4,97,076	6,238	5,12,576
<b>Total</b>	<b>5,963</b>	<b>4,97,076</b>	<b>6,238</b>	<b>5,12,576</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	33,664	28,06,231	34,328	28,20,732
Indirect tax receivable	-	-	2,01,331	1,65,43,368
Others	4,998	4,16,633	-	-
<b>Total</b>	<b>38,662</b>	<b>32,22,864</b>	<b>2,35,659</b>	<b>1,93,64,100</b>

## 7 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	12,53,787	10,45,15,684	12,53,787	10,30,23,678
<b>Total</b>	<b>12,53,787</b>	<b>10,45,15,684</b>	<b>12,53,787</b>	<b>10,30,23,678</b>

## 8 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(2,87,701)	(2,39,82,755)	(86,441)	(71,02,857)
ECL impact	(6,327)	(5,27,419)		
Profit / (loss) for the year	(1,48,073)	(1,23,43,364)	(2,01,260)	(1,65,37,531)
<b>Closing balance</b>	<b>(4,42,101)</b>	<b>(3,68,53,538)</b>	<b>(2,87,701)</b>	<b>(2,36,40,388)</b>
<b>Total</b>	<b>(4,42,101)</b>	<b>(3,68,53,538)</b>	<b>(2,87,701)</b>	<b>(2,36,40,388)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	7,56,191	6,30,36,081	7,97,947	6,55,67,301
Inter Company - Payables (Net)	22,816	19,01,942	1,93,128	1,58,69,328
<b>Total</b>	<b>7,79,007</b>	<b>6,49,38,023</b>	<b>9,91,075</b>	<b>8,14,36,629</b>

## 10 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	733	61,103	1,375	1,12,984
Other Employee dues	12,367	10,30,913	33,150	27,23,936
Other Statutory dues	59,654	49,72,757	1,47,344	1,21,07,256
<b>Total</b>	<b>72,754</b>	<b>60,64,773</b>	<b>1,81,869</b>	<b>1,49,44,176</b>

## 11 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	6,544	5,45,508	7,575	6,22,438
Exchange gain -Net	1,355	1,12,953	-	-
Miscellaneous income	3,301	2,75,171	(1,083)	(88,990)
<b>Total</b>	<b>11,200</b>	<b>9,33,632</b>	<b>6,492</b>	<b>5,33,448</b>

## 12 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	10,60,863	8,84,33,540	19,22,672	15,79,85,958
<b>Total</b>	<b>10,60,863</b>	<b>8,84,33,540</b>	<b>19,22,672</b>	<b>15,79,85,958</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 13 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	12	1,000	(12)	(986)
Staff welfare expenses	17	1,417	28	2,301
<b>Total</b>	<b>29</b>	<b>2,417</b>	<b>16</b>	<b>1,315</b>

## 14 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	106	8,836	3	247
<b>Total</b>	<b>106</b>	<b>8,836</b>	<b>3</b>	<b>247</b>

## 15 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	-	-	(2,527)	(2,07,644)
Communication expenses	1,330	1,10,869	559	45,933
Directors fees	5,556	4,63,148	19,066	15,66,653
Electricity	1,18,903	99,11,754	1,10,148	90,50,861
Exchange loss -Net	-	-	39,879	32,76,857
Insurance expenses	12,398	10,33,497	11,236	9,23,262
Legal and professional fees	5,60,799	4,67,48,205	3,61,370	2,96,93,773
Miscellaneous expenses	13,584	11,32,362	(1,409)	(1,15,778)
Provision for doubtful debts	(2,359)	(1,96,646)	11,067	9,09,375
Rates and Taxes	69,620	58,03,523	(22,516)	(18,50,140)
Rent	11,266	9,39,134	10,269	8,43,804
Repairs and Maintenance - Plant & Machinery	44,770	37,32,027	83,767	68,83,134
Repairs and Maintenance -Building	-	-	9,222	7,57,772
Seminars, trainings and conferences	678	56,518	49	4,026
Services rendered by agencies	1,13,159	94,32,934	1,47,366	1,21,09,064
Travelling and conveyance expenses	381	31,760	193	15,859
<b>Total</b>	<b>9,50,085</b>	<b>7,91,99,085</b>	<b>7,77,739</b>	<b>6,39,06,811</b>





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## **APPENDIX - 6**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (America) Inc** ("the subsidiary") registered in Delaware, USA as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	52,898,994	4,409,660,140	62,726,500	5,154,236,507
	Capital work-in-progress		8,248,332	687,580,956	4,819,458	396,014,864
	Right-of-use assets		37,359,696	3,114,304,259	28,805,029	2,366,909,233
	Goodwill		1,115,018	92,947,900	-	-
	Other intangible assets	2	5,629,819	469,301,711	6,603,848	542,638,190
	Intangible assets under development		1,545,183	128,806,455	459,287	37,739,613
	Financial assets					
	(i) Investments -others	3	14,711,904	1,226,384,317	35,112,813	2,885,219,844
	(ii) Loans	4	160,938,438	13,415,828,192	140,831,011	11,572,084,174
	(iii) Other financial assets	5	790,795	65,920,671	847,886	69,670,793
	Deferred tax assets (net)		10,034,138	836,445,744	11,075,325	910,059,455
	Advance tax (net)		155,924	12,997,825	155,924	12,812,275
	Other Non-current assets	6	1,891,727	157,694,363	705,876	58,001,831
			295,319,968	24,617,872,533	292,142,957	24,005,386,779
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	7	42,484,210	3,541,483,746	32,806,469	2,695,707,557
	(ii) Cash and cash equivalents	8	14,279	1,190,297	26,157	2,149,321
	(iii) Other financial assets	9	6,389,091	532,594,626	5,199,146	427,213,827
	Other Current assets	10	6,968,694	580,910,332	6,450,076	530,002,745
			55,856,274	4,656,179,001	44,481,848	3,655,073,450
	<b>TOTAL ASSETS</b>		351,176,242	29,274,051,534	336,624,805	27,660,460,229
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	11	226,603,995	18,889,709,023	226,603,995	18,620,050,269
	Other equity	12	(11,310,468)	(942,840,615)	(17,301,995)	(1,421,704,929)
	<b>Total Equity</b>		215,293,527	17,946,868,408	209,302,000	17,198,345,340
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		31,928,314	2,661,544,255	19,865,824	1,632,374,758
	Provisions	13	14,917,267	1,243,503,377	12,549,712	1,031,209,835
	Other liabilities (Deferred revenue)		15,290,311	1,274,600,325	18,692,264	1,535,943,333
			62,135,892	5,179,647,957	51,107,800	4,199,527,926
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		10,466,371	872,476,687	11,672,334	959,115,685
	(ii) Trade payables	14	42,653,303	3,555,579,341	43,866,268	3,604,491,242
	(iii) Other financial liabilities	15	1,530,877	127,613,907	1,500,938	123,332,076
	Other current liabilities	16	17,581,942	1,465,630,685	17,727,490	1,456,667,854
	Provisions	17	1,514,330	126,234,549	1,447,975	118,980,106
			73,746,823	6,147,535,169	76,215,005	6,262,586,963
	<b>TOTAL EQUITY AND LIABILITIES</b>		351,176,242	29,274,051,534	336,624,805	27,660,460,229

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations		262,629,600	21,892,803,456	261,450,975	21,483,426,616
ii	Other Income	18	18,462,097	1,539,000,405	11,461,407	941,783,814
iii	<b>Total income (i + ii)</b>		<b>281,091,697</b>	<b>23,431,803,861</b>	<b>272,912,382</b>	<b>22,425,210,430</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	19	110,444,309	9,206,637,598	111,218,151	9,138,795,468
	Employee benefits expenses	20	67,459,997	5,623,465,350	62,290,079	5,118,375,792
	Finance costs	21	2,863,876	238,732,704	1,843,748	151,500,773
	Depreciation and amortisation expenses		23,918,315	1,993,830,738	26,106,924	2,145,205,945
	Operating and other expenses	22	51,710,128	4,310,556,272	46,313,435	3,805,574,954
	<b>Total expenses</b>		<b>256,396,625</b>	<b>21,373,222,662</b>	<b>247,772,337</b>	<b>20,359,452,932</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>24,695,072</b>	<b>2,058,581,199</b>	<b>25,140,045</b>	<b>2,065,757,498</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		(804,275)	(67,044,364)	-	-
	Impairment of investment		(16,000,000)	(1,333,760,000)	-	-
vii	<b>Profit before taxes (v - vi)</b>		<b>7,890,797</b>	<b>657,776,835</b>	<b>25,140,045</b>	<b>2,065,757,498</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		442,223	36,863,709	464,536	38,170,923
	(ii) Deferred tax expense/(benefit)		1,041,187	86,793,348	(11,075,325)	(910,059,455)
	<b>Net tax expenses</b>		<b>1,483,410</b>	<b>123,657,057</b>	<b>(10,610,789)</b>	<b>(871,888,532)</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>6,407,387</b>	<b>534,119,778</b>	<b>35,750,834</b>	<b>2,937,646,030</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	1,498,991	124,955,890	1,465,964	120,458,262
Leasehold land	-	-	33,027	2,713,829
Building	5,137,839	428,290,259	5,137,839	422,176,231
Lease hold improvement	17,408,452	1,451,168,559	13,898,976	1,142,078,858
Cables	122,930,828	10,247,513,822	123,471,396	10,145,644,609
Plant and machinery	307,787,066	25,657,129,822	304,974,424	25,059,748,420
Furniture and fixtures	1,332,942	111,114,045	1,667,772	137,040,825
Computers	11,421,428	952,090,238	9,771,904	802,957,352
Office equipment	1,298,368	108,231,956	1,257,415	103,321,791
Vehicles	28,208	2,351,419	28,208	2,317,851
(a)	468,844,122	39,082,846,010	461,706,925	37,938,458,028
<b>Accumulated depreciation:</b>				
Leasehold land	12	1,000	12	986
Building	3,851,970	321,100,219	3,645,590	299,558,130
Lease hold improvement	10,461,827	872,097,899	7,617,157	625,901,791
Cables	109,467,402	9,125,202,631	104,052,637	8,550,005,182
Plant and machinery	281,722,569	23,484,393,352	273,824,120	22,500,127,940
Furniture and fixtures	1,039,628	86,663,390	1,193,920	98,104,406
Computers	8,273,468	689,676,292	7,644,599	628,156,700
Office equipment	1,100,044	91,699,668	974,182	80,048,535
Vehicles	28,208	2,351,419	28,208	2,317,851
(b)	415,945,128	34,673,185,870	398,980,425	32,784,221,521
<b>Net block (a) - (b)</b>	<b>52,898,994</b>	<b>4,409,660,140</b>	<b>62,726,500</b>	<b>5,154,236,507</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	54,001,722	4,501,583,546	60,412,639	4,964,106,547
Indefeasible right to use assets	5,762,829	480,389,425	5,818,661	478,119,374
(a)	59,764,551	4,981,972,971	66,231,300	5,442,225,921
<b>Accumulated amortisation:</b>				
Computer software	50,503,596	4,209,979,763	56,098,525	4,609,615,799
Indefeasible right to use assets	3,631,136	302,691,497	3,528,927	289,971,932
(b)	54,134,732	4,512,671,260	59,627,452	4,899,587,731
<b>Net block (a) - (b)</b>	<b>5,629,819</b>	<b>469,301,711</b>	<b>6,603,848</b>	<b>542,638,190</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 3 Financial asset - Investment others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments - others	30,711,904	2,560,144,317	35,112,813	2,885,219,844
Impairment of investment - others	(16,000,000)	(1,333,760,000)	-	-
<b>Total</b>	<b>14,711,904</b>	<b>1,226,384,317</b>	<b>35,112,813</b>	<b>2,885,219,844</b>

## 4 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	160,938,438	13,415,828,192	140,831,011	11,572,084,174
<b>Total</b>	<b>160,938,438</b>	<b>13,415,828,192</b>	<b>140,831,011</b>	<b>11,572,084,174</b>

## 5 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	790,795	65,920,671	847,886	69,670,793
<b>Total</b>	<b>790,795</b>	<b>65,920,671</b>	<b>847,886</b>	<b>69,670,793</b>

## 6 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	1,891,727	157,694,363	705,876	58,001,831
<b>Total</b>	<b>1,891,727</b>	<b>157,694,363</b>	<b>705,876</b>	<b>58,001,831</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 7 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	40,394,027	3,367,246,091	36,967,883	3,037,650,946
Intercompany receivables (Net)	6,310,952	526,080,959	745,091	61,224,127
Provision for doubtful debts	(4,220,769)	(351,843,304)	(4,906,505)	(403,167,516)
<b>Total</b>	<b>42,484,210</b>	<b>3,541,483,746</b>	<b>32,806,469</b>	<b>2,695,707,557</b>

## 8 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	14,279	1,190,297	26,157	2,149,321
<b>Total</b>	<b>14,279</b>	<b>1,190,297</b>	<b>26,157</b>	<b>2,149,321</b>

## 9 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	723,607	60,319,880	74,020	6,082,223
Provision for Security Deposit	(35,099)	(2,925,853)		
Interest Receivable on Inter Co. Loan (Net)	5,028,610	419,184,930	4,650,340	382,118,438
Others	671,973	56,015,669	474,786	39,013,166
<b>Total</b>	<b>6,389,091</b>	<b>532,594,626</b>	<b>5,199,146</b>	<b>427,213,827</b>

## 10 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	91,099	7,594,013	71,481	5,873,594
Advances to employees	43,689	3,641,915	182,524	14,997,997
Provision for doubtful advance	(40,280)	(3,357,741)		
Prepaid expenses	6,589,231	549,278,296	5,920,069	486,452,070
Others	284,955	23,753,849	276,002	22,679,084
<b>Total</b>	<b>6,968,694</b>	<b>580,910,332</b>	<b>6,450,076</b>	<b>530,002,745</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 11 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	226,603,995	18,889,709,023	226,603,995	18,620,050,269
<b>Total</b>	<b>226,603,995</b>	<b>18,889,709,023</b>	<b>226,603,995</b>	<b>18,620,050,269</b>

## 12 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(17,301,995)	(1,442,294,303)	(53,052,829)	(4,359,350,959)
ECL impact	(415,860)	(34,666,090)	-	-
Profit / (loss) for the year	6,407,387	534,119,778	35,750,834	2,937,646,030
<b>Closing balance</b>	<b>(11,310,468)</b>	<b>(942,840,615)</b>	<b>(17,301,995)</b>	<b>(1,421,704,929)</b>
<b>Total</b>	<b>(11,310,468)</b>	<b>(942,840,615)</b>	<b>(17,301,995)</b>	<b>(1,421,704,929)</b>

## 13 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	14,035,087	1,169,964,852	11,600,271	953,194,268
Retention liability	882,180	73,538,525	949,441	78,015,567
<b>Total</b>	<b>14,917,267</b>	<b>1,243,503,377</b>	<b>12,549,712</b>	<b>1,031,209,835</b>

## 14 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	42,653,303	3,555,579,341	43,866,268	3,604,491,242
<b>Total</b>	<b>42,653,303</b>	<b>3,555,579,341</b>	<b>43,866,268</b>	<b>3,604,491,242</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 15 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	1,441,077	120,128,179	1,472,003	120,954,487
Others	89,800	7,485,728	28,935	2,377,589
<b>Total</b>	<b>1,530,877</b>	<b>127,613,907</b>	<b>1,500,938</b>	<b>123,332,076</b>

## 16 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	6,537,073	544,930,405	6,805,910	559,241,625
Other Employee dues	10,406,986	867,526,353	10,055,215	826,237,017
Other Statutory dues	637,883	53,173,927	433,439	35,615,683
Others	-	-	432,926	35,573,529
<b>Total</b>	<b>17,581,942</b>	<b>1,465,630,685</b>	<b>17,727,490</b>	<b>1,456,667,854</b>

## 17 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	1,514,330	126,234,549	1,447,975	118,980,106
<b>Total</b>	<b>1,514,330</b>	<b>126,234,549</b>	<b>1,447,975</b>	<b>118,980,106</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 18 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Dividend income	209	17,422	209	17,174
Interest on loan to subsidiaries	12,100,832	1,008,725,356	8,724,339	716,878,936
Profit on sale of fixed assets	15	1,250	-	-
Exchange gain -Net	2,852,643	237,796,320	-	-
Miscellaneous income	3,508,398	292,460,057	2,736,859	224,887,704
<b>Total</b>	<b>18,462,097</b>	<b>1,539,000,405</b>	<b>11,461,407</b>	<b>941,783,814</b>

## 19 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	110,444,309	9,206,637,598	111,218,151	9,138,795,468
<b>Total</b>	<b>110,444,309</b>	<b>9,206,637,598</b>	<b>111,218,151</b>	<b>9,138,795,468</b>

## 20 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	65,282,399	5,441,940,781	60,351,028	4,959,043,971
Contribution to provident and other funds	1,850,937	154,294,108	1,672,483	137,427,928
Staff welfare expenses	326,661	27,230,461	266,568	21,903,893
<b>Total</b>	<b>67,459,997</b>	<b>5,623,465,350</b>	<b>62,290,079</b>	<b>5,118,375,792</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 21 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	516,849	43,084,533	395,807	32,523,461
Interest on inter companies loan	2,347,027	195,648,171	1,447,941	118,977,312
<b>Total</b>	<b>2,863,876</b>	<b>238,732,704</b>	<b>1,843,748</b>	<b>151,500,773</b>

## 22 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	1,863,768	155,363,700	1,398,968	114,953,201
Auditors remuneration	29,774	2,481,961	20,572	1,690,401
Communication expenses	311,385	25,957,054	432,273	35,519,872
CSR expenses	3,757	313,184	4,261	350,126
Electricity	9,168,180	764,259,485	9,159,648	752,648,276
Entertainment expenses	124,119	10,346,560	70,626	5,803,338
Exchange loss -Net	-	-	1,236,957	101,640,757
Insurance expenses	529,184	44,112,778	378,204	31,077,023
IT consumables	103,860	8,657,770	56,507	4,643,180
Legal and professional fees	3,201,649	266,889,461	3,182,842	261,534,127
Loss on sale of fixed asset	378	31,510	-	-
Miscellaneous expenses	1,814,493	151,256,136	2,087,280	171,511,798
Printing and stationery	52,258	4,356,227	52,234	4,292,068
Provision for doubtful debts	(1,101,606)	(91,829,876)	26,456	2,173,890
Provision For Doubtful advances	16,229	1,352,849	12,033	988,752
Rates and Taxes	10,124,300	843,961,648	3,986,400	327,562,488
Recruitment expenses	517,752	43,159,807	1,395,637	114,679,492
Relocation Expense	108,032	9,005,548	95,372	7,836,717
Rent	1,585,518	132,168,780	1,945,382	159,852,039
Repairs and Maintenance - Plant & Machinery	17,154,213	1,429,975,196	15,926,617	1,308,690,119
Repairs and Maintenance -Building	464,222	38,697,546	249,114	20,469,697
Security charges	220,824	18,407,889	210,739	17,316,424
Seminars, trainings and conferences	1,369,677	114,176,275	951,876	78,215,651
Services rendered by agencies	1,528,034	127,376,914	1,896,298	155,818,807
Bad debts written off	981,061	81,781,245	10,125	831,971
Travelling and conveyance expenses	1,539,067	128,296,625	1,527,014	125,474,740
<b>Total</b>	<b>51,710,128</b>	<b>4,310,556,272</b>	<b>46,313,435</b>	<b>3,805,574,954</b>





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## **APPENDIX - 7**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Deutschland Gmbh** ("the subsidiary") registered in Germany as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549

Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	53,11,154	44,27,37,797	67,22,943	55,24,24,226
	Capital work-in-progress		11,52,050	9,60,34,888	6,51,088	5,34,99,901
	Right-of-use assets		4,60,782	3,84,10,788	4,08,607	3,35,75,237
	Other Intangible assets	2	59,348	49,47,249	16,789	13,79,552
	Intangible assets under development		93,090	77,59,982	1,770	1,45,441
	Financial assets					
	(i) Other financial assets	3	1,30,790	1,09,02,654	1,31,957	1,08,42,907
	Other Non-current assets	4	1,23,017	1,02,54,697	3,46,794	2,84,96,063
			73,30,231	61,10,48,055	82,79,948	68,03,63,327
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	89,82,555	74,87,85,784	84,05,512	69,06,80,921
	(ii) Cash and cash equivalents	6	68	5,668	-	-
	(iii) Other financial assets	7	11,845	9,87,399	-	-
	Other Current assets	8	24,22,134	20,19,09,091	26,80,462	22,02,53,562
			1,14,16,602	95,16,87,942	1,10,85,974	91,09,34,483
	<b>TOTAL ASSETS</b>		1,87,46,833	1,56,27,35,997	1,93,65,922	1,59,12,97,810
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	33,795	28,17,151	33,795	27,76,935
	Other equity	10	(4,49,64,076)	(3,74,82,05,378)	(4,36,59,119)	(3,58,74,69,810)
	<b>Total Equity</b>		(4,49,30,281)	(3,74,53,88,227)	(4,36,25,324)	(3,58,46,92,875)
(2)	<b>Non-current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Lease liabilities		2,54,461	2,12,11,869	1,89,496	1,55,70,886
	Provisions	11	2,74,449	2,28,78,069	3,76,363	3,09,25,748
	Other liabilities (Deferred revenue)		4,11,065	3,42,66,378	5,46,216	4,48,82,569
			9,39,975	7,83,56,316	11,12,075	9,13,79,203
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	12	4,71,32,134	3,92,89,34,690	4,49,94,574	3,69,72,04,146
	(ia) Lease liabilities		2,12,691	1,77,29,922	2,10,156	1,72,68,519
	(ii) Trade payables	13	1,13,70,682	94,78,60,052	1,22,87,023	1,00,96,24,681
	(iii) Other financial liabilities	14	7,39,234	6,16,22,546	8,42,879	6,92,59,367
	Other current liabilities	15	31,33,822	26,12,35,402	29,78,730	24,47,62,244
	Provisions	16	1,40,313	1,16,96,492	1,62,295	1,33,35,780
	Current tax liability (Net)		8,263	6,88,804	4,03,514	3,31,56,745
			6,27,37,139	5,22,97,67,908	6,18,79,171	5,08,46,11,482
	<b>TOTAL EQUITY AND LIABILITIES</b>		1,87,46,833	1,56,27,35,997	1,93,65,922	1,59,12,97,810

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	17	6,15,42,607	5,13,01,91,720	6,28,79,277	5,16,67,90,191
ii	Other Income		3,43,939	2,86,70,755	1,22,986	1,01,05,759
iii	<b>Total income (i + ii)</b>		<b>6,18,86,546</b>	<b>5,15,88,62,475</b>	<b>6,30,02,263</b>	<b>5,17,68,95,950</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	18	4,61,28,389	3,84,52,62,507	4,67,57,428	3,84,20,57,859
	Employee benefits expenses	19	74,64,616	62,22,50,390	67,13,694	55,16,64,236
	Finance costs	20	31,07,127	25,90,10,106	26,73,047	21,96,44,272
	Depreciation and amortisation expenses		24,03,181	20,03,29,168	25,82,821	21,22,30,402
	Operating and other expenses	21	38,41,662	32,02,40,947	33,52,861	27,55,04,589
	<b>Total expenses</b>		<b>6,29,44,975</b>	<b>5,24,70,93,118</b>	<b>6,20,79,851</b>	<b>5,10,11,01,358</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>(10,58,429)</b>	<b>(8,82,30,643)</b>	<b>9,22,412</b>	<b>7,57,94,592</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		(1,51,066)	(1,25,92,862)	-	-
vii	<b>Profit before taxes (v - vi)</b>		<b>(12,09,495)</b>	<b>(10,08,23,505)</b>	<b>9,22,412</b>	<b>7,57,94,592</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		266	22,174	4,03,514	3,31,56,745
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>266</b>	<b>22,174</b>	<b>4,03,514</b>	<b>3,31,56,745</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>(12,09,761)</b>	<b>(10,08,45,679)</b>	<b>5,18,898</b>	<b>4,26,37,847</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	2,53,762	2,11,53,600	2,53,762	2,08,51,624
Cables	14,04,769	11,71,01,544	27,89,802	22,92,38,030
Plant and machinery	3,30,59,559	2,75,58,44,838	3,30,42,731	2,71,51,21,206
Furniture and fixtures	2,91,098	2,42,65,929	2,91,098	2,39,19,523
Computers	6,68,255	5,57,05,737	3,91,232	3,21,47,533
Office equipment	7,004	5,83,853	7,004	5,75,519
(a)	3,56,84,447	2,97,46,55,501	3,67,75,629	3,02,18,53,435
<b>Accumulated depreciation:</b>				
Lease hold improvement	2,53,762	2,11,53,600	1,49,950	1,23,21,392
Cables	9,57,386	7,98,07,697	22,39,732	18,40,38,778
Plant and machinery	2,86,77,066	2,39,05,20,222	2,73,11,186	2,24,41,60,154
Furniture and fixtures	2,10,806	1,75,72,788	1,99,357	1,63,81,165
Computers	2,67,269	2,22,79,544	1,45,588	1,19,62,966
Office equipment	7,004	5,83,853	6,873	5,64,754
(b)	3,03,73,293	2,53,19,17,704	3,00,52,686	2,46,94,29,209
<b>Net block (a) - (b)</b>	<b>53,11,154</b>	<b>44,27,37,797</b>	<b>67,22,943</b>	<b>55,24,24,226</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	10,19,217	8,49,61,929	10,99,070	9,03,10,582
(a)	10,19,217	8,49,61,929	10,99,070	9,03,10,582
<b>Accumulated amortisation:</b>				
Computer software	9,59,869	8,00,14,680	10,82,281	8,89,31,030
(b)	9,59,869	8,00,14,680	10,82,281	8,89,31,030
<b>Net block (a) - (b)</b>	<b>59,348</b>	<b>49,47,249</b>	<b>16,789</b>	<b>13,79,552</b>

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	1,30,790	1,09,02,654	1,31,957	1,08,42,907
<b>Total</b>	<b>1,30,790</b>	<b>1,09,02,654</b>	<b>1,31,957</b>	<b>1,08,42,907</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	1,23,017	1,02,54,697	3,46,794	2,84,96,063
<b>Total</b>	<b>1,23,017</b>	<b>1,02,54,697</b>	<b>3,46,794</b>	<b>2,84,96,063</b>

## 5 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	93,91,437	78,28,70,188	89,20,969	73,30,36,023
Provision for doubtful debts	(4,08,882)	(3,40,84,404)	(5,15,457)	(4,23,55,102)
<b>Total</b>	<b>89,82,555</b>	<b>74,87,85,784</b>	<b>84,05,512</b>	<b>69,06,80,921</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	68	5,668	-	-
<b>Total</b>	<b>68</b>	<b>5,668</b>	<b>-</b>	<b>-</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Others	11,845	9,87,399	-	-
<b>Total</b>	<b>11,845</b>	<b>9,87,399</b>	<b>-</b>	<b>-</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	10,792	8,99,621	95,297	78,30,554
Advances to employees	8,819	7,35,152	23,650	19,43,321
Provision for doubtful advance	(359)	(29,926)		
Prepaid expenses	23,60,405	19,67,63,361	25,40,654	20,87,65,539
Others	42,477	35,40,883	20,861	17,14,148
<b>Total</b>	<b>24,22,134</b>	<b>20,19,09,091</b>	<b>26,80,462</b>	<b>22,02,53,562</b>

## 9 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	33,795	28,17,151	33,795	27,76,935
<b>Total</b>	<b>33,795</b>	<b>28,17,151</b>	<b>33,795</b>	<b>27,76,935</b>

## 10 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(4,36,59,119)	(3,63,94,24,160)	(4,41,78,017)	(3,63,01,07,657)
ECL impact	(95,196)	(79,35,539)	-	-
Profit / (loss) for the year	(12,09,761)	(10,08,45,679)	5,18,898	4,26,37,847
<b>Closing balance</b>	<b>(4,49,64,076)</b>	<b>(3,74,82,05,378)</b>	<b>(4,36,59,119)</b>	<b>(3,58,74,69,810)</b>
<b>Total</b>	<b>(4,49,64,076)</b>	<b>(3,74,82,05,378)</b>	<b>(4,36,59,119)</b>	<b>(3,58,74,69,810)</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 11 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	2,74,449	2,28,78,069	3,76,363	3,09,25,748
<b>Total</b>	<b>2,74,449</b>	<b>2,28,78,069</b>	<b>3,76,363</b>	<b>3,09,25,748</b>

## 12 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	4,71,32,134	3,92,89,34,690	4,49,94,574	3,69,72,04,146
<b>Total</b>	<b>4,71,32,134</b>	<b>3,92,89,34,690</b>	<b>4,49,94,574</b>	<b>3,69,72,04,146</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	1,04,33,132	86,97,05,884	89,94,885	73,91,09,702
Inter Company - Payables (Net)	9,37,550	7,81,54,168	32,92,138	27,05,14,979
<b>Total</b>	<b>1,13,70,682</b>	<b>94,78,60,052</b>	<b>1,22,87,023</b>	<b>1,00,96,24,681</b>

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	95,139	79,30,787	1,07,393	88,24,483
Interest accrued but not due on Inter Co. loan (Net)	6,32,980	5,27,65,213	7,24,207	5,95,08,089
Others	11,115	9,26,546	11,279	9,26,795
<b>Total</b>	<b>7,39,234</b>	<b>6,16,22,546</b>	<b>8,42,879</b>	<b>6,92,59,367</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	15,35,436	12,79,93,945	15,76,107	12,95,08,712
Other Employee dues	12,77,030	10,64,53,221	11,24,612	9,24,09,368
Other Statutory dues	3,21,356	2,67,88,236	2,78,011	2,28,44,164
<b>Total</b>	<b>31,33,822</b>	<b>26,12,35,402</b>	<b>29,78,730</b>	<b>24,47,62,244</b>

## 16 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	1,40,313	1,16,96,492	1,62,295	1,33,35,780
<b>Total</b>	<b>1,40,313</b>	<b>1,16,96,492</b>	<b>1,62,295</b>	<b>1,33,35,780</b>

## 17 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	87,366	72,82,830	1,08,797	89,39,849
Exchange gain -Net	1,05,754	88,15,653	-	-
Miscellaneous income	1,50,819	1,25,72,272	14,189	11,65,910
<b>Total</b>	<b>3,43,939</b>	<b>2,86,70,755</b>	<b>1,22,986</b>	<b>1,01,05,759</b>

## 18 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	4,61,28,389	3,84,52,62,507	4,67,57,428	3,84,20,57,859
<b>Total</b>	<b>4,61,28,389</b>	<b>3,84,52,62,507</b>	<b>4,67,57,428</b>	<b>3,84,20,57,859</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 19 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	73,96,422	61,65,65,738	66,38,438	54,54,80,450
Staff welfare expenses	68,194	56,84,652	75,256	61,83,786
<b>Total</b>	<b>74,64,616</b>	<b>62,22,50,390</b>	<b>67,13,694</b>	<b>55,16,64,236</b>

## 20 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	8,659	7,21,814	14,359	11,79,879
Interest on inter companies loan	30,98,468	25,82,88,292	26,58,688	21,84,64,393
<b>Total</b>	<b>31,07,127</b>	<b>25,90,10,106</b>	<b>26,73,047</b>	<b>21,96,44,272</b>

## 21 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	2,29,787	1,91,55,044	1,29,413	1,06,33,866
Auditors remuneration	80,000	66,68,800	71,400	58,66,938
Communication expenses	41,550	34,63,608	55,218	45,37,263
Electricity	10,38,560	8,65,74,362	6,78,107	5,57,20,052
Entertainment expenses	10,666	8,89,118	7,207	5,92,199
Exchange loss -Net	-	-	2,31,530	1,90,24,820
Insurance expenses	10,421	8,68,695	10,283	8,44,954
IT consumables	1,746	1,45,547	7,356	6,04,443
Legal and professional fees	1,79,826	1,49,90,295	1,79,863	1,47,79,343
Miscellaneous expenses	2,64,278	2,20,30,214	1,78,691	1,46,83,039
Printing and stationery	6,267	5,22,417	10,703	8,79,466
Provision for doubtful debts	(2,01,776)	(1,68,20,047)	(37,766)	(31,03,232)
Provision For Doubtful advances	(2,009)	(1,67,470)	1,825	1,49,960
Rates and Taxes	56	4,668	244	20,049
Recruitment expenses	70,877	59,08,307	1,01,494	83,39,762
Relocation Expense	2,347	1,95,646	10,772	8,85,135
Rent	2,57,133	2,14,34,607	1,70,033	1,39,71,612
Repairs and Maintenance - Plant & Machinery	8,70,296	7,25,47,875	8,99,956	7,39,49,385
Repairs and Maintenance -Building	18,087	15,07,732	8,495	6,98,034
Seminars, trainings and conferences	43,978	36,66,006	28,965	23,80,054
Services rendered by agencies	3,52,202	2,93,59,559	3,84,069	3,15,58,950
Bad debts written off	1,96,913	1,64,14,668	-	-
Travelling and conveyance expenses	3,70,457	3,08,81,296	2,25,003	1,84,88,497
<b>Total</b>	<b>38,41,662</b>	<b>32,02,40,947</b>	<b>33,52,861</b>	<b>27,55,04,589</b>





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## APPENDIX - 8

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Italy) S.R.L.** ("the subsidiary") registered in Italy as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

**FOR SURESH SURANA & ASSOCIATES LLP**

Chartered Accountants

Firm's Reg. No. 121750W /W100010

**Rahul Bhansali**

**Partner**

**Membership No. 126549**



**Place Mumbai**

**Date: 17 April 2024**



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	5,36,077	4,46,87,380	6,19,815	5,09,30,198
	Capital work-in-progress		1,00,282	83,59,508	40,567	33,33,390
	Advance tax (net)		1,18,745	98,98,583	1,25,264	1,02,92,943
	Other Non-current assets	2	7,173	5,97,941	25,998	21,36,256
			7,62,277	6,35,43,412	8,11,644	6,66,92,787
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	3	13,13,728	10,95,12,366	30,83,666	25,33,84,836
	(ii) Other financial assets	4	5,298	4,41,641	4,525	3,71,819
	Other Current assets	5	20,74,889	17,29,62,747	22,72,959	18,67,69,041
			33,93,915	28,29,16,754	53,61,150	44,05,25,696
	<b>TOTAL ASSETS</b>		41,56,192	34,64,60,166	61,72,794	50,72,18,483
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	6	74,22,570	61,87,45,435	71,49,315	58,74,59,214
	Other equity	7	(71,01,082)	(59,19,46,195)	(69,98,353)	(57,50,54,666)
	<b>Total Equity</b>		3,21,488	2,67,99,240	1,50,962	1,24,04,548
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	8	16,17,212	13,48,10,792	37,43,395	30,75,94,767
	(ii) Trade payables	9	19,82,494	16,52,60,699	19,76,633	16,24,19,933
	(iii) Other financial liabilities	10	43,530	36,28,662	1,13,095	92,93,016
	Other current liabilities	11	1,49,316	1,24,46,982	1,43,776	1,18,14,074
	Provisions	12	42,152	35,13,791	44,933	36,92,145
			38,34,704	31,96,60,926	60,21,832	49,48,13,935
	<b>TOTAL EQUITY AND LIABILITIES</b>		41,56,192	34,64,60,166	61,72,794	50,72,18,483

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	13	76,73,186	63,96,36,785	76,39,790	62,77,61,544
ii	Other Income		28,173	23,48,501	83,842	68,89,297
iii	<b>Total income (i + ii)</b>		<b>77,01,359</b>	<b>64,19,85,286</b>	<b>77,23,632</b>	<b>63,46,50,841</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	14	64,06,323	53,40,31,085	64,78,448	53,23,34,072
	Employee benefits expenses	15	1,61,010	1,34,21,794	1,90,312	1,56,37,937
	Finance costs	16	1,59,859	1,33,25,846	1,79,447	1,47,45,160
	Depreciation and amortisation expenses		2,10,161	1,75,19,021	2,08,740	1,71,52,166
	Operating and other expenses	17	8,65,755	7,21,69,336	7,99,225	6,56,72,318
	<b>Total expenses</b>		<b>78,03,108</b>	<b>65,04,67,082</b>	<b>78,56,172</b>	<b>64,55,41,653</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>(1,01,749)</b>	<b>(84,81,796)</b>	<b>(1,32,540)</b>	<b>(1,08,90,812)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(1,01,749)</b>	<b>(84,81,796)</b>	<b>(1,32,540)</b>	<b>(1,08,90,812)</b>

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	21,32,496	17,77,64,867	20,37,466	16,74,18,581
Computers	1,80,999	1,50,88,077	1,78,997	1,47,08,183
(a)	23,13,495	19,28,52,944	22,16,463	18,21,26,764
<b>Accumulated depreciation:</b>				
Plant and machinery	17,25,615	14,38,47,266	15,81,982	12,99,91,461
Computers	51,803	43,18,298	14,666	12,05,105
(b)	17,77,418	14,81,65,564	15,96,648	13,11,96,566
<b>Net block (a) - (b)</b>	<b>5,36,077</b>	<b>4,46,87,380</b>	<b>6,19,815</b>	<b>5,09,30,198</b>

## 2 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	7,173	5,97,941	25,998	21,36,256
<b>Total</b>	<b>7,173</b>	<b>5,97,941</b>	<b>25,998</b>	<b>21,36,256</b>

## 3 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	1,86,999	1,55,88,237	1,20,076	98,66,645
Intercompany receivables (Net)	11,50,618	9,59,15,516	30,08,792	24,72,32,439
Provision for doubtful debts	(23,889)	(19,91,387)	(45,202)	(37,14,248)
<b>Total</b>	<b>13,13,728</b>	<b>10,95,12,366</b>	<b>30,83,666</b>	<b>25,33,84,836</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Others	5,298	4,41,641	4,525	3,71,819
<b>Total</b>	<b>5,298</b>	<b>4,41,641</b>	<b>4,525</b>	<b>3,71,819</b>

## 5 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	2,35,438	1,96,26,112	2,13,671	1,75,57,346
Indirect tax receivable	18,39,451	15,33,36,635	20,59,288	16,92,11,695
<b>Total</b>	<b>20,74,889</b>	<b>17,29,62,747</b>	<b>22,72,959</b>	<b>18,67,69,041</b>

## 6 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	74,22,570	61,87,45,435	71,49,315	58,74,59,214
<b>Total</b>	<b>74,22,570</b>	<b>61,87,45,435</b>	<b>71,49,315</b>	<b>58,74,59,214</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 7 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(69,98,353)	(58,33,82,706)	(68,65,813)	(56,41,63,854)
ECL impact	(980)	(81,693)	-	-
Profit / (loss) for the year	(1,01,749)	(84,81,796)	(1,32,540)	(1,08,90,812)
<b>Closing balance</b>	<b>(71,01,082)</b>	<b>(59,19,46,195)</b>	<b>(69,98,353)</b>	<b>(57,50,54,666)</b>
<b>Total</b>	<b>(71,01,082)</b>	<b>(59,19,46,195)</b>	<b>(69,98,353)</b>	<b>(57,50,54,666)</b>

## 8 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	16,17,212	13,48,10,792	37,43,395	30,75,94,767
<b>Total</b>	<b>16,17,212</b>	<b>13,48,10,792</b>	<b>37,43,395</b>	<b>30,75,94,767</b>

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	19,82,494	16,52,60,699	19,76,633	16,24,19,933
<b>Total</b>	<b>19,82,494</b>	<b>16,52,60,699</b>	<b>19,76,633</b>	<b>16,24,19,933</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 10 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	10,785	8,99,038	10,881	8,94,092
Interest accrued but not due on Inter Co. loan (Net)	32,746	27,29,707	1,02,214	83,98,924
<b>Total</b>	<b>43,530</b>	<b>36,28,662</b>	<b>1,13,095</b>	<b>92,93,016</b>

## 11 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	6,582	5,48,676	7,339	6,03,046
Other Employee dues	1,42,317	1,18,63,545	1,33,460	1,09,66,408
Other Statutory dues	417	34,761	2,977	2,44,620
<b>Total</b>	<b>1,49,316</b>	<b>1,24,46,982</b>	<b>1,43,776</b>	<b>1,18,14,074</b>

## 12 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	42,152	35,13,791	44,933	36,92,145
<b>Total</b>	<b>42,152</b>	<b>35,13,791</b>	<b>44,933</b>	<b>36,92,145</b>

## 13 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	21,401	17,83,987	14,415	11,84,481
Exchange gain -Net	-	-	67,531	55,49,022
Miscellaneous income	6,772	5,64,514	1,896	1,55,794
<b>Total</b>	<b>28,173</b>	<b>23,48,501</b>	<b>83,842</b>	<b>68,89,297</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 14 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	64,06,323	53,40,31,085	63,62,647	52,28,18,704
Rent of satellite channels	-	-	1,15,801	95,15,368
<b>Total</b>	<b>64,06,323</b>	<b>53,40,31,085</b>	<b>64,78,448</b>	<b>53,23,34,072</b>

## 15 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	1,59,996	1,33,37,267	1,89,931	1,56,06,630
Staff welfare expenses	1,014	84,527	381	31,307
<b>Total</b>	<b>1,61,010</b>	<b>1,34,21,794</b>	<b>1,90,312</b>	<b>1,56,37,937</b>

## 16 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on inter companies loan	1,59,859	1,33,25,846	1,79,447	1,47,45,160
<b>Total</b>	<b>1,59,859</b>	<b>1,33,25,846</b>	<b>1,79,447</b>	<b>1,47,45,160</b>

## 17 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	-	-	(24,981)	(20,52,689)
Auditors remuneration	42,000	35,01,120	42,000	34,51,140
Communication expenses	906	75,524	1,457	1,19,722
Electricity	2,33,913	1,94,98,988	1,30,869	1,07,53,506
Exchange loss -Net	1,21,753	1,01,49,330	-	-
Insurance expenses	7,187	5,99,108	6,323	5,19,561
IT consumables	-	-	176	14,462
Legal and professional fees	1,91,300	1,59,46,768	2,66,756	2,19,19,341
Miscellaneous expenses	35,923	29,94,541	19,519	16,03,876
Printing and stationery	-	-	102	8,381
Provision for doubtful debts	(22,294)	(18,58,428)	(708)	(58,176)
Rates and Taxes	1,71,177	1,42,69,315	1,77,844	1,46,13,441
Rent	10,403	8,67,194	6,791	5,58,016
Repairs and Maintenance - Plant & Machinery	40,590	33,83,582	1,41,401	1,16,18,920
Repairs and Maintenance -Building	365	30,426	-	-
Seminars, trainings and conferences	(13,569)	(11,31,112)	13,569	11,14,965
Services rendered by agencies	14,995	12,49,983	16,060	13,19,650
Bad debts written off	31,060	25,89,162	-	-
Travelling and conveyance expenses	46	3,835	2,047	1,68,202
<b>Total</b>	<b>8,65,755</b>	<b>7,21,69,336</b>	<b>7,99,225</b>	<b>6,56,72,318</b>





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## APPENDIX - 9

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Spain), S.L.** ("the subsidiary") registered in Spain as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

**FOR SURESH SURANA & ASSOCIATES LLP**

Chartered Accountants

Firm's Reg. No. 121750W /W100010



**Rahul Bhansali**

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
<b>(A) ASSETS</b>						
<b>(1) Non-current assets</b>						
Property, plant and equipment	1		34,34,877	28,63,31,345	38,80,534	31,88,63,480
Capital work-in-progress			2,13,721	1,78,15,783	1,82,210	1,49,72,196
Right-of-use assets			90,716	75,62,086	1,33,961	1,10,07,575
Other Intangible assets	2		1,629	1,35,794	1,79,839	1,47,77,371
Financial assets						
(i) Loans	3		1,70,56,413	1,42,18,22,588	1,43,83,618	1,18,19,01,891
(ii) Other financial assets	4		9,534	7,94,754	18,942	15,56,464
Deferred tax assets (net)			1,29,298	1,07,78,281	1,87,551	1,54,11,066
Advance tax (net)			-	-	1,30,675	1,07,37,565
Other Non-current assets	5		17,374	14,48,297	52,431	43,08,255
			<b>2,09,53,562</b>	<b>1,74,66,88,928</b>	<b>1,91,49,761</b>	<b>1,57,35,35,863</b>
<b>(2) Current assets</b>						
Financial assets						
(i) Trade receivables	6		46,47,351	38,74,03,180	46,80,383	38,45,87,071
(ii) Cash and cash equivalents	7		35,642	29,71,117	12,909	10,60,733
(iii) Other financial assets	8		5,27,171	4,39,44,975	2,34,415	1,92,61,881
Other Current assets	9		13,77,396	11,48,19,730	22,09,917	18,15,88,880
			<b>65,87,560</b>	<b>54,91,39,002</b>	<b>71,37,624</b>	<b>58,64,98,565</b>
<b>TOTAL ASSETS</b>			<b>2,75,41,122</b>	<b>2,29,58,27,930</b>	<b>2,62,87,385</b>	<b>2,16,00,34,428</b>
<b>(B) EQUITY AND LIABILITIES</b>						
<b>(1) Equity</b>						
Equity share capital	10		5,37,610	4,48,15,170	5,37,610	4,41,75,414
Other equity	11		2,15,67,198	1,79,78,41,625	2,07,34,003	1,70,37,13,027
<b>Total Equity</b>			<b>2,21,04,808</b>	<b>1,84,26,56,795</b>	<b>2,12,71,613</b>	<b>1,74,78,88,441</b>
<b>(2) Non-current liabilities</b>						
<b>Financial liabilities</b>						
(i) Lease liabilities			31,367	26,14,753	82,232	67,57,003
Provisions	12		6,24,871	5,20,89,247	7,26,627	5,97,06,941
Other liabilities (Deferred revenue)			3,99,046	3,32,64,475	5,54,212	4,55,39,600
			<b>10,55,284</b>	<b>8,79,68,475</b>	<b>13,63,071</b>	<b>11,20,03,544</b>
<b>(3) Current liabilities</b>						
<b>Financial liabilities</b>						
(i) Lease liabilities			44,073	36,73,925	43,016	35,34,625
(ii) Trade payables	13		36,04,736	30,04,90,793	30,52,003	25,07,83,088
(iii) Other financial liabilities	14		12,940	10,78,678	13,058	10,72,976
Other current liabilities	15		4,73,606	3,94,79,796	5,07,123	4,16,70,297
Provisions	16		32,228	26,86,526	37,501	30,81,457
Current tax liability (Net)			2,13,447	1,77,92,942	-	-
			<b>43,81,030</b>	<b>36,52,02,660</b>	<b>36,52,701</b>	<b>30,01,42,443</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>2,75,41,122</b>	<b>2,29,58,27,930</b>	<b>2,62,87,385</b>	<b>2,16,00,34,428</b>

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations		1,50,41,328	1,25,38,45,102	1,35,86,751	1,11,64,23,330
ii	Other Income	17	14,79,487	12,33,30,837	10,63,348	8,73,75,305
iii	<b>Total income (i + ii)</b>		<b>1,65,20,815</b>	<b>1,37,71,75,139</b>	<b>1,46,50,099</b>	<b>1,20,37,98,635</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	18	74,62,537	62,20,77,084	62,99,678	51,76,44,541
	Employee benefits expenses	19	25,41,144	21,18,29,764	21,77,929	17,89,60,426
	Finance costs	20	1,35,514	1,12,96,447	19,634	16,13,326
	Depreciation and amortisation expenses		10,04,602	8,37,43,623	11,39,762	9,36,54,244
	Operating and other expenses	21	41,59,271	34,67,16,831	41,14,390	33,80,79,426
	<b>Total expenses</b>		<b>1,53,03,068</b>	<b>1,27,56,63,749</b>	<b>1,37,51,393</b>	<b>1,12,99,51,963</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>12,17,747</b>	<b>10,15,11,390</b>	<b>8,98,706</b>	<b>7,38,46,672</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		3,07,125	2,56,01,940	1,75,932	1,44,56,332
	(ii) Deferred tax expense/(benefit)		58,253	48,55,970	(51,945)	(42,68,321)
	<b>Net tax expenses</b>		<b>3,65,378</b>	<b>3,04,57,910</b>	<b>1,23,987</b>	<b>1,01,88,011</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>8,52,369</b>	<b>7,10,53,480</b>	<b>7,74,719</b>	<b>6,36,58,661</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	1,15,191	96,02,322	1,15,191	94,65,244
Building	7,01,401	5,84,68,787	7,01,401	5,76,34,120
Lease hold improvement	94,443	78,72,768	3,55,725	2,92,29,923
Cables	54,19,934	45,18,05,698	55,02,556	45,21,45,027
Plant and machinery	1,26,12,759	1,05,13,99,590	1,17,24,868	96,34,32,404
Furniture and fixtures	31,356	26,13,836	77,874	63,98,907
Computers	1,35,406	1,12,87,444	53,376	43,85,906
Office equipment	1,54,151	1,28,50,027	1,54,151	1,26,66,588
(a)	1,92,64,641	1,60,59,00,472	1,86,85,142	1,53,53,58,119
<b>Accumulated depreciation:</b>				
Building	5,89,244	4,91,19,380	5,72,594	4,70,50,049
Lease hold improvement	94,443	78,72,768	3,55,725	2,92,29,923
Cables	49,46,649	41,23,52,661	48,66,855	39,99,09,475
Plant and machinery	99,89,484	83,27,23,386	87,98,837	72,30,00,436
Furniture and fixtures	10,871	9,06,207	53,541	43,99,464
Computers	72,351	60,31,179	40,892	33,60,096
Office equipment	1,26,722	1,05,63,546	1,16,164	95,45,196
(b)	1,58,29,764	1,31,95,69,127	1,48,04,608	1,21,64,94,639
<b>Net block (a) - (b)</b>	<b>34,34,877</b>	<b>28,63,31,345</b>	<b>38,80,534</b>	<b>31,88,63,480</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	24,435	20,36,902	49,145	40,38,245
Indefeasible right to use assets	-	-	30,67,053	25,20,19,745
(a)	24,435	20,36,902	31,16,198	25,60,57,990
<b>Accumulated amortisation:</b>				
Computer software	22,806	19,01,108	45,079	37,04,141
Indefeasible right to use assets	-	-	28,91,280	23,75,76,478
(b)	22,806	19,01,108	29,36,359	24,12,80,619
<b>Net block (a) - (b)</b>	<b>1,629</b>	<b>1,35,794</b>	<b>1,79,839</b>	<b>1,47,77,371</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	1,70,56,413	1,42,18,22,588	1,43,83,618	1,18,19,01,891
<b>Total</b>	<b>1,70,56,413</b>	<b>1,42,18,22,588</b>	<b>1,43,83,618</b>	<b>1,18,19,01,891</b>

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	9,534	7,94,754	18,942	15,56,464
<b>Total</b>	<b>9,534</b>	<b>7,94,754</b>	<b>18,942</b>	<b>15,56,464</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	17,374	14,48,297	52,431	43,08,255
<b>Total</b>	<b>17,374</b>	<b>14,48,297</b>	<b>52,431</b>	<b>43,08,255</b>

## 6 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	47,63,927	39,71,20,955	18,58,323	15,26,98,401
Intercompany receivables (Net)	-	-	29,05,511	23,87,45,839
Provision for doubtful debts	(1,16,576)	(97,17,775)	(83,451)	(68,57,169)
<b>Total</b>	<b>46,47,351</b>	<b>38,74,03,180</b>	<b>46,80,383</b>	<b>38,45,87,071</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 7 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	35,642	29,71,117	12,909	10,60,733
<b>Total</b>	<b>35,642</b>	<b>29,71,117</b>	<b>12,909</b>	<b>10,60,733</b>

## 8 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	94	7,836	-	-
Provision for Security Deposit	(94)	(7,836)	-	-
Interest Receivable on Inter Co. Loan (Net)	5,18,635	4,32,33,414	2,17,799	1,78,96,544
Others	8,536	7,11,561	16,616	13,65,337
<b>Total</b>	<b>5,27,171</b>	<b>4,39,44,975</b>	<b>2,34,415</b>	<b>1,92,61,881</b>

## 9 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	77,163	64,32,308	2,30,666	1,89,53,825
Advances to employees	3	250	-	-
Provision for doubtful advance	(11,089)	(9,24,379)	-	-
Prepaid expenses	2,99,979	2,50,06,249	4,32,601	3,55,46,824
Indirect tax receivable	10,11,340	8,43,05,302	15,46,650	12,70,88,231
<b>Total</b>	<b>13,77,396</b>	<b>11,48,19,730</b>	<b>22,09,917</b>	<b>18,15,88,880</b>

## 10 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	5,37,610	4,48,15,170	5,37,610	4,41,75,414
<b>Total</b>	<b>5,37,610</b>	<b>4,48,15,170</b>	<b>5,37,610</b>	<b>4,41,75,414</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 11 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	25,99,215	21,66,70,562	18,24,496	14,99,18,836
ECL impact	(19,174)	(15,98,345)	-	-
Profit / (loss) for the year	8,52,369	7,10,53,480	7,74,719	6,36,58,661
<b>Closing balance</b>	<b>34,32,410</b>	<b>28,61,25,697</b>	<b>25,99,215</b>	<b>21,35,77,497</b>
Share premium	1,81,34,788	1,51,17,15,928	1,81,34,788	1,49,01,35,530
<b>Total</b>	<b>2,15,67,198</b>	<b>1,79,78,41,625</b>	<b>2,07,34,003</b>	<b>1,70,37,13,027</b>

## 12 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	6,24,871	5,20,89,247	7,26,627	5,97,06,941
<b>Total</b>	<b>6,24,871</b>	<b>5,20,89,247</b>	<b>7,26,627</b>	<b>5,97,06,941</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	29,30,637	24,42,97,900	30,52,003	25,07,83,088
Inter Company - Payables (Net)	6,74,099	5,61,92,893	-	-
<b>Total</b>	<b>36,04,736</b>	<b>30,04,90,793</b>	<b>30,52,003</b>	<b>25,07,83,088</b>

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	12,940	10,78,678	13,058	10,72,976
<b>Total</b>	<b>12,940</b>	<b>10,78,678</b>	<b>13,058</b>	<b>10,72,976</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	2,11,247	1,76,09,550	2,59,781	2,13,46,205
Other Employee dues	2,45,891	2,04,97,474	2,41,328	1,98,29,922
Other Statutory dues	16,468	13,72,772	6,014	4,94,170
<b>Total</b>	<b>4,73,606</b>	<b>3,94,79,796</b>	<b>5,07,123</b>	<b>4,16,70,297</b>

## 16 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	32,228	26,86,526	37,501	30,81,457
<b>Total</b>	<b>32,228</b>	<b>26,86,526</b>	<b>37,501</b>	<b>30,81,457</b>

## 17 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	9,64,735	8,04,20,310	8,36,895	6,87,67,662
Profit on sale of fixed assets	2	167	-	-
Exchange gain -Net	96,010	80,03,394	-	-
Miscellaneous income	4,18,740	3,49,06,166	2,26,453	1,86,07,643
<b>Total</b>	<b>14,79,487</b>	<b>12,33,30,037</b>	<b>10,63,348</b>	<b>8,73,75,305</b>

## 18 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	74,62,537	62,20,77,084	62,99,678	51,76,44,541
<b>Total</b>	<b>74,62,537</b>	<b>62,20,77,084</b>	<b>62,99,678</b>	<b>51,76,44,541</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 19 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	23,98,230	19,99,16,453	21,00,548	17,26,02,029
Staff welfare expenses	1,42,914	1,19,13,311	77,381	63,58,397
<b>Total</b>	<b>25,41,144</b>	<b>21,18,29,764</b>	<b>21,77,929</b>	<b>17,89,60,426</b>

## 20 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	1,28,376	1,07,01,423	31	2,547
Interest on inter companies loan	7,138	5,95,024	19,603	16,10,779
<b>Total</b>	<b>1,35,514</b>	<b>1,12,96,447</b>	<b>19,634</b>	<b>16,13,326</b>

## 21 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	4,83,613	4,03,13,980	7,16,562	5,88,79,900
Auditors remuneration	60,000	50,01,600	55,650	45,72,761
Communication expenses	33,092	27,58,549	15,466	12,70,841
Electricity	6,35,828	5,30,02,622	3,84,451	3,15,90,339
Entertainment expenses	362	30,176	161	13,229
Exchange loss -Net	-	-	1,32,822	1,09,13,984
Insurance expenses	22,303	18,59,178	23,418	19,24,257
IT consumables	1,369	1,14,120	226	18,570
Legal and professional fees	11,09,910	9,25,22,098	9,64,618	7,92,62,661
Loss on sale of fixed asset	75	6,252	-	-
Miscellaneous expenses	4,13,704	3,44,86,365	4,18,219	3,43,65,055
Printing and stationery	5,694	4,74,652	2,947	2,42,155
Provision for doubtful debts	13,950	11,62,872	4,020	3,30,323
Provision For Doubtful advances	137	11,420	20	1,643
Rates and Taxes	1,04,737	87,30,876	44,692	36,72,342
Recruitment expenses	1,452	1,21,039	612	50,288
Rent	1,16,383	97,01,687	92,766	76,22,582
Repairs and Maintenance - Plant & Machinery	2,45,019	2,04,24,784	3,89,536	3,20,08,173
Repairs and Maintenance -Building	1,16,141	96,81,514	4,62,567	3,80,09,130
Seminars, trainings and conferences	3,772	3,14,434	2,762	2,26,954
Services rendered by agencies	7,29,111	6,07,78,693	3,44,207	2,82,83,489
Bad debts written off	8,973	7,47,989	-	-
Travelling and conveyance expenses	53,646	44,71,931	58,668	48,20,750
<b>Total</b>	<b>41,59,271</b>	<b>34,67,16,831</b>	<b>41,14,390</b>	<b>33,80,79,426</b>



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## APPENDIX - 10

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Nordic) AS** ("the subsidiary") registered in Norway as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	2,21,515	1,84,65,490	1,65,410	1,35,91,739
	Capital work-in-progress		1,80,697	1,50,62,902	7,946	6,52,923
	Right-of-use assets		8,611	7,17,813	9,544	7,84,230
	Financial assets					
	(i) Loans	2	5,02,241	4,18,66,810	60,57,759	49,77,66,057
	(ii) Other financial assets	3	4,983	4,15,383	5,027	4,13,069
	Deferred tax assets (net)		645	53,767	48,776	40,07,924
	Other Non-current assets	4	13,745	11,45,783	1,532	1,25,884
			9,32,437	7,77,27,948	62,95,994	51,73,41,826
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	45,530	37,95,380	5,33,644	4,38,49,528
	(ii) Cash and cash equivalents	6	18,190	15,16,318	23,509	19,31,735
	(iii) Other financial assets	7	47,219	39,36,176	90,171	74,09,351
	Other Current assets	8	4,78,116	3,98,55,750	4,72,722	3,88,43,566
			5,89,055	4,91,03,624	11,20,046	9,20,34,180
	<b>TOTAL ASSETS</b>		15,21,492	12,68,31,572	74,16,040	60,93,76,006
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	16,708	13,92,779	16,708	13,72,896
	Other equity	10	7,11,647	5,93,22,894	6,19,255	5,08,84,185
	<b>Total Equity</b>		7,28,355	6,07,15,673	6,35,963	5,22,57,081
(2)	<b>Non-current liabilities</b>					
	Other liabilities (Deferred revenue)		49,264	41,06,647	-	-
			49,264	41,06,647	-	-
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Lease liabilities		8,030	6,69,381	8,359	6,86,859
	(ii) Trade payables	11	5,81,963	4,85,12,435	65,82,449	54,08,79,832
	(iii) Other financial liabilities	12	459	38,262	-	-
	Other current liabilities	13	1,13,184	94,35,018	1,65,130	1,35,68,732
	Provisions	14	27,762	23,14,240	24,139	19,83,502
	Current tax liability (Net)		12,475	10,39,916	-	-
			7,43,873	6,20,09,252	67,80,077	55,71,18,925
	<b>TOTAL EQUITY AND LIABILITIES</b>		15,21,492	12,68,31,572	74,16,040	60,93,76,006

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations		51,31,999	42,78,03,437	54,57,710	44,84,60,031
ii	Other Income	15	1,77,540	1,47,99,734	1,22,939	1,01,01,898
iii	<b>Total income (i + ii)</b>		<b>53,09,539</b>	<b>44,26,03,171</b>	<b>55,80,649</b>	<b>45,85,61,929</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	16	41,20,594	34,34,92,716	44,22,990	36,34,37,088
	Employee benefits expenses	17	2,18,665	1,82,27,914	1,87,159	1,53,78,855
	Finance costs	18	8,853	7,37,986	-	-
	Depreciation and amortisation expenses		84,656	70,56,924	83,170	68,34,079
	Operating and other expenses	19	7,11,715	5,93,28,563	7,61,606	6,25,81,165
	<b>Total expenses</b>		<b>51,44,483</b>	<b>42,88,44,103</b>	<b>54,54,925</b>	<b>44,82,31,187</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>1,65,056</b>	<b>1,37,59,068</b>	<b>1,25,724</b>	<b>1,03,30,742</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		12,475	10,39,916	-	-
	(ii) Deferred tax expense/(benefit)		48,131	40,12,200	39,408	32,38,155
	<b>Net tax expenses</b>		<b>60,606</b>	<b>50,52,116</b>	<b>39,408</b>	<b>32,38,155</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>1,04,450</b>	<b>87,06,952</b>	<b>86,316</b>	<b>70,92,587</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	7,21,842	6,01,72,749	6,15,872	5,06,06,202
Computers	1,713	1,42,796	-	-
(a)	7,23,555	6,03,15,545	6,15,872	5,06,06,202
<b>Accumulated depreciation:</b>				
Plant and machinery	5,00,666	4,17,35,518	4,50,462	3,70,14,463
Computers	1,374	1,14,537	-	-
(b)	5,02,040	4,18,50,055	4,50,462	3,70,14,463
<b>Net block (a) - (b)</b>	<b>2,21,515</b>	<b>1,84,65,490</b>	<b>1,65,410</b>	<b>1,35,91,739</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	5,02,241	4,18,66,810	60,57,759	49,77,66,057
<b>Total</b>	<b>5,02,241</b>	<b>4,18,66,810</b>	<b>60,57,759</b>	<b>49,77,66,057</b>

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	4,983	4,15,383	5,027	4,13,069
<b>Total</b>	<b>4,983</b>	<b>4,15,383</b>	<b>5,027</b>	<b>4,13,069</b>

## 4 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	13,745	11,45,783	1,532	1,25,884
<b>Total</b>	<b>13,745</b>	<b>11,45,783</b>	<b>1,532</b>	<b>1,25,884</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	49,815	41,52,578	5,37,462	4,41,63,253
Provision for doubtful debts	(4,285)	(3,57,198)	(3,818)	(3,13,725)
<b>Total</b>	<b>45,530</b>	<b>37,95,380</b>	<b>5,33,644</b>	<b>4,38,49,528</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	18,190	15,16,318	23,509	19,31,735
<b>Total</b>	<b>18,190</b>	<b>15,16,318</b>	<b>23,509</b>	<b>19,31,735</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	42,209	35,18,542	86,488	71,06,719
Others	5,010	4,17,634	3,683	3,02,632
<b>Total</b>	<b>47,219</b>	<b>39,36,176</b>	<b>90,171</b>	<b>74,09,351</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	-	-	3,267	2,68,449
Provision for doubtful advance	(51)	(4,251)	-	-
Prepaid expenses	4,78,167	3,98,60,001	4,69,455	3,85,75,117
<b>Total</b>	<b>4,78,116</b>	<b>3,98,55,750</b>	<b>4,72,722</b>	<b>3,88,43,566</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	16,708	13,92,779	16,708	13,72,896
<b>Total</b>	<b>16,708</b>	<b>13,92,779</b>	<b>16,708</b>	<b>13,72,896</b>

## 10 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(5,24,592)	(4,37,29,989)	(6,10,908)	(5,01,98,310)
ECL impact	(12,058)	(10,05,155)	-	-
Profit / (loss) for the year	1,04,450	87,06,952	86,316	70,92,587
<b>Closing balance</b>	<b>(4,32,200)</b>	<b>(3,60,28,192)</b>	<b>(5,24,592)</b>	<b>(4,31,05,723)</b>
Share premium	11,43,847	9,53,51,086	11,43,847	9,39,89,908
<b>Total</b>	<b>7,11,647</b>	<b>5,93,22,894</b>	<b>6,19,255</b>	<b>5,08,84,185</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	4,06,597	3,38,93,925	8,52,684	7,00,65,042
Inter Company - Payables (Net)	1,75,366	1,46,18,510	57,29,765	47,08,14,790
<b>Total</b>	<b>5,81,963</b>	<b>4,85,12,435</b>	<b>65,82,449</b>	<b>54,08,79,832</b>

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	459	38,262	-	-
<b>Total</b>	<b>459</b>	<b>38,262</b>	<b>-</b>	<b>-</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	45,017	37,52,617	21,321	17,51,947
Other Employee dues	27,363	22,80,980	26,465	21,74,629
Other Statutory dues	40,804	34,01,421	1,17,344	96,42,156
<b>Total</b>	<b>1,13,184</b>	<b>94,35,018</b>	<b>1,65,130</b>	<b>1,35,68,732</b>

## 14 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	27,762	23,14,240	24,139	19,83,502
<b>Total</b>	<b>27,762</b>	<b>23,14,240</b>	<b>24,139</b>	<b>19,83,502</b>

## 15 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	1,77,540	1,47,99,734	1,21,174	99,56,868
Miscellaneous income	-	-	1,765	1,45,030
<b>Total</b>	<b>1,77,540</b>	<b>1,47,99,734</b>	<b>1,22,939</b>	<b>1,01,01,898</b>

## 16 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	41,20,594	34,34,92,716	44,22,990	36,34,37,088
<b>Total</b>	<b>41,20,594</b>	<b>34,34,92,716</b>	<b>44,22,990</b>	<b>36,34,37,088</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 17 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	2,17,700	1,81,47,472	1,86,688	1,53,40,153
Staff welfare expenses	965	80,442	471	38,702
<b>Total</b>	<b>2,18,665</b>	<b>1,82,27,914</b>	<b>1,87,159</b>	<b>1,53,78,855</b>

## 18 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on inter companies loan	8,853	7,37,986	-	-
<b>Total</b>	<b>8,853</b>	<b>7,37,986</b>	<b>-</b>	<b>-</b>

## 19 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	40,688	33,91,752	40,688	33,43,333
Communication expenses	-	-	226	18,570
Exchange loss -Net	36,878	30,74,150	14,947	12,28,195
Insurance expenses	3,612	3,01,096	3,240	2,66,231
Legal and professional fees	70,952	59,14,559	59,404	48,81,227
Miscellaneous expenses	25,380	21,15,677	21,391	17,57,698
Provision for doubtful debts	(11,592)	(9,66,309)	(979)	(80,444)
Rent	132	11,004	48	3,944
Repairs and Maintenance - Plant & Machinery	5,06,695	4,22,38,095	5,86,522	4,81,94,513
Repairs and Maintenance -Building	14	1,167	-	-
Seminars, trainings and conferences	2,881	2,40,160	-	-
Services rendered by agencies	29,395	24,50,367	33,341	27,39,630
Travelling and conveyance expenses	6,680	5,56,845	2,778	2,28,268
<b>Total</b>	<b>7,11,715</b>	<b>5,93,28,563</b>	<b>7,61,606</b>	<b>6,25,81,165</b>



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## APPENDIX - 11

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Australia) Pty Limited** ("the subsidiary") registered in England and Wales as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.

This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

**FOR SURESH SURANA & ASSOCIATES LLP**

Chartered Accountants

Firm's Reg. No. 121750W /W100010

**Rahul Bhansali**

**Partner**

**Membership No. 126549**



**Place Mumbai**

**Date: 17 April 2024**



## BALANCE SHEET AS AT 31 MARCH 2024

Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	10,69,178	8,91,26,678	13,08,870	10,75,49,848
Capital work-in-progress		2,49,245	2,07,77,063	45,414	37,31,668
Right-of-use assets		91	7,586	91	7,477
Other Intangible assets	2	-	-	-	-
Financial assets					
(i) Loans	3	62,69,842	52,26,54,029	55,68,312	45,75,48,197
(ii) Other financial assets	4	871	72,607	-	-
Deferred tax assets (net)		2,78,092	2,31,81,749	3,98,810	3,27,70,218
Advance tax (net)		1,61,153	1,34,33,714	2,33,491	1,91,85,955
Other Non-current assets	5	9,087	7,57,492	26,553	21,81,860
		80,37,559	67,00,10,918	75,81,541	62,29,75,223
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	6	21,99,987	18,33,90,916	23,41,989	19,24,41,236
(ii) Cash and cash equivalents	7	2,04,704	1,70,64,125	3,00,255	2,46,71,953
(iii) Other financial assets	8	1,88,364	1,57,02,023	1,89,537	1,55,74,255
Other Current assets	9	1,63,983	1,36,69,623	3,58,160	2,94,30,006
		27,57,038	22,98,26,687	31,89,941	26,21,17,450
<b>TOTAL ASSETS</b>		1,07,94,597	89,98,37,605	1,07,71,482	88,50,92,673
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	10	3,57,000	2,97,59,520	3,57,000	2,93,34,690
Other equity	11	28,34,929	23,63,19,682	28,68,166	23,56,77,201
<b>Total Equity</b>		31,91,929	26,60,79,202	32,25,166	26,50,11,891
<b>(2) Non-current liabilities</b>					
Provisions	12	40,651	33,88,668	55,106	45,28,060
		40,651	33,88,668	55,106	45,28,060
<b>(3) Current liabilities</b>					
Financial liabilities					
(i) Trade payables	13	70,21,365	58,53,00,984	65,47,256	53,79,88,022
(ii) Other financial liabilities	14	27,558	22,97,235	28,325	23,27,465
Other current liabilities	15	3,05,369	2,54,55,560	5,47,249	4,49,67,450
Provisions	16	2,07,725	1,73,15,956	3,68,380	3,02,69,785
		75,62,017	63,03,69,735	74,91,210	61,55,52,722
<b>TOTAL EQUITY AND LIABILITIES</b>		1,07,94,597	89,98,37,605	1,07,71,482	88,50,92,673

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	17	1,86,81,242	1,55,72,68,333	1,98,13,815	1,62,81,01,179
ii	Other Income		11,38,451	9,49,01,275	12,71,821	10,45,05,531
iii	<b>Total income (i + ii)</b>		<b>1,98,19,693</b>	<b>1,65,21,69,608</b>	<b>2,10,85,636</b>	<b>1,73,26,06,710</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	18	1,61,73,148	1,34,81,93,617	1,53,41,701	1,26,06,27,571
	Employee benefits expenses	19	18,78,305	15,65,75,505	33,84,158	27,80,76,263
	Finance costs	20	-	-	455	37,387
	Depreciation and amortisation expenses	21	4,25,637	3,54,81,100	6,12,262	5,03,09,569
	Operating and other expenses		12,31,160	10,26,29,497	22,39,783	18,40,42,968
	<b>Total expenses</b>		<b>1,97,08,250</b>	<b>1,64,28,79,719</b>	<b>2,15,78,359</b>	<b>1,77,30,93,758</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>1,11,443</b>	<b>92,89,889</b>	<b>(4,92,723)</b>	<b>(4,04,87,048)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	(2,03,436)	(1,67,16,336)
	(ii) Deferred tax expense/(benefit)		1,20,719	1,00,63,136	(36,142)	(29,69,788)
	<b>Net tax expenses</b>		<b>1,20,719</b>	<b>1,00,63,136</b>	<b>(2,39,578)</b>	<b>(1,96,86,124)</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(9,276)</b>	<b>(7,73,247)</b>	<b>(2,53,145)</b>	<b>(2,08,00,924)</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	28,581	23,82,512	28,581	23,48,501
Cables	15,375	12,81,660	15,375	12,63,364
Plant and machinery	76,85,481	64,06,61,696	76,68,152	63,00,92,050
Furniture and fixtures	39,036	32,54,041	39,036	32,07,588
Computers	1,91,030	1,59,24,261	2,48,805	2,04,44,307
Office equipment	7,335	6,11,446	7,335	6,02,717
(a)	79,66,838	66,41,15,616	80,07,284	65,79,58,527
<b>Accumulated depreciation:</b>				
Lease hold improvement	28,581	23,82,512	28,581	23,48,501
Cables	9,609	8,01,006	8,072	6,63,276
Plant and machinery	66,38,946	55,34,22,539	63,87,639	52,48,72,297
Furniture and fixtures	34,239	28,54,163	31,309	25,72,661
Computers	1,78,950	1,49,17,272	2,35,478	1,93,49,227
Office equipment	7,335	6,11,446	7,335	6,02,717
(b)	68,97,660	57,49,88,938	66,98,414	55,04,08,679
<b>Net block (a) - (b)</b>	10,69,178	8,91,26,678	13,08,870	10,75,49,848

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	2,78,684	2,32,31,098	2,78,684	2,28,99,464
(a)	2,78,684	2,32,31,098	2,78,684	2,28,99,464
<b>Accumulated amortisation:</b>				
Computer software	2,78,684	2,32,31,098	2,78,684	2,28,99,464
(b)	2,78,684	2,32,31,098	2,78,684	2,28,99,464
<b>Net block (a) - (b)</b>	-	-	-	-

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	62,69,842	52,26,54,029	55,68,312	45,75,48,197
<b>Total</b>	62,69,842	52,26,54,029	55,68,312	45,75,48,197





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Others	871	72,607	-	-
<b>Total</b>	<b>871</b>	<b>72,607</b>	<b>-</b>	<b>-</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	9,087	7,57,492	26,553	21,81,860
<b>Total</b>	<b>9,087</b>	<b>7,57,492</b>	<b>26,553</b>	<b>21,81,860</b>

## 6 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	23,08,014	19,23,96,047	24,74,296	20,33,12,902
Provision for doubtful debts	(1,08,027)	(90,05,131)	(1,32,307)	(1,08,71,666)
<b>Total</b>	<b>21,99,987</b>	<b>18,33,90,916</b>	<b>23,41,989</b>	<b>19,24,41,236</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	2,04,704	1,70,64,125	3,00,255	2,46,71,953
<b>Total</b>	<b>2,04,704</b>	<b>1,70,64,125</b>	<b>3,00,255</b>	<b>2,46,71,953</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	1,87,108	1,55,97,323	1,79,295	1,47,32,670
Others	1,256	1,04,700	10,242	8,41,585
<b>Total</b>	<b>1,88,364</b>	<b>1,57,02,023</b>	<b>1,89,537</b>	<b>1,55,74,255</b>

## 9 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	1,544	1,28,708	47,137	38,73,247
Advances to employees	11,760	9,80,314	188	15,448
Provision for doubtful advance	(10,216)	(8,51,606)	-	-
Prepaid expenses	1,49,919	1,24,97,248	2,49,744	2,05,21,464
Indirect tax receivable	-	-	60,220	49,48,277
Others	10,976	9,14,959	871	71,570
<b>Total</b>	<b>1,63,983</b>	<b>1,36,69,623</b>	<b>3,58,160</b>	<b>2,94,30,006</b>

## 10 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	3,57,000	2,97,59,520	3,57,000	2,93,34,690
<b>Total</b>	<b>3,57,000</b>	<b>2,97,59,520</b>	<b>3,57,000</b>	<b>2,93,34,690</b>

## 11 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	28,68,166	23,90,90,318	31,21,311	25,64,78,125
ECL impact	(23,961)	(19,97,389)	-	-
Profit / (loss) for the year	(9,276)	(7,73,247)	(2,53,145)	(2,08,00,924)
<b>Closing balance</b>	<b>28,34,929</b>	<b>23,63,19,682</b>	<b>28,68,166</b>	<b>23,56,77,201</b>
<b>Total</b>	<b>28,34,929</b>	<b>23,63,19,682</b>	<b>28,68,166</b>	<b>23,56,77,201</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	26,557	22,13,792	26,557	21,82,189
Retention liability	14,094	11,74,876	28,549	23,45,871
<b>Total</b>	<b>40,651</b>	<b>33,88,668</b>	<b>55,106</b>	<b>45,28,060</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	19,72,642	16,44,39,435	27,21,411	22,36,18,338
Inter Company - Payables (Net)	50,48,723	42,08,61,549	38,25,845	31,43,69,684
<b>Total</b>	<b>70,21,365</b>	<b>58,53,00,984</b>	<b>65,47,256</b>	<b>53,79,88,022</b>

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	27,558	22,97,235	28,325	23,27,465
<b>Total</b>	<b>27,558</b>	<b>22,97,235</b>	<b>28,325</b>	<b>23,27,465</b>

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	14,938	12,45,232	19,859	16,31,814
Other Employee dues	2,21,293	1,84,46,984	3,87,738	3,18,60,431
Other Statutory dues	69,138	57,63,344	1,39,652	1,14,75,205
<b>Total</b>	<b>3,05,369</b>	<b>2,54,55,560</b>	<b>5,47,249</b>	<b>4,49,67,450</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 16 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	2,07,725	1,73,15,956	3,68,380	3,02,69,785
<b>Total</b>	<b>2,07,725</b>	<b>1,73,15,956</b>	<b>3,68,380</b>	<b>3,02,69,785</b>

## 17 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	77	6,419	106	8,710
Interest on loan to subsidiaries	3,80,637	3,17,29,900	2,70,290	2,22,09,729
Profit on sale of fixed assets	1	83	-	-
Exchange gain -Net	4,76,796	3,97,45,715	-	-
Miscellaneous income	2,80,940	2,34,19,158	10,01,425	8,22,87,092
<b>Total</b>	<b>11,38,451</b>	<b>9,49,01,275</b>	<b>12,71,821</b>	<b>10,45,05,531</b>

## 18 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	1,61,73,148	1,34,81,93,617	1,53,41,701	1,26,06,27,571
<b>Total</b>	<b>1,61,73,148</b>	<b>1,34,81,93,617</b>	<b>1,53,41,701</b>	<b>1,26,06,27,571</b>

## 19 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	18,63,647	15,53,53,614	33,68,539	27,67,92,850
Staff welfare expenses	14,658	12,21,891	15,619	12,83,413
<b>Total</b>	<b>18,78,305</b>	<b>15,65,75,505</b>	<b>33,84,158</b>	<b>27,80,76,263</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 20 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	-	-	455	37,387
<b>Total</b>	-	-	455	37,387

## 21 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	95,584	79,67,882	98,503	80,93,992
Auditors remuneration	17,605	14,67,553	14,970	12,30,085
Communication expenses	(94,546)	(78,81,355)	1,25,333	1,02,98,613
Directors fees	9,609	8,01,006	3,348	2,75,105
Electricity	2,67,033	2,22,59,871	2,60,754	2,14,26,156
Entertainment expenses	5,884	4,90,490	2,258	1,85,540
Exchange loss -Net	-	-	5,31,584	4,36,80,257
Insurance expenses	15,378	12,81,910	34,849	28,63,542
IT consumables	2,320	1,93,395	(294)	(24,158)
Legal and professional fees	41,466	34,56,606	1,82,551	1,50,00,216
Miscellaneous expenses	2,69,544	2,24,69,188	62,922	51,70,301
Printing and stationery	5,314	4,42,975	2,096	1,72,228
Provision for doubtful debts	(48,246)	(40,21,787)	17,030	13,99,355
Provision For Doubtful advances	1,229	1,02,449	-	-
Rates and Taxes	371	30,927	1,041	85,539
Recruitment expenses	1,047	87,278	435	35,744
Relocation Expense	-	-	530	43,550
Rent	92,521	77,12,551	1,53,629	1,26,23,695
Repairs and Maintenance - Plant & Machinery	1,58,034	1,31,73,714	2,02,161	1,66,11,569
Repairs and Maintenance -Building	5,752	4,79,487	14,941	12,27,702
Seminars, trainings and conferences	13,982	11,65,540	91	7,477
Services rendered by agencies	2,94,951	2,45,87,115	5,01,107	4,11,75,962
Bad debts written off	23,137	19,28,700	-	-
Travelling and conveyance expenses	53,191	44,34,002	29,944	24,60,498
<b>Total</b>	<b>12,31,160</b>	<b>10,26,29,497</b>	<b>22,39,783</b>	<b>18,40,42,968</b>





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## APPENDIX - 12

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Bermuda) Limited** ("the subsidiary") registered in Bermuda as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	222,593,013	18,555,353,564	256,652,872	21,089,166,492
	Capital work-in-progress		31,187,597	2,599,798,086	30,248,651	2,485,531,653
	Right-of-use assets		-	-	118,437	9,731,968
	Other Intangible assets	2	56,963,879	4,748,508,953	61,463,976	5,050,494,908
	Investments in subsidiaries & associates	3	16,247	1,354,350	16,247	1,335,016
	Deferred tax assets (net)		22,466,920	1,872,842,451	-	-
	Other Non-current assets	4	4,783,291	398,735,138	1,413,828	116,174,247
			338,010,947	28,176,592,542	349,914,011	28,752,434,284
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	24,713,261	2,060,097,437	44,916,683	3,690,803,842
	(ii) Cash and cash equivalents	6	137,952	11,499,679	102,606	8,431,135
	(iii) Other financial assets	7	3,717	309,849	3,104	255,056
	Other Current assets	8	2,201,424	183,510,705	1,075,689	88,389,365
			27,056,354	2,255,417,670	46,098,082	3,787,879,398
(3)	<b>Assets Classified as held for sale</b>		12,341,532	1,028,790,108	12,341,532	1,014,103,684
	<b>TOTAL ASSETS</b>		377,408,833	31,460,800,320	408,353,625	33,554,417,366
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	300,000	25,008,000	13,061	1,073,222
	Other equity	10	26,798,093	2,233,889,032	(399,280,808)	(32,808,903,993)
	<b>Total Equity</b>		27,098,093	2,258,897,032	(399,267,747)	(32,807,830,771)
(2)	<b>Non-current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Lease liabilities		-	-	93,099	7,649,945
	Provisions	11	1,148,183	95,712,535	1,053,723	86,584,419
	Other liabilities (Deferred revenue)		86,714,364	7,228,509,383	104,395,739	8,578,197,874
			87,862,547	7,324,221,918	105,542,561	8,672,432,238
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	12	215,299,496	17,947,365,987	647,468,491	53,202,485,905
	(ia) Lease liabilities		-	-	25,338	2,082,023
	(ii) Trade payables	13	11,788,799	982,714,287	12,401,071	1,018,996,003
	(iii) Other financial liabilities	14	13,363,293	1,113,964,104	19,860,243	1,631,916,168
	Other current liabilities	15	21,990,318	1,833,112,908	22,317,457	1,833,825,442
	Provisions	16	6,287	524,084	6,211	510,358
			262,448,193	21,877,681,370	702,078,811	57,689,815,899
	<b>TOTAL EQUITY AND LIABILITIES</b>		377,408,833	31,460,800,320	408,353,625	33,554,417,366

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	17	111,434,760	9,289,201,594	133,658,015	10,982,679,093
ii	Other Income		112,296	9,360,995	113,650	9,338,621
iii	<b>Total income (i + ii)</b>		<b>111,547,056</b>	<b>9,298,562,589</b>	<b>133,771,665</b>	<b>10,992,017,714</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	18	982,937	81,937,628	765,949	62,938,029
	Employee benefits expenses	19	740,325	61,713,492	506,803	41,644,003
	Finance costs	20	29,753,306	2,480,235,589	38,416,139	3,156,654,142
	Depreciation and amortisation expenses		44,968,881	3,748,605,920	45,725,247	3,757,243,546
	Operating and other expenses	21	26,187,827	2,183,017,259	29,406,015	2,416,292,253
	<b>Total expenses</b>		<b>102,633,276</b>	<b>8,555,509,888</b>	<b>114,820,153</b>	<b>9,434,771,973</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>8,913,780</b>	<b>743,052,701</b>	<b>18,951,512</b>	<b>1,557,245,741</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		(22,466,920)	(1,872,842,451)	-	-
	<b>Net tax expenses</b>		<b>(22,466,920)</b>	<b>(1,872,842,451)</b>	<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>31,380,700</b>	<b>2,615,895,152</b>	<b>18,951,512</b>	<b>1,557,245,741</b>

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Cables	72,79,80,662	60,68,44,67,984	73,16,92,201	60,12,31,48,156
Plant and machinery	4,47,48,051	3,73,01,97,531	4,72,54,040	3,88,28,64,467
Furniture and fixtures	-	-	2,000	1,64,340
Computers	863	71,940	1,631	1,34,019
(a)	77,27,29,576	64,41,47,37,455	77,89,49,872	64,00,63,10,982
<b>Accumulated depreciation:</b>				
Cables	50,62,89,362	42,20,42,81,216	47,57,09,867	39,08,90,79,771
Plant and machinery	4,38,46,362	3,65,50,32,736	4,65,83,753	3,82,77,86,984
Furniture and fixtures	48	4,001	1,750	1,43,798
Computers	791	65,938	1,630	1,33,937
(b)	55,01,36,563	45,85,93,83,891	52,22,97,000	42,91,71,44,490
<b>Net block (a) - (b)</b>	22,25,93,013	18,55,53,53,564	25,66,52,872	21,08,91,66,492

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Indefeasible right to use assets	15,45,58,937	12,88,40,32,988	16,51,44,067	13,56,98,87,985
(a)	15,45,58,937	12,88,40,32,988	16,51,44,067	13,56,98,87,985
<b>Accumulated amortisation:</b>				
Indefeasible right to use assets	9,75,95,058	8,13,55,24,035	10,36,80,091	8,51,93,93,077
(b)	9,75,95,058	8,13,55,24,035	10,36,80,091	8,51,93,93,077
<b>Net block (a) - (b)</b>	5,69,63,879	4,74,85,08,953	6,14,63,976	5,05,04,94,908

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments in subsidiaries	16,247	13,54,350	16,247	13,35,016
<b>Total</b>	16,247	13,54,350	16,247	13,35,016



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	47,83,291	39,87,35,138	14,13,828	11,61,74,247
<b>Total</b>	<b>47,83,291</b>	<b>39,87,35,138</b>	<b>14,13,828</b>	<b>11,61,74,247</b>

## 5 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	25,82,007	21,52,36,104	8,02,418	6,59,34,687
Intercompany receivables (Net)	2,21,62,634	1,84,74,77,170	4,41,38,665	3,62,68,74,103
Provision for doubtful debts	(31,380)	(26,15,837)	(24,400)	(20,04,948)
<b>Total</b>	<b>2,47,13,261</b>	<b>2,06,00,97,437</b>	<b>4,49,16,683</b>	<b>3,69,08,03,842</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	1,37,952	1,14,99,679	1,02,606	84,31,135
<b>Total</b>	<b>1,37,952</b>	<b>1,14,99,679</b>	<b>1,02,606</b>	<b>84,31,135</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Others	3,717	3,09,849	3,104	2,55,056
<b>Total</b>	<b>3,717</b>	<b>3,09,849</b>	<b>3,104</b>	<b>2,55,056</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to employees	-	-	1,700	1,39,689
Prepaid expenses	22,01,424	18,35,10,705	9,33,989	7,67,45,876
Others	-	-	1,40,000	1,15,03,800
<b>Total</b>	<b>22,01,424</b>	<b>18,35,10,705</b>	<b>10,75,689</b>	<b>8,83,89,365</b>

## 9 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	3,00,000	2,50,08,000	13,061	10,73,222
<b>Total</b>	<b>3,00,000</b>	<b>2,50,08,000</b>	<b>13,061</b>	<b>10,73,222</b>

## 10 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(40,98,90,747)	(34,16,84,92,670)	(42,88,42,259)	(35,23,79,68,422)
ECL impact	(14,860)	(12,38,730)	-	-
Profit / (loss) for the year	3,13,80,700	2,61,58,95,152	1,89,51,512	1,55,72,45,741
<b>Closing balance</b>	<b>(37,85,24,907)</b>	<b>(31,55,38,36,248)</b>	<b>(40,98,90,747)</b>	<b>(33,68,07,22,681)</b>
Share premium	40,53,23,000	33,78,77,25,280	1,06,09,939	87,18,18,688
<b>Total</b>	<b>2,67,98,093</b>	<b>2,23,38,89,032</b>	<b>(39,92,80,808)</b>	<b>(32,80,89,03,993)</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 11 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	11,48,183	9,57,12,535	10,53,723	8,65,84,419
<b>Total</b>	<b>11,48,183</b>	<b>9,57,12,535</b>	<b>10,53,723</b>	<b>8,65,84,419</b>

## 12 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	21,52,99,496	17,94,73,65,987	64,74,68,491	53,20,24,85,905
<b>Total</b>	<b>21,52,99,496</b>	<b>17,94,73,65,987</b>	<b>64,74,68,491</b>	<b>53,20,24,85,905</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	1,17,88,799	98,27,14,287	1,24,01,071	1,01,89,96,003
<b>Total</b>	<b>1,17,88,799</b>	<b>98,27,14,287</b>	<b>1,24,01,071</b>	<b>1,01,89,96,003</b>

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	-	-	3,68,750	3,03,00,188
Interest accrued but not due on Inter Co. loan (Net)	1,33,63,293	1,11,39,64,104	1,94,91,493	1,60,16,15,980
<b>Total</b>	<b>1,33,63,293</b>	<b>1,11,39,64,104</b>	<b>1,98,60,243</b>	<b>1,63,19,16,168</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	21,981,312	1,832,362,168	22,288,829	1,831,473,079
Other Employee dues	9,006	750,740	28,628	2,352,363
<b>Total</b>	<b>21,990,318</b>	<b>1,833,112,908</b>	<b>22,317,457</b>	<b>1,833,825,442</b>

## 16 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	6,287	524,084	6,211	510,358
<b>Total</b>	<b>6,287</b>	<b>524,084</b>	<b>6,211</b>	<b>510,358</b>

## 17 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	2,797	233,158	4,150	341,006
Miscellaneous income	109,499	9,127,837	109,500	8,997,615
<b>Total</b>	<b>112,296</b>	<b>9,360,995</b>	<b>113,650</b>	<b>9,338,621</b>

## 18 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	982,937	81,937,628	765,949	62,938,029
<b>Total</b>	<b>982,937</b>	<b>81,937,628</b>	<b>765,949</b>	<b>62,938,029</b>

## 19 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	738,854	61,590,869	506,581	41,625,761
Staff welfare expenses	1,471	122,623	222	18,242
<b>Total</b>	<b>740,325</b>	<b>61,713,492</b>	<b>506,803</b>	<b>41,644,003</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 20 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	94,460	7,874,186	86,674	7,122,003
Interest on inter companies loan	29,642,805	2,471,024,225	38,260,661	3,143,878,514
Guarantee fees	16,041	1,337,178	68,804	5,653,625
<b>Total</b>	<b>29,753,306</b>	<b>2,480,235,589</b>	<b>38,416,139</b>	<b>3,156,654,142</b>

## 21 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Asset retirement expense	16,131	1,344,680	324,917	26,698,430
Auditors remuneration	5,818	484,988	8,424	692,200
Communication expenses	10,379	865,193	11,775	967,552
Entertainment expenses	1,271	105,951	1,913	157,191
Exchange loss -Net	21,608	1,801,243	24,083	1,978,900
Insurance expenses	29,152	2,430,111	11,166	917,510
IT consumables	-	-	67	5,505
Legal and professional fees	1,150,828	95,933,022	163,011	13,394,614
Loss on sale of fixed asset	-	-	-	-
Miscellaneous expenses	224,432	18,708,652	1,280,515	105,219,918
Miscellaneous Expenses - Operating	-	-	5,289,228	434,615,865
Printing and stationery	3,762	313,600	2,782	228,597
Provision for doubtful debts	(7,883)	(657,127)	(257,051)	(21,121,881)
Recruitment expenses	-	-	8,190	672,972
Relocation Expense	-	-	11,000	903,870
Rent	61,445	5,122,055	28,117	2,310,374
Repairs and Maintenance - Plant & Machinery	24,446,049	2,037,822,645	22,258,733	1,829,000,091
Repairs and Maintenance -Building	-	-	3,505	288,006
Services rendered by agencies	203,411	16,956,341	207,565	17,055,616
Travelling and conveyance expenses	21,424	1,785,905	28,075	2,306,923
<b>Total</b>	<b>26,187,827</b>	<b>2,183,017,259</b>	<b>29,406,015</b>	<b>2,416,292,253</b>

## 22 Note

On 22 March 2024, Tata Communications (Bermuda) Limited (TC Bermuda), a wholly owned direct subsidiary of the Tata Communications International Pte Limited, filed a notice with the Registrar of Companies in Bermuda to discontinue as a company registered under the laws of Bermuda and passed the necessary resolutions and filed an application for registration with the Commercial Register of the Canton of Jura, Switzerland, to continue as a company registered in Switzerland under the name 'TC Networks Switzerland SA' (TC Switzerland) which got approved by Swiss Commercial Registers and published in the Swiss official gazette of commerce on 22 March 2024. Accordingly, TC Bermuda has been redomiciled to Switzerland w.e.f. 22 March 2024.

The Management is in the process of preparing the financial statements of TC Network Switzerland SA. from 22 March 2024 to 31 March 2024 and accordingly all the financial information have been disclosed under Tata Communications (Bermuda) Ltd.





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LLP Identity No. AAB-7509

## APPENDIX - 13

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Hong Kong) Limited** ("the subsidiary") registered in Hong Kong as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

Particulars		Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A) ASSETS						
(1) Non-current assets						
Property, plant and equipment	1	79,14,336	65,97,39,049	93,96,006	77,20,69,812	
Capital work-in-progress		11,12,939	9,27,74,595	8,08,341	6,64,21,380	
Right-of-use assets		20,81,243	17,34,92,416	2,57,767	2,11,80,714	
Other Intangible assets	2	8,16,458	6,80,59,939	1,53,218	1,25,89,923	
Intangible assets under development		1,17,424	97,88,465	-	-	
Investments in subsidiaries & associates	3	3	250	3	247	
Financial assets						
(i) Investments -others	4	65,633	54,71,166	65,633	53,93,064	
(ii) Loans	5	56,35,159	46,97,46,854	-	-	
(iii) Other financial assets	6	4,60,632	3,83,98,284	2,43,867	2,00,38,551	
Deferred tax assets (net)		7,13,763	5,94,99,284	-	-	
Advance tax (net)		2,23,237	1,86,09,036	1,46,166	1,20,10,460	
Other Non-current assets	7	1,18,204	98,53,485	22,090	18,15,135	
		1,92,59,031	1,60,54,32,823	1,10,93,091	91,15,19,286	
(2) Current assets						
Financial assets						
(i) Trade receivables	8	57,11,915	47,61,45,234	89,05,882	73,17,96,324	
(ii) Cash and cash equivalents	9	4,69,689	3,91,53,275	77,119	63,36,868	
(iii) Other financial assets	10	4,06,305	3,38,69,584	4,57,981	3,76,32,299	
Other Current assets	11	11,80,191	9,83,80,722	11,98,812	9,85,06,382	
		77,68,100	64,75,48,815	1,06,39,794	87,42,71,873	
TOTAL ASSETS			2,70,27,131	2,25,29,81,638	2,17,32,885	1,78,57,91,159
(B) EQUITY AND LIABILITIES						
(1) Equity						
Equity share capital	12	4,09,64,504	3,41,48,01,053	80,22,064	65,91,72,999	
Other equity	13	(3,58,87,590)	(2,99,15,89,501)	(3,88,05,830)	(3,18,86,75,050)	
Total Equity		50,76,914	42,32,11,552	(3,07,83,766)	(2,52,95,02,051)	
(2) Non-current liabilities						
Financial liabilities						
(i) Lease liabilities		14,64,606	12,20,89,556	-	-	
Provisions	14	42,69,428	35,58,99,518	41,20,947	33,86,18,215	
Other liabilities (Deferred revenue)		50,28,797	41,92,00,518	42,02,201	34,52,94,856	
		1,07,62,831	89,71,89,592	83,23,148	68,39,13,071	
(3) Current liabilities						
Financial liabilities						
(i) Borrowings	15	-	-	3,32,37,397	2,73,11,16,911	
(ia) Lease liabilities		6,31,051	5,26,04,411	2,56,675	2,10,90,985	
(ii) Trade payables	16	68,29,919	56,93,42,045	67,17,771	55,19,99,242	
(iii) Other financial liabilities	17	2,93,536	2,44,69,161	9,47,691	7,78,71,769	
Other current liabilities	18	32,15,619	26,80,54,000	27,97,980	22,99,10,016	
Provisions	19	2,17,261	1,81,10,877	2,35,989	1,93,91,216	
		1,11,87,386	93,25,80,494	4,41,93,503	3,63,13,80,139	
TOTAL EQUITY AND LIABILITIES			2,70,27,131	2,25,29,81,638	2,17,32,885	1,78,57,91,159

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	20	6,41,83,432	5,35,03,30,892	6,23,70,150	5,12,49,55,226
ii	Other Income		1,33,262	1,11,08,720	3,862	3,17,340
iii	<b>Total income (i + ii)</b>		<b>6,43,16,694</b>	<b>5,36,14,39,612</b>	<b>6,23,74,012</b>	<b>5,12,52,72,566</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	21	3,35,97,531	2,80,06,90,184	3,49,16,602	2,86,90,97,186
	Employee benefits expenses	22	86,82,589	72,37,80,619	90,80,408	74,61,37,125
	Finance costs	23	3,45,479	2,87,99,129	16,71,423	13,73,40,827
	Depreciation and amortisation expenses		29,98,824	24,99,81,969	29,15,550	23,95,70,744
	Operating and other expenses	24	1,64,30,195	1,36,96,21,054	1,19,85,778	98,48,71,378
	<b>Total expenses</b>		<b>6,20,54,618</b>	<b>5,17,28,72,955</b>	<b>6,05,69,761</b>	<b>4,97,70,17,260</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>22,62,076</b>	<b>18,85,66,657</b>	<b>18,04,251</b>	<b>14,82,55,306</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	5	411
	(ii) Deferred tax expense/(benefit)		(7,13,763)	(5,94,99,284)	-	-
	<b>Net tax expenses</b>		<b>(7,13,763)</b>	<b>(5,94,99,284)</b>	<b>5</b>	<b>411</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>29,75,839</b>	<b>24,80,65,941</b>	<b>18,04,246</b>	<b>14,82,54,895</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	9,74,456	8,12,30,652	10,19,618	8,37,82,011
Cables	1,95,61,748	1,63,06,67,313	2,09,61,748	1,72,24,26,833
Plant and machinery	1,99,49,785	1,66,30,14,078	2,05,63,162	1,68,96,75,022
Furniture and fixtures	17,795	14,83,391	17,795	14,62,215
Computers	4,18,904	3,49,19,837	4,98,806	4,09,86,889
Office equipment	70,259	58,56,790	70,259	57,73,182
(a)	4,09,92,947	3,41,71,72,061	4,31,31,388	3,54,41,06,152
<b>Accumulated depreciation:</b>				
Lease hold improvement	9,64,148	8,03,71,377	10,12,439	8,31,92,113
Cables	1,50,61,970	1,25,55,65,819	1,46,91,947	1,20,72,37,285
Plant and machinery	1,66,50,281	1,38,79,67,424	1,75,70,681	1,44,37,82,858
Furniture and fixtures	17,795	14,83,391	17,795	14,62,215
Computers	3,25,973	2,71,73,109	3,87,703	3,18,57,556
Office equipment	58,444	48,71,892	54,817	45,04,313
(b)	3,30,78,611	2,75,74,33,012	3,37,35,382	2,77,20,36,340
<b>Net block (a) - (b)</b>	<b>79,14,336</b>	<b>65,97,39,049</b>	<b>93,96,006</b>	<b>77,20,69,812</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	1,73,197	1,44,37,702	2,26,919	1,86,45,934
Indefeasible right to use assets	8,89,000	7,41,07,040	28,09,530	23,08,59,080
(a)	10,62,197	8,85,44,742	30,36,449	24,95,05,014
<b>Accumulated amortisation:</b>				
Computer software	1,73,197	1,44,37,702	2,26,919	1,86,45,934
Indefeasible right to use assets	72,542	60,47,101	26,56,312	21,82,69,157
(b)	2,45,739	2,04,84,803	28,83,231	23,69,15,091
<b>Net block (a) - (b)</b>	<b>8,16,458</b>	<b>6,80,59,939</b>	<b>1,53,218</b>	<b>1,25,89,923</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments in subsidiaries	3	250	3	247
<b>Total</b>	<b>3</b>	<b>250</b>	<b>3</b>	<b>247</b>

## 4 Financial asset - Investment others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments - others	68,229	56,87,569	68,229	56,06,377
Impairment of investment - others	(2,596)	(2,16,403)	(2,596)	(2,13,313)
<b>Total</b>	<b>65,633</b>	<b>54,71,166</b>	<b>65,633</b>	<b>53,93,064</b>

## 5 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	56,35,159	46,97,46,854	-	-
<b>Total</b>	<b>56,35,159</b>	<b>46,97,46,854</b>	<b>-</b>	<b>-</b>

## 6 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	4,60,632	3,83,98,284	2,43,867	2,00,38,551
<b>Total</b>	<b>4,60,632</b>	<b>3,83,98,284</b>	<b>2,43,867</b>	<b>2,00,38,551</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 7 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	1,18,204	98,53,485	22,090	18,15,135
<b>Total</b>	<b>1,18,204</b>	<b>98,53,485</b>	<b>22,090</b>	<b>18,15,135</b>

## 8 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	48,47,008	40,40,46,587	56,13,194	46,12,36,151
Intercompany receivables (Net)	15,37,906	12,81,99,844	45,25,648	37,18,72,496
Provision for doubtful debts	(6,72,999)	(5,61,01,197)	(12,32,960)	(10,13,12,323)
<b>Total</b>	<b>57,11,915</b>	<b>47,61,45,234</b>	<b>89,05,882</b>	<b>73,17,96,324</b>

## 9 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	4,69,689	3,91,53,275	77,119	63,36,868
<b>Total</b>	<b>4,69,689</b>	<b>3,91,53,275</b>	<b>77,119</b>	<b>63,36,868</b>

## 10 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	2,48,214	2,06,91,119	4,57,530	3,75,95,240
Provision for Security Deposit	(1,255)	(1,04,617)	-	-
Interest Receivable on Inter Co. Loan (Net)	1,59,076	1,32,60,575	-	-
Others	270	22,507	451	37,059
<b>Total</b>	<b>4,06,305</b>	<b>3,38,69,584</b>	<b>4,57,981</b>	<b>3,76,32,299</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 11 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	2,00,000	1,66,72,000	2,05,500	1,68,85,935
Advances to employees	1,069	89,112	847	69,598
Provision for doubtful advance	(9,247)	(7,70,830)	-	-
Prepaid expenses	9,50,295	7,92,16,591	9,61,436	7,90,01,196
Indirect tax receivable	14	1,167	14	1,150
Others	38,060	31,72,682	31,015	25,48,503
<b>Total</b>	<b>11,80,191</b>	<b>9,83,80,722</b>	<b>11,98,812</b>	<b>9,85,06,382</b>

## 12 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	4,09,64,504	3,41,48,01,053	80,22,064	65,91,72,999
<b>Total</b>	<b>4,09,64,504</b>	<b>3,41,48,01,053</b>	<b>80,22,064</b>	<b>65,91,72,999</b>

## 13 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(3,88,05,830)	(3,23,48,53,989)	(4,06,10,076)	(3,33,69,29,945)
ECL impact	(57,599)	(48,01,453)	-	-
Profit / (loss) for the year	29,75,839	24,80,65,941	18,04,246	14,82,54,895
<b>Closing balance</b>	<b>(3,58,87,590)</b>	<b>(2,99,15,89,501)</b>	<b>(3,88,05,830)</b>	<b>(3,18,86,75,050)</b>
<b>Total</b>	<b>(3,58,87,590)</b>	<b>(2,99,15,89,501)</b>	<b>(3,88,05,830)</b>	<b>(3,18,86,75,050)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 14 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	39,43,775	32,87,53,084	37,62,828	30,91,91,577
Retention liability	3,25,653	2,71,46,434	3,58,119	2,94,26,638
<b>Total</b>	<b>42,69,428</b>	<b>35,58,99,518</b>	<b>41,20,947</b>	<b>33,86,18,215</b>

## 15 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	-	-	3,32,37,397	2,73,11,16,911
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,32,37,397</b>	<b>2,73,11,16,911</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 16 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	68,29,919	56,93,42,045	67,17,771	55,19,99,242
<b>Total</b>	<b>68,29,919</b>	<b>56,93,42,045</b>	<b>67,17,771</b>	<b>55,19,99,242</b>

## 17 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	2,93,536	2,44,69,161	1,72,949	1,42,11,219
Interest accrued but not due on Inter Co. loan (Net)	-	-	7,74,742	6,36,60,550
<b>Total</b>	<b>2,93,536</b>	<b>2,44,69,161</b>	<b>9,47,691</b>	<b>7,78,71,769</b>

## 18 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	17,12,814	14,27,80,175	11,63,173	9,55,77,925
Other Employee dues	14,98,908	12,49,48,971	16,30,541	13,39,81,554
Other Statutory dues	3,897	3,24,854	4,266	3,50,537
<b>Total</b>	<b>32,15,619</b>	<b>26,80,54,000</b>	<b>27,97,980</b>	<b>22,99,10,016</b>

## 19 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	2,17,261	1,81,10,877	2,35,989	1,93,91,216
<b>Total</b>	<b>2,17,261</b>	<b>1,81,10,877</b>	<b>2,35,989</b>	<b>1,93,91,216</b>



## 20 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	119	9,920	789	64,832
Interest on loan to subsidiaries	1,21,512	1,01,29,240	-	-
Miscellaneous income	11,631	9,69,560	3,073	2,52,508
<b>Total</b>	<b>1,33,262</b>	<b>1,11,08,720</b>	<b>3,862</b>	<b>3,17,340</b>

## 21 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	3,35,97,531	2,80,06,90,184	3,49,16,602	2,86,90,97,186
<b>Total</b>	<b>3,35,97,531</b>	<b>2,80,06,90,184</b>	<b>3,49,16,602</b>	<b>2,86,90,97,186</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 22 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	82,68,140	68,92,32,150	89,27,611	73,35,81,796
Contribution to provident and other funds	(10,270)	(8,56,107)	-	-
Staff welfare expenses	4,24,719	3,54,04,576	1,52,797	1,25,55,329
<b>Total</b>	<b>86,82,589</b>	<b>72,37,80,619</b>	<b>90,80,408</b>	<b>74,61,37,125</b>

## 23 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	1,70,601	1,42,21,299	1,62,332	1,33,38,820
Interest on inter companies loan	1,74,878	1,45,77,830	15,09,091	12,40,02,007
<b>Total</b>	<b>3,45,479</b>	<b>2,87,99,129</b>	<b>16,71,423</b>	<b>13,73,40,827</b>

## 24 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	64,011	53,35,957	3,597	2,95,565
Auditors remuneration	14,116	11,76,710	8,587	7,05,594
Communication expenses	1,68,924	1,40,81,505	87,580	71,96,449
CSR expenses	926	77,191	2,209	1,81,514
Electricity	11,13,719	9,28,39,616	11,76,136	9,66,43,095
Entertainment expenses	34,891	29,08,514	27,301	22,43,323
Exchange loss -Net	33,065	27,56,298	23,380	19,21,135
Insurance expenses	26,645	22,21,127	20,436	16,79,226
IT consumables	1,172	97,698	275	22,597
Legal and professional fees	96,41,962	80,37,53,952	84,67,968	69,58,12,931
Loss on sale of fixed asset	11	917	7,990	6,56,538
Miscellaneous expenses	1,48,194	1,23,53,452	1,03,229	84,82,327
Printing and stationery	14,469	12,06,136	6,555	5,38,624
Provision for doubtful debts	(6,17,557)	(5,14,79,552)	(2,75,186)	(2,26,12,034)
Provision For Doubtful advances	7,674	6,39,705	(3)	(247)
Rates and Taxes	2,73,415	2,27,91,874	2,25,640	1,85,40,839
Recruitment expenses	60,081	50,08,352	58,830	48,34,061
Relocation Expense	-	-	6,638	5,45,444
Rent	7,77,815	6,48,38,658	8,25,590	6,78,38,730
Repairs and Maintenance - Plant & Machinery	38,83,751	32,37,49,483	6,50,657	5,34,64,486
Repairs and Maintenance -Building	38,601	32,17,779	29,439	24,19,003
Seminars, trainings and conferences	35,325	29,44,692	3,600	2,95,812
Services rendered by agencies	2,98,848	2,49,11,969	3,07,451	2,52,63,249
Bad debts written off	1,19,188	99,35,512	40,137	32,98,057
Travelling and conveyance expenses	2,90,949	2,42,53,509	1,77,742	1,46,05,060
<b>Total</b>	<b>1,64,30,195</b>	<b>1,36,96,21,054</b>	<b>1,19,85,778</b>	<b>98,48,71,378</b>





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## APPENDIX - 14

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Poland) Sp. Z o.o.** ("the subsidiary") registered in Poland as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	1,76,536	1,47,16,041	3,10,631	2,55,24,549
	Capital work-in-progress		79,874	66,58,297	9,856	8,09,868
	Financial assets					
	(i) Other financial assets	2	1,029	85,777	954	78,390
	Deferred tax assets (net)		89,485	74,59,470	79,331	65,18,628
	Advance tax (net)		15,675	13,06,668	37,352	30,69,214
	Other Non-current assets	3	13,062	10,88,848	27,189	22,34,120
			3,75,661	3,13,15,101	4,65,313	3,82,34,769
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	3,41,609	2,84,76,526	5,22,401	4,29,25,690
	(ii) Cash and cash equivalents	5	1,15,072	95,92,402	1,23,256	1,01,27,946
	(iii) Other financial assets	6	7,541	6,28,618	3,692	3,03,372
	Other Current assets	7	48,483	40,41,543	92,950	76,37,701
			5,12,705	4,27,39,089	7,42,299	6,09,94,709
	<b>TOTAL ASSETS</b>		8,88,366	7,40,54,190	12,07,612	9,92,29,478
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	7,28,437	6,07,22,508	7,28,437	5,98,55,668
	Other equity	9	(5,60,694)	(4,67,39,449)	(5,44,004)	(4,47,00,810)
	<b>Total Equity</b>		1,67,743	1,39,83,059	1,84,433	1,51,54,858
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	10	94,629	78,88,273	4,93,024	4,05,11,782
	(ii) Trade payables	11	5,98,206	4,98,66,451	5,07,308	4,16,85,501
	(iii) Other financial liabilities	12	13,277	11,06,770	16,283	13,37,974
	Other current liabilities	13	13,265	11,05,770	5,563	4,57,111
	Provisions	14	1,246	1,03,867	1,001	82,252
			7,20,623	6,00,71,131	10,23,179	8,40,74,620
	<b>TOTAL EQUITY AND LIABILITIES</b>		8,88,366	7,40,54,190	12,07,612	9,92,29,478

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	15	19,54,258	16,29,06,947	19,33,421	15,88,69,204
ii	Other Income		4,592	3,82,789	2,617	2,15,039
iii	<b>Total income (i + ii)</b>		<b>19,58,850</b>	<b>16,32,89,736</b>	<b>19,36,038</b>	<b>15,90,84,243</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	16	12,68,703	10,57,59,082	13,43,227	11,03,72,963
	Employee benefits expenses	17	72,205	60,19,008	44,707	36,73,574
	Finance costs	18	7,381	6,15,280	16,672	13,69,938
	Depreciation and amortisation expenses	19	1,46,315	1,21,96,818	1,59,656	1,31,18,934
	Operating and other expenses		4,52,395	3,77,11,646	3,65,647	3,00,45,215
	<b>Total expenses</b>		<b>19,46,999</b>	<b>16,23,01,834</b>	<b>19,29,909</b>	<b>15,85,80,624</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>11,851</b>	<b>9,87,902</b>	<b>6,129</b>	<b>5,03,619</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		35,375	29,48,860	82,086	67,45,007
	(ii) Deferred tax expense/(benefit)		(10,154)	(8,46,437)	(33,632)	(27,63,541)
	<b>Net tax expenses</b>		<b>25,221</b>	<b>21,02,423</b>	<b>48,454</b>	<b>39,81,466</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(13,370)</b>	<b>(11,14,521)</b>	<b>(42,325)</b>	<b>(34,77,847)</b>

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	15,80,049	13,17,12,885	15,91,995	13,08,14,229
Computers	1,601	1,33,459	-	-
(a)	15,81,650	13,18,46,344	15,91,995	13,08,14,229
<b>Accumulated depreciation:</b>				
Plant and machinery	14,03,967	11,70,34,689	12,81,364	10,52,89,680
Computers	1,147	95,614	-	-
(b)	14,05,114	11,71,30,303	12,81,364	10,52,89,680
<b>Net block (a) - (b)</b>	<b>1,76,536</b>	<b>1,47,16,041</b>	<b>3,10,631</b>	<b>2,55,24,549</b>

## 2 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	1,029	85,777	954	78,390
<b>Total</b>	<b>1,029</b>	<b>85,777</b>	<b>954</b>	<b>78,390</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	13,062	10,88,848	27,189	22,34,120
<b>Total</b>	<b>13,062</b>	<b>10,88,848</b>	<b>27,189</b>	<b>22,34,120</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	3,13,336	2,61,19,689	3,46,006	2,84,31,313
Intercompany receivables (Net)	1,06,218	88,54,332	2,53,707	2,08,47,104
Provision for doubtful debts	(77,945)	(64,97,495)	(77,312)	(63,52,727)
<b>Total</b>	<b>3,41,609</b>	<b>2,84,76,526</b>	<b>5,22,401</b>	<b>4,29,25,690</b>

## 5 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	1,15,072	95,92,402	1,23,256	1,01,27,946
<b>Total</b>	<b>1,15,072</b>	<b>95,92,402</b>	<b>1,23,256</b>	<b>1,01,27,946</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	4,283	3,57,031	-	-
Others	3,258	2,71,587	3,692	3,03,372
<b>Total</b>	<b>7,541</b>	<b>6,28,618</b>	<b>3,692</b>	<b>3,03,372</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	26,900	22,42,384	23,013	18,90,978
Indirect tax receivable	12,674	10,56,505	69,937	57,46,723
Others	8,909	7,42,654	-	-
<b>Total</b>	<b>48,483</b>	<b>40,41,543</b>	<b>92,950</b>	<b>76,37,701</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	7,28,437	6,07,22,508	7,28,437	5,98,55,668
<b>Total</b>	<b>7,28,437</b>	<b>6,07,22,508</b>	<b>7,28,437</b>	<b>5,98,55,668</b>

## 9 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(5,44,004)	(4,53,48,173)	(5,01,679)	(4,12,22,963)
ECL impact	(3,320)	(2,76,755)	-	-
Profit / (loss) for the year	(13,370)	(11,14,521)	(42,325)	(34,77,847)
<b>Closing balance</b>	<b>(5,60,694)</b>	<b>(4,67,39,449)</b>	<b>(5,44,004)</b>	<b>(4,47,00,810)</b>
<b>Total</b>	<b>(5,60,694)</b>	<b>(4,67,39,449)</b>	<b>(5,44,004)</b>	<b>(4,47,00,810)</b>

## 10 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	94,629	78,88,273	4,93,024	4,05,11,782
<b>Total</b>	<b>94,629</b>	<b>78,88,273</b>	<b>4,93,024</b>	<b>4,05,11,782</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	5,98,206	4,98,66,451	5,07,308	4,16,85,501
<b>Total</b>	<b>5,98,206</b>	<b>4,98,66,451</b>	<b>5,07,308</b>	<b>4,16,85,501</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	13,273	11,06,437	13,078	10,74,619
Interest accrued but not due on Inter Co. loan (Net)	-	-	3,205	2,63,355
Others	4	333	-	-
<b>Total</b>	<b>13,277</b>	<b>11,06,770</b>	<b>16,283</b>	<b>13,37,974</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	1,047	87,278	231	18,981
Other Employee dues	12,178	10,15,158	5,332	4,38,130
Others	40	3,334	-	-
<b>Total</b>	<b>13,265</b>	<b>11,05,770</b>	<b>5,563</b>	<b>4,57,111</b>

## 14 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	1,246	1,03,867	1,001	82,252
<b>Total</b>	<b>1,246</b>	<b>1,03,867</b>	<b>1,001</b>	<b>82,252</b>

## 15 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	4,201	3,50,195	123	10,107
Miscellaneous income	391	32,594	2,494	2,04,932
<b>Total</b>	<b>4,592</b>	<b>3,82,789</b>	<b>2,617</b>	<b>2,15,039</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 16 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	12,68,703	10,57,59,082	13,43,227	11,03,72,963
<b>Total</b>	<b>12,68,703</b>	<b>10,57,59,082</b>	<b>13,43,227</b>	<b>11,03,72,963</b>

## 17 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	71,462	59,57,072	44,171	36,29,531
Staff welfare expenses	743	61,936	536	44,043
<b>Total</b>	<b>72,205</b>	<b>60,19,008</b>	<b>44,707</b>	<b>36,73,574</b>

## 18 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	-	-	308	25,308
Interest on inter companies loan	7,381	6,15,280	16,364	13,44,630
<b>Total</b>	<b>7,381</b>	<b>6,15,280</b>	<b>16,672</b>	<b>13,69,938</b>

## 19 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	39,098	32,59,209	39,092	32,12,190
Communication expenses	614	51,183	859	70,584
Electricity	27,976	23,32,079	1,174	96,468
Exchange loss -Net	32,676	27,23,871	24,461	20,09,960
Insurance expenses	2,892	2,41,077	2,503	2,05,672
Legal and professional fees	2,68,605	2,23,90,913	1,52,431	1,25,25,255
Miscellaneous expenses	21,238	17,70,400	16,911	13,89,577
Printing and stationery	-	-	27	2,219
Provision for doubtful debts	(2,688)	(2,24,072)	(6,141)	(5,04,606)
Rates and Taxes	459	38,262	1,763	1,44,866
Rent	11,283	9,40,551	8,167	6,71,082
Repairs and Maintenance - Plant & Machinery	38,770	32,31,867	1,14,250	93,87,923
Repairs and Maintenance -Building	125	10,420	-	-
Services rendered by agencies	10,222	8,52,106	9,667	7,94,337
Travelling and conveyance expenses	1,125	93,780	483	39,688
<b>Total</b>	<b>4,52,395</b>	<b>3,77,11,646</b>	<b>3,65,647</b>	<b>3,00,45,215</b>





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## APPENDIX - 15

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Services (International) Pte Ltd** ("the subsidiary") registered in Singapore as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	7,24,252	6,03,73,647	12,79,735	10,51,55,824
	Capital work-in-progress		2,48,966	2,07,53,806	74,052	60,84,853
	Other Intangible assets	2	-	-	1,01,864	83,70,164
	Financial assets					
	(i) Loans	3	29,77,884	24,82,36,410	28,65,079	23,54,23,541
	Advance tax (net)		2,82,204	2,35,24,525	31,329	25,74,304
	Other Non-current assets	4	60,016	50,02,934	79,501	65,32,597
			42,93,322	35,78,91,322	44,31,560	36,41,41,283
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	14,53,802	12,11,88,935	10,29,101	8,45,61,229
	(ii) Cash and cash equivalents	6	23,900	19,92,304	11,492	9,44,298
	(iii) Other financial assets	7	76,397	63,68,454	56,163	46,14,914
	Other Current assets	8	1,33,257	1,11,08,303	2,39,510	1,96,80,537
			16,87,356	14,06,57,996	13,36,266	10,98,00,978
	<b>TOTAL ASSETS</b>		59,80,678	49,85,49,318	57,67,826	47,39,42,261
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	3,44,869	2,87,48,280	3,44,869	2,83,37,886
	Other equity	10	50,08,843	41,75,37,151	50,19,687	41,24,67,683
	<b>Total Equity</b>		53,53,712	44,62,85,431	53,64,556	44,08,05,569
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	11	1,83,727	1,53,15,484	1,81,145	1,48,84,681
	Other current liabilities	12	4,43,239	3,69,48,403	2,22,125	1,82,52,011
			6,26,966	5,22,63,887	4,03,270	3,31,36,692
	<b>TOTAL EQUITY AND LIABILITIES</b>		59,80,678	49,85,49,318	57,67,826	47,39,42,261

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	13	23,18,979	19,33,10,089	23,75,098	19,51,61,803
ii	Other Income		1,57,086	1,30,94,689	1,86,948	1,53,61,517
iii	<b>Total income (i + ii)</b>		<b>24,76,065</b>	<b>20,64,04,778</b>	<b>25,62,046</b>	<b>21,05,23,320</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	14	73,731	61,46,216	19	1,561
	Employee benefits expenses	15	(14,094)	(11,74,876)	61,084	50,19,272
	Depreciation and amortisation expenses	16	6,92,228	5,77,04,126	8,04,374	6,60,95,412
	Operating and other expenses		17,31,533	14,43,40,592	9,94,375	8,17,07,792
	<b>Total expenses</b>		<b>24,83,398</b>	<b>20,70,16,058</b>	<b>18,59,852</b>	<b>15,28,24,037</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>(7,333)</b>	<b>(6,11,280)</b>	<b>7,02,194</b>	<b>5,76,99,283</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		3,179	2,65,001	2,98,487	2,45,26,677
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>3,179</b>	<b>2,65,001</b>	<b>2,98,487</b>	<b>2,45,26,677</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(10,512)</b>	<b>(8,76,281)</b>	<b>4,03,707</b>	<b>3,31,72,606</b>

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	-	-	33,020	27,13,253
Plant and machinery	68,92,558	57,45,63,635	74,23,042	60,99,51,361
Computers	97,648	81,39,937	98,360	80,82,241
Office equipment	34,684	28,91,258	34,684	28,49,984
(a)	70,24,890	58,55,94,830	75,89,106	62,35,96,839
<b>Accumulated depreciation:</b>				
Lease hold improvement	-	-	33,020	27,13,253
Plant and machinery	61,72,297	51,45,22,678	61,53,687	50,56,48,461
Computers	97,648	81,39,937	98,360	80,82,241
Office equipment	30,693	25,58,568	24,304	19,97,060
(b)	63,00,638	52,52,21,183	63,09,371	51,84,41,015
<b>Net block (a) - (b)</b>	<b>7,24,252</b>	<b>6,03,73,647</b>	<b>12,79,735</b>	<b>10,51,55,824</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	25,082	20,90,836	2,22,238	1,82,61,296
(a)	25,082	20,90,836	2,22,238	1,82,61,296
<b>Accumulated amortisation:</b>				
Computer software	25,082	20,90,836	1,20,374	98,91,132
(b)	25,082	20,90,836	1,20,374	98,91,132
<b>Net block (a) - (b)</b>	<b>-</b>	<b>-</b>	<b>1,01,864</b>	<b>83,70,164</b>

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	29,77,884	24,82,36,410	28,65,079	23,54,23,541
<b>Total</b>	<b>29,77,884</b>	<b>24,82,36,410</b>	<b>28,65,079</b>	<b>23,54,23,541</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	60,016	50,02,934	79,501	65,32,597
<b>Total</b>	<b>60,016</b>	<b>50,02,934</b>	<b>79,501</b>	<b>65,32,597</b>

## 5 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	1,602	1,33,543	19,211	15,78,568
Intercompany receivables (Net)	14,52,220	12,10,57,059	10,09,890	8,29,82,661
Provision for doubtful debts	(20)	(1,667)	-	-
<b>Total</b>	<b>14,53,802</b>	<b>12,11,88,935</b>	<b>10,29,101</b>	<b>8,45,61,229</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	23,900	19,92,304	11,492	9,44,298
<b>Total</b>	<b>23,900</b>	<b>19,92,304</b>	<b>11,492</b>	<b>9,44,298</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	76,397	63,68,454	56,163	46,14,914
<b>Total</b>	<b>76,397</b>	<b>63,68,454</b>	<b>56,163</b>	<b>46,14,914</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to employees	-	-	8,169	6,71,247
Provision for doubtful advance	(11,067)	(9,22,545)	-	-
Prepaid expenses	1,10,868	92,41,956	1,26,749	1,04,14,965
Indirect tax receivable	-	-	48,380	39,75,385
Others	33,456	27,88,892	56,212	46,18,940
<b>Total</b>	<b>1,33,257</b>	<b>1,11,08,303</b>	<b>2,39,510</b>	<b>1,96,80,537</b>

## 9 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	3,44,869	2,87,48,280	3,44,869	2,83,37,886
<b>Total</b>	<b>3,44,869</b>	<b>2,87,48,280</b>	<b>3,44,869</b>	<b>2,83,37,886</b>

## 10 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	50,19,687	41,84,41,108	46,15,980	37,92,95,077
ECL impact	(332)	(27,676)	-	-
Profit / (loss) for the year	(10,512)	(8,76,281)	4,03,707	3,31,72,606
<b>Closing balance</b>	<b>50,08,843</b>	<b>41,75,37,151</b>	<b>50,19,687</b>	<b>41,24,67,683</b>
<b>Total</b>	<b>50,08,843</b>	<b>41,75,37,151</b>	<b>50,19,687</b>	<b>41,24,67,683</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	1,83,727	1,53,15,484	1,81,145	1,48,84,681
<b>Total</b>	<b>1,83,727</b>	<b>1,53,15,484</b>	<b>1,81,145</b>	<b>1,48,84,681</b>

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Other Employee dues	3,62,396	3,02,09,331	1,94,443	1,59,77,381
Other Statutory dues	80,843	67,39,072	27,682	22,74,630
<b>Total</b>	<b>4,43,239</b>	<b>3,69,48,403</b>	<b>2,22,125</b>	<b>1,82,52,011</b>

## 13 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	1,54,771	1,29,01,711	1,05,249	86,48,310
Exchange gain -Net	-	-	39,924	32,80,555
Miscellaneous income	2,315	1,92,978	41,775	34,32,652
<b>Total</b>	<b>1,57,086</b>	<b>1,30,94,689</b>	<b>1,86,948</b>	<b>1,53,61,517</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 14 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	73,731	61,46,216	19	1,561
<b>Total</b>	<b>73,731</b>	<b>61,46,216</b>	<b>19</b>	<b>1,561</b>

## 15 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	(15,231)	(12,69,656)	60,597	49,79,255
Staff welfare expenses	1,137	94,780	487	40,017
<b>Total</b>	<b>(14,094)</b>	<b>(11,74,876)</b>	<b>61,084</b>	<b>50,19,272</b>

## 16 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	5,196	4,33,139	4,483	3,68,368
Communication expenses	3,671	3,06,015	2,220	1,82,417
Entertainment expenses	6,899	5,75,101	-	-
Exchange loss -Net	26,109	21,76,446	-	-
IT consumables	(55)	(4,585)	(92)	(7,560)
Legal and professional fees	35,424	29,52,945	12,901	10,60,075
Miscellaneous expenses	19,479	16,23,769	(25,910)	(21,29,025)
Miscellaneous Expenses - Operating	-	-	(550)	(45,194)
Printing and stationery	3,030	2,52,581	3,939	3,23,668
Provision for doubtful debts	(312)	(26,008)	-	-
Provision For Doubtful advances	9,389	7,82,667	189	15,530
Rates and Taxes	394	32,844	272	22,350
Recruitment expenses	683	56,935	10,800	8,87,436
Rent	8,975	7,48,156	9,841	8,08,635
Repairs and Maintenance - Plant & Machinery	1,69,136	1,40,99,177	1,56,912	1,28,93,459
Repairs and Maintenance -Building	(2)	(167)	875	71,899
Seminars, trainings and conferences	23,023	19,19,197	-	-
Services rendered by agencies	13,88,621	11,57,55,447	7,92,672	6,51,33,858
Travelling and conveyance expenses	31,873	26,56,933	25,823	21,21,876
<b>Total</b>	<b>17,31,533</b>	<b>14,43,40,592</b>	<b>9,94,375</b>	<b>8,17,07,792</b>





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## APPENDIX - 16

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **ITXC IP Holdings s.a.r.l** ("the subsidiary") registered in Luxembourg as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.

This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W / W-100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	18,459	15,38,742	51,899	42,64,541
	Capital work-in-progress		43,356	36,14,156	-	-
	Financial assets					
	(i) Loans	2	8,59,199	7,16,22,829	13,76,987	11,31,47,022
	Other Non-current assets	3	309	25,758	211	17,338
			9,21,323	7,68,01,485	14,29,097	11,74,28,901
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	1,12,134	93,47,491	3,146	2,58,507
	(ii) Other financial assets	5	27,877	23,23,827	3,11,059	2,55,59,718
	Other Current assets	6	1,68,400	1,40,37,823	52,546	43,17,705
			3,08,411	2,57,09,141	3,66,751	3,01,35,930
	<b>TOTAL ASSETS</b>		12,29,734	10,25,10,626	17,95,848	14,75,64,831
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	7	16,247	13,54,350	16,247	13,35,016
	Other equity	8	7,21,880	6,01,75,917	6,74,749	5,54,44,124
	<b>Total Equity</b>		7,38,127	6,15,30,267	6,90,996	5,67,79,140
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	9	1,79,973	1,50,02,549	8,87,529	7,29,28,260
	Other current liabilities	10	1,55,241	1,29,40,890	79,827	65,59,385
	Current tax liability (Net)		1,56,393	1,30,36,920	1,37,496	1,12,98,046
			4,91,607	4,09,80,359	11,04,852	9,07,85,691
	<b>TOTAL EQUITY AND LIABILITIES</b>		12,29,734	10,25,10,626	17,95,848	14,75,64,831

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations		3,81,259	3,17,81,750	10,05,141	8,25,92,436
ii	Other Income	11	4,99,192	4,16,12,645	16,51,240	13,56,82,391
iii	<b>Total income (i + ii)</b>		<b>8,80,451</b>	<b>7,33,94,395</b>	<b>26,56,381</b>	<b>21,82,74,827</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	12	3,93,288	3,27,84,488	3,55,063	2,91,75,527
	Employee benefits expenses	13	821	68,439	319	26,212
	Finance costs	14	-	-	10,50,005	8,62,78,911
	Depreciation and amortisation expenses		36,769	30,65,064	17,183	14,11,927
	Operating and other expenses	15	3,78,889	3,15,84,186	6,31,682	5,19,05,311
	<b>Total expenses</b>		<b>8,09,767</b>	<b>6,75,02,177</b>	<b>20,54,252</b>	<b>16,87,97,888</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>70,684</b>	<b>58,92,218</b>	<b>6,02,129</b>	<b>4,94,76,939</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		23,553	19,63,378	66,463	54,61,265
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>23,553</b>	<b>19,63,378</b>	<b>66,463</b>	<b>54,61,265</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>47,131</b>	<b>39,28,840</b>	<b>5,35,666</b>	<b>4,40,15,674</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	1,94,540	1,62,16,854	1,78,556	1,46,71,947
(a)	1,94,540	1,62,16,854	1,78,556	1,46,71,947
<b>Accumulated depreciation:</b>				
Plant and machinery	1,76,081	1,46,78,112	1,26,657	1,04,07,406
(b)	1,76,081	1,46,78,112	1,26,657	1,04,07,406
<b>Net block (a) - (b)</b>	<b>18,459</b>	<b>15,38,742</b>	<b>51,899</b>	<b>42,64,541</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	8,59,199	7,16,22,829	13,76,987	11,31,47,022
<b>Total</b>	<b>8,59,199</b>	<b>7,16,22,829</b>	<b>13,76,987</b>	<b>11,31,47,022</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	309	25,758	211	17,338
<b>Total</b>	<b>309</b>	<b>25,758</b>	<b>211</b>	<b>17,338</b>

## 4 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	6,785	5,65,598	3,146	2,58,507
Intercompany receivables (Net)	1,05,386	87,84,977	-	-
Provision for doubtful debts	(37)	(3,084)	-	-
<b>Total</b>	<b>1,12,134</b>	<b>93,47,491</b>	<b>3,146</b>	<b>2,58,507</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	27,877	23,23,827	3,11,059	2,55,59,718
<b>Total</b>	<b>27,877</b>	<b>23,23,827</b>	<b>3,11,059</b>	<b>2,55,59,718</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	19,237	16,03,596	2,743	2,25,392
Indirect tax receivable	90,923	75,79,341	49,803	40,92,313
Others	58,240	48,54,886	-	-
<b>Total</b>	<b>1,68,400</b>	<b>1,40,37,823</b>	<b>52,546</b>	<b>43,17,705</b>

## 7 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	16,247	13,54,350	16,247	13,35,016
<b>Total</b>	<b>16,247</b>	<b>13,54,350</b>	<b>16,247</b>	<b>13,35,016</b>

## 8 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	6,74,749	5,62,47,077	1,39,083	1,14,28,450
Profit / (loss) for the year	47,131	39,28,840	5,35,666	4,40,15,674
<b>Closing balance</b>	<b>7,21,880</b>	<b>6,01,75,917</b>	<b>6,74,749</b>	<b>5,54,44,124</b>
<b>Total</b>	<b>7,21,880</b>	<b>6,01,75,917</b>	<b>6,74,749</b>	<b>5,54,44,124</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	1,79,973	1,50,02,549	1,02,376	84,12,238
Inter Company - Payables (Net)	-	-	7,85,153	6,45,16,022
<b>Total</b>	<b>1,79,973</b>	<b>1,50,02,549</b>	<b>8,87,529</b>	<b>7,29,28,260</b>

## 10 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	-	-	1,711	1,40,593
Other Employee dues	1,55,241	1,29,40,890	78,116	64,18,792
<b>Total</b>	<b>1,55,241</b>	<b>1,29,40,890</b>	<b>79,827</b>	<b>65,59,385</b>

## 11 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	70,665	58,90,634	5,95,000	4,88,91,150
Exchange gain -Net	4,28,527	3,57,22,011	-	-
Miscellaneous income	-	-	10,56,240	8,67,91,241
<b>Total</b>	<b>4,99,192</b>	<b>4,16,12,645</b>	<b>16,51,240</b>	<b>13,56,82,391</b>

## 12 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	3,93,288	3,27,84,488	3,55,063	2,91,75,527
<b>Total</b>	<b>3,93,288</b>	<b>3,27,84,488</b>	<b>3,55,063</b>	<b>2,91,75,527</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 13 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Staff welfare expenses	821	68,439	319	26,212
<b>Total</b>	<b>821</b>	<b>68,439</b>	<b>319</b>	<b>26,212</b>

## 14 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on inter companies loan	-	-	10,50,005	8,62,78,911
<b>Total</b>	<b>-</b>	<b>-</b>	<b>10,50,005</b>	<b>8,62,78,911</b>

## 15 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	22,344	18,62,596	289	23,747
Communication expenses	804	67,021	1,569	1,28,925
Electricity	8,695	7,24,815	7,950	6,53,252
Entertainment expenses	526	43,847	-	-
Exchange loss -Net	-	-	1,88,054	1,54,52,397
Insurance expenses	1,208	1,00,699	1,117	91,784
Legal and professional fees	2,65,428	2,21,26,078	2,45,011	2,01,32,554
Miscellaneous expenses	1,148	95,697	886	72,803
Printing and stationery	121	10,087	-	-
Provision for doubtful debts	37	3,084	-	-
Rates and Taxes	3,448	2,87,425	1,106	90,880
Recruitment expenses	60	5,002	-	-
Rent	48	4,001	-	-
Repairs and Maintenance - Plant & Machinery	1,488	1,24,040	1,750	1,43,798
Seminars, trainings and conferences	4,870	4,05,963	-	-
Services rendered by agencies	58,917	49,11,321	1,75,085	1,43,86,734
Travelling and conveyance expenses	9,747	8,12,510	8,865	7,28,437
<b>Total</b>	<b>3,78,889</b>	<b>3,15,84,186</b>	<b>6,31,682</b>	<b>5,19,05,311</b>





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LLP Identity No. AAB-7509

## APPENDIX - 17

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Netherlands) B.V.** ("the subsidiary") registered in Netherlands as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	26,35,094	21,96,61,435	25,29,840	20,78,76,953
	Capital work-in-progress		4,05,672	3,38,16,818	4,13,067	3,39,41,715
	Right-of-use assets		66,677	55,58,195	1,03,936	85,40,421
	Other Intangible assets	2	13,10,579	10,92,49,865	20,77,635	17,07,19,268
	Intangible assets under development		2,32,718	1,93,99,372	-	-
	Investments in subsidiaries & associates	3	41,68,46,811	34,74,83,50,165	32,98,56,181	27,10,42,82,392
	Financial assets					
	(i) Loans	4	37,95,92,206	31,64,28,06,292	42,47,43,480	34,90,11,71,752
	(ii) Other financial assets	5	15,16,048	12,63,77,761	2,02,104	1,66,06,885
	Advance tax (net)		4,11,040	3,42,64,294	5,72,681	4,70,57,198
	Other Non-current assets	6	6,59,291	5,49,58,498	11,12,971	9,14,52,827
			80,36,76,136	66,99,44,42,695	76,16,11,895	62,58,16,49,411
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	7	22,54,675	18,79,49,708	32,94,870	27,07,39,467
	(ii) Cash and cash equivalents	8	46,84,952	39,05,37,599	33,60,615	27,61,41,735
	(iii) Other financial assets	9	1,58,30,264	1,31,96,10,808	1,77,03,305	1,45,46,80,571
	Other Current assets	10	30,80,697	25,68,06,902	10,21,575	8,39,42,818
			2,58,50,588	2,15,49,05,017	2,53,80,365	2,08,55,04,591
	<b>TOTAL ASSETS</b>		<b>82,95,26,724</b>	<b>69,14,93,47,712</b>	<b>78,69,92,260</b>	<b>64,66,71,54,002</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	11	17,98,00,561	14,98,81,74,765	17,98,00,561	14,77,42,12,097
	Other equity	12	(7,04,45,438)	(5,87,23,31,714)	(6,18,26,798)	(5,08,03,07,995)
	<b>Total Equity</b>		<b>10,93,55,123</b>	<b>9,11,58,43,051</b>	<b>11,79,73,763</b>	<b>9,69,39,04,102</b>
(2)	<b>Non-current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	13	30,00,00,000.00	25,00,80,00,000	50,00,00,000	41,08,50,00,000
	(ia) Lease liabilities		36,723	30,61,229	64,156	52,71,699
	(ii) Other financial liabilities	14	-	-	15,88,116	13,04,95,492
	Provisions	15	37,386	31,16,497	95,687	78,62,601
	Deferred tax liabilities (Net)		15,35,958	12,80,37,459	5,56,740	4,57,47,326
	Other liabilities (Deferred revenue)		1,54,951	1,29,16,715	2,74,857	2,25,85,000
			30,17,65,018	25,15,51,31,900	50,25,79,556	41,29,69,62,118
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	16	41,00,00,000	34,17,76,00,000	15,00,00,000	12,32,55,00,000
	(ia) Lease liabilities		28,303	23,59,338	39,421	32,39,224
	(ii) Trade payables	17	55,58,562	46,33,61,730	1,48,16,357	1,21,74,60,055
	(iii) Other financial liabilities	18	9,21,322	7,68,01,403	4,73,497	3,89,07,248
	Other current liabilities	19	18,13,920	15,12,08,371	10,51,145	8,63,72,584
	Provisions	20	84,476	70,41,919	58,521	48,08,671
			41,84,06,583	34,87,83,72,761	16,64,38,941	13,67,62,87,782
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>82,95,26,724</b>	<b>69,14,93,47,712</b>	<b>78,69,92,260</b>	<b>64,66,71,54,002</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations		23,08,20,501	19,24,11,96,963	22,81,16,352	18,74,43,20,644
ii	Other Income	21	4,52,97,586	3,77,60,06,768	4,76,71,709	3,91,71,84,328
iii	<b>Total income (i + ii)</b>		<b>27,61,18,087</b>	<b>23,01,72,03,731</b>	<b>27,57,88,061</b>	<b>22,66,15,04,972</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	22	20,75,30,870	17,29,97,73,323	21,04,22,903	17,29,04,49,940
	Employee benefits expenses	23	37,04,843	30,88,35,713	18,95,434	15,57,47,812
	Finance costs	24	5,96,09,042	4,96,90,09,741	4,53,03,574	3,72,25,94,675
	Depreciation and amortisation expenses		17,77,882	14,82,04,244	14,02,269	11,52,24,444
	Operating and other expenses	25	1,36,89,667	1,14,11,70,642	1,33,10,684	1,09,37,38,905
	<b>Total expenses</b>		<b>28,63,12,304</b>	<b>23,86,69,93,663</b>	<b>27,23,34,864</b>	<b>22,37,77,55,776</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>(1,01,94,217)</b>	<b>(84,97,89,932)</b>	<b>34,53,197</b>	<b>28,37,49,196</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		11,91,269	9,93,04,184	8,94,422	7,34,94,656
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>11,91,269</b>	<b>9,93,04,184</b>	<b>8,94,422</b>	<b>7,34,94,656</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(1,13,85,486)</b>	<b>(94,90,94,116)</b>	<b>25,58,775</b>	<b>21,02,54,540</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	5,147	4,29,054	5,147	4,22,929
Cables	7,00,576	5,84,00,015	7,00,576	5,75,66,330
Plant and machinery	88,15,315	73,48,44,658	81,01,546	66,57,04,035
Furniture and fixtures	10,380	8,65,277	10,380	8,52,925
Computers	8,90,080	7,41,97,069	6,10,955	5,02,02,172
Office equipment	36,998	30,84,153	36,998	30,40,126
(a)	1,04,58,496	87,18,20,226	94,65,602	77,77,88,517
<b>Accumulated depreciation:</b>				
Lease hold improvement	5,147	4,29,054	5,147	4,22,929
Cables	4,64,605	3,87,29,473	3,93,861	3,23,63,558
Plant and machinery	67,63,681	56,38,20,448	61,00,515	50,12,79,318
Furniture and fixtures	10,380	8,65,277	10,380	8,52,925
Computers	5,42,591	4,52,30,386	3,89,534	3,20,08,009
Office equipment	36,998	30,84,153	36,325	29,84,825
(b)	78,23,402	65,21,58,791	69,35,762	56,99,11,564
<b>Net block (a) - (b)</b>	<b>26,35,094</b>	<b>21,96,61,435</b>	<b>25,29,840</b>	<b>20,78,76,953</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	39,71,668	33,10,78,244	39,43,908	32,40,70,920
(a)	39,71,668	33,10,78,244	39,43,908	32,40,70,920
<b>Accumulated amortisation:</b>				
Computer software	26,61,089	22,18,28,379	18,66,273	15,33,51,652
(b)	26,61,089	22,18,28,379	18,66,273	15,33,51,652
<b>Net block (a) - (b)</b>	<b>13,10,579</b>	<b>10,92,49,865</b>	<b>20,77,635</b>	<b>17,07,19,268</b>

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments in subsidiaries	42,15,57,050	35,14,09,95,688	33,45,66,420	27,49,13,22,731
Impairment of investment in subsidiaries	(47,10,239)	(39,26,45,523)	(47,10,239)	(38,70,40,339)
<b>Total</b>	<b>41,68,46,811</b>	<b>34,74,83,50,165</b>	<b>32,98,56,181</b>	<b>27,10,42,82,392</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	37,95,92,206	31,64,28,06,292	42,47,43,480	34,90,11,71,752
<b>Total</b>	<b>37,95,92,206</b>	<b>31,64,28,06,292</b>	<b>42,47,43,480</b>	<b>34,90,11,71,752</b>

## 5 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	8,570	7,14,395	444	36,483
MTM on IRS	15,07,478	12,56,63,366	2,01,660	1,65,70,402
<b>Total</b>	<b>15,16,048</b>	<b>12,63,77,761</b>	<b>2,02,104</b>	<b>1,66,06,885</b>

## 6 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	6,59,291	5,49,58,498	11,12,971	9,14,52,827
<b>Total</b>	<b>6,59,291</b>	<b>5,49,58,498</b>	<b>11,12,971</b>	<b>9,14,52,827</b>

## 7 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	23,52,935	19,61,40,662	34,19,532	28,09,82,944
Provision for doubtful debts	(98,260)	(81,90,954)	(1,24,662)	(1,02,43,477)
<b>Total</b>	<b>22,54,675</b>	<b>18,79,49,708</b>	<b>32,94,870</b>	<b>27,07,39,467</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	46,84,952	39,05,37,599	33,60,615	27,61,41,735
<b>Total</b>	<b>46,84,952</b>	<b>39,05,37,599</b>	<b>33,60,615</b>	<b>27,61,41,735</b>

## 9 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	-	-	8,202	6,73,958
Interest Receivable on Inter Co. Loan (Net)	1,13,64,191	94,73,18,962	1,41,31,653	1,16,11,97,927
MTM on IRS	44,45,849	37,06,05,973	35,44,366	29,12,40,554
Others	20,224	16,85,873	19,084	15,68,132
<b>Total</b>	<b>1,58,30,264</b>	<b>1,31,96,10,808</b>	<b>1,77,03,305</b>	<b>1,45,46,80,571</b>

## 10 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	8,95,811	7,46,74,805	18,000	14,79,060
Provision for doubtful advance	(3,441)	(2,86,842)	-	-
Prepaid expenses	14,00,203	11,67,20,922	7,75,143	6,36,93,500
Indirect tax receivable	5,86,960	4,89,28,986	2,26,857	1,86,40,840
Others	2,01,164	1,67,69,031	1,575	1,29,418
<b>Total</b>	<b>30,80,697</b>	<b>25,68,06,902</b>	<b>10,21,575</b>	<b>8,39,42,818</b>

## 11 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	17,98,00,561	14,98,81,74,765	17,98,00,561	14,77,42,12,097
<b>Total</b>	<b>17,98,00,561</b>	<b>14,98,81,74,765</b>	<b>17,98,00,561</b>	<b>14,77,42,12,097</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(6,34,88,144)	(5,29,23,71,684)	(6,60,46,919)	(5,42,70,75,336)
ECL impact	(49,354)	(41,14,149)	-	-
Profit / (loss) for the year	(1,13,85,486)	(94,90,94,116)	25,58,775	21,02,54,540
<b>Closing balance</b>	<b>(7,49,22,984)</b>	<b>(6,24,55,79,949)</b>	<b>(6,34,88,144)</b>	<b>(5,21,68,20,796)</b>
OCI - Reserves derivatives	44,77,546	37,32,48,235	16,61,346	13,65,12,801
<b>Total</b>	<b>(7,04,45,438)</b>	<b>(5,87,23,31,714)</b>	<b>(6,18,26,798)</b>	<b>(5,08,03,07,995)</b>

## 13 Non-current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Loan from banks	30,00,00,000	25,00,80,00,000	50,00,00,000	41,08,50,00,000
<b>Total</b>	<b>30,00,00,000</b>	<b>25,00,80,00,000</b>	<b>50,00,00,000</b>	<b>41,08,50,00,000</b>

## 14 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Derivative liabilities	-	-	15,88,116	13,04,95,492
<b>Total</b>	<b>-</b>	<b>-</b>	<b>15,88,116</b>	<b>13,04,95,492</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 15 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Retention liability	37,386	31,16,497	95,687	78,62,601
<b>Total</b>	<b>37,386</b>	<b>31,16,497</b>	<b>95,687</b>	<b>78,62,601</b>

## 16 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Loan from bank	21,00,00,000	17,50,56,00,000	-	-
Current portion of long term loans	20,00,00,000	16,67,20,00,000	15,00,00,000	12,32,55,00,000
<b>Total</b>	<b>41,00,00,000</b>	<b>34,17,76,00,000</b>	<b>15,00,00,000</b>	<b>12,32,55,00,000</b>

## 17 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	45,29,685	37,75,94,543	44,18,394	36,30,59,435
Inter Company - Payables (Net)	10,28,877	8,57,67,187	1,03,97,963	85,44,00,620
<b>Total</b>	<b>55,58,562</b>	<b>46,33,61,730</b>	<b>1,48,16,357</b>	<b>1,21,74,60,055</b>

## 18 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	3,06,866	2,55,80,350	1,86,243	1,53,03,587
Interest accrued but not due -others	6,14,460	5,12,21,386	2,87,254	2,36,03,661
Others	(4)	(333)	-	-
<b>Total</b>	<b>9,21,322</b>	<b>7,68,01,403</b>	<b>4,73,497</b>	<b>3,89,07,248</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 19 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	7,92,073	6,60,27,205	5,87,208	4,82,50,881
Other Employee dues	8,53,321	7,11,32,839	2,94,214	2,41,75,564
Other Statutory dues	1,68,523	1,40,48,077	1,69,723	1,39,46,139
Others	3	250	-	-
<b>Total</b>	<b>18,13,920</b>	<b>15,12,08,371</b>	<b>10,51,145</b>	<b>8,63,72,584</b>

## 20 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	84,476	70,41,919	58,521	48,08,671
<b>Total</b>	<b>84,476</b>	<b>70,41,919</b>	<b>58,521</b>	<b>48,08,671</b>

## 21 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	93,937	78,30,588	25,530	20,97,800
Interest on loan to subsidiaries	4,46,97,115	3,72,59,51,506	4,56,15,587	3,74,82,32,784
Exchange gain -Net	-	-	15,55,743	12,78,35,402
Miscellaneous income	5,06,534	4,22,24,674	4,74,849	3,90,18,342
<b>Total</b>	<b>4,52,97,586</b>	<b>3,77,60,06,768</b>	<b>4,76,71,709</b>	<b>3,91,71,84,328</b>

## 22 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	20,75,30,870	17,29,97,73,323	21,04,22,903	17,29,04,49,940
<b>Total</b>	<b>20,75,30,870</b>	<b>17,29,97,73,323</b>	<b>21,04,22,903</b>	<b>17,29,04,49,940</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 23 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	36,79,019	30,66,83,024	18,67,706	15,34,69,402
Staff welfare expenses	25,824	21,52,689	27,728	22,78,410
<b>Total</b>	<b>37,04,843</b>	<b>30,88,35,713</b>	<b>18,95,434</b>	<b>15,57,47,812</b>

## 24 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	3,65,42,021	3,04,61,42,871	2,68,84,866	2,20,91,29,439
Interest on inter companies loan	2,03,33,601	1,69,50,08,979	1,56,85,708	1,28,88,94,626
Guarantee fees	27,33,420	22,78,57,891	27,33,000	22,45,70,610
<b>Total</b>	<b>5,96,09,042</b>	<b>4,96,90,09,741</b>	<b>4,53,03,574</b>	<b>3,72,25,94,675</b>

## 25 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	62,299	51,93,245	1,980	1,62,697
Auditors remuneration	1,71,845	1,43,24,999	1,55,306	1,27,61,494
Communication expenses	17,533	14,61,551	19,158	15,74,213
Directors fees	16,717	13,93,529	7,523	6,18,165
Electricity	1,81,517	1,51,31,257	1,27,858	1,05,06,092
Entertainment expenses	1,383	1,15,287	663	54,479
Exchange loss -Net	22,69,070	18,91,49,675	-	-
Insurance expenses	14,495	12,08,303	14,970	12,30,085
IT consumables	3,774	3,14,601	1,599	1,31,390
Legal and professional fees	16,53,422	13,78,29,258	39,22,233	32,22,89,886
Miscellaneous expenses	1,83,466	1,52,93,726	2,68,637	2,20,73,902
Printing and stationery	925	77,108	1,452	1,19,311
Provision for doubtful debts	(75,758)	(63,15,187)	43,219	35,51,305
Provision For Doubtful advances	27	2,251	79	6,491
Rates and Taxes	44,467	37,06,769	35,925	29,51,957
Recruitment expenses	15,377	12,81,827	(22,824)	(18,75,448)
Relocation Expense	14,099	11,75,293	7,813	6,41,994
Rent	1,08,353	90,32,306	41,673	34,24,270
Repairs and Maintenance - Plant & Machinery	19,90,566	16,59,33,582	16,53,786	13,58,91,596
Repairs and Maintenance -Building	46,328	38,61,902	9,397	7,72,151
Seminars, trainings and conferences	7,318	6,10,028	368	30,239
Services rendered by agencies	68,53,648	57,13,20,097	69,27,705	56,92,49,520
Bad debts written off	10,049	8,37,685	-	-
Travelling and conveyance expenses	98,747	82,31,550	92,164	75,73,116
<b>Total</b>	<b>1,36,89,667</b>	<b>1,14,11,70,642</b>	<b>1,33,10,684</b>	<b>1,09,37,38,905</b>



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## APPENDIX - 18

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **VSNL SNOSPV Pte. Ltd.** ("the subsidiary") registered in Singapore as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Investments in subsidiaries & associates	1	-	-	-	-
	Financial assets					
	(i) Loans	2	-	-	-	-
			-	-	-	-
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Cash and cash equivalents	3	1,067	88,945	3,100	2,54,727
	Other Current assets	4	2,484	2,07,067	2,332	1,91,620
			3,551	2,96,012	5,432	4,46,347
	<b>TOTAL ASSETS</b>		3,551	2,96,012	5,432	4,46,347
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	5	2,54,49,333	2,12,14,56,399	2,54,49,333	2,09,11,71,693
	Other equity	6	(2,87,10,474)	(2,39,33,05,113)	(2,86,91,625)	(2,35,75,90,827)
	<b>Total Equity</b>		(32,61,141)	(27,18,48,714)	(32,42,292)	(26,64,19,134)
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	7	24,50,616	20,42,83,350	24,41,116	20,05,86,502
	(ii) Trade payables	8	8,14,076	6,78,61,376	8,06,608	6,62,78,979
			32,64,692	27,21,44,726	32,47,724	26,68,65,481
	<b>TOTAL EQUITY AND LIABILITIES</b>		3,551	2,96,012	5,432	4,46,347

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations		-	-	-	-
ii	Other Income		-	-	-	-
iii	<b>Total income (i + ii)</b>		-	-	-	-
iv	<b>Expenses:</b>					
	Operating and other expenses	9	18,849	15,71,253	14,124	11,60,570
	<b>Total expenses</b>		18,849	15,71,253	14,124	11,60,570
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		(18,849)	(15,71,253)	(14,124)	(11,60,570)
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		-	-	-	-
	Allowance for loans receivables		-	-	-	-
	Impairment of investment		-	-	-	-
	Impairment loss on goodwill		-	-	-	-
	Provision for litigation		-	-	37,84,274	31,09,53,795
	Inter company loans written off		-	-	-	-
	Inter company loans written back		-	-	-	-
vii	<b>Profit before taxes (v - vi)</b>		(18,849)	(15,71,253)	37,70,150	30,97,93,225
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		-	-	-	-
ix	<b>Profit / (loss) for the year (vii-viii)</b>		(18,849)	(15,71,253)	37,70,150	30,97,93,225

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments in subsidiaries	23,70,46,913	19,76,02,30,668	23,70,46,913	19,47,81,44,841
Impairment of investment in subsidiaries	(23,70,46,913)	(19,76,02,30,668)	(23,70,46,913)	(19,47,81,44,841)
<b>Total</b>	-	-	-	-

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	2,73,59,694	2,28,07,04,092	2,73,59,694	2,24,81,46,056
Allowances for loan receivables	(2,73,59,694)	(2,28,07,04,092)	(2,73,59,694)	(2,24,81,46,056)
<b>Total</b>	-	-	-	-

## 3 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	1,067	88,945	3,100	2,54,727
<b>Total</b>	1,067	88,945	3,100	2,54,727

## 4 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	1,338	1,11,536	1,225	1,00,658
Indirect tax receivable	1,146	95,531	1,107	90,962
<b>Total</b>	2,484	2,07,067	2,332	1,91,620

## 5 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	2,54,49,333	2,12,14,56,399	2,54,49,333	2,09,11,71,693
<b>Total</b>	2,54,49,333	2,12,14,56,399	2,54,49,333	2,09,11,71,693





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 6 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(2,86,91,625)	(2,39,17,33,860)	(3,24,61,775)	(2,66,73,84,052)
Profit / (loss) for the year	(18,849)	(15,71,253)	37,70,150	30,97,93,225
<b>Closing balance</b>	<b>(2,87,10,474)</b>	<b>(2,39,33,05,113)</b>	<b>(2,86,91,625)</b>	<b>(2,35,75,90,827)</b>
<b>Total</b>	<b>(2,87,10,474)</b>	<b>(2,39,33,05,113)</b>	<b>(2,86,91,625)</b>	<b>(2,35,75,90,827)</b>

## 7 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	24,50,616	20,42,83,350	24,41,116	20,05,86,502
<b>Total</b>	<b>24,50,616</b>	<b>20,42,83,350</b>	<b>24,41,116</b>	<b>20,05,86,502</b>

## 8 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	16,383	13,65,688	8,914	7,32,463
Inter Company - Payables (Net)	7,97,693	6,64,95,688	7,97,694	6,55,46,516
<b>Total</b>	<b>8,14,076</b>	<b>6,78,61,376</b>	<b>8,06,608</b>	<b>6,62,78,979</b>

## 9 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	3,345	2,78,839	2,874	2,36,157
Exchange loss -Net	221	18,423	3,041	2,49,879
Legal and professional fees	14,752	12,29,727	7,721	6,34,435
Miscellaneous expenses	531	44,264	488	40,099
<b>Total</b>	<b>18,849</b>	<b>15,71,253</b>	<b>14,124</b>	<b>11,60,570</b>



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## **APPENDIX - 19**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Sweden) AB** ("the subsidiary") registered in Sweden as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	3,00,443	2,50,44,927	3,41,218	2,80,37,883
	Capital work-in-progress		2,13,917	1,78,32,121	1,31,146	1,07,76,267
	Intangible assets under development		1,054	87,861	-	-
	Financial assets					
	(i) Loans	2	5,08,737	4,24,08,316	-	-
	Deferred tax assets (net)		91,132	75,96,764	89,085	73,20,114
	Other Non-current assets	3	5,298	4,41,641	5,290	4,34,679
			11,20,581	9,34,11,630	5,66,739	4,65,68,943
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	8,70,157	7,25,36,288	31,80,802	26,13,66,499
	(ii) Cash and cash equivalents	5	33,575	27,98,812	37,573	30,87,373
	(iii) Other financial assets	6	19,591	16,33,106	4,242	3,48,565
	Other Current assets	7	1,08,584	90,51,562	2,38,370	1,95,86,863
			10,31,907	8,60,19,768	34,60,987	28,43,89,300
	<b>TOTAL ASSETS</b>		21,52,488	17,94,31,398	40,27,726	33,09,58,243
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	4,89,779	4,08,27,977	3,64,779	2,99,73,890
	Other equity	9	(2,89,816)	(2,41,59,062)	(2,59,787)	(2,13,46,698)
	<b>Total Equity</b>		1,99,963	1,66,68,915	1,04,992	86,27,192
(2)	<b>Non-current liabilities</b>					
	Other liabilities (Deferred revenue)		3,430	2,85,925	10,484	8,61,470
			3,430	2,85,925	10,484	8,61,470
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	10	-	-	17,46,240	14,34,88,541
	(ii) Trade payables	11	18,74,492	15,62,57,651	20,74,756	17,04,82,699
	(iii) Other financial liabilities	12	-	-	64,573	53,05,963
	Other current liabilities	13	74,603	62,18,907	26,681	21,92,378
			19,49,095	16,24,76,558	39,12,250	32,14,69,581
	<b>TOTAL EQUITY AND LIABILITIES</b>		21,52,488	17,94,31,398	40,27,726	33,09,58,243

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



Tata Communications (Sweden) AB

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations		62,68,067	52,25,06,065	48,47,039	39,82,81,195
ii	Other Income	14	15,522	12,93,914	808	66,393
iii	<b>Total income (i + ii)</b>		<b>62,83,589</b>	<b>52,37,99,979</b>	<b>48,47,847</b>	<b>39,83,47,588</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	15	37,74,196	31,46,16,979	33,17,174	27,25,72,188
	Employee benefits expenses	16	57	4,752	-	-
	Finance costs	17	48,810	40,68,802	82,121	67,47,882
	Depreciation and amortisation expenses		1,27,417	1,06,21,481	1,00,328	82,43,952
	Operating and other expenses	18	23,64,601	19,71,13,139	14,28,349	11,73,67,437
	<b>Total expenses</b>		<b>63,15,081</b>	<b>52,64,25,153</b>	<b>49,27,972</b>	<b>40,49,31,459</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>(31,492)</b>	<b>(26,25,174)</b>	<b>(80,125)</b>	<b>(65,83,871)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		(2,047)	(1,70,638)	14,763	12,13,076
	<b>Net tax expenses</b>		<b>(2,047)</b>	<b>(1,70,638)</b>	<b>14,763</b>	<b>12,13,076</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(29,445)</b>	<b>(24,54,536)</b>	<b>(94,888)</b>	<b>(77,96,947)</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	12,59,165	10,49,63,994	12,11,617	9,95,58,569
Computers	1,054	87,861	1,054	86,607
Office equipment	2,104	1,75,389	2,104	1,72,886
(a)	12,62,323	10,52,27,244	12,14,775	9,98,18,062
<b>Accumulated depreciation:</b>				
Plant and machinery	9,59,366	7,99,72,750	8,71,394	7,16,02,445
Computers	410	34,178	59	4,848
Office equipment	2,104	1,75,389	2,104	1,72,886
(b)	9,61,880	8,01,82,317	8,73,557	7,17,80,179
<b>Net block (a) - (b)</b>	<b>3,00,443</b>	<b>2,50,44,927</b>	<b>3,41,218</b>	<b>2,80,37,883</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	5,08,737	4,24,08,316	-	-
<b>Total</b>	<b>5,08,737</b>	<b>4,24,08,316</b>	<b>-</b>	<b>-</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	5,298	4,41,641	5,290	4,34,679
<b>Total</b>	<b>5,298</b>	<b>4,41,641</b>	<b>5,290</b>	<b>4,34,679</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	6,21,450	5,18,04,072	8,62,720	7,08,89,702
Intercompany receivables (Net)	2,52,150	2,10,19,224	23,18,138	19,04,81,399
Provision for doubtful debts	(3,443)	(2,87,008)	(56)	(4,602)
<b>Total</b>	<b>8,70,157</b>	<b>7,25,36,288</b>	<b>31,80,802</b>	<b>26,13,66,499</b>

## 5 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	33,575	27,98,812	37,573	30,87,373
<b>Total</b>	<b>33,575</b>	<b>27,98,812</b>	<b>37,573</b>	<b>30,87,373</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	19,466	16,22,686	-	-
Others	125	10,420	4,242	3,48,565
<b>Total</b>	<b>19,591</b>	<b>16,33,106</b>	<b>4,242</b>	<b>3,48,565</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Provision for doubtful advance	(202)	(16,839)	-	-
Prepaid expenses	10,816	9,01,622	33,976	27,91,808
Indirect tax receivable	97,970	81,66,779	2,04,394	1,67,95,055
<b>Total</b>	<b>1,08,584</b>	<b>90,51,562</b>	<b>2,38,370</b>	<b>1,95,86,863</b>



## 8 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	4,89,779	4,08,27,977	3,64,779	2,99,73,890
<b>Total</b>	<b>4,89,779</b>	<b>4,08,27,977</b>	<b>3,64,779</b>	<b>2,99,73,890</b>

## 9 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(2,59,787)	(2,16,55,844)	(1,64,899)	(1,35,49,751)
ECL impact	(584)	(48,682)	-	-
Profit / (loss) for the year	(29,445)	(24,54,536)	(94,888)	(77,96,947)
<b>Closing balance</b>	<b>(2,89,816)</b>	<b>(2,41,59,062)</b>	<b>(2,59,787)</b>	<b>(2,13,46,698)</b>
<b>Total</b>	<b>(2,89,816)</b>	<b>(2,41,59,062)</b>	<b>(2,59,787)</b>	<b>(2,13,46,698)</b>

## 10 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Loan from bank	-	-	-	-
Current portion of long term loans	-	-	-	-
Inter company loans taken (Net)	-	-	17,46,240	14,34,88,541
<b>Total</b>	<b>-</b>	<b>-</b>	<b>17,46,240</b>	<b>14,34,88,541</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	18,74,492	15,62,57,651	20,74,756	17,04,82,699
<b>Total</b>	<b>18,74,492</b>	<b>15,62,57,651</b>	<b>20,74,756</b>	<b>17,04,82,699</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	-	-	64,573	53,05,963
<b>Total</b>	-	-	64,573	53,05,963

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	17,396	14,50,131	26,681	21,92,378
Other Employee dues	57,207	47,68,776	-	-
<b>Total</b>	74,603	62,18,907	26,681	21,92,378

## 14 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	2,305	1,92,145	279	22,925
Interest on loan to subsidiaries	12,677	10,56,755	-	-
Miscellaneous income	540	45,014	529	43,468
<b>Total</b>	15,522	12,93,914	808	66,393

## 15 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	37,74,196	31,46,16,979	33,17,174	27,25,72,188
<b>Total</b>	37,74,196	31,46,16,979	33,17,174	27,25,72,188





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 16 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Staff welfare expenses	57	4,752	-	-
<b>Total</b>	<b>57</b>	<b>4,752</b>	<b>-</b>	<b>-</b>

## 17 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	-	-	8	657
Interest on inter companies loan	48,810	40,68,802	82,113	67,47,225
<b>Total</b>	<b>48,810</b>	<b>40,68,802</b>	<b>82,121</b>	<b>67,47,882</b>

## 18 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	51,600	43,01,376	25,496	20,95,006
Auditors remuneration	20,475	17,06,796	20,475	16,82,431
Communication expenses	503	41,930	717	58,916
Electricity	54,670	45,57,291	62,838	51,63,398
Exchange loss -Net	2,33,263	1,94,44,804	1,19,868	98,49,554
Insurance expenses	3,411	2,84,341	3,177	2,61,054
IT consumables	-	-	548	45,029
Legal and professional fees	28,319	23,60,672	28,914	23,75,863
Miscellaneous expenses	9,617	8,01,673	4,690	3,85,377
Provision for doubtful debts	2,804	2,33,741	(19)	(1,561)
Rent	85,251	71,06,523	405	33,279
Repairs and Maintenance - Plant & Machinery	11,98,344	9,98,93,956	9,64,517	7,92,54,362
Repairs and Maintenance -Building	175	14,588	-	-
Services rendered by agencies	3,63,791	3,03,25,618	9,635	7,91,708
Travelling and conveyance expenses	3,12,378	2,60,39,830	1,87,088	1,53,73,021
<b>Total</b>	<b>23,64,601</b>	<b>19,71,13,139</b>	<b>14,28,349</b>	<b>11,73,67,437</b>



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## APPENDIX - 20

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Portugal) Instalacao E Manutencao De Redes, Lda** ("the subsidiary") registered in Portugal as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	27,52,539	22,94,51,652	32,51,745	26,71,95,886
	Capital work-in-progress		1,42,197	1,18,53,542	7,522	6,18,083
	Intangible assets under development		30,462	25,39,312	-	-
	Financial assets					
	(i) Loans	2	20,37,871	16,98,76,927	32,48,794	26,69,53,403
	Advance tax (net)		24,800	20,67,328	1,10,786	91,03,286
	Other Non-current assets	3	970	80,859	4,512	3,70,751
			49,88,839	41,58,69,620	66,23,359	54,42,41,409
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	5,05,569	4,21,44,232	2,81,656	2,31,43,673
	(ii) Cash and cash equivalents	5	79,128	65,96,110	84,138	69,13,619
	(iii) Other financial assets	6	69,878	58,25,030	71,291	58,57,982
	Other Current assets	7	96,502	80,44,407	1,51,207	1,24,24,679
			7,51,077	6,26,09,779	5,88,292	4,83,39,953
	<b>TOTAL ASSETS</b>		<b>57,39,916</b>	<b>47,84,79,399</b>	<b>72,11,651</b>	<b>59,25,81,362</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	6,07,14,551	5,06,11,64,971	6,07,14,551	4,98,89,14,656
	Other equity	9	(5,91,26,276)	(4,92,87,66,368)	(5,94,53,737)	(4,88,53,13,570)
	<b>Total Equity</b>		<b>15,88,275</b>	<b>13,23,98,603</b>	<b>12,60,814</b>	<b>10,36,01,086</b>
(2)	<b>Non-current liabilities</b>					
	Provisions	10	5,44,755	4,54,10,777	5,44,240	4,47,20,201
	Other liabilities (Deferred revenue)		14,08,472	11,74,10,226	22,17,058	18,21,75,656
			19,53,227	16,28,21,003	27,61,298	22,68,95,857
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	11	11,17,044	9,31,16,790	19,15,361	15,73,85,213
	(ii) Other financial liabilities	12	50,547	42,13,598	50,612	41,58,788
	Other current liabilities	13	10,18,739	8,49,22,083	12,13,234	9,96,91,438
	Provisions	14	12,084	10,07,322	10,332	8,48,980
			21,98,414	18,32,59,793	31,89,539	26,20,84,419
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>57,39,916</b>	<b>47,84,79,399</b>	<b>72,11,651</b>	<b>59,25,81,362</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
<b>A</b>	<b>CONTINUED OPERATIONS</b>					
i	Revenue from operations	15	51,14,413	42,63,37,468	40,50,804	33,28,54,565
ii	Other Income		4,22,094	3,51,85,756	3,44,526	2,83,09,701
iii	<b>Total income (i + ii)</b>		<b>55,36,507</b>	<b>46,15,23,224</b>	<b>43,95,330</b>	<b>36,11,64,266</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	16	18,08,233	15,07,34,303	12,30,480	10,11,08,542
	Employee benefits expenses	17	5,00,696	4,17,38,019	5,57,219	4,57,86,685
	Finance costs	18	2,64,237	2,20,26,796	2,02,509	1,66,40,164
	Depreciation and amortisation expenses	19	8,01,571	6,68,18,959	8,13,966	6,68,83,586
	Operating and other expenses		17,80,061	14,83,85,886	12,02,821	9,88,35,803
	<b>Total expenses</b>		<b>51,54,798</b>	<b>42,97,03,963</b>	<b>40,06,995</b>	<b>32,92,54,780</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>3,81,709</b>	<b>3,18,19,261</b>	<b>3,88,335</b>	<b>3,19,09,486</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		49,698	41,42,825	1,50,834	1,23,94,030
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>49,698</b>	<b>41,42,825</b>	<b>1,50,834</b>	<b>1,23,94,030</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>3,32,011</b>	<b>2,76,76,436</b>	<b>2,37,501</b>	<b>1,95,15,456</b>

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	65,449	54,55,829	65,449	53,77,944
Building	1,32,958	1,10,83,379	1,32,958	1,09,25,159
Cables	60,23,535	50,21,21,878	60,38,338	49,61,70,233
Plant and machinery	1,19,22,562	99,38,64,768	1,13,61,309	93,35,58,761
Furniture and fixtures	18,598	15,50,329	18,598	15,28,198
Computers	38,962	32,47,872	28,518	23,43,324
Office equipment	1,47,841	1,23,24,026	1,47,841	1,21,48,095
(a)	1,83,49,905	1,52,96,48,081	1,77,93,011	1,46,20,51,714
<b>Accumulated depreciation:</b>				
Building	1,09,287	91,10,164	1,05,499	86,68,853
Cables	49,28,907	41,08,73,688	45,55,585	37,43,32,419
Plant and machinery	1,03,74,829	86,48,45,745	97,20,793	79,87,57,561
Furniture and fixtures	14,748	12,29,393	14,062	11,55,475
Computers	36,950	30,80,152	28,518	23,43,324
Office equipment	1,32,645	1,10,57,287	1,16,809	95,98,196
(b)	1,55,97,366	1,30,01,96,429	1,45,41,266	1,19,48,55,828
<b>Net block (a) - (b)</b>	<b>27,52,539</b>	<b>22,94,51,652</b>	<b>32,51,745</b>	<b>26,71,95,886</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	20,37,871	16,98,76,927	32,48,794	26,69,53,403
<b>Total</b>	<b>20,37,871</b>	<b>16,98,76,927</b>	<b>32,48,794</b>	<b>26,69,53,403</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	970	80,859	4,512	3,70,751
<b>Total</b>	<b>970</b>	<b>80,859</b>	<b>4,512</b>	<b>3,70,751</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	4,73,569	3,94,76,712	3,29,778	2,70,97,858
Intercompany receivables (Net)	84,572	70,49,922	-	-
Provision for doubtful debts	(52,572)	(43,82,402)	(48,122)	(39,54,185)
<b>Total</b>	<b>5,05,569</b>	<b>4,21,44,232</b>	<b>2,81,656</b>	<b>2,31,43,673</b>

## 5 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	79,128	65,96,110	84,138	69,13,619
<b>Total</b>	<b>79,128</b>	<b>65,96,110</b>	<b>84,138</b>	<b>69,13,619</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	69,701	58,10,275	67,709	55,63,649
Others	177	14,755	3,582	2,94,333
<b>Total</b>	<b>69,878</b>	<b>58,25,030</b>	<b>71,291</b>	<b>58,57,982</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	62,883	52,41,927	69,442	57,06,049
Provision for doubtful advance	(2,201)	(1,83,475)	-	-
Prepaid expenses	35,806	29,84,788	81,765	67,18,630
Indirect tax receivable	14	1,167	-	-
<b>Total</b>	<b>96,502</b>	<b>80,44,407</b>	<b>1,51,207</b>	<b>1,24,24,679</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	6,07,14,551	5,06,11,64,971	6,07,14,551	4,98,89,14,656
<b>Total</b>	<b>6,07,14,551</b>	<b>5,06,11,64,971</b>	<b>6,07,14,551</b>	<b>4,98,89,14,656</b>

## 9 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(5,94,53,737)	(4,95,60,63,516)	(5,96,91,238)	(4,90,48,29,026)
ECL impact	(4,550)	(3,79,288)	-	-
Profit / (loss) for the year	3,32,011	2,76,76,436	2,37,501	1,95,15,456
<b>Closing balance</b>	<b>(5,91,26,276)</b>	<b>(4,92,87,66,368)</b>	<b>(5,94,53,737)</b>	<b>(4,88,53,13,570)</b>
<b>Total</b>	<b>(5,91,26,276)</b>	<b>(4,92,87,66,368)</b>	<b>(5,94,53,737)</b>	<b>(4,88,53,13,570)</b>

## 10 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	5,44,755	4,54,10,777	5,44,240	4,47,20,201
<b>Total</b>	<b>5,44,755</b>	<b>4,54,10,777</b>	<b>5,44,240</b>	<b>4,47,20,201</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	11,17,044	9,31,16,790	10,15,033	8,34,05,261
Inter Company - Payables (Net)	-	-	9,00,328	7,39,79,952
<b>Total</b>	<b>11,17,044</b>	<b>9,31,16,790</b>	<b>19,15,361</b>	<b>15,73,85,213</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	50,547	42,13,598	50,612	41,58,788
<b>Total</b>	<b>50,547</b>	<b>42,13,598</b>	<b>50,612</b>	<b>41,58,788</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	9,64,780	8,04,24,061	11,78,495	9,68,36,934
Other Employee dues	53,959	44,98,022	34,739	28,54,504
<b>Total</b>	<b>10,18,739</b>	<b>8,49,22,083</b>	<b>12,13,234</b>	<b>9,96,91,438</b>

## 14 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	12,084	10,07,322	10,332	8,48,980
<b>Total</b>	<b>12,084</b>	<b>10,07,322</b>	<b>10,332</b>	<b>8,48,980</b>

## 15 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	4,16,084	3,46,84,762	3,40,997	2,80,19,723
Miscellaneous income	6,010	5,00,994	3,529	2,89,978
<b>Total</b>	<b>4,22,094</b>	<b>3,51,85,756</b>	<b>3,44,526</b>	<b>2,83,09,701</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 16 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	18,08,233	15,07,34,303	12,30,480	10,11,08,542
<b>Total</b>	<b>18,08,233</b>	<b>15,07,34,303</b>	<b>12,30,480</b>	<b>10,11,08,542</b>

## 17 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	5,39,536	4,49,75,721	3,66,193	3,00,90,079
Staff welfare expenses	(38,840)	(32,37,702)	1,91,026	1,56,96,606
<b>Total</b>	<b>5,00,696</b>	<b>4,17,38,019</b>	<b>5,57,219</b>	<b>4,57,86,685</b>

## 18 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	515	42,930	466	38,291
Interest on inter companies loan	2,63,722	2,19,83,866	2,02,043	1,66,01,873
<b>Total</b>	<b>2,64,237</b>	<b>2,20,26,796</b>	<b>2,02,509</b>	<b>1,66,40,164</b>

## 19 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	3,11,740	2,59,86,646	-	-
Auditors remuneration	28,350	23,63,256	28,350	23,29,520
Communication expenses	15,450	12,87,912	11,021	9,05,596
Electricity	4,55,421	3,79,63,895	2,89,439	2,37,83,203
Entertainment expenses	10	834	-	-
Exchange loss -Net	1,15,783	96,51,671	402	33,032
Insurance expenses	13,102	10,92,183	8,051	6,61,551
IT consumables	954	79,525	233	19,146
Legal and professional fees	1,08,336	90,30,889	1,43,147	1,17,62,389
Miscellaneous expenses	47,757	39,81,024	18,379	15,10,202
Printing and stationery	2,025	1,68,804	2,872	2,35,992
Provision for doubtful debts	(104)	(8,669)	762	62,614
Provision For Doubtful advances	(300)	(25,008)	-	-
Rates and Taxes	1,73,848	1,44,91,969	1,31,100	1,07,72,487
Recruitment expenses	243	20,256	-	-
Rent	252	21,007	464	38,127
Repairs and Maintenance - Plant & Machinery	4,88,399	4,07,12,941	4,17,820	3,43,32,269
Repairs and Maintenance -Building	(50,012)	(41,69,000)	1,12,793	92,68,201
Services rendered by agencies	29,029	24,19,857	23,504	19,31,324
Travelling and conveyance expenses	39,778	33,15,894	14,484	11,90,150
<b>Total</b>	<b>17,80,061</b>	<b>14,83,85,886</b>	<b>12,02,821</b>	<b>9,88,35,803</b>



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## APPENDIX - 21

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Portugal), Unipessoal Lda** ("the subsidiary") registered in Portugal as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Investments in subsidiaries & associates	1	9,56,205	7,97,09,249	9,56,205	7,85,71,365
	Financial assets					
	(i) Loans	2	5,21,907	4,35,06,168	5,20,234	4,27,47,628
			14,78,112	12,32,15,417	14,76,439	12,13,18,993
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	3	1,734	1,44,546	-	-
	(ii) Cash and cash equivalents	4	7,817	6,51,625	8,234	6,76,588
	(iii) Other financial assets	5	15,499	12,91,997	13,548	11,13,239
			25,050	20,88,168	21,782	17,89,827
	<b>TOTAL ASSETS</b>		15,03,162	12,53,03,585	14,98,221	12,31,08,820
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	6	13,93,444	11,61,57,492	13,93,444	11,44,99,293
	Other equity	7	90,816	75,70,422	71,110	58,43,109
	<b>Total Equity</b>		14,84,260	12,37,27,914	14,64,554	12,03,42,402
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	8	14,677	12,23,475	30,343	24,93,285
	Current tax liability (Net)		4,225	3,52,196	3,324	2,73,133
			18,902	15,75,671	33,667	27,66,418
	<b>TOTAL EQUITY AND LIABILITIES</b>		15,03,162	12,53,03,585	14,98,221	12,31,08,820

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



Tata Communications (Portugal) Unipessoal, LDA.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	9	-	-	-	-
ii	Other Income		47,620	39,19,587	25,853	21,24,341
iii	<b>Total income (i + ii)</b>		<b>47,020</b>	<b>39,19,587</b>	<b>25,853</b>	<b>21,24,341</b>
iv	Expenses:	10				
	Operating and other expenses		20,507	17,09,463	14,223	11,68,703
	<b>Total expenses</b>		<b>20,507</b>	<b>17,09,463</b>	<b>14,223</b>	<b>11,68,703</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>26,513</b>	<b>22,10,124</b>	<b>11,630</b>	<b>9,55,638</b>
vi	Tax expenses					
	(i) Current tax expense/(benefit)		6,807	5,67,432	4,581	3,76,421
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>6,807</b>	<b>5,67,432</b>	<b>4,581</b>	<b>3,76,421</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>19,706</b>	<b>16,42,692</b>	<b>7,049</b>	<b>5,79,217</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments in subsidiaries	9,56,205	7,97,09,249	9,56,205	7,85,71,365
<b>Total</b>	<b>9,56,205</b>	<b>7,97,09,249</b>	<b>9,56,205</b>	<b>7,85,71,365</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	5,21,907	4,35,06,168	5,20,234	4,27,47,628
<b>Total</b>	<b>5,21,907</b>	<b>4,35,06,168</b>	<b>5,20,234</b>	<b>4,27,47,628</b>

## 3 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Intercompany receivables (Net)	1,734	1,44,546	-	-
<b>Total</b>	<b>1,734</b>	<b>1,44,546</b>	<b>-</b>	<b>-</b>

## 4 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	7,817	6,51,625	8,234	6,76,588
<b>Total</b>	<b>7,817</b>	<b>6,51,625</b>	<b>8,234</b>	<b>6,76,588</b>

## 5 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	15,499	12,91,997	13,548	11,13,239
<b>Total</b>	<b>15,499</b>	<b>12,91,997</b>	<b>13,548</b>	<b>11,13,239</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 6 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	13,93,444	11,61,57,492	13,93,444	11,44,99,293
<b>Total</b>	<b>13,93,444</b>	<b>11,61,57,492</b>	<b>13,93,444</b>	<b>11,44,99,293</b>

## 7 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	71,110	59,27,730	64,061	52,63,892
Profit / (loss) for the year	19,706	16,42,692	7,049	5,79,217
<b>Closing balance</b>	<b>90,816</b>	<b>75,70,422</b>	<b>71,110</b>	<b>58,43,109</b>
<b>Total</b>	<b>90,816</b>	<b>75,70,422</b>	<b>71,110</b>	<b>58,43,109</b>

## 8 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	14,677	12,23,475	9,469	7,78,068
Inter Company - Payables (Net)	-	-	20,874	17,15,217
<b>Total</b>	<b>14,677</b>	<b>12,23,475</b>	<b>30,343</b>	<b>24,93,285</b>

## 9 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	30,762	25,64,320	25,853	21,24,341
Exchange gain -Net	16,258	13,55,267	-	-
<b>Total</b>	<b>47,020</b>	<b>39,19,587</b>	<b>25,853</b>	<b>21,24,341</b>

## 10 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Exchange loss -Net	-	-	7,518	6,17,754
Legal and professional fees	18,337	15,28,572	4,773	3,92,197
Miscellaneous expenses	2,086	1,73,889	1,854	1,52,343
Rates and Taxes	84	7,002	78	6,409
<b>Total</b>	<b>20,507</b>	<b>17,09,463</b>	<b>14,223</b>	<b>11,68,703</b>



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LLP Identity No. AAB-7509

## APPENDIX - 22

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Russia) LLC** ("the subsidiary") registered in Russia as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	1,23,802	1,03,20,134	1,71,979	1,41,31,514
	Other Non-current assets	2	1,257	1,04,784	5,438	4,46,840
			1,25,059	1,04,24,918	1,77,417	1,45,78,354
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	3	27,90,985	23,26,56,510	30,19,714	24,81,29,899
	(ii) Cash and cash equivalents	4	5,23,974	4,36,78,473	1,97,998	1,62,69,496
	(iii) Other financial assets	5	36,331	30,28,553	35,286	28,99,451
	Other Current assets	6	32,761	27,30,956	16,810	13,81,278
			33,84,051	28,20,94,492	32,69,808	26,86,80,124
	<b>TOTAL ASSETS</b>		35,09,110	29,25,19,410	34,47,225	28,32,58,478
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	7	87,254	72,73,493	87,254	71,69,661
	Other equity	8	21,00,507	17,50,98,261	23,17,874	19,04,59,705
	<b>Total Equity</b>		21,87,761	18,23,71,754	24,05,128	19,76,29,366
(2)	<b>Non-current liabilities</b>					
	Deferred tax liabilities (Net)		1,84,601	1,53,88,339	2,21,203	1,81,76,251
			1,84,601	1,53,88,339	2,21,203	1,81,76,251
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	9	9,49,767	7,91,72,580	7,12,399	5,85,37,828
	Other current liabilities	10	16,690	13,91,279	11,804	9,69,934
	Provisions	11	6,586	5,49,009	6,912	5,67,959
	Current tax liability (Net)		1,63,705	1,36,46,449	89,779	73,77,140
			11,36,748	9,47,59,317	8,20,894	6,74,52,861
	<b>TOTAL EQUITY AND LIABILITIES</b>		35,09,110	29,25,19,410	34,47,225	28,32,58,478

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	12	15,93,017	13,27,93,897	14,74,712	12,11,77,085
ii	Other Income		96,907	80,78,167	35,423	29,10,708
iii	<b>Total income (i + ii)</b>		<b>16,89,924</b>	<b>14,08,72,064</b>	<b>15,10,135</b>	<b>12,40,87,793</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	13	9,88,301	8,23,84,771	7,31,669	6,01,21,242
	Employee benefits expenses	14	1,55,221	1,29,39,223	1,63,307	1,34,18,937
	Depreciation and amortisation expenses		48,177	40,16,035	50,398	41,41,204
	Operating and other expenses	15	7,28,923	6,07,63,023	5,14,319	4,22,61,593
	<b>Total expenses</b>		<b>19,20,622</b>	<b>16,01,03,052</b>	<b>14,59,693</b>	<b>11,99,42,976</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>(2,30,698)</b>	<b>(1,92,30,988)</b>	<b>50,442</b>	<b>41,44,817</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		23,036	19,20,281	1,80,443	1,48,27,001
	(ii) Deferred tax expense/(benefit)		(36,602)	(30,51,143)	2,91,071	2,39,17,304
	<b>Net tax expenses</b>		<b>(13,566)</b>	<b>(11,30,862)</b>	<b>4,71,514</b>	<b>3,87,44,305</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(2,17,132)</b>	<b>(1,81,00,126)</b>	<b>(4,21,072)</b>	<b>(3,45,99,488)</b>

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	8,43,948	7,03,51,505	8,56,067	7,03,43,025
Computers	1,925	1,60,468	1,925	1,58,177
(a)	8,45,873	7,05,11,973	8,57,992	7,05,01,202
<b>Accumulated depreciation:</b>				
Plant and machinery	7,20,146	6,00,31,371	6,84,088	5,62,11,511
Computers	1,925	1,60,468	1,925	1,58,177
(b)	7,22,071	6,01,91,839	6,86,013	5,63,69,688
<b>Net block (a) - (b)</b>	<b>1,23,802</b>	<b>1,03,20,134</b>	<b>1,71,979</b>	<b>1,41,31,514</b>

## 2 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	1,257	1,04,784	5,438	4,46,840
<b>Total</b>	<b>1,257</b>	<b>1,04,784</b>	<b>5,438</b>	<b>4,46,840</b>

## 3 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	12,064	10,05,655	10,500	8,62,785
Intercompany receivables (Net)	27,78,964	23,16,54,439	30,09,307	24,72,74,756
Provision for doubtful debts	(43)	(3,584)	(93)	(7,642)
<b>Total</b>	<b>27,90,985</b>	<b>23,26,56,510</b>	<b>30,19,714</b>	<b>24,81,29,899</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	5,23,974	4,36,78,473	1,97,998	1,62,69,496
<b>Total</b>	<b>5,23,974</b>	<b>4,36,78,473</b>	<b>1,97,998</b>	<b>1,62,69,496</b>

## 5 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	10,332	8,61,276	12,380	10,17,265
Others	25,999	21,67,277	22,906	18,82,186
<b>Total</b>	<b>36,331</b>	<b>30,28,553</b>	<b>35,286</b>	<b>28,99,451</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Provision for doubtful advance	(352)	(29,343)	-	-
Prepaid expenses	17,551	14,63,051	16,810	13,81,278
Indirect tax receivable	15,562	12,97,248	-	-
<b>Total</b>	<b>32,761</b>	<b>27,30,956</b>	<b>16,810</b>	<b>13,81,278</b>

## 7 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	87,254	72,73,493	87,254	71,69,661
<b>Total</b>	<b>87,254</b>	<b>72,73,493</b>	<b>87,254</b>	<b>71,69,661</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	23,17,874	19,32,17,977	27,38,946	22,50,59,193
ECL impact	(235)	(19,590)	-	-
Profit / (loss) for the year	(2,17,132)	(1,81,00,126)	(4,21,072)	(3,45,99,488)
<b>Closing balance</b>	<b>21,00,507</b>	<b>17,50,98,261</b>	<b>23,17,874</b>	<b>19,04,59,705</b>
<b>Total</b>	<b>21,00,507</b>	<b>17,50,98,261</b>	<b>23,17,874</b>	<b>19,04,59,705</b>

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	9,49,767	7,91,72,580	7,12,399	5,85,37,828
<b>Total</b>	<b>9,49,767</b>	<b>7,91,72,580</b>	<b>7,12,399</b>	<b>5,85,37,828</b>

## 10 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	(459)	(38,262)	-	-
Other Employee dues	17,099	14,25,373	11,767	9,66,894
Other Statutory dues	50	4,168	37	3,040
<b>Total</b>	<b>16,690</b>	<b>13,91,279</b>	<b>11,804</b>	<b>9,69,934</b>

## 11 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	6,586	5,49,009	6,912	5,67,959
<b>Total</b>	<b>6,586</b>	<b>5,49,009</b>	<b>6,912</b>	<b>5,67,959</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Exchange gain -Net	96,539	80,47,491	-	-
Miscellaneous income	368	30,676	35,423	29,10,708
<b>Total</b>	<b>96,907</b>	<b>80,78,167</b>	<b>35,423</b>	<b>29,10,708</b>

## 13 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	9,88,301	8,23,84,771	7,31,669	6,01,21,242
<b>Total</b>	<b>9,88,301</b>	<b>8,23,84,771</b>	<b>7,31,669</b>	<b>6,01,21,242</b>

## 14 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	1,54,366	1,28,67,950	1,37,627	1,13,08,811
Contribution to provident and other funds	-	-	24,056	19,76,682
Staff welfare expenses	855	71,273	1,624	1,33,444
<b>Total</b>	<b>1,55,221</b>	<b>1,29,39,223</b>	<b>1,63,307</b>	<b>1,34,18,937</b>

## 15 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	771	64,271	-	-
Auditors remuneration	66,202	55,18,599	63,663	52,31,189
Communication expenses	146	12,171	398	32,704
Electricity	1,120	93,363	5,589	4,59,248
Exchange loss -Net	-	-	42,952	35,29,366
Insurance expenses	-	-	2,864	2,35,335
Legal and professional fees	93,299	77,77,405	1,54,547	1,26,99,127
Miscellaneous expenses	2,51,587	2,09,72,292	29,642	24,35,683
Printing and stationery	114	9,503	884	72,638
Provision for doubtful debts	(287)	(23,924)	(2)	(164)
Provision For Doubtful advances	(267)	(22,257)	-	-
Rates and Taxes	2,70,116	2,25,16,870	1,61,870	1,33,00,858
Recruitment expenses	-	-	236	19,392
Relocation Expense	-	-	(4,374)	(3,59,412)
Rent	25,881	21,57,440	38,570	31,69,297
Repairs and Maintenance - Plant & Machinery	13,440	11,20,358	8,280	6,80,368
Services rendered by agencies	6,032	5,02,828	8,241	6,77,163
Travelling and conveyance expenses	769	64,104	959	78,801
<b>Total</b>	<b>7,28,923</b>	<b>6,07,63,023</b>	<b>5,14,319</b>	<b>4,22,61,593</b>





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## APPENDIX - 23

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Switzerland) GmbH** ("the subsidiary") registered in Switzerland as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	2,47,220	2,06,08,259	2,74,737	2,25,75,140
	Capital work-in-progress		1,08,750	90,65,400	1,392	1,14,381
	Financial assets					
	(i) Loans	2	10,52,881	8,77,68,160	25,28,912	20,78,00,699
	(ii) Other financial assets	3	-	-	5,396	4,43,389
	Deferred tax assets (net)		67,392	56,17,797	33,937	27,88,603
	Other Non-current assets	4	5,700	4,75,152	11,212	9,21,290
			14,81,943	12,35,34,768	28,55,586	23,46,43,502
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	20,37,389	16,98,36,747	13,64,081	11,20,86,536
	(ii) Cash and cash equivalents	6	-	-	15	1,233
	(iii) Other financial assets	7	84,770	70,66,427	38,830	31,90,661
	Other Current assets	8	7,07,746	5,89,97,707	31,004	25,47,599
			28,29,905	23,59,00,881	14,33,930	11,78,26,029
	<b>TOTAL ASSETS</b>		43,11,848	35,94,35,649	42,89,516	35,24,69,531
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	4,74,414	3,95,47,151	4,74,414	3,89,82,598
	Other equity	10	4,96,617	4,13,97,996	3,36,451	2,76,46,180
	<b>Total Equity</b>		9,71,031	8,09,45,147	8,10,865	6,66,28,778
(2)	<b>Non-current liabilities</b>					
	Other liabilities (Deferred revenue)		1,506	1,25,540	11,024	9,05,842
			1,506	1,25,540	11,024	9,05,842
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	11	21,60,753	18,01,20,368	28,57,967	23,48,39,149
	(ii) Other financial liabilities	12	13,614	11,34,863	27,595	22,67,481
	Other current liabilities	13	10,54,080	8,78,68,108	5,20,122	4,27,38,425
	Provisions	14	26,712	22,26,712	24,602	20,21,546
	Current tax liability (Net)		84,152	70,14,911	37,341	30,68,310
			33,39,311	27,83,64,962	34,67,627	28,49,34,911
	<b>TOTAL EQUITY AND LIABILITIES</b>		43,11,848	35,94,35,649	42,89,516	35,24,69,531

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations		97,87,266	81,58,66,494	58,96,251	48,44,94,945
ii	Other Income	15	6,59,624	5,49,86,257	3,95,622	3,25,08,260
iii	<b>Total income (i + ii)</b>		<b>1,04,46,890</b>	<b>87,08,52,751</b>	<b>62,91,873</b>	<b>51,70,03,205</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	16	82,21,716	68,53,62,246	46,85,449	38,50,03,344
	Employee benefits expenses	17	12,64,777	10,54,31,811	5,77,447	4,74,48,820
	Finance costs	18	3,02,376	2,52,06,063	3,35,104	2,75,35,496
	Depreciation and amortisation expenses		96,344	80,31,236	1,08,831	89,42,643
	Operating and other expenses	19	3,22,239	2,68,61,841	4,55,112	3,73,96,552
	<b>Total expenses</b>		<b>1,02,07,452</b>	<b>85,08,93,197</b>	<b>61,61,943</b>	<b>50,63,26,855</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>2,39,438</b>	<b>1,99,59,554</b>	<b>1,29,930</b>	<b>1,06,76,350</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		94,468	78,74,852	40,594	33,35,609
	(ii) Deferred tax expense/(benefit)		(33,455)	(27,88,809)	(33,937)	(27,88,603)
	<b>Net tax expenses</b>		<b>61,013</b>	<b>50,86,043</b>	<b>6,657</b>	<b>5,47,006</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>1,78,425</b>	<b>1,48,73,511</b>	<b>1,23,273</b>	<b>1,01,29,344</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	13,88,350	11,57,32,856	13,76,681	11,31,21,878
Computers	8,864	7,38,903	1,874	1,53,987
(a)	13,97,214	11,64,71,759	13,78,555	11,32,75,865
<b>Accumulated depreciation:</b>				
Plant and machinery	11,47,630	9,56,66,437	11,03,271	9,06,55,778
Computers	2,364	1,97,063	547	44,947
(b)	11,49,994	9,58,63,500	11,03,818	9,07,00,725
<b>Net block (a) - (b)</b>	<b>2,47,220</b>	<b>2,06,08,259</b>	<b>2,74,737</b>	<b>2,25,75,140</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	10,52,881	8,77,68,160	25,28,912	20,78,00,699
<b>Total</b>	<b>10,52,881</b>	<b>8,77,68,160</b>	<b>25,28,912</b>	<b>20,78,00,699</b>

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	-	-	5,396	4,43,389
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,396</b>	<b>4,43,389</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	5,700	4,75,152	11,212	9,21,290
<b>Total</b>	<b>5,700</b>	<b>4,75,152</b>	<b>11,212</b>	<b>9,21,290</b>

## 5 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	20,62,839	17,19,58,259	13,64,113	11,20,89,165
Provision for doubtful debts	(25,450)	(21,21,512)	(32)	(2,629)
<b>Total</b>	<b>20,37,389</b>	<b>16,98,36,747</b>	<b>13,64,081</b>	<b>11,20,86,536</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	-	-	15	1,233
<b>Total</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>1,233</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	5,616	4,68,150	-	-
Provision for Security Deposit	(5,616)	(4,68,150)	-	-
Interest Receivable on Inter Co. Loan (Net)	84,770	70,66,427	38,830	31,90,661
<b>Total</b>	<b>84,770</b>	<b>70,66,427</b>	<b>38,830</b>	<b>31,90,661</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	7,07,746	5,89,97,707	31,004	25,47,599
<b>Total</b>	<b>7,07,746</b>	<b>5,89,97,707</b>	<b>31,004</b>	<b>25,47,599</b>

## 9 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	4,74,414	3,95,47,151	4,74,414	3,89,82,598
<b>Total</b>	<b>4,74,414</b>	<b>3,95,47,151</b>	<b>4,74,414</b>	<b>3,89,82,598</b>

## 10 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	3,36,451	2,80,46,555	2,13,178	1,75,16,836
ECL impact	(18,259)	(15,22,070)	-	-
Profit / (loss) for the year	1,78,425	1,48,73,511	1,23,273	1,01,29,344
<b>Closing balance</b>	<b>4,96,617</b>	<b>4,13,97,996</b>	<b>3,36,451</b>	<b>2,76,46,180</b>
<b>Total</b>	<b>4,96,617</b>	<b>4,13,97,996</b>	<b>3,36,451</b>	<b>2,76,46,180</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	7,06,462	5,88,90,670	5,40,026	4,43,73,937
Inter Company - Payables (Net)	14,54,291	12,12,29,698	23,17,941	19,04,65,212
<b>Total</b>	<b>21,60,753</b>	<b>18,01,20,368</b>	<b>28,57,967</b>	<b>23,48,39,149</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	10,000	8,33,600	10,000	8,21,700
Others	3,614	3,01,263	17,595	14,45,781
<b>Total</b>	<b>13,614</b>	<b>11,34,863</b>	<b>27,595</b>	<b>22,67,481</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	3,92,215	3,26,95,042	2,42,634	1,99,37,236
Other Employee dues	4,66,997	3,89,28,870	1,91,943	1,57,71,956
Other Statutory dues	1,94,868	1,62,44,196	85,545	70,29,233
<b>Total</b>	<b>10,54,080</b>	<b>8,78,68,108</b>	<b>5,20,122</b>	<b>4,27,38,425</b>

## 14 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	26,712	22,26,712	24,602	20,21,546
<b>Total</b>	<b>26,712</b>	<b>22,26,712</b>	<b>24,602</b>	<b>20,21,546</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 15 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	4,59,976	3,83,43,599	3,87,859	3,18,70,374
Exchange gain -Net	1,97,666	1,64,77,438	-	-
Miscellaneous income	1,982	1,65,220	7,763	6,37,886
<b>Total</b>	<b>6,59,624</b>	<b>5,49,86,257</b>	<b>3,95,622</b>	<b>3,25,08,260</b>

## 16 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	82,21,716	68,53,62,246	46,85,449	38,50,03,344
<b>Total</b>	<b>82,21,716</b>	<b>68,53,62,246</b>	<b>46,85,449</b>	<b>38,50,03,344</b>

## 17 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	12,62,241	10,52,20,410	5,77,157	4,74,24,991
Staff welfare expenses	2,536	2,11,401	290	23,829
<b>Total</b>	<b>12,64,777</b>	<b>10,54,31,811</b>	<b>5,77,447</b>	<b>4,74,48,820</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 18 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	-	-	17	1,397
Interest on inter companies loan	3,02,376	2,52,06,063	3,35,087	2,75,34,099
<b>Total</b>	<b>3,02,376</b>	<b>2,52,06,063</b>	<b>3,35,104</b>	<b>2,75,35,496</b>

## 19 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Communication expenses	3,165	2,63,834	1,635	1,34,348
Directors fees	15,135	12,61,654	-	-
Electricity	35,173	29,32,021	24,901	20,46,115
Entertainment expenses	1,662	1,38,544	155	12,736
Exchange loss -Net	-	-	1,65,884	1,36,30,688
Insurance expenses	12,553	10,46,418	12,762	10,48,654
IT consumables	-	-	467	38,373
Legal and professional fees	56,252	46,89,167	1,32,219	1,08,64,435
Miscellaneous expenses	35,798	29,84,121	15,641	12,85,221
Printing and stationery	-	-	95	7,806
Provision for doubtful debts	7,157	5,96,608	(243)	(19,967)
Provision For Doubtful advances	220	18,339	41	3,369
Rates and Taxes	1,450	1,20,872	1,726	1,41,825
Recruitment expenses	38,254	31,88,853	207	17,009
Rent	752	62,687	192	15,777
Repairs and Maintenance - Plant & Machinery	20,323	16,94,125	50,554	41,54,022
Seminars, trainings and conferences	5,762	4,80,320	-	-
Services rendered by agencies	55,993	46,67,576	36,564	30,04,464
Travelling and conveyance expenses	32,590	27,16,702	12,312	10,11,677
<b>Total</b>	<b>3,22,239</b>	<b>2,68,61,841</b>	<b>4,55,112</b>	<b>3,73,96,552</b>



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## **APPENDIX - 24**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Belgium) SRL** ("the subsidiary") registered in Belgium as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm's Reg. No. 121750W /W100010



Rahul Bhansali  
Partner  
Membership No. 126549



Place Mumbai  
Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	1,22,492	1,02,10,934	1,63,521	1,34,36,520
	Capital work-in-progress		42,567	35,48,385	7,566	6,21,698
	Financial assets					
	(i) Loans	2	70,551	58,81,131	-	-
	(ii) Other financial assets	3	18,653	15,54,914	18,820	15,46,439
	Other Non-current assets	4	5,358	4,46,643	14,994	12,32,057
			2,59,621	2,16,42,007	2,04,901	1,68,36,714
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	89,871	74,91,646	5,10,185	4,19,21,902
	(ii) Other financial assets	6	3,054	2,54,582	2,546	2,09,205
	Other Current assets	7	59,661	49,73,341	84,158	69,15,263
			1,52,586	1,27,19,569	5,96,889	4,90,46,370
	<b>TOTAL ASSETS</b>		4,12,207	3,43,61,576	8,01,790	6,58,83,084
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	33,37,592	27,82,21,669	33,37,592	27,42,49,935
	Other equity	9	(32,32,833)	(26,94,88,958)	(32,21,719)	(26,47,28,649)
	<b>Total Equity</b>		1,04,759	87,32,711	1,15,873	95,21,286
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	10	-	-	4,21,543	3,46,38,188
	(ii) Trade payables	11	2,91,338	2,42,85,935	2,30,953	1,89,77,407
	(iii) Other financial liabilities	12	6,122	5,10,330	8,848	7,27,040
	Other current liabilities	13	9,988	8,32,600	24,573	20,19,163
			3,07,448	2,56,28,865	6,85,917	5,63,61,798
	<b>TOTAL EQUITY AND LIABILITIES</b>		4,12,207	3,43,61,576	8,01,790	6,58,83,084

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	14	12,89,955	10,75,30,649	11,82,484	9,71,64,710
ii	Other Income		1,140	95,030	3,458	2,84,144
iii	<b>Total income (i + ii)</b>		<b>12,91,095</b>	<b>10,76,25,679</b>	<b>11,85,942</b>	<b>9,74,48,854</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	15	8,91,940	7,43,52,118	8,72,544	7,16,96,940
	Employee benefits expenses	16	58	4,835	(49,353)	(40,55,336)
	Finance costs	17	16,820	14,02,115	8,819	7,24,657
	Depreciation and amortisation expenses		41,075	34,24,012	52,334	43,00,285
	Operating and other expenses	18	3,50,251	2,91,96,923	3,04,371	2,50,10,164
	<b>Total expenses</b>		<b>13,00,144</b>	<b>10,83,80,003</b>	<b>11,88,715</b>	<b>9,76,76,710</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>(9,049)</b>	<b>(7,54,324)</b>	<b>(2,773)</b>	<b>(2,27,856)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(9,049)</b>	<b>(7,54,324)</b>	<b>(2,773)</b>	<b>(2,27,856)</b>

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	6,38,513	5,32,26,444	6,60,185	5,42,47,401
Computers	1,715	1,42,962	-	-
(a)	6,40,228	5,33,69,406	6,60,185	5,42,47,401
<b>Accumulated depreciation:</b>				
Plant and machinery	5,16,368	4,30,44,436	4,96,664	4,08,10,881
Computers	1,368	1,14,036	-	-
(b)	5,17,736	4,31,58,472	4,96,664	4,08,10,881
<b>Net block (a) - (b)</b>	1,22,492	1,02,10,934	1,63,521	1,34,36,520

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	70,551	58,81,131	-	-
<b>Total</b>	70,551	58,81,131	-	-

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	18,653	15,54,914	18,820	15,46,439
<b>Total</b>	18,653	15,54,914	18,820	15,46,439





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	5,358	4,46,643	14,994	12,32,057
<b>Total</b>	<b>5,358</b>	<b>4,46,643</b>	<b>14,994</b>	<b>12,32,057</b>

## 5 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	44,425	37,03,268	1,39,467	1,14,60,003
Intercompany receivables (Net)	45,759	38,14,470	3,71,256	3,05,06,106
Provision for doubtful debts	(313)	(26,092)	(538)	(44,207)
<b>Total</b>	<b>89,871</b>	<b>74,91,646</b>	<b>5,10,185</b>	<b>4,19,21,902</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	2,524	2,10,401	2,546	2,09,205
Others	530	44,181	-	-
<b>Total</b>	<b>3,054</b>	<b>2,54,582</b>	<b>2,546</b>	<b>2,09,205</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	56,121	46,78,247	72,129	59,26,840
Indirect tax receivable	-	-	12,029	9,88,423
Others	3,540	2,95,094	-	-
<b>Total</b>	<b>59,661</b>	<b>49,73,341</b>	<b>84,158</b>	<b>69,15,263</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	33,37,592	27,82,21,669	33,37,592	27,42,49,935
<b>Total</b>	<b>33,37,592</b>	<b>27,82,21,669</b>	<b>33,37,592</b>	<b>27,42,49,935</b>

## 9 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(32,21,719)	(26,85,62,496)	(32,18,946)	(26,45,00,793)
ECL impact	(2,065)	(1,72,138)	-	-
Profit / (loss) for the year	(9,049)	(7,54,324)	(2,773)	(2,27,856)
<b>Closing balance</b>	<b>(32,32,833)</b>	<b>(26,94,88,958)</b>	<b>(32,21,719)</b>	<b>(26,47,28,649)</b>
<b>Total</b>	<b>(32,32,833)</b>	<b>(26,94,88,958)</b>	<b>(32,21,719)</b>	<b>(26,47,28,649)</b>

## 10 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	-	-	4,21,543	3,46,38,188
<b>Total</b>	<b>-</b>	<b>-</b>	<b>4,21,543</b>	<b>3,46,38,188</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	2,91,338	2,42,85,935	2,30,953	1,89,77,407
<b>Total</b>	<b>2,91,338</b>	<b>2,42,85,935</b>	<b>2,30,953</b>	<b>1,89,77,407</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	6,122	5,10,330	8,734	7,17,673
Others	-	-	114	9,367
<b>Total</b>	<b>6,122</b>	<b>5,10,330</b>	<b>8,848</b>	<b>7,27,040</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	6,818	5,68,348	6,619	5,43,883
Other Employee dues	1,582	1,31,876	17,954	14,75,280
Other Statutory dues	1,588	1,32,376	-	-
<b>Total</b>	<b>9,988</b>	<b>8,32,600</b>	<b>24,573</b>	<b>20,19,163</b>

## 14 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	-	-	462	37,963
Miscellaneous income	1,140	95,030	2,996	2,46,181
<b>Total</b>	<b>1,140</b>	<b>95,030</b>	<b>3,458</b>	<b>2,84,144</b>

## 15 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	8,91,940	7,43,52,118	8,72,544	7,16,96,940
<b>Total</b>	<b>8,91,940</b>	<b>7,43,52,118</b>	<b>8,72,544</b>	<b>7,16,96,940</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 16 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	-	-	(49,353)	(40,55,336)
Staff welfare expenses	58	4,835	-	-
<b>Total</b>	<b>58</b>	<b>4,835</b>	<b>(49,353)</b>	<b>(40,55,336)</b>

## 17 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on inter companies loan	16,820	14,02,115	8,819	7,24,657
<b>Total</b>	<b>16,820</b>	<b>14,02,115</b>	<b>8,819</b>	<b>7,24,657</b>

## 18 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	38,850	32,38,536	22,850	18,77,585
Communication expenses	-	-	330	27,116
Electricity	70,787	59,00,804	24,860	20,42,746
Exchange loss -Net	15,932	13,28,092	15,144	12,44,382
Insurance expenses	1,673	1,39,461	1,436	1,17,996
IT consumables	3,061	2,55,165	25	2,054
Legal and professional fees	25,537	21,28,764	24,901	20,46,115
Miscellaneous expenses	6,275	5,23,084	2,291	1,88,251
Provision for doubtful debts	(2,290)	(1,90,894)	433	35,580
Rates and Taxes	1,435	1,19,622	1,151	94,578
Rent	458	38,179	648	53,246
Repairs and Maintenance - Plant & Machinery	24,329	20,28,065	13,807	11,34,521
Repairs and Maintenance -Building	25	2,084	-	-
Services rendered by agencies	1,64,179	1,36,85,961	1,96,495	1,61,45,994
<b>Total</b>	<b>3,50,251</b>	<b>2,91,96,923</b>	<b>3,04,371</b>	<b>2,50,10,164</b>



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LLP Identity No. AAB-7509

## **APPENDIX - 25**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Hungary) KFT** ("the subsidiary") registered in Hungary as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

*Rahul*

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	73,609	61,36,046	1,39,778	1,14,85,558
	Capital work-in-progress		1,13,501	94,61,443	15,939	13,09,708
	Financial assets					
	(i) Loans	2	7,01,643	5,84,88,960	1,58,845	1,30,52,294
	Other Non-current assets	3	419	34,928	2,605	2,14,053
			8,89,172	7,41,21,377	3,17,167	2,60,61,613
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	3,65,342	3,04,54,909	6,96,619	5,72,41,184
	(ii) Cash and cash equivalents	5	18,760	15,63,834	35,587	29,24,184
	(iii) Other financial assets	6	3,935	3,28,022	1,095	89,976
	Other Current assets	7	97,048	80,89,921	95,079	78,12,642
			4,85,085	4,04,36,686	8,28,380	6,80,67,986
	<b>TOTAL ASSETS</b>		13,74,257	11,45,58,063	11,45,547	9,41,29,599
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	8,70,623	7,25,75,133	8,70,623	7,15,39,092
	Other equity	9	(1,61,310)	(1,34,46,802)	(1,47,293)	(1,21,03,067)
	<b>Total Equity</b>		7,09,313	5,91,28,331	7,23,330	5,94,36,025
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	10	6,45,451	5,38,04,796	3,99,891	3,28,59,047
	(ii) Other financial liabilities	11	-	-	16,955	13,93,192
	Other current liabilities	12	1,720	1,43,379	3,364	2,76,420
	Current tax liability (Net)		17,773	14,81,557	2,007	1,64,915
			6,64,944	5,54,29,732	4,22,217	3,46,93,574
	<b>TOTAL EQUITY AND LIABILITIES</b>		13,74,257	11,45,58,063	11,45,547	9,41,29,599

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	13	19,22,154	16,02,30,757	17,09,034	14,04,31,324
ii	Other Income		18,671	15,56,415	1,008	82,827
iii	<b>Total income (i + ii)</b>		<b>19,40,825</b>	<b>16,17,87,172</b>	<b>17,10,042</b>	<b>14,05,14,151</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	14	16,68,286	13,90,68,321	14,71,283	12,08,95,324
	Finance costs	15	13,408	11,17,691	11,571	9,50,789
	Depreciation and amortisation expenses	16	61,008	50,85,627	59,240	48,67,751
	Operating and other expenses		1,92,927	1,60,82,396	1,75,181	1,43,94,623
	<b>Total expenses</b>		<b>19,35,629</b>	<b>16,13,54,035</b>	<b>17,17,275</b>	<b>14,11,08,487</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>5,196</b>	<b>4,33,137</b>	<b>(7,233)</b>	<b>(5,94,336)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		18,095	15,08,399	8,221	6,75,520
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>18,095</b>	<b>15,08,399</b>	<b>8,221</b>	<b>6,75,520</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(12,899)</b>	<b>(10,75,262)</b>	<b>(15,454)</b>	<b>(12,69,856)</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	6,13,311	5,11,25,605	6,43,242	5,28,55,195
(a)	6,13,311	5,11,25,605	6,43,242	5,28,55,195
<b>Accumulated depreciation:</b>				
Plant and machinery	5,39,702	4,49,89,559	5,03,464	4,13,69,637
(b)	5,39,702	4,49,89,559	5,03,464	4,13,69,637
<b>Net block (a) - (b)</b>	<b>73,609</b>	<b>61,36,046</b>	<b>1,39,778</b>	<b>1,14,85,558</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	7,01,643	5,84,88,960	1,58,845	1,30,52,294
<b>Total</b>	<b>7,01,643</b>	<b>5,84,88,960</b>	<b>1,58,845</b>	<b>1,30,52,294</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	419	34,928	2,605	2,14,053
<b>Total</b>	<b>419</b>	<b>34,928</b>	<b>2,605</b>	<b>2,14,053</b>

## 4 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	51,724	43,11,713	76,251	62,65,545
Intercompany receivables (Net)	3,14,512	2,62,17,720	6,27,100	5,15,28,807
Provision for doubtful debts	(894)	(74,524)	(6,732)	(5,53,168)
<b>Total</b>	<b>3,65,342</b>	<b>3,04,54,909</b>	<b>6,96,619</b>	<b>5,72,41,184</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	18,760	15,63,834	35,587	29,24,184
<b>Total</b>	<b>18,760</b>	<b>15,63,834</b>	<b>35,587</b>	<b>29,24,184</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	2,178	1,81,558	-	-
Others	1,757	1,46,464	1,095	89,976
<b>Total</b>	<b>3,935</b>	<b>3,28,022</b>	<b>1,095</b>	<b>89,976</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	8,668	7,22,564	15,462	12,70,513
Indirect tax receivable	88,380	73,67,357	79,617	65,42,129
<b>Total</b>	<b>97,048</b>	<b>80,89,921</b>	<b>95,079</b>	<b>78,12,642</b>

## 8 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	8,70,623	7,25,75,133	8,70,623	7,15,39,092
<b>Total</b>	<b>8,70,623</b>	<b>7,25,75,133</b>	<b>8,70,623</b>	<b>7,15,39,092</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(1,47,293)	(1,22,78,344)	(1,31,839)	(1,08,33,211)
ECL impact	(1,118)	(93,196)	-	-
Profit / (loss) for the year	(12,899)	(10,75,262)	(15,454)	(12,69,856)
<b>Closing balance</b>	<b>(1,61,310)</b>	<b>(1,34,46,802)</b>	<b>(1,47,293)</b>	<b>(1,21,03,067)</b>
<b>Total</b>	<b>(1,61,310)</b>	<b>(1,34,46,802)</b>	<b>(1,47,293)</b>	<b>(1,21,03,067)</b>

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	6,45,451	5,38,04,796	3,99,891	3,28,59,047
<b>Total</b>	<b>6,45,451</b>	<b>5,38,04,796</b>	<b>3,99,891</b>	<b>3,28,59,047</b>

## 11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	-	-	16,955	13,93,192
<b>Total</b>	<b>-</b>	<b>-</b>	<b>16,955</b>	<b>13,93,192</b>

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	1,720	1,43,379	3,364	2,76,420
<b>Total</b>	<b>1,720</b>	<b>1,43,379</b>	<b>3,364</b>	<b>2,76,420</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 13 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	18,671	15,56,415	965	79,294
Miscellaneous income	-	-	43	3,533
<b>Total</b>	<b>18,671</b>	<b>15,56,415</b>	<b>1,008</b>	<b>82,827</b>

## 14 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	16,68,286	13,90,68,321	14,71,283	12,08,95,324
<b>Total</b>	<b>16,68,286</b>	<b>13,90,68,321</b>	<b>14,71,283</b>	<b>12,08,95,324</b>

## 15 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on inter companies loan	13,408	11,17,691	11,571	9,50,789
<b>Total</b>	<b>13,408</b>	<b>11,17,691</b>	<b>11,571</b>	<b>9,50,789</b>

## 16 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	10,500	8,75,280	10,500	8,62,785
Communication expenses	80	6,669	222	18,242
Electricity	16,392	13,66,437	7,231	5,94,171
Exchange loss -Net	44,354	36,97,349	68,030	55,90,025
Insurance expenses	4,357	3,63,200	3,934	3,23,257
Legal and professional fees	48,497	40,42,710	31,465	25,85,479
Miscellaneous expenses	4,899	4,08,381	3,780	3,10,603
Provision for doubtful debts	(6,956)	(5,79,852)	6,732	5,53,168
Provision For Doubtful advances	(2,340)	(1,95,062)	2,340	1,92,278
Rates and Taxes	56,260	46,89,834	30,641	25,17,771
Rent	334	27,842	206	16,927
Repairs and Maintenance - Plant & Machinery	15,674	13,06,585	9,328	7,66,482
Services rendered by agencies	876	73,023	772	63,435
<b>Total</b>	<b>1,92,927</b>	<b>1,60,82,396</b>	<b>1,75,181</b>	<b>1,43,94,623</b>





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## APPENDIX - 26

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Ireland) DAC** ("the subsidiary") registered in Ireland as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

*[Handwritten Signature]*

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	4,62,919	3,85,88,927	4,44,369	3,65,13,800
Capital work-in-progress		2,02,271	1,68,61,311	26,960	22,15,303
Right-of-use assets		51,454	42,89,205	-	-
Financial assets					
(i) Loans	2	10,78,572	8,99,09,762	26,08,392	21,43,31,571
(ii) Other financial assets	3	748	62,353	755	62,038
Deferred tax assets (net)		28,361	23,64,173	53,173	43,69,225
Other Non-current assets	4	6,682	5,57,012	4,373	3,59,329
		18,31,007	15,26,32,743	31,38,022	25,78,51,266
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	5	16,28,450	13,57,47,592	17,60,915	14,46,94,385
(ii) Cash and cash equivalents	6	80,872	67,41,490	1,03,992	85,45,023
(iii) Other financial assets	7	1,03,297	86,10,837	84,156	69,15,099
Other Current assets	8	1,12,365	93,66,746	28,210	23,18,016
		19,24,984	16,04,66,665	19,77,273	16,24,72,523
<b>TOTAL ASSETS</b>		<b>37,55,991</b>	<b>31,30,99,408</b>	<b>51,15,295</b>	<b>42,03,23,789</b>
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	9	1	83	1	82
Other equity	10	5,22,724	4,35,74,274	4,09,575	3,36,54,780
<b>Total Equity</b>		<b>5,22,725</b>	<b>4,35,74,357</b>	<b>4,09,576</b>	<b>3,36,54,862</b>
<b>(2) Non-current liabilities</b>					
<b>Financial liabilities</b>					
(i) Lease liabilities		27,308	22,76,395	-	-
Provisions	11	2,385	1,98,814	-	-
Other liabilities (Deferred revenue)		29,572	24,65,122	27,583	22,66,495
		59,265	49,40,331	27,583	22,66,495
<b>(3) Current liabilities</b>					
<b>Financial liabilities</b>					
(i) Lease liabilities		23,847	19,87,886	-	-
(ii) Trade payables	12	25,96,957	21,64,82,333	42,48,001	34,90,58,239
(iii) Other financial liabilities	13	19,570	16,31,355	19,744	16,22,364
Other current liabilities	14	5,19,815	4,33,31,778	3,82,981	3,14,69,549
Provisions	15	4,765	3,97,210	-	-
Current tax liability (Net)		9,047	7,54,158	27,410	22,52,280
		31,74,001	26,45,84,720	46,78,136	38,44,02,432
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>37,55,991</b>	<b>31,30,99,408</b>	<b>51,15,295</b>	<b>42,03,23,789</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	16	92,43,641	77,05,49,914	74,79,493	61,45,89,940
ii	Other Income		3,63,286	3,02,83,520	1,51,206	1,24,24,598
iii	<b>Total income (i + ii)</b>		<b>96,06,927</b>	<b>80,08,33,434</b>	<b>76,30,699</b>	<b>62,70,14,538</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	17	76,85,384	64,06,53,610	61,52,325	50,55,36,545
	Employee benefits expenses	18	1,29,665	1,08,08,874	(13,392)	(11,00,421)
	Finance costs	19	12	1,000	25	2,054
	Depreciation and amortisation expenses	20	1,97,387	1,64,54,180	1,96,295	1,61,29,560
	Operating and other expenses		14,04,094	11,70,45,276	11,72,381	9,63,34,546
	<b>Total expenses</b>		<b>94,16,542</b>	<b>78,49,62,940</b>	<b>75,07,634</b>	<b>61,69,02,284</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>1,90,385</b>	<b>1,58,70,494</b>	<b>1,23,065</b>	<b>1,01,12,254</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		27,726	23,11,239	20,810	17,09,958
	(ii) Deferred tax expense/(benefit)		24,812	20,68,328	(29,990)	(24,64,278)
	<b>Net tax expenses</b>		<b>52,538</b>	<b>43,79,567</b>	<b>(9,180)</b>	<b>(7,54,320)</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>1,37,847</b>	<b>1,14,90,927</b>	<b>1,32,245</b>	<b>1,08,66,574</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	2,373	1,97,813	-	-
Plant and machinery	20,38,046	16,98,91,515	16,60,697	13,64,59,472
Computers	5,218	4,34,972	3,218	2,64,423
(a)	20,45,637	17,05,24,300	16,63,915	13,67,23,895
<b>Accumulated depreciation:</b>				
Lease hold improvement	91	7,586	-	-
Plant and machinery	15,78,680	13,15,98,765	12,16,995	10,00,00,479
Computers	3,947	3,29,022	2,551	2,09,616
(b)	15,82,718	13,19,35,373	12,19,546	10,02,10,095
<b>Net block (a) - (b)</b>	<b>4,62,919</b>	<b>3,85,88,927</b>	<b>4,44,369</b>	<b>3,65,13,800</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	10,78,572	8,99,09,762	26,08,392	21,43,31,571
<b>Total</b>	<b>10,78,572</b>	<b>8,99,09,762</b>	<b>26,08,392</b>	<b>21,43,31,571</b>

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	748	62,353	755	62,038
<b>Total</b>	<b>748</b>	<b>62,353</b>	<b>755</b>	<b>62,038</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	6,682	5,57,012	4,373	3,59,329
<b>Total</b>	<b>6,682</b>	<b>5,57,012</b>	<b>4,373</b>	<b>3,59,329</b>

## 5 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	17,34,387	14,45,78,500	18,36,118	15,08,73,816
Provision for doubtful debts	(1,05,937)	(88,30,908)	(75,203)	(61,79,431)
<b>Total</b>	<b>16,28,450</b>	<b>13,57,47,592</b>	<b>17,60,915</b>	<b>14,46,94,385</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	80,872	67,41,490	1,03,992	85,45,023
<b>Total</b>	<b>80,872</b>	<b>67,41,490</b>	<b>1,03,992</b>	<b>85,45,023</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	1,01,818	84,87,548	82,950	68,16,002
Others	1,479	1,23,289	1,206	99,097
<b>Total</b>	<b>1,03,297</b>	<b>86,10,837</b>	<b>84,156</b>	<b>69,15,099</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Provision for doubtful advance	(1,575)	(1,31,292)	-	-
Prepaid expenses	1,13,940	94,98,038	28,210	23,18,016
<b>Total</b>	<b>1,12,365</b>	<b>93,66,746</b>	<b>28,210</b>	<b>23,18,016</b>

## 9 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	1	83	1	82
<b>Total</b>	<b>1</b>	<b>83</b>	<b>1</b>	<b>82</b>

## 10 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	4,09,575	3,41,42,172	2,77,330	2,27,88,206
ECL impact	(24,698)	(20,58,825)	-	-
Profit / (loss) for the year	1,37,847	1,14,90,927	1,32,245	1,08,66,574
<b>Closing balance</b>	<b>5,22,724</b>	<b>4,35,74,274</b>	<b>4,09,575</b>	<b>3,36,54,780</b>
<b>Total</b>	<b>5,22,724</b>	<b>4,35,74,274</b>	<b>4,09,575</b>	<b>3,36,54,780</b>

## 11 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	2,385	1,98,814	-	-
<b>Total</b>	<b>2,385</b>	<b>1,98,814</b>	<b>-</b>	<b>-</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	13,36,318	11,13,95,466	8,31,839	6,83,52,207
Inter Company - Payables (Net)	12,60,639	10,50,86,867	34,16,162	28,07,06,032
<b>Total</b>	<b>25,96,957</b>	<b>21,64,82,333</b>	<b>42,48,001</b>	<b>34,90,58,239</b>

## 13 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	19,569	16,31,272	19,744	16,22,364
Others	1	83	-	-
<b>Total</b>	<b>19,570</b>	<b>16,31,355</b>	<b>19,744</b>	<b>16,22,364</b>

## 14 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	4,20,226	3,50,30,039	2,18,613	1,79,63,430
Other Employee dues	89,067	74,24,625	1,02,980	84,61,867
Other Statutory dues	10,522	8,77,114	61,388	50,44,252
<b>Total</b>	<b>5,19,815</b>	<b>4,33,31,778</b>	<b>3,82,981</b>	<b>3,14,69,549</b>

## 15 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	4,765	3,97,210	-	-
<b>Total</b>	<b>4,765</b>	<b>3,97,210</b>	<b>-</b>	<b>-</b>

## 16 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	1,98,370	1,65,36,123	1,03,241	84,83,313
Exchange gain -Net	1,62,548	1,35,50,001	46,550	38,25,014
Miscellaneous income	2,368	1,97,396	1,415	1,16,271
<b>Total</b>	<b>3,63,286</b>	<b>3,02,83,520</b>	<b>1,51,206</b>	<b>1,24,24,598</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 17 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	76,85,384	64,06,53,610	61,52,325	50,55,36,545
<b>Total</b>	<b>76,85,384</b>	<b>64,06,53,610</b>	<b>61,52,325</b>	<b>50,55,36,545</b>

## 18 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	1,29,078	1,07,59,942	(14,152)	(11,62,870)
Staff welfare expenses	587	48,932	760	62,449
<b>Total</b>	<b>1,29,665</b>	<b>1,08,08,874</b>	<b>(13,392)</b>	<b>(11,00,421)</b>

## 19 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	12	1,000	-	-
Interest on inter companies loan	-	-	25	2,054
<b>Total</b>	<b>12</b>	<b>1,000</b>	<b>25</b>	<b>2,054</b>

## 20 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	2,92,911	2,44,17,061	1,60,900	1,32,21,153
Auditors remuneration	9,975	8,31,516	9,975	8,19,646
Communication expenses	-	-	1,280	1,05,178
Electricity	68,127	56,79,067	18,878	15,51,205
Insurance expenses	6,537	5,44,924	5,895	4,84,392
IT consumables	22	1,834	-	-
Legal and professional fees	71,056	59,23,228	1,06,206	87,26,947
Miscellaneous expenses	35,292	29,41,941	92,943	76,37,126
Printing and stationery	-	-	461	37,880
Provision for doubtful debts	6,042	5,03,661	55,231	45,38,331
Provision For Doubtful advances	1,575	1,31,292	-	-
Rates and Taxes	1,828	1,52,382	-	-
Recruitment expenses	342	28,509	27,077	22,24,917
Rent	26,271	21,89,951	1,171	96,221
Repairs and Maintenance - Plant & Machinery	1,39,166	1,16,00,878	1,76,643	1,45,14,755
Repairs and Maintenance -Building	8,014	6,68,047	81	6,656
Services rendered by agencies	7,31,217	6,09,54,249	5,15,640	4,23,70,139
Bad debts written off	4,455	3,71,369	-	-
Travelling and conveyance expenses	1,264	1,05,367	-	-
<b>Total</b>	<b>14,04,094</b>	<b>11,70,45,276</b>	<b>11,72,381</b>	<b>9,63,34,546</b>





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LLP Identity No. AAB-7509

## APPENDIX - 27

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Middle East) FZ-LLC** ("the subsidiary") registered in Dubai, United Arab Emirates as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	88,805	7,402,785	181,380	14,903,995
	Capital work-in-progress		116,048	9,673,761	-	-
	Right-of-use assets		1	83	336,626	27,660,558
	Investments in subsidiaries & associates	2	136,006	11,337,460	136,006	11,175,613
	Financial assets					
	(i) Other financial assets	3	6,549	545,925	-	-
	Other Non-current assets	4	39,811	3,318,645	16,550	1,359,914
			387,220	32,278,659	670,562	55,100,080
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	2,162,873	180,297,094	4,719,694	387,817,255
	(ii) Cash and cash equivalents	6	72,243	6,022,176	371,691	30,541,849
	(iii) Other financial assets	7	16,337	1,361,852	23,525	1,933,049
	Other Current assets	8	783,708	65,329,900	1,002,152	82,346,830
			3,035,161	253,011,022	6,117,062	502,638,983
	<b>TOTAL ASSETS</b>		<b>3,422,381</b>	<b>285,289,681</b>	<b>6,787,624</b>	<b>557,739,063</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	13,750	1,146,200	13,750	1,129,838
	Other equity	10	(2,268,452)	(189,098,159)	(2,129,426)	(174,974,937)
	<b>Total Equity</b>		<b>(2,254,702)</b>	<b>(187,951,959)</b>	<b>(2,115,676)</b>	<b>(173,845,099)</b>
(2)	<b>Non-current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Lease liabilities	1	1	83	35,486	2,915,885
	Provisions	11	519,891	43,338,113	999,756	82,149,951
	Other liabilities (Deferred revenue)		7,318	610,028	3,182	261,465
			527,210	43,948,224	1,038,424	85,327,301
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	12	2,483,112	206,992,216	5,876,311	482,856,475
	(ia) Lease liabilities		-	-	95,646	7,859,232
	(ii) Trade payables	13	905,167	75,454,723	706,665	58,066,663
	(iii) Other financial liabilities	14	239,410	19,957,218	154,446	12,690,828
	Other current liabilities	15	1,492,034	124,375,955	954,229	78,408,997
	Provisions	16	30,150	2,513,304	77,579	6,374,666
			5,149,873	429,293,416	7,864,876	646,256,861
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,422,381</b>	<b>285,289,681</b>	<b>6,787,624</b>	<b>557,739,063</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations		9,140,652	761,964,751	7,841,941	644,372,292
ii	Other Income	17	313,162	26,105,184	390,460	32,084,098
iii	<b>Total income (i + ii)</b>		<b>9,453,814</b>	<b>788,069,935</b>	<b>8,232,401</b>	<b>676,456,390</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	18	1,116,012	93,030,760	321,104	26,385,116
	Employee benefits expenses	19	6,087,728	507,473,007	6,240,396	512,773,339
	Finance costs	20	493,679	41,153,081	252,385	20,738,476
	Depreciation and amortisation expenses		92,574	7,716,969	67,610	5,555,514
	Operating and other expenses	21	1,836,155	153,061,880	1,328,313	109,147,476
	<b>Total expenses</b>		<b>9,626,148</b>	<b>802,435,697</b>	<b>8,209,808</b>	<b>674,599,921</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>(172,334)</b>	<b>(14,365,762)</b>	<b>22,593</b>	<b>1,856,469</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(172,334)</b>	<b>(14,365,762)</b>	<b>22,593</b>	<b>1,856,469</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	65,714	5,477,919	415,538	34,144,757
Furniture and fixtures	96,621	8,054,327	110,954	9,117,090
Computers	108,184	9,018,218	109,284	8,979,866
Office equipment	11,805	984,065	11,805	970,017
(a)	282,324	23,534,529	647,581	53,211,730
<b>Accumulated depreciation:</b>				
Lease hold improvement	29,572	2,465,122	331,697	27,255,542
Furniture and fixtures	78,095	6,509,999	72,455	5,953,627
Computers	80,933	6,746,575	58,606	4,815,655
Office equipment	4,919	410,048	3,443	282,911
(b)	193,519	16,131,744	466,201	38,307,735
<b>Net block (a) - (b)</b>	88,805	7,402,785	181,380	14,903,995

## 2 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments in subsidiaries	136,006	11,337,460	136,006	11,175,613
<b>Total</b>	136,006	11,337,460	136,006	11,175,613

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	6,549	545,925	-	-
<b>Total</b>	6,549	545,925	-	-



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	39,811	3,318,645	16,550	1,359,914
<b>Total</b>	<b>39,811</b>	<b>3,318,645</b>	<b>16,550</b>	<b>1,359,914</b>

## 5 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	488,583	40,728,279	124,084	10,195,982
Intercompany receivables (Net)	1,682,727	140,272,123	4,603,119	378,238,288
Provision for doubtful debts	(8,437)	(703,308)	(7,509)	(617,015)
<b>Total</b>	<b>2,162,873</b>	<b>180,297,094</b>	<b>4,719,694</b>	<b>387,817,255</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	72,243	6,022,176	371,691	30,541,849
<b>Total</b>	<b>72,243</b>	<b>6,022,176</b>	<b>371,691</b>	<b>30,541,849</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	16,337	1,361,852	23,525	1,933,049
<b>Total</b>	<b>16,337</b>	<b>1,361,852</b>	<b>23,525</b>	<b>1,933,049</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	118,310	9,862,322	20,779	1,707,410
Advances to employees	411	34,261	22,128	1,818,258
Prepaid expenses	631,588	52,649,176	845,675	69,489,115
Indirect tax receivable	29,199	2,434,029	113,570	9,332,047
Others	4,200	350,112	-	-
<b>Total</b>	<b>783,708</b>	<b>65,329,900</b>	<b>1,002,152</b>	<b>82,346,830</b>

## 9 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	13,750	1,146,200	13,750	1,129,838
<b>Total</b>	<b>13,750</b>	<b>1,146,200</b>	<b>13,750</b>	<b>1,129,838</b>

## 10 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(2,061,545)	(171,850,391)	(2,084,138)	(171,253,624)
ECL impact	(1,877)	(156,467)	-	-
Profit / (loss) for the year	(172,334)	(14,365,762)	22,593	1,856,469
<b>Closing balance</b>	<b>(2,235,756)</b>	<b>(186,372,620)</b>	<b>(2,061,545)</b>	<b>(169,397,155)</b>
OCI Reserves Employee Benefit Plan	(32,696)	(2,725,539)	(67,881)	(5,577,782)
<b>Total</b>	<b>(2,268,452)</b>	<b>(189,098,159)</b>	<b>(2,129,426)</b>	<b>(174,974,937)</b>

## 11 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	176,831	14,740,632	172,917	14,208,590
Provision for gratuity	276,201	23,024,115	733,418	60,264,957
Retention liability	66,859	5,573,366	93,421	7,676,404
<b>Total</b>	<b>519,891</b>	<b>43,338,113</b>	<b>999,756</b>	<b>82,149,951</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	2,483,112	206,992,216	5,876,311	482,856,475
<b>Total</b>	<b>2,483,112</b>	<b>206,992,216</b>	<b>5,876,311</b>	<b>482,856,475</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	905,167	75,454,723	706,665	58,066,663
<b>Total</b>	<b>905,167</b>	<b>75,454,723</b>	<b>706,665</b>	<b>58,066,663</b>

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	4,500	375,120	4,499	369,683
Interest accrued but not due on Inter Co. loan (Net)	234,910	19,582,098	149,947	12,321,145
<b>Total</b>	<b>239,410</b>	<b>19,957,218</b>	<b>154,446</b>	<b>12,690,828</b>

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	134,413	11,204,668	59,525	4,891,169
Other Employee dues	1,357,603	113,169,786	894,701	73,517,581
Other Statutory dues	(20)	(1,667)	3	247
Others	38	3,168	-	-
<b>Total</b>	<b>1,492,034</b>	<b>124,375,955</b>	<b>954,229</b>	<b>78,408,997</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 16 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	30,150	2,513,304	77,579	6,374,666
<b>Total</b>	<b>30,150</b>	<b>2,513,304</b>	<b>77,579</b>	<b>6,374,666</b>

## 17 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Miscellaneous income	313,162	26,105,184	390,460	32,084,098
<b>Total</b>	<b>313,162</b>	<b>26,105,184</b>	<b>390,460</b>	<b>32,084,098</b>

## 18 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	1,116,012	93,030,760	321,104	26,385,116
<b>Total</b>	<b>1,116,012</b>	<b>93,030,760</b>	<b>321,104</b>	<b>26,385,116</b>

## 19 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	5,871,271	489,429,151	6,028,301	495,345,493
Contribution to provident and other funds	173,833	14,490,719	172,210	14,150,496
Staff welfare expenses	42,624	3,553,137	39,885	3,277,350
<b>Total</b>	<b>6,087,728</b>	<b>507,473,007</b>	<b>6,240,396</b>	<b>512,773,339</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 20 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	3,914	326,271	1,876	154,151
Interest on inter companies loan	489,765	40,826,810	250,509	20,584,325
<b>Total</b>	<b>493,679</b>	<b>41,153,081</b>	<b>252,385</b>	<b>20,738,476</b>

## 21 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	133,691	11,144,482	28,279	2,323,685
Auditors remuneration	5,515	459,730	7,379	606,332
Communication expenses	134,840	11,240,262	118,237	9,715,534
CSR expenses	-	-	5,208	427,941
Electricity	2,665	222,154	52	4,273
Entertainment expenses	11,826	985,815	16,825	1,382,510
Exchange loss -Net	170,839	14,241,139	94,157	7,736,881
Insurance expenses	10,164	847,271	9,931	816,030
IT consumables	1,056	88,028	62,176	5,109,002
Legal and professional fees	204,319	17,032,032	121,766	10,005,512
Loss on sale of fixed asset	1	83	28,972	2,380,629
Miscellaneous expenses	28,674	2,390,265	27,665	2,273,233
Printing and stationery	9,024	752,241	30,045	2,468,798
Provision for doubtful debts	(948)	(79,025)	(1,823)	(149,796)
Provision For Doubtful advances	(640)	(53,350)	-	-
Rates and Taxes	32,443	2,704,448	108	8,874
Recruitment expenses	12,175	1,014,908	54,166	4,450,820
Relocation Expense	-	-	6,807	559,331
Rent	172,037	14,341,004	210,967	17,335,158
Repairs and Maintenance - Plant & Machinery	291,866	24,329,950	209,536	17,217,573
Repairs and Maintenance -Building	176,935	14,749,302	550	45,194
Seminars, trainings and conferences	79,092	6,593,109	264	21,693
Services rendered by agencies	104,393	8,702,200	37,355	3,069,460
Travelling and conveyance expenses	256,188	21,355,832	259,691	21,338,809
<b>Total</b>	<b>1,836,155</b>	<b>153,061,880</b>	<b>1,328,313</b>	<b>109,147,476</b>



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LLP Identity No. AAB-7509

## **APPENDIX - 28**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **TCPoP Communications GmbH** ("the subsidiary") registered in Austria as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	1,61,607	1,34,71,560	1,40,285	1,15,27,218
Capital work-in-progress		79,093	65,93,192	6,885	5,65,740
Other Intangible assets	2	3,12,056	2,60,12,988	7,46,791	6,13,63,816
Financial assets					
(i) Loans	3	6,67,333	5,56,28,879	-	-
(ii) Other financial assets	4	3,135	2,61,334	3,163	2,59,904
Other Non-current assets	5	46,304	38,59,901	69,547	57,14,677
		12,69,528	10,58,27,854	9,66,671	7,94,31,355
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	6	2,03,637	1,69,75,179	5,33,023	4,37,98,500
(ii) Other financial assets	7	11,777	9,81,731	73	5,998
Other Current assets	8	85,256	71,06,940	92,484	75,99,411
		3,00,670	2,50,63,850	6,25,580	5,14,03,909
<b>TOTAL ASSETS</b>		<b>15,70,198</b>	<b>13,08,91,704</b>	<b>15,92,251</b>	<b>13,08,35,264</b>
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	9	45,681	38,07,968	45,681	37,53,608
Other equity	10	12,39,133	10,32,94,124	12,18,341	10,01,11,080
<b>Total Equity</b>		<b>12,84,814</b>	<b>10,71,02,092</b>	<b>12,64,022</b>	<b>10,38,64,688</b>
<b>(2) Non-current liabilities</b>					
Other liabilities (Deferred revenue)		43,707	36,43,416	-	-
		43,707	36,43,416	-	-
<b>(3) Current liabilities</b>					
<b>Financial liabilities</b>					
(i) Borrowings	11	-	-	57,790	47,48,604
(ii) Trade payables	12	1,72,388	1,43,70,265	1,19,044	97,81,845
(iii) Other financial liabilities	13	-	-	743	61,052
Other current liabilities	14	33,764	28,14,567	1,24,874	1,02,60,897
Current tax liability (Net)		35,525	29,61,364	25,778	21,18,178
		2,41,677	2,01,46,196	3,28,229	2,69,70,576
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15,70,198</b>	<b>13,08,91,704</b>	<b>15,92,251</b>	<b>13,08,35,264</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	15	9,19,686	7,66,65,025	8,96,603	7,36,73,869
ii	Other Income		13,406	11,17,524	4,596	3,77,653
iii	<b>Total income (i + ii)</b>		<b>9,33,092</b>	<b>7,77,82,549</b>	<b>9,01,199</b>	<b>7,40,51,522</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	16	1,47,821	1,23,22,359	1,33,620	1,09,79,555
	Finance costs	17	1,301	1,08,452	4,750	3,90,308
	Depreciation and amortisation expenses		5,06,157	4,21,93,248	4,97,432	4,08,73,987
	Operating and other expenses	18	2,28,939	1,90,84,356	2,04,602	1,68,12,147
	<b>Total expenses</b>		<b>8,84,218</b>	<b>7,37,08,415</b>	<b>8,40,404</b>	<b>6,90,55,997</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>48,874</b>	<b>40,74,134</b>	<b>60,795</b>	<b>49,95,525</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		25,700	21,42,352	(4,270)	(3,50,866)
	(ii) Deferred tax expense/(benefit)		-	-	6,460	5,30,818
	<b>Net tax expenses</b>		<b>25,700</b>	<b>21,42,352</b>	<b>2,190</b>	<b>1,79,952</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>23,174</b>	<b>19,31,782</b>	<b>58,605</b>	<b>48,15,573</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Cables	76,660	63,90,378	76,660	62,99,152
Plant and machinery	5,93,904	4,95,07,837	5,05,289	4,15,19,597
(a)	6,70,564	5,58,98,215	5,81,949	4,78,18,749
<b>Accumulated depreciation:</b>				
Cables	54,940	45,79,798	47,274	38,84,505
Plant and machinery	4,54,017	3,78,46,857	3,94,390	3,24,07,026
(b)	5,08,957	4,24,26,655	4,41,664	3,62,91,531
<b>Net block (a) - (b)</b>	1,61,607	1,34,71,560	1,40,285	1,15,27,218

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	21,73,673	18,11,97,381	21,73,673	17,86,10,710
(a)	21,73,673	18,11,97,381	21,73,673	17,86,10,710
<b>Accumulated amortisation:</b>				
Computer software	18,61,617	15,51,84,393	14,26,882	11,72,46,894
(b)	18,61,617	15,51,84,393	14,26,882	11,72,46,894
<b>Net block (a) - (b)</b>	3,12,056	2,60,12,988	7,46,791	6,13,63,816

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	6,67,333	5,56,28,879	-	-
<b>Total</b>	6,67,333	5,56,28,879	-	-





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	3,135	2,61,334	3,163	2,59,904
<b>Total</b>	<b>3,135</b>	<b>2,61,334</b>	<b>3,163</b>	<b>2,59,904</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	46,304	38,59,901	69,547	57,14,677
<b>Total</b>	<b>46,304</b>	<b>38,59,901</b>	<b>69,547</b>	<b>57,14,677</b>

## 6 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	17,043	14,20,704	1,40,661	1,15,58,114
Intercompany receivables (Net)	1,86,779	1,55,69,897	3,92,362	3,22,40,386
Provision for doubtful debts	(185)	(15,422)	-	-
<b>Total</b>	<b>2,03,637</b>	<b>1,69,75,179</b>	<b>5,33,023</b>	<b>4,37,98,500</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	11,425	9,52,388	-	-
Others	352	29,343	73	5,998
<b>Total</b>	<b>11,777</b>	<b>9,81,731</b>	<b>73</b>	<b>5,998</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	40,317	33,60,825	23,946	19,67,643
Indirect tax receivable	44,200	36,84,512	33,798	27,77,182
Others	739	61,603	34,740	28,54,586
<b>Total</b>	<b>85,256</b>	<b>71,06,940</b>	<b>92,484</b>	<b>75,99,411</b>

## 9 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	45,681	38,07,968	45,681	37,53,608
<b>Total</b>	<b>45,681</b>	<b>38,07,968</b>	<b>45,681</b>	<b>37,53,608</b>

## 10 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	12,18,341	10,15,60,906	11,59,736	9,52,95,507
ECL impact	(2,382)	(1,98,564)	-	-
Profit / (loss) for the year	23,174	19,31,782	58,605	48,15,573
<b>Closing balance</b>	<b>12,39,133</b>	<b>10,32,94,124</b>	<b>12,18,341</b>	<b>10,01,11,080</b>
<b>Total</b>	<b>12,39,133</b>	<b>10,32,94,124</b>	<b>12,18,341</b>	<b>10,01,11,080</b>

## 11 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	-	-	57,790	47,48,604
<b>Total</b>	<b>-</b>	<b>-</b>	<b>57,790</b>	<b>47,48,604</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	1,72,388	1,43,70,265	1,19,044	97,81,845
<b>Total</b>	<b>1,72,388</b>	<b>1,43,70,265</b>	<b>1,19,044</b>	<b>97,81,845</b>

## 13 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	-	-	743	61,052
<b>Total</b>	<b>-</b>	<b>-</b>	<b>743</b>	<b>61,052</b>

## 14 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	33,764	28,14,567	1,24,874	1,02,60,897
<b>Total</b>	<b>33,764</b>	<b>28,14,567</b>	<b>1,24,874</b>	<b>1,02,60,897</b>

## 15 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	13,363	11,13,940	102	8,381
Exchange gain -Net	-	-	341	28,020
Miscellaneous income	43	3,584	4,153	3,41,252
<b>Total</b>	<b>13,406</b>	<b>11,17,524</b>	<b>4,596</b>	<b>3,77,653</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 16 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	1,47,821	1,23,22,359	1,33,620	1,09,79,555
<b>Total</b>	<b>1,47,821</b>	<b>1,23,22,359</b>	<b>1,33,620</b>	<b>1,09,79,555</b>

## 17 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	157	13,088	(648)	(53,246)
Interest on inter companies loan	1,144	95,364	5,398	4,43,554
<b>Total</b>	<b>1,301</b>	<b>1,08,452</b>	<b>4,750</b>	<b>3,90,308</b>

## 18 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	-	-	14,924	12,26,305
Electricity	30,432	25,36,812	23,548	19,34,939
Exchange loss -Net	7,871	6,56,127	-	-
Insurance expenses	2,784	2,32,074	2,417	1,98,605
Legal and professional fees	51,974	43,32,553	51,680	42,46,546
Miscellaneous expenses	2,444	2,03,732	3,098	2,54,563
Provision for doubtful debts	(2,198)	(1,83,225)	-	-
Rates and Taxes	589	49,099	598	49,138
Repairs and Maintenance - Plant & Machinery	1,34,259	1,11,91,830	1,06,230	87,28,919
Services rendered by agencies	784	65,354	2,107	1,73,132
<b>Total</b>	<b>2,28,939</b>	<b>1,90,84,356</b>	<b>2,04,602</b>	<b>1,68,12,147</b>



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LLP Identity No. AAB-7509

## APPENDIX - 29

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Taiwan) Ltd** ("the subsidiary") registered in Taiwan as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	83,590	69,68,062	1,61,877	1,33,01,434
Capital work-in-progress		1,03,055	85,90,665	5,176	4,25,312
Deferred tax assets (net)		1,68,559	1,40,51,078	69,502	57,10,979
Advance tax (net)		-	-	18,977	15,59,340
Other Non-current assets	2	32,558	27,14,035	1,836	1,50,864
		3,87,762	3,23,23,840	2,57,368	2,11,47,929
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	3	6,71,208	5,59,51,898	6,83,122	5,61,32,135
(ii) Cash and cash equivalents	4	2,29,845	1,91,59,879	2,51,281	2,06,47,760
(iii) Other financial assets	5	1,801	1,50,131	2,006	1,64,833
Other Current assets	6	45,325	37,78,292	19,469	15,99,768
		9,48,179	7,90,40,200	9,55,878	7,85,44,496
<b>TOTAL ASSETS</b>		<b>13,35,941</b>	<b>11,13,64,040</b>	<b>12,13,246</b>	<b>9,96,92,425</b>
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	7	7,871	6,56,127	7,871	6,46,760
Other equity	8	(44,700)	(37,26,193)	(1,05,270)	(86,50,037)
<b>Total Equity</b>		<b>(36,829)</b>	<b>(30,70,066)</b>	<b>(97,399)</b>	<b>(80,03,277)</b>
<b>(2) Non-current liabilities</b>					
Other liabilities (Deferred revenue)		8,185	6,82,302	-	-
		8,185	6,82,302	-	-
<b>(3) Current liabilities</b>					
Financial liabilities					
(i) Borrowings	9	2,20,743	1,84,01,136	7,12,635	5,85,57,218
(ii) Trade payables	10	10,06,042	8,38,63,660	5,53,965	4,55,19,307
(iii) Other financial liabilities	11	29,532	24,61,787	17,294	14,21,048
Other current liabilities	12	31,625	26,36,260	23,166	19,03,550
Provisions	13	3,588	2,99,096	3,585	2,94,579
Current tax liability (Net)		73,055	60,89,865	-	-
		13,64,585	11,37,51,804	13,10,645	10,76,95,702
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>13,35,941</b>	<b>11,13,64,040</b>	<b>12,13,246</b>	<b>9,96,92,425</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations		42,45,520	35,39,06,547	33,41,808	27,45,96,363
ii	Other Income	14	158	13,171	(12)	(986)
iii	<b>Total income (i + ii)</b>		<b>42,45,678</b>	<b>35,39,19,718</b>	<b>33,41,796</b>	<b>27,45,95,377</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	15	36,46,128	30,39,41,230	29,17,331	23,97,17,088
	Employee benefits expenses	16	1,40,496	1,17,11,747	1,21,507	99,84,230
	Finance costs	17	53,560	44,64,762	30,594	25,13,909
	Depreciation and amortisation expenses		83,778	69,83,734	84,346	69,30,711
	Operating and other expenses	18	2,36,570	1,97,20,476	1,97,848	1,62,57,171
	<b>Total expenses</b>		<b>41,60,532</b>	<b>34,68,21,949</b>	<b>33,51,626</b>	<b>27,54,03,109</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>85,146</b>	<b>70,97,769</b>	<b>(9,830)</b>	<b>(8,07,732)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		1,17,410	97,87,298	(9,044)	(7,43,145)
	(ii) Deferred tax expense/(benefit)		(99,057)	(82,57,392)	11,882	9,76,344
	<b>Net tax expenses</b>		<b>18,353</b>	<b>15,29,906</b>	<b>2,838</b>	<b>2,33,199</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>66,793</b>	<b>55,67,863</b>	<b>(12,668)</b>	<b>(10,40,931)</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	11,30,175	9,42,11,388	11,40,474	9,37,12,749
Computers	6,331	5,27,752	-	-
(a)	11,36,506	9,47,39,140	11,40,474	9,37,12,749
<b>Accumulated depreciation:</b>				
Plant and machinery	10,51,344	8,76,40,036	9,78,597	8,04,11,315
Computers	1,572	1,31,042	-	-
(b)	10,52,916	8,77,71,078	9,78,597	8,04,11,315
<b>Net block (a) - (b)</b>	<b>83,590</b>	<b>69,68,062</b>	<b>1,61,877</b>	<b>1,33,01,434</b>

## 2 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	32,558	27,14,035	1,836	1,50,864
<b>Total</b>	<b>32,558</b>	<b>27,14,035</b>	<b>1,836</b>	<b>1,50,864</b>

## 3 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	2,19,003	1,82,56,090	4,77,475	3,92,34,121
Intercompany receivables (Net)	4,56,776	3,80,76,847	2,09,209	1,71,90,704
Provision for doubtful debts	(4,571)	(3,81,039)	(3,562)	(2,92,690)
<b>Total</b>	<b>6,71,208</b>	<b>5,59,51,898</b>	<b>6,83,122</b>	<b>5,61,32,135</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	2,29,845	1,91,59,879	2,51,281	2,06,47,760
<b>Total</b>	<b>2,29,845</b>	<b>1,91,59,879</b>	<b>2,51,281</b>	<b>2,06,47,760</b>

## 5 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	1,801	1,50,131	2,006	1,64,833
<b>Total</b>	<b>1,801</b>	<b>1,50,131</b>	<b>2,006</b>	<b>1,64,833</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	42,432	35,37,132	19,469	15,99,768
Indirect tax receivable	2,893	2,41,160	-	-
<b>Total</b>	<b>45,325</b>	<b>37,78,292</b>	<b>19,469</b>	<b>15,99,768</b>

## 7 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	7,871	6,56,127	7,871	6,46,760
<b>Total</b>	<b>7,871</b>	<b>6,56,127</b>	<b>7,871</b>	<b>6,46,760</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(1,05,270)	(87,75,307)	(92,602)	(76,09,106)
ECL impact	(6,223)	(5,18,749)	-	-
Profit / (loss) for the year	66,793	55,67,863	(12,668)	(10,40,931)
<b>Closing balance</b>	<b>(44,700)</b>	<b>(37,26,193)</b>	<b>(1,05,270)</b>	<b>(86,50,037)</b>
<b>Total</b>	<b>(44,700)</b>	<b>(37,26,193)</b>	<b>(1,05,270)</b>	<b>(86,50,037)</b>

## 9 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	2,20,743	1,84,01,136	7,12,635	5,85,57,218
<b>Total</b>	<b>2,20,743</b>	<b>1,84,01,136</b>	<b>7,12,635</b>	<b>5,85,57,218</b>

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	10,06,042	8,38,63,660	5,53,965	4,55,19,307
<b>Total</b>	<b>10,06,042</b>	<b>8,38,63,660</b>	<b>5,53,965</b>	<b>4,55,19,307</b>

## 11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	1,873	1,56,133	1,963	1,61,300
Interest accrued but not due on Inter Co. loan (Net)	27,659	23,05,654	15,331	12,59,748
<b>Total</b>	<b>29,532</b>	<b>24,61,787</b>	<b>17,294</b>	<b>14,21,048</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	9,063	7,55,492	3,988	3,27,694
Other Employee dues	22,059	18,38,838	5,899	4,84,721
Other Statutory dues	503	41,930	13,279	10,91,135
<b>Total</b>	<b>31,625</b>	<b>26,36,260</b>	<b>23,166</b>	<b>19,03,550</b>

## 13 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	3,588	2,99,096	3,585	2,94,579
<b>Total</b>	<b>3,588</b>	<b>2,99,096</b>	<b>3,585</b>	<b>2,94,579</b>

## 14 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Miscellaneous income	158	13,171	(12)	(986)
<b>Total</b>	<b>158</b>	<b>13,171</b>	<b>(12)</b>	<b>(986)</b>

## 15 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	36,46,128	30,39,41,230	29,17,331	23,97,17,088
<b>Total</b>	<b>36,46,128</b>	<b>30,39,41,230</b>	<b>29,17,331</b>	<b>23,97,17,088</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 16 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	1,37,196	1,14,36,659	1,20,518	99,02,964
Contribution to provident and other funds	573	47,765	-	-
Staff welfare expenses	2,727	2,27,323	989	81,266
<b>Total</b>	<b>1,40,496</b>	<b>1,17,11,747</b>	<b>1,21,507</b>	<b>99,84,230</b>

## 17 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on inter companies loan	53,560	44,64,762	30,594	25,13,909
<b>Total</b>	<b>53,560</b>	<b>44,64,762</b>	<b>30,594</b>	<b>25,13,909</b>

## 18 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	10,210	8,51,106	-	-
Communication expenses	1,156	96,364	1,062	87,265
Electricity	66,390	55,34,270	45,288	37,21,315
Entertainment expenses	135	11,254	706	58,012
Exchange loss -Net	34,399	28,67,501	28,915	23,75,946
Insurance expenses	6,349	5,29,253	6,083	4,99,840
IT consumables	-	-	167	13,722
Legal and professional fees	48,068	40,06,948	34,282	28,16,952
Miscellaneous expenses	24,889	20,74,747	20,256	16,64,436
Printing and stationery	68	5,668	134	11,011
Provision for doubtful debts	(5,215)	(4,34,722)	1,712	1,40,675
Provision For Doubtful advances	(119)	(9,920)	(7)	(575)
Rent	9,986	8,32,433	18,441	15,15,297
Repairs and Maintenance - Plant & Machinery	17,498	14,58,633	20,438	16,79,390
Repairs and Maintenance -Building	-	-	95	7,806
Seminars, trainings and conferences	5,858	4,88,323	-	-
Services rendered by agencies	13,202	11,00,519	18,382	15,10,449
Travelling and conveyance expenses	3,696	3,08,099	1,894	1,55,630
<b>Total</b>	<b>2,36,570</b>	<b>1,97,20,476</b>	<b>1,97,848</b>	<b>1,62,57,171</b>



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LLP Identity No. AAB-7509

## **APPENDIX - 30**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications(New Zealand) Limited** ("the subsidiary") registered in New Zealand as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

**FOR SURESH SURANA & ASSOCIATES LLP**

Chartered Accountants

Firm's Reg. No. 121750W /W100010



**Rahul Bhansali**

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024



Tata Communications (New Zealand) Limited

BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	35,967	29,98,209	47,365	38,91,982
	Capital work-in-progress		3,008	2,50,747	190	15,612
	Financial assets					
	(i) Loans	2	58,557	48,81,312	1,08,896	89,47,984
	Deferred tax assets (net)		23,329	19,44,705	23,843	19,59,179
	Advance tax (net)		5,028	4,19,134	-	-
	Other Non-current assets	3	1,199	99,949	3,628	2,98,113
			1,27,088	1,05,94,056	1,83,922	1,51,12,870
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	1,81,988	1,51,70,520	1,63,531	1,34,37,342
	(ii) Cash and cash equivalents	5	1,07,087	89,26,772	10,954	9,00,090
	(iii) Other financial assets	6	4,001	3,33,523	3,595	2,95,402
	Other Current assets	7	17,495	14,58,383	38,781	31,86,635
			3,10,571	2,58,89,198	2,16,861	1,78,19,469
	<b>TOTAL ASSETS</b>		4,37,659	3,64,83,254	4,00,783	3,29,32,339
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	100	8,336	100	8,217
	Other equity	9	87,999	73,35,597	87,216	71,66,539
	<b>Total Equity</b>		88,099	73,43,933	87,316	71,74,756
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	10	3,22,359	2,68,71,846	2,47,648	2,03,49,236
	Other current liabilities	11	27,201	22,67,475	59,957	49,26,666
	Current tax liability (Net)		-	-	5,862	4,81,681
			3,49,560	2,91,39,321	3,13,467	2,57,57,583
	<b>TOTAL EQUITY AND LIABILITIES</b>		4,37,659	3,64,83,254	4,00,783	3,29,32,339

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



**Tata Communications (New Zealand) Limited**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024**

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	12	6,73,172	5,61,15,618	5,77,571	4,74,59,009
ii	Other Income		5,812	4,84,489	4,635	3,80,858
iii	<b>Total income (i + ii)</b>		<b>6,78,984</b>	<b>5,66,00,107</b>	<b>5,82,206</b>	<b>4,78,39,867</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	13	6,34,132	5,28,61,244	4,89,412	4,02,14,984
	Finance costs	14	179	14,921	-	-
	Depreciation and amortisation expenses	15	11,399	9,50,221	11,824	9,71,578
	Operating and other expenses		28,631	23,86,680	75,922	62,38,510
	<b>Total expenses</b>		<b>6,74,341</b>	<b>5,62,13,066</b>	<b>5,77,158</b>	<b>4,74,25,072</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>4,643</b>	<b>3,87,041</b>	<b>5,048</b>	<b>4,14,795</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		2,259	1,88,310	621	51,028
	(ii) Deferred tax expense/(benefit)		513	42,764	(2,360)	(1,93,921)
	<b>Net tax expenses</b>		<b>2,772</b>	<b>2,31,074</b>	<b>(1,739)</b>	<b>(1,42,893)</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>1,871</b>	<b>1,55,967</b>	<b>6,787</b>	<b>5,57,688</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b><u>Gross block:</u></b>				
Plant and machinery	2,18,223	1,81,91,069	2,49,815	2,05,27,299
(a)	2,18,223	1,81,91,069	2,49,815	2,05,27,299
<b><u>Accumulated depreciation:</u></b>				
Plant and machinery	1,82,256	1,51,92,860	2,02,450	1,66,35,317
(b)	1,82,256	1,51,92,860	2,02,450	1,66,35,317
<b>Net block (a) - (b)</b>	<b>35,967</b>	<b>29,98,209</b>	<b>47,365</b>	<b>38,91,982</b>

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	58,557	48,81,312	1,08,896	89,47,984
<b>Total</b>	<b>58,557</b>	<b>48,81,312</b>	<b>1,08,896</b>	<b>89,47,984</b>

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	1,199	99,949	3,628	2,98,113
<b>Total</b>	<b>1,199</b>	<b>99,949</b>	<b>3,628</b>	<b>2,98,113</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	1,83,986	1,53,37,073	2,06,400	1,69,59,888
Provision for doubtful debts	(1,998)	(1,66,553)	(42,869)	(35,22,546)
<b>Total</b>	<b>1,81,988</b>	<b>1,51,70,520</b>	<b>1,63,531</b>	<b>1,34,37,342</b>

## 5 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	1,07,087	89,26,772	10,954	9,00,090
<b>Total</b>	<b>1,07,087</b>	<b>89,26,772</b>	<b>10,954</b>	<b>9,00,090</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	3,228	2,69,086	3,092	2,54,070
Others	773	64,437	503	41,332
<b>Total</b>	<b>4,001</b>	<b>3,33,523</b>	<b>3,595</b>	<b>2,95,402</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Provision for doubtful advance	(4,420)	(3,68,451)	-	-
Prepaid expenses	5,506	4,58,980	6,034	4,95,814
Indirect tax receivable	-	-	32,747	26,90,821
Others	16,409	13,67,854	-	-
<b>Total</b>	<b>17,495</b>	<b>14,58,383</b>	<b>38,781</b>	<b>31,86,635</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	100	8,336	100	8,217
<b>Total</b>	<b>100</b>	<b>8,336</b>	<b>100</b>	<b>8,217</b>

## 9 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	87,216	72,70,326	80,429	66,08,851
ECL impact	(1,088)	(90,696)	-	-
Profit / (loss) for the year	1,871	1,55,967	6,787	5,57,688
<b>Closing balance</b>	<b>87,999</b>	<b>73,35,597</b>	<b>87,216</b>	<b>71,66,539</b>
<b>Total</b>	<b>87,999</b>	<b>73,35,597</b>	<b>87,216</b>	<b>71,66,539</b>

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	73,767	61,49,217	71,278	58,56,913
Inter Company - Payables (Net)	2,48,592	2,07,22,629	1,76,370	1,44,92,323
<b>Total</b>	<b>3,22,359</b>	<b>2,68,71,846</b>	<b>2,47,648</b>	<b>2,03,49,236</b>

## 11 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	2,639	2,19,987	3,972	3,26,379
Other Statutory dues	24,562	20,47,488	55,985	46,00,287
<b>Total</b>	<b>27,201</b>	<b>22,67,475</b>	<b>59,957</b>	<b>49,26,666</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	5,810	4,84,322	4,171	3,42,731
Miscellaneous income	2	167	464	38,127
<b>Total</b>	<b>5,812</b>	<b>4,84,489</b>	<b>4,635</b>	<b>3,80,858</b>

## 13 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	6,34,132	5,28,61,244	4,89,412	4,02,14,984
<b>Total</b>	<b>6,34,132</b>	<b>5,28,61,244</b>	<b>4,89,412</b>	<b>4,02,14,984</b>

## 14 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on inter companies loan	179	14,921	-	-
<b>Total</b>	<b>179</b>	<b>14,921</b>	<b>-</b>	<b>-</b>

## 15 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Electricity	1,790	1,49,214	2,096	1,72,228
Exchange loss -Net	39,323	32,77,965	35,106	28,84,660
Insurance expenses	3,277	2,73,171	3,698	3,03,865
IT consumables	484	40,346	-	-
Legal and professional fees	3,121	2,60,167	10,207	8,38,709
Miscellaneous expenses	6,700	5,58,512	3,739	3,07,234
Provision for doubtful debts	(41,959)	(34,97,702)	10,908	8,96,310
Rent	108	9,003	72	5,916
Repairs and Maintenance - Plant & Machinery	11,944	9,95,652	4,337	3,56,371
Services rendered by agencies	3,843	3,20,352	3,532	2,90,224
Travelling and conveyance expenses	-	-	2,227	1,82,993
<b>Total</b>	<b>28,631</b>	<b>23,86,680</b>	<b>75,922</b>	<b>62,38,510</b>





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LLP Identity No. AAB-7509

## **APPENDIX - 31**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Malaysia) Sdn. Bhd.** ("the subsidiary") registered in Malaysia as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	2,57,137	2,14,34,941	3,11,298	2,55,79,356
	Capital work-in-progress		3,04,682	2,53,98,292	56,429	46,36,771
	Other Intangible assets	2	-	-	-	-
	Financial assets					
	(i) Loans	3	-	-	15,34,729	12,61,08,682
	(ii) Other financial assets	4	23,200	19,33,952	31,133	25,58,199
	Deferred tax assets (net)		1,31,642	1,09,73,677	85,276	70,07,129
	Advance tax (net)		1,52,506	1,27,12,900	2,18,126	1,79,23,413
	Other Non-current assets	5	23,791	19,83,218	29,861	24,53,678
			8,92,958	7,44,36,980	22,66,852	18,62,67,228
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	6	17,10,842	14,26,15,790	7,41,054	6,08,92,407
	(ii) Cash and cash equivalents	7	46,757	38,97,664	1,74,730	1,43,57,564
	(iii) Other financial assets	8	27,878	23,23,911	45,215	37,15,317
	Other Current assets	9	11,18,207	9,32,13,736	1,71,219	1,40,69,065
			29,03,684	24,20,51,101	11,32,218	9,30,34,353
	<b>TOTAL ASSETS</b>		37,96,642	31,64,88,081	33,99,070	27,93,01,581
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	10	47,560	39,64,602	47,560	39,08,005
	Other equity	11	5,73,156	4,77,78,284	6,00,927	4,93,78,172
	<b>Total Equity</b>		6,20,716	5,17,42,886	6,48,487	5,32,86,177
(2)	<b>Non-current liabilities</b>					
	Other liabilities (Deferred revenue)		13,508	11,26,027	405	33,279
			13,508	11,26,027	405	33,279
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	12	4,61,614	3,84,80,143	-	-
	(ii) Trade payables	13	24,32,675	20,27,87,791	23,10,918	18,98,88,131
	Other current liabilities	14	2,66,847	2,22,44,366	4,36,900	3,59,00,073
	Provisions	15	1,282	1,06,868	2,360	1,93,921
			31,62,418	26,36,19,168	27,50,178	22,59,82,125
	<b>TOTAL EQUITY AND LIABILITIES</b>		37,96,642	31,64,88,081	33,99,070	27,93,01,581

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations		53,01,298	44,19,16,201	51,20,528	42,07,53,786
ii	Other Income	16	63,052	52,56,014	97,522	80,13,383
iii	<b>Total income (i + ii)</b>		<b>53,64,350</b>	<b>44,71,72,215</b>	<b>52,18,050</b>	<b>42,87,67,169</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	17	44,45,362	37,05,65,376	47,31,406	38,87,79,631
	Employee benefits expenses	18	1,04,269	86,91,864	1,12,242	92,22,925
	Depreciation and amortisation expenses		1,44,415	1,20,38,434	1,90,321	1,56,38,677
	Operating and other expenses	19	6,06,490	5,05,57,006	92,937	76,36,633
	<b>Total expenses</b>		<b>53,00,536</b>	<b>44,18,52,680</b>	<b>51,26,906</b>	<b>42,12,77,866</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>63,814</b>	<b>53,19,535</b>	<b>91,144</b>	<b>74,89,303</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		1,27,519	1,06,29,984	(82,142)	(67,49,608)
	(ii) Deferred tax expense/(benefit)		(46,366)	(38,65,070)	52,885	43,45,560
	<b>Net tax expenses</b>		<b>81,153</b>	<b>67,64,914</b>	<b>(29,257)</b>	<b>(24,04,048)</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(17,339)</b>	<b>(14,45,379)</b>	<b>1,20,401</b>	<b>98,93,351</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	17,57,766	14,65,27,374	18,98,644	15,60,11,577
Computers	3,575	2,98,012	-	-
(a)	17,61,341	14,68,25,386	18,98,644	15,60,11,577
<b>Accumulated depreciation:</b>				
Plant and machinery	15,00,828	12,51,09,022	15,87,346	13,04,32,221
Computers	3,376	2,81,423	-	-
(b)	15,04,204	12,53,90,445	15,87,346	13,04,32,221
<b>Net block (a) - (b)</b>	<b>2,57,137</b>	<b>2,14,34,941</b>	<b>3,11,298</b>	<b>2,55,79,356</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	15,000	12,50,400	15,000	12,32,550
(a)	15,000	12,50,400	15,000	12,32,550
<b>Accumulated amortisation:</b>				
Computer software	15,000	12,50,400	15,000	12,32,550
(b)	15,000	12,50,400	15,000	12,32,550
<b>Net block (a) - (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	-	-	15,34,729	12,61,08,682
<b>Total</b>	<b>-</b>	<b>-</b>	<b>15,34,729</b>	<b>12,61,08,682</b>

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	23,200	19,33,952	31,133	25,58,199
<b>Total</b>	<b>23,200</b>	<b>19,33,952</b>	<b>31,133</b>	<b>25,58,199</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	23,791	19,83,218	29,861	24,53,678
<b>Total</b>	<b>23,791</b>	<b>19,83,218</b>	<b>29,861</b>	<b>24,53,678</b>

## 6 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	10,94,449	9,12,33,269	8,19,938	6,73,74,305
Intercompany receivables (Net)	7,04,424	5,87,20,785	-	-
Provision for doubtful debts	(88,031)	(73,38,264)	(78,884)	(64,81,898)
<b>Total</b>	<b>17,10,842</b>	<b>14,26,15,790</b>	<b>7,41,054</b>	<b>6,08,92,407</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	46,757	38,97,664	1,74,730	1,43,57,564
<b>Total</b>	<b>46,757</b>	<b>38,97,664</b>	<b>1,74,730</b>	<b>1,43,57,564</b>

## 8 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	7,727	6,44,123	196	16,105
Provision for Security Deposit	(7,543)	(6,28,784)	-	-
Interest Receivable on Inter Co. Loan (Net)	15,188	12,66,072	43,521	35,76,121
Others	12,506	10,42,500	1,498	1,23,091
<b>Total</b>	<b>27,878</b>	<b>23,23,911</b>	<b>45,215</b>	<b>37,15,317</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	10,65,952	8,88,57,759	-	-
Prepaid expenses	52,255	43,55,977	1,63,525	1,34,36,849
Others	-	-	7,694	6,32,216
<b>Total</b>	<b>11,18,207</b>	<b>9,32,13,736</b>	<b>1,71,219</b>	<b>1,40,69,065</b>

## 10 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	47,560	39,64,602	47,560	39,08,005
<b>Total</b>	<b>47,560</b>	<b>39,64,602</b>	<b>47,560</b>	<b>39,08,005</b>

## 11 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	6,00,927	5,00,93,275	4,80,526	3,94,84,821
ECL impact	(10,432)	(8,69,612)	-	-
Profit / (loss) for the year	(17,339)	(14,45,379)	1,20,401	98,93,351
<b>Closing balance</b>	<b>5,73,156</b>	<b>4,77,78,284</b>	<b>6,00,927</b>	<b>4,93,78,172</b>
<b>Total</b>	<b>5,73,156</b>	<b>4,77,78,284</b>	<b>6,00,927</b>	<b>4,93,78,172</b>

## 12 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	4,61,614	3,84,80,143	-	-
<b>Total</b>	<b>4,61,614</b>	<b>3,84,80,143</b>	<b>-</b>	<b>-</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	24,32,675	20,27,87,791	19,56,777	16,07,88,365
Inter Company - Payables (Net)	-	-	3,54,141	2,90,99,766
<b>Total</b>	<b>24,32,675</b>	<b>20,27,87,791</b>	<b>23,10,918</b>	<b>18,98,88,131</b>

## 14 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	2,21,485	1,84,62,990	3,72,832	3,06,35,605
Other Employee dues	13,070	10,89,515	17,140	14,08,394
Other Statutory dues	32,292	26,91,861	46,928	38,56,074
<b>Total</b>	<b>2,66,847</b>	<b>2,22,44,366</b>	<b>4,36,900</b>	<b>3,59,00,073</b>

## 15 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	1,282	1,06,868	2,360	1,93,921
<b>Total</b>	<b>1,282</b>	<b>1,06,868</b>	<b>2,360</b>	<b>1,93,921</b>

## 16 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	61,284	51,08,634	80,181	65,88,473
Miscellaneous income	1,768	1,47,380	17,341	14,24,910
<b>Total</b>	<b>63,052</b>	<b>52,56,014</b>	<b>97,522</b>	<b>80,13,383</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 17 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	44,45,362	37,05,65,376	47,31,406	38,87,79,631
<b>Total</b>	<b>44,45,362</b>	<b>37,05,65,376</b>	<b>47,31,406</b>	<b>38,87,79,631</b>

## 18 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	87,507	72,94,584	92,100	75,67,857
Contribution to provident and other funds	11,189	9,32,715	11,838	9,72,728
Staff welfare expenses	5,573	4,64,565	8,304	6,82,340
<b>Total</b>	<b>1,04,269</b>	<b>86,91,864</b>	<b>1,12,242</b>	<b>92,22,925</b>

## 19 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	2,973	2,47,829	3,249	2,66,970
Communication expenses	1,755	1,46,297	2,731	2,24,406
Directors fees	4,272	3,56,114	2,704	2,22,188
Electricity	4,261	3,55,197	-	-
Entertainment expenses	1,437	1,19,788	4,188	3,44,128
Exchange loss -Net	1,30,873	1,09,09,573	82,332	67,65,220
Insurance expenses	20,089	16,74,619	18,001	14,79,142
IT consumables	14,377	11,98,467	231	18,981
Legal and professional fees	1,320	1,10,035	77,316	63,53,056
Miscellaneous expenses	13,330	11,11,189	12,180	10,00,831
Printing and stationery	143	11,920	27	2,219
Provision for doubtful debts	(1,285)	(1,07,118)	(59,219)	(48,66,025)
Provision For Doubtful advances	(389)	(32,427)	(392)	(32,211)
Rates and Taxes	(29,993)	(25,00,216)	(3,32,312)	(2,73,06,077)
Recruitment expenses	1,014	84,527	2,868	2,35,664
Rent	1,776	1,48,047	1,064	87,429
Repairs and Maintenance - Plant & Machinery	1,25,474	1,04,59,513	1,10,278	90,61,543
Repairs and Maintenance -Building	25	2,084	124	10,189
Seminars, trainings and conferences	5,035	4,19,718	289	23,747
Services rendered by agencies	3,04,197	2,53,57,862	1,50,471	1,23,64,202
Travelling and conveyance expenses	5,806	4,83,988	16,807	13,81,031
<b>Total</b>	<b>6,06,490</b>	<b>5,05,57,006</b>	<b>92,937</b>	<b>76,36,633</b>





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LLP Identity No. AAB-7509

## APPENDIX - 32

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Thailand) Limited** ("the subsidiary") registered in Thailand as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.

This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

Tata Communications (Thailand) Limited

BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	96,694	80,60,412	1,26,761	1,04,15,952
	Capital work-in-progress		80,476	67,08,479	1,243	1,02,137
	Deferred tax assets (net)		9,817	8,18,345	-	-
	Advance tax (net)		52,235	43,54,310	36,827	30,26,075
	Other Non-current assets	2	4,441	3,70,202	2,642	2,17,093
			2,43,663	2,03,11,748	1,67,473	1,37,61,257
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	3	2,01,343	1,67,83,952	4,92,010	4,04,28,462
	(ii) Cash and cash equivalents	4	4,79,843	3,99,99,712	1,18,336	97,23,669
	(iii) Other financial assets	5	4,499	3,75,036	4,721	3,87,925
	Other Current assets	6	36,952	30,80,317	43,025	35,35,365
			7,22,637	6,02,39,017	6,58,092	5,40,75,421
	<b>TOTAL ASSETS</b>		9,66,300	8,05,50,765	8,25,565	6,78,36,678
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	7	5,88,462	4,90,54,192	5,88,462	4,83,53,923
	Other equity	8	(1,15,487)	(96,26,995)	(1,24,419)	(1,02,23,512)
	<b>Total Equity</b>		4,72,975	3,94,27,197	4,64,043	3,81,30,411
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	9	4,82,626	4,02,31,699	3,55,767	2,92,33,379
	(ii) Other financial liabilities	10	-	-	6	493
	Other current liabilities	11	10,699	8,91,869	5,749	4,72,395
			4,93,325	4,11,23,568	3,61,522	2,97,06,267
	<b>TOTAL EQUITY AND LIABILITIES</b>		9,66,300	8,05,50,765	8,25,565	6,78,36,678

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)





**Tata Communications (Thailand) Limited**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024**

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations		17,98,732	14,99,42,300	17,44,512	14,33,46,551
ii	Other Income	12	2,041	1,70,138	24,588	20,20,396
iii	<b>Total income (i + ii)</b>		<b>18,00,773</b>	<b>15,01,12,438</b>	<b>17,69,100</b>	<b>14,53,66,947</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	13	16,62,466	13,85,83,166	16,42,519	13,49,65,786
	Employee benefits expenses	14	-	-	15	1,233
	Depreciation and amortisation expenses		35,167	29,31,521	37,855	31,10,545
	Operating and other expenses	15	1,00,775	84,00,603	83,427	68,55,199
	<b>Total expenses</b>		<b>17,98,408</b>	<b>14,99,15,290</b>	<b>17,63,816</b>	<b>14,49,32,763</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>2,365</b>	<b>1,97,148</b>	<b>5,284</b>	<b>4,34,184</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		(9,817)	(8,18,345)	-	-
	<b>Net tax expenses</b>		<b>(9,817)</b>	<b>(8,18,345)</b>	<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>12,182</b>	<b>10,15,493</b>	<b>5,284</b>	<b>4,34,184</b>

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	2,38,834	1,99,09,202	2,56,692	2,10,92,382
Computers	5,100	4,25,136	-	-
(a)	2,43,934	2,03,34,338	2,56,692	2,10,92,382
<b>Accumulated depreciation:</b>				
Plant and machinery	1,46,475	1,22,10,156	1,29,931	1,06,76,430
Computers	765	63,770	-	-
(b)	1,47,240	1,22,73,926	1,29,931	1,06,76,430
<b>Net block (a) - (b)</b>	<b>96,694</b>	<b>80,60,412</b>	<b>1,26,761</b>	<b>1,04,15,952</b>

## 2 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	4,441	3,70,202	2,642	2,17,093
<b>Total</b>	<b>4,441</b>	<b>3,70,202</b>	<b>2,642</b>	<b>2,17,093</b>

## 3 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	2,07,931	1,73,33,128	2,13,116	1,75,11,742
Intercompany receivables (Net)	-	-	2,88,014	2,36,66,110
Provision for doubtful debts	(6,588)	(5,49,176)	(9,120)	(7,49,390)
<b>Total</b>	<b>2,01,343</b>	<b>1,67,83,952</b>	<b>4,92,010</b>	<b>4,04,28,462</b>

## 4 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	4,79,843	3,99,99,712	1,18,336	97,23,669
<b>Total</b>	<b>4,79,843</b>	<b>3,99,99,712</b>	<b>1,18,336</b>	<b>97,23,669</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	4,437	3,69,868	4,721	3,87,925
Others	62	5,168	-	-
<b>Total</b>	<b>4,499</b>	<b>3,75,036</b>	<b>4,721</b>	<b>3,87,925</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	2,326	1,93,895	-	-
Provision for doubtful advance	(232)	(19,340)	-	-
Prepaid expenses	18,854	15,71,669	17,809	14,63,366
Indirect tax receivable	16,004	13,34,093	25,216	20,71,999
<b>Total</b>	<b>36,952</b>	<b>30,80,317</b>	<b>43,025</b>	<b>35,35,365</b>

## 7 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	5,88,462	4,90,54,192	5,88,462	4,83,53,923
<b>Total</b>	<b>5,88,462</b>	<b>4,90,54,192</b>	<b>5,88,462</b>	<b>4,83,53,923</b>

## 8 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(1,24,419)	(1,03,71,568)	(1,29,703)	(1,06,57,696)
ECL impact	(3,250)	(2,70,920)	-	-
Profit / (loss) for the year	12,182	10,15,493	5,284	4,34,184
<b>Closing balance</b>	<b>(1,15,487)</b>	<b>(96,26,995)</b>	<b>(1,24,419)</b>	<b>(1,02,23,512)</b>
<b>Total</b>	<b>(1,15,487)</b>	<b>(96,26,995)</b>	<b>(1,24,419)</b>	<b>(1,02,23,512)</b>





## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	4,38,610	3,65,62,525	3,55,767	2,92,33,379
Inter Company - Payables (Net)	44,016	36,69,174	-	-
<b>Total</b>	<b>4,82,626</b>	<b>4,02,31,699</b>	<b>3,55,767</b>	<b>2,92,33,379</b>

## 10 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Others	-	-	6	493
<b>Total</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>493</b>

## 11 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	3,282	2,73,588	5,749	4,72,395
Other Statutory dues	7,417	6,18,281	-	-
<b>Total</b>	<b>10,699</b>	<b>8,91,869</b>	<b>5,749</b>	<b>4,72,395</b>

## 12 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Exchange gain -Net	-	-	23,869	19,61,316
Miscellaneous income	2,041	1,70,138	719	59,080
<b>Total</b>	<b>2,041</b>	<b>1,70,138</b>	<b>24,588</b>	<b>20,20,396</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 13 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	16,62,466	13,85,83,166	16,42,519	13,49,65,786
<b>Total</b>	<b>16,62,466</b>	<b>13,85,83,166</b>	<b>16,42,519</b>	<b>13,49,65,786</b>

## 14 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	-	-	15	1,233
<b>Total</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>1,233</b>

## 15 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	2,471	2,05,983	974	80,034
Communication expenses	177	14,755	-	-
Exchange loss -Net	25,045	20,87,751	-	-
Insurance expenses	5,166	4,30,638	5,003	4,11,097
Legal and professional fees	30,584	25,49,482	39,018	32,06,109
Miscellaneous expenses	11,376	9,48,303	8,851	7,27,287
Provision for doubtful debts	(5,782)	(4,81,988)	4,392	3,60,891
Provision For Doubtful advances	232	19,340	-	-
Rates and Taxes	2,248	1,87,393	-	-
Rent	6,970	5,81,019	6,503	5,34,352
Repairs and Maintenance - Plant & Machinery	14,595	12,16,639	11,259	9,25,152
Services rendered by agencies	7,693	6,41,288	7,427	6,10,277
<b>Total</b>	<b>1,00,775</b>	<b>84,00,603</b>	<b>83,427</b>	<b>68,55,199</b>





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LLP Identity No. AAB-7509

## **APPENDIX - 33**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Beijing) Technology Limited** ("the subsidiary") registered in Shanghai The Republic of China as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

**FOR SURESH SURANA & ASSOCIATES LLP**

Chartered Accountants

Firm's Reg. No. 121750W /W100010



**Rahul Bhansali**

**Partner**

**Membership No. 126549**

**Place: Mumbai**

**Date: 17 April 2024**

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	52,113	43,44,140	88,857	73,01,379
	Capital work-in-progress		79,153	65,98,194	25,763	21,16,946
	Right-of-use assets		7,255	6,04,777	34,613	28,44,150
	Financial assets					
	(i) Other financial assets	2	7,983	6,65,463	3,744	3,07,644
	Deferred tax assets (net)		385	32,094	34,251	28,14,405
	Other Non-current assets	3	30,993	25,83,576	10,556	8,67,387
			1,77,882	1,48,28,244	1,97,784	1,62,51,911
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	64,747	53,97,309	3,12,525	2,56,80,179
	(ii) Cash and cash equivalents	5	5,81,097	4,84,40,246	3,81,552	3,13,52,128
	(iii) Other financial assets	6	-	-	7,839	6,44,131
	Other Current assets	7	48,439	40,37,875	38,306	31,47,603
			6,94,283	5,78,75,430	7,40,222	6,08,24,041
	<b>TOTAL ASSETS</b>		8,72,165	7,27,03,674	9,38,006	7,70,75,952
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	1,63,081	1,35,94,432	1,63,081	1,34,00,366
	Other equity	9	4,56,315	3,80,38,419	3,79,815	3,12,09,400
	<b>Total Equity</b>		6,19,396	5,16,32,851	5,42,896	4,46,09,766
(2)	<b>Non-current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Lease liabilities		-	-	6,935	5,69,849
	Other liabilities (Deferred revenue)		1,694	1,41,212	6,777	5,56,866
			1,694	1,41,212	13,712	11,26,715
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Lease liabilities		6,787	5,65,764	27,026	22,20,726
	(ii) Trade payables	10	88,536	73,80,360	1,22,550	1,00,69,931
	Other current liabilities	11	1,34,322	1,11,97,082	2,03,485	1,67,20,362
	Provisions	12	19,496	16,25,187	28,080	23,07,334
	Current tax liability (Net)		1,934	1,61,218	257	21,118
			2,51,075	2,09,29,611	3,81,398	3,13,39,471
	<b>TOTAL EQUITY AND LIABILITIES</b>		8,72,165	7,27,03,674	9,38,006	7,70,75,952

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
<b>A</b>	<b>CONTINUED OPERATIONS</b>					
i	Revenue from operations		14,89,400	12,41,56,384	13,15,856	10,81,23,888
ii	Other Income	13	3,356	2,79,756	4,467	3,67,053
iii	<b>Total income (i + ii)</b>		<b>14,92,756</b>	<b>12,44,36,140</b>	<b>13,20,323</b>	<b>10,84,90,941</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	14	41,170	34,31,931	1,564	1,28,514
	Employee benefits expenses	15	8,88,738	7,40,85,200	10,14,586	8,33,68,532
	Depreciation and amortisation expenses		37,093	30,92,072	35,578	29,23,444
	Operating and other expenses	16	4,04,784	3,37,42,795	3,02,186	2,48,30,623
	<b>Total expenses</b>		<b>13,71,785</b>	<b>11,43,51,998</b>	<b>13,53,914</b>	<b>11,12,51,113</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>1,20,971</b>	<b>1,00,84,142</b>	<b>(33,591)</b>	<b>(27,60,172)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		9,976	8,31,599	(4,151)	(3,41,088)
	(ii) Deferred tax expense/(benefit)		33,866	28,23,070	(67,786)	(55,69,976)
	<b>Net tax expenses</b>		<b>43,842</b>	<b>36,54,669</b>	<b>(71,937)</b>	<b>(59,11,064)</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>77,129</b>	<b>64,29,473</b>	<b>38,346</b>	<b>31,50,892</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	74,547	62,14,238	81,937	67,32,763
Computers	10,685	8,90,702	9,607	7,89,407
Office equipment	84,606	70,52,756	84,606	69,52,075
(a)	1,69,838	1,41,57,696	1,76,150	1,44,74,245
<b>Accumulated depreciation:</b>				
Plant and machinery	30,971	25,81,743	21,598	17,74,708
Computers	9,140	7,61,910	4,860	3,99,346
Office equipment	77,614	64,69,903	60,835	49,98,812
(b)	1,17,725	98,13,556	87,293	71,72,866
<b>Net block (a) - (b)</b>	<b>52,113</b>	<b>43,44,140</b>	<b>88,857</b>	<b>73,01,379</b>

## 2 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	7,983	6,65,463	3,744	3,07,644
<b>Total</b>	<b>7,983</b>	<b>6,65,463</b>	<b>3,744</b>	<b>3,07,644</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	30,993	25,83,576	10,556	8,67,387
<b>Total</b>	<b>30,993</b>	<b>25,83,576</b>	<b>10,556</b>	<b>8,67,387</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	45,701	38,09,635	36,393	29,90,413
Intercompany receivables (Net)	19,631	16,36,440	2,76,132	2,26,89,766
Provision for doubtful debts	(585)	(48,766)	-	-
<b>Total</b>	<b>64,747</b>	<b>53,97,309</b>	<b>3,12,525</b>	<b>2,56,80,179</b>

## 5 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	5,81,097	4,84,40,246	3,81,552	3,13,52,128
<b>Total</b>	<b>5,81,097</b>	<b>4,84,40,246</b>	<b>3,81,552</b>	<b>3,13,52,128</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	3,018	2,51,580	7,839	6,44,131
Provision for Security Deposit	(3,018)	(2,51,580)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>7,839</b>	<b>6,44,131</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	-	-	707	58,094
Prepaid expenses	48,439	40,37,875	20,412	16,77,254
Indirect tax receivable	-	-	7,197	5,91,377
Others	-	-	9,990	8,20,878
<b>Total</b>	<b>48,439</b>	<b>40,37,875</b>	<b>38,306</b>	<b>31,47,603</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	1,63,081	1,35,94,432	1,63,081	1,34,00,366
<b>Total</b>	<b>1,63,081</b>	<b>1,35,94,432</b>	<b>1,63,081</b>	<b>1,34,00,366</b>

## 9 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	3,79,644	3,16,47,124	3,41,298	2,80,44,457
ECL impact	(629)	(52,433)	-	-
Profit / (loss) for the year	77,129	64,29,473	38,346	31,50,892
<b>Closing balance</b>	<b>4,56,144</b>	<b>3,80,24,164</b>	<b>3,79,644</b>	<b>3,11,95,349</b>
<b>Capital reserves</b>				
	171	14,255	171	14,051
<b>Total</b>	<b>4,56,315</b>	<b>3,80,38,419</b>	<b>3,79,815</b>	<b>3,12,09,400</b>

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	88,536	73,80,360	1,22,550	1,00,69,931
<b>Total</b>	<b>88,536</b>	<b>73,80,360</b>	<b>1,22,550</b>	<b>1,00,69,931</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 11 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	4,357	3,63,200	10,255	8,42,653
Other Employee dues	1,27,000	1,05,86,720	1,93,230	1,58,77,709
Other Statutory dues	2,965	2,47,162	-	-
<b>Total</b>	<b>1,34,322</b>	<b>1,11,97,082</b>	<b>2,03,485</b>	<b>1,67,20,362</b>

## 12 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	19,496	16,25,187	28,080	23,07,334
<b>Total</b>	<b>19,496</b>	<b>16,25,187</b>	<b>28,080</b>	<b>23,07,334</b>

## 13 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	913	76,108	1,067	87,675
Miscellaneous income	2,443	2,03,648	3,400	2,79,378
<b>Total</b>	<b>3,356</b>	<b>2,79,756</b>	<b>4,467</b>	<b>3,67,053</b>

## 14 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	41,170	34,31,931	1,564	1,28,514
<b>Total</b>	<b>41,170</b>	<b>34,31,931</b>	<b>1,564</b>	<b>1,28,514</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 15 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	8,83,400	7,36,40,224	10,11,422	8,31,08,546
Staff welfare expenses	5,338	4,44,976	3,164	2,59,986
<b>Total</b>	<b>8,88,738</b>	<b>7,40,85,200</b>	<b>10,14,586</b>	<b>8,33,68,532</b>

## 16 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	84,338	70,30,416	33,166	27,25,250
Auditors remuneration	5,438	4,53,312	2,760	2,26,789
Communication expenses	1,986	1,65,553	2,970	2,44,045
Entertainment expenses	1,813	1,51,132	1,036	85,128
Exchange loss -Net	26,314	21,93,535	60,645	49,83,200
Insurance expenses	6,920	5,76,851	6,878	5,65,165
IT consumables	36	3,001	167	13,722
Legal and professional fees	68,942	57,47,005	34,190	28,09,392
Miscellaneous expenses	78,648	65,56,097	59,812	49,14,752
Miscellaneous Expenses - Operating	-	-	(4,713)	(3,87,267)
Printing and stationery	54	4,501	60	4,930
Provision for doubtful debts	(45)	(3,751)	-	-
Provision For Doubtful advances	(181)	(15,088)	3,200	2,62,944
Rates and Taxes	1,105	92,113	1,178	96,796
Recruitment expenses	141	11,754	15,252	12,53,257
Relocation Expense	-	-	-	-
Rent	28,687	23,91,348	34,112	28,02,983
Repairs and Maintenance - Plant & Machinery	82,897	69,10,294	43,040	35,36,597
Seminars, trainings and conferences	607	50,600	611	50,206
Travelling and conveyance expenses	17,084	14,24,122	7,822	6,42,734
<b>Total</b>	<b>4,04,784</b>	<b>3,37,42,795</b>	<b>3,02,186</b>	<b>2,48,30,623</b>







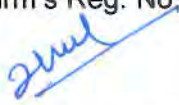


This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	1,36,000	1,13,36,960	2,29,592	1,88,65,574
	Capital work-in-progress		1,59,130	1,32,65,077	53,497	43,95,848
	Deferred tax assets (net)		16,379	13,65,353	30,322	24,91,559
	Advance tax (net)		17,658	14,71,971	8,318	6,83,490
	Other Non-current assets	2	1,09,064	90,91,575	56,292	46,25,514
			4,38,231	3,65,30,936	3,78,021	3,10,61,985
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	3	6,45,044	5,37,70,868	4,01,523	3,29,93,145
	(ii) Cash and cash equivalents	4	14,58,078	12,15,45,382	16,90,425	13,89,02,222
	(iii) Other financial assets	5	2,192	1,82,725	-	-
	Other Current assets	6	74,464	62,07,319	35,678	29,31,661
			21,79,778	18,17,06,294	21,27,626	17,48,27,028
	<b>TOTAL ASSETS</b>		26,18,009	21,82,37,230	25,05,647	20,58,89,013
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	7	2,60,825	2,17,42,372	2,60,825	2,14,31,990
	Other equity	8	1,37,057	1,14,25,073	86,646	71,19,705
	<b>Total Equity</b>		3,97,882	3,31,67,445	3,47,471	2,85,51,695
(2)	<b>Non-current liabilities</b>					
	Other liabilities (Deferred revenue)		430	35,845	8,130	6,68,042
			430	35,845	8,130	6,68,042
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	9	21,39,648	17,83,61,055	20,29,666	16,67,77,651
	(ii) Other financial liabilities	10	43,491	36,25,410	44,887	36,88,365
	Other current liabilities	11	34,125	28,44,660	69,875	57,41,629
	Provisions	12	2,433	2,02,815	5,618	4,61,631
			22,19,697	18,50,33,940	21,50,046	17,66,69,276
	<b>TOTAL EQUITY AND LIABILITIES</b>		26,18,009	21,82,37,230	25,05,647	20,58,89,013

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	13	34,73,464	28,95,47,959	32,61,116	26,79,65,902
ii	Other Income		51,708	43,10,379	35	2,876
iii	<b>Total income (i + ii)</b>		<b>35,25,172</b>	<b>29,38,58,338</b>	<b>32,61,151</b>	<b>26,79,68,778</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	14	27,38,036	22,82,42,681	25,13,567	20,65,39,800
	Employee benefits expenses	15	2,94,672	2,45,63,858	1,69,091	1,38,94,207
	Finance costs	16	-	-	38	3,122
	Depreciation and amortisation expenses		94,119	78,45,760	93,238	76,61,366
	Operating and other expenses	17	3,28,363	2,73,72,339	4,66,135	3,83,02,312
	<b>Total expenses</b>		<b>34,55,190</b>	<b>28,80,24,638</b>	<b>32,42,069</b>	<b>26,64,00,807</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>69,982</b>	<b>58,33,700</b>	<b>19,082</b>	<b>15,67,971</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	(17,828)	(14,64,927)
	(ii) Deferred tax expense/(benefit)		13,943	11,62,288	36,823	30,25,746
	<b>Net tax expenses</b>		<b>13,943</b>	<b>11,62,288</b>	<b>18,995</b>	<b>15,60,819</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>56,039</b>	<b>46,71,412</b>	<b>87</b>	<b>7,152</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	4,69,873	3,91,68,613	4,73,344	3,88,94,676
Computers	1,900	1,58,384	1,385	1,13,805
(a)	4,71,773	3,93,26,997	4,74,729	3,90,08,481
<b>Accumulated depreciation:</b>				
Plant and machinery	3,33,925	2,78,35,988	2,43,752	2,00,29,102
Computers	1,848	1,54,049	1,385	1,13,805
(b)	3,35,773	2,79,90,037	2,45,137	2,01,42,907
<b>Net block (a) - (b)</b>	<b>1,36,000</b>	<b>1,13,36,960</b>	<b>2,29,592</b>	<b>1,88,65,574</b>

## 2 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	1,09,064	90,91,575	56,292	46,25,514
<b>Total</b>	<b>1,09,064</b>	<b>90,91,575</b>	<b>56,292</b>	<b>46,25,514</b>

## 3 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	5,62,075	4,68,54,572	4,03,407	3,31,47,953
Intercompany receivables (Net)	90,344	75,31,076	-	-
Provision for doubtful debts	(7,375)	(6,14,780)	(1,884)	(1,54,808)
<b>Total</b>	<b>6,45,044</b>	<b>5,37,70,868</b>	<b>4,01,523</b>	<b>3,29,93,145</b>

## 4 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	14,58,078	12,15,45,382	16,90,425	13,89,02,222
<b>Total</b>	<b>14,58,078</b>	<b>12,15,45,382</b>	<b>16,90,425</b>	<b>13,89,02,222</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Others	2,192	1,82,725	-	-
<b>Total</b>	<b>2,192</b>	<b>1,82,725</b>	<b>-</b>	<b>-</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	4,227	3,52,363	-	-
Advances to employees	15	1,250	347	28,513
Provision for doubtful advance	(8)	(667)	-	-
Prepaid expenses	70,230	58,54,373	35,331	29,03,148
<b>Total</b>	<b>74,464</b>	<b>62,07,319</b>	<b>35,678</b>	<b>29,31,661</b>

## 7 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	2,60,825	2,17,42,372	2,60,825	2,14,31,990
<b>Total</b>	<b>2,60,825</b>	<b>2,17,42,372</b>	<b>2,60,825</b>	<b>2,14,31,990</b>

## 8 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	86,646	72,22,811	86,559	71,12,553
ECL impact	(5,628)	(4,69,150)	-	-
Profit / (loss) for the year	56,039	46,71,412	87	7,152
<b>Closing balance</b>	<b>1,37,057</b>	<b>1,14,25,073</b>	<b>86,646</b>	<b>71,19,705</b>
<b>Total</b>	<b>1,37,057</b>	<b>1,14,25,073</b>	<b>86,646</b>	<b>71,19,705</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	21,39,648	17,83,61,055	11,05,206	9,08,14,773
Inter Company - Payables (Net)	-	-	9,24,460	7,59,62,878
<b>Total</b>	<b>21,39,648</b>	<b>17,83,61,055</b>	<b>20,29,666</b>	<b>16,67,77,651</b>

## 10 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	43,491	36,25,410	44,887	36,88,365
<b>Total</b>	<b>43,491</b>	<b>36,25,410</b>	<b>44,887</b>	<b>36,88,365</b>

## 11 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	9,813	8,18,012	11,981	9,84,479
Other Employee dues	13,076	10,90,015	18,149	14,91,303
Other Statutory dues	11,236	9,36,633	39,745	32,65,847
<b>Total</b>	<b>34,125</b>	<b>28,44,660</b>	<b>69,875</b>	<b>57,41,629</b>

## 12 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	2,433	2,02,815	5,618	4,61,631
<b>Total</b>	<b>2,433</b>	<b>2,02,815</b>	<b>5,618</b>	<b>4,61,631</b>

## 13 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	51,670	43,07,211	-	-
Miscellaneous income	38	3,168	35	2,876
<b>Total</b>	<b>51,708</b>	<b>43,10,379</b>	<b>35</b>	<b>2,876</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 14 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	27,38,036	22,82,42,681	25,13,567	20,65,39,800
<b>Total</b>	<b>27,38,036</b>	<b>22,82,42,681</b>	<b>25,13,567</b>	<b>20,65,39,800</b>

## 15 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	2,94,617	2,45,59,273	1,68,985	1,38,85,497
Staff welfare expenses	55	4,585	106	8,710
<b>Total</b>	<b>2,94,672</b>	<b>2,45,63,858</b>	<b>1,69,091</b>	<b>1,38,94,207</b>

## 16 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	-	-	38	3,122
<b>Total</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>3,122</b>

## 17 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Communication expenses	1,768	1,47,380	2,006	1,64,833
Entertainment expenses	403	33,594	1,813	1,48,974
Exchange loss -Net	25,127	20,94,587	1,18,287	97,19,643
Insurance expenses	5,003	4,17,050	4,990	4,10,028
IT consumables	81	6,752	-	-
Legal and professional fees	66,954	55,81,285	28,406	23,34,121
Loss on sale of fixed asset	-	-	4,064	3,33,939
Miscellaneous expenses	1,54,470	1,28,76,619	1,58,517	1,30,25,342
Provision for doubtful debts	(134)	(11,170)	-	-
Provision For Doubtful advances	-	-	8	657
Rent	3,239	2,70,003	5,590	4,59,330
Repairs and Maintenance - Plant & Machinery	50,745	42,30,103	96,698	79,45,675
Repairs and Maintenance -Building	738	61,520	1,660	1,36,402
Seminars, trainings and conferences	(347)	(28,926)	23,167	19,03,632
Services rendered by agencies	18,921	15,77,255	19,920	16,36,826
Travelling and conveyance expenses	1,395	1,16,287	1,009	82,910
<b>Total</b>	<b>3,28,363</b>	<b>2,73,72,339</b>	<b>4,66,135</b>	<b>3,83,02,312</b>



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## **APPENDIX - 35**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Japan) K.K.** ("the subsidiary") registered in Japan as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	2,34,49,085	1,95,47,15,726	2,90,89,615	2,39,02,93,665
	Capital work-in-progress		28,65,755	23,88,89,337	12,68,153	10,42,04,132
	Right-of-use assets		56,84,847	47,38,88,846	36,76,286	30,20,80,421
	Other Intangible assets	2	64,62,996	53,87,55,347	72,48,587	59,56,16,394
	Intangible assets under development		1,033	86,111	67,351	55,34,232
	Financial assets					
	(i) Loans	3	3,68,63,125	3,07,29,10,100	3,75,18,687	3,08,29,10,511
	(ii) Other financial assets	4	1,15,697	96,44,502	1,31,208	1,07,81,361
	Deferred tax assets (net)		3,19,018	2,65,93,340	-	-
	Other Non-current assets	5	19,401	16,17,267	28,198	23,17,030
			7,57,80,957	6,31,71,00,576	7,90,28,085	6,49,37,37,746
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	6	18,85,453	15,71,71,362	20,15,892	16,56,45,846
	(ii) Cash and cash equivalents	7	1,95,114	1,62,64,703	2,45,050	2,01,35,759
	(iii) Other financial assets	8	10,39,691	8,66,68,641	8,20,192	6,73,95,176
	Other Current assets	9	14,21,678	11,85,11,078	12,00,214	9,86,21,584
			45,41,936	37,86,15,784	42,81,348	35,17,98,365
	<b>TOTAL ASSETS</b>		<b>8,03,22,893</b>	<b>6,69,57,16,360</b>	<b>8,33,09,433</b>	<b>6,84,55,36,111</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	10	36,28,039	30,24,33,331	36,28,039	29,81,15,965
	Other equity	11	47,55,657	39,64,31,567	29,31,054	24,08,44,707
	<b>Total Equity</b>		<b>83,83,696</b>	<b>69,88,64,898</b>	<b>65,59,093</b>	<b>53,89,60,672</b>
(2)	<b>Non-current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Lease liabilities		45,73,203	38,12,22,202	19,25,376	15,82,08,146
	Provisions	12	26,77,785	22,32,20,158	25,77,548	21,17,97,119
	Deferred tax liabilities (Net)		-	-	4,04,236	3,32,16,072
	Other liabilities (Deferred revenue)		3,51,54,362	2,93,04,67,616	4,42,86,842	3,63,90,49,807
			4,24,05,350	3,53,49,09,976	4,91,94,002	4,04,22,71,144
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Lease liabilities		6,29,671	5,24,89,375	14,20,670	11,67,36,454
	(ii) Trade payables	13	1,73,08,459	1,44,28,33,142	1,53,25,683	1,25,93,11,373
	(iii) Other financial liabilities	14	2,097	1,74,806	2,100	1,72,557
	Other current liabilities	15	99,29,656	82,77,36,124	1,04,58,855	85,94,04,116
	Provisions	16	49,383	41,16,567	72,814	59,83,126
	Current tax liability (Net)		16,14,581	13,45,91,472	2,76,216	2,26,96,669
			2,95,33,847	2,46,19,41,486	2,75,56,338	2,26,43,04,295
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,03,22,893</b>	<b>6,69,57,16,360</b>	<b>8,33,09,433</b>	<b>6,84,55,36,111</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	17	3,18,98,419	2,65,90,52,208	3,08,98,187	2,53,89,04,026
ii	Other Income		21,86,651	18,22,79,228	15,40,673	12,65,97,100
iii	<b>Total income (i + ii)</b>		<b>3,40,85,070</b>	<b>2,84,13,31,436</b>	<b>3,24,38,860</b>	<b>2,66,55,01,126</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	18	1,65,56,213	1,38,01,25,916	1,33,91,478	1,10,03,77,747
	Employee benefits expenses	19	12,37,126	10,31,26,824	16,22,246	13,32,99,954
	Finance costs	20	4,12,717	3,44,04,089	4,46,567	3,66,94,410
	Depreciation and amortisation expenses		86,21,969	71,87,27,336	89,53,329	73,56,95,044
	Operating and other expenses	21	31,90,196	26,59,34,738	39,79,624	32,70,05,704
	<b>Total expenses</b>		<b>3,00,18,221</b>	<b>2,50,23,18,903</b>	<b>2,83,93,244</b>	<b>2,33,30,72,859</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>40,66,849</b>	<b>33,90,12,533</b>	<b>40,45,616</b>	<b>33,24,28,267</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		29,37,318	24,48,54,828	29,71,502	24,41,68,319
	(ii) Deferred tax expense/(benefit)		(7,23,254)	(6,02,90,453)	(14,77,932)	(12,14,41,672)
	<b>Net tax expenses</b>		<b>22,14,064</b>	<b>18,45,64,375</b>	<b>14,93,570</b>	<b>12,27,26,647</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>18,52,785</b>	<b>15,44,48,158</b>	<b>25,52,046</b>	<b>20,97,01,620</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	20,87,335	17,40,00,246	20,87,335	17,15,16,317
Building	36,39,636	30,34,00,057	36,39,636	29,90,68,890
Lease hold improvement	10,07,400	8,39,76,864	10,07,400	8,27,78,058
Cables	8,08,49,874	6,73,96,45,497	8,13,92,940	6,68,80,57,880
Plant and machinery	6,95,68,036	5,79,91,91,481	8,15,01,823	6,69,70,04,796
Furniture and fixtures	37,728	31,45,006	37,728	31,00,110
Computers	1,20,967	1,00,83,809	1,09,626	90,07,968
Office equipment	3,68,671	3,07,32,415	3,68,671	3,02,93,696
(a)	15,76,79,647	13,14,41,75,375	17,01,45,159	13,98,08,27,715
<b>Accumulated depreciation:</b>				
Building	27,29,671	22,75,45,375	25,83,598	21,22,94,248
Lease hold improvement	9,82,395	8,18,92,447	5,96,908	4,90,47,930
Cables	6,79,97,825	5,66,82,98,692	6,29,73,295	5,17,45,15,650
Plant and machinery	6,20,45,294	5,17,20,95,708	7,44,62,296	6,11,85,66,862
Furniture and fixtures	35,020	29,19,267	31,410	25,80,960
Computers	1,09,600	91,36,256	1,01,232	83,18,233
Office equipment	3,30,757	2,75,71,904	3,06,805	2,52,10,167
(b)	13,42,30,562	11,18,94,59,649	14,10,55,544	11,59,05,34,050
<b>Net block (a) - (b)</b>	<b>2,34,49,085</b>	<b>1,95,47,15,726</b>	<b>2,90,89,615</b>	<b>2,39,02,93,665</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	1,14,602	95,53,223	47,251	38,82,615
Indefeasible right to use assets	81,42,341	67,87,45,546	1,86,77,071	1,53,46,94,924
(a)	82,56,943	68,82,98,769	1,87,24,322	1,53,85,77,539
<b>Accumulated amortisation:</b>				
Computer software	65,959	54,98,342	47,251	38,82,615
Indefeasible right to use assets	17,27,988	14,40,45,080	1,14,28,484	93,90,78,530
(b)	17,93,947	14,95,43,422	1,14,75,735	94,29,61,145
<b>Net block (a) - (b)</b>	<b>64,62,996</b>	<b>53,87,55,347</b>	<b>72,48,587</b>	<b>59,56,16,394</b>

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	3,68,63,125	3,07,29,10,100	3,75,18,687	3,08,29,10,511
<b>Total</b>	<b>3,68,63,125</b>	<b>3,07,29,10,100</b>	<b>3,75,18,687</b>	<b>3,08,29,10,511</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	1,15,697	96,44,502	1,31,208	1,07,81,361
<b>Total</b>	<b>1,15,697</b>	<b>96,44,502</b>	<b>1,31,208</b>	<b>1,07,81,361</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	19,401	16,17,267	28,198	23,17,030
<b>Total</b>	<b>19,401</b>	<b>16,17,267</b>	<b>28,198</b>	<b>23,17,030</b>

## 6 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	19,26,412	16,05,85,704	20,35,888	16,72,88,917
Provision for doubtful debts	(40,959)	(34,14,342)	(19,996)	(16,43,071)
<b>Total</b>	<b>18,85,453</b>	<b>15,71,71,362</b>	<b>20,15,892</b>	<b>16,56,45,846</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	1,95,114	1,62,64,703	2,45,050	2,01,35,759
<b>Total</b>	<b>1,95,114</b>	<b>1,62,64,703</b>	<b>2,45,050</b>	<b>2,01,35,759</b>

## 8 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	10,08,879	8,41,00,153	7,85,538	6,45,47,657
Others	30,812	25,68,488	34,654	28,47,519
<b>Total</b>	<b>10,39,691</b>	<b>8,66,68,641</b>	<b>8,20,192</b>	<b>6,73,95,176</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	9,444	7,87,252	50,853	41,78,591
Provision for doubtful advance	(68)	(5,668)	-	-
Prepaid expenses	1,59,379	1,32,85,833	2,63,129	2,16,21,310
Indirect tax receivable	12,41,879	10,35,23,033	8,86,232	7,28,21,683
Others	11,044	9,20,628	-	-
<b>Total</b>	<b>14,21,678</b>	<b>11,85,11,078</b>	<b>12,00,214</b>	<b>9,86,21,584</b>

## 10 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	36,28,039	30,24,33,331	36,28,039	29,81,15,965
<b>Total</b>	<b>36,28,039</b>	<b>30,24,33,331</b>	<b>36,28,039</b>	<b>29,81,15,965</b>

## 11 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	29,31,054	24,43,32,661	3,79,008	3,11,43,087
ECL impact	(28,182)	(23,49,252)	-	-
Profit / (loss) for the year	18,52,785	15,44,48,158	25,52,046	20,97,01,620
<b>Closing balance</b>	<b>47,55,657</b>	<b>39,64,31,567</b>	<b>29,31,054</b>	<b>24,08,44,707</b>
<b>Total</b>	<b>47,55,657</b>	<b>39,64,31,567</b>	<b>29,31,054</b>	<b>24,08,44,707</b>

## 12 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	26,77,785	22,32,20,158	25,77,548	21,17,97,119
<b>Total</b>	<b>26,77,785</b>	<b>22,32,20,158</b>	<b>25,77,548</b>	<b>21,17,97,119</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	1,33,46,091	1,11,25,30,146	1,37,83,776	1,13,26,12,875
Inter Company - Payables (Net)	39,62,368	33,03,02,996	15,41,907	12,66,98,498
<b>Total</b>	<b>1,73,08,459</b>	<b>1,44,28,33,142</b>	<b>1,53,25,683</b>	<b>1,25,93,11,373</b>

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	2,097	1,74,806	2,100	1,72,557
<b>Total</b>	<b>2,097</b>	<b>1,74,806</b>	<b>2,100</b>	<b>1,72,557</b>

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	97,89,015	81,60,12,290	1,03,00,098	84,63,59,053
Other Employee dues	1,21,921	1,01,63,335	1,58,757	1,30,45,063
Other Statutory dues	18,720	15,60,499	-	-
<b>Total</b>	<b>99,29,656</b>	<b>82,77,36,124</b>	<b>1,04,58,855</b>	<b>85,94,04,116</b>

## 16 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	49,383	41,16,567	72,814	59,83,126
<b>Total</b>	<b>49,383</b>	<b>41,16,567</b>	<b>72,814</b>	<b>59,83,126</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 17 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	361	30,093	2	164
Interest on loan to subsidiaries	20,38,385	16,99,19,774	15,33,877	12,60,38,673
Profit on sale of fixed assets	1	83	-	-
Exchange gain -Net	37,374	31,15,497	-	-
Miscellaneous income	1,10,530	92,13,781	6,794	5,58,263
<b>Total</b>	<b>21,86,651</b>	<b>18,22,79,228</b>	<b>15,40,673</b>	<b>12,65,97,100</b>

## 18 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	1,65,56,213	1,38,01,25,916	1,33,91,478	1,10,03,77,747
<b>Total</b>	<b>1,65,56,213</b>	<b>1,38,01,25,916</b>	<b>1,33,91,478</b>	<b>1,10,03,77,747</b>

## 19 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	12,29,646	10,25,03,291	16,13,362	13,25,69,956
Staff welfare expenses	7,480	6,23,533	8,884	7,29,998
<b>Total</b>	<b>12,37,126</b>	<b>10,31,26,824</b>	<b>16,22,246</b>	<b>13,32,99,954</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 20 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	4,12,717	3,44,04,089	4,46,567	3,66,94,410
<b>Total</b>	<b>4,12,717</b>	<b>3,44,04,089</b>	<b>4,46,567</b>	<b>3,66,94,410</b>

## 21 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	11,674	9,73,145	16,708	13,72,896
Auditors remuneration	18,563	15,47,412	-	-
Communication expenses	23,273	19,40,037	31,258	25,68,470
Donations	1,234	1,02,866	1,292	1,06,164
Electricity	12,71,666	10,60,06,078	16,73,212	13,74,87,830
Entertainment expenses	242	20,173	716	58,834
Exchange loss -Net	-	-	3,21,846	2,64,46,086
Insurance expenses	1,40,001	1,16,70,483	1,26,800	1,04,19,156
IT consumables	19	1,584	858	70,502
Legal and professional fees	86,536	72,13,641	1,22,992	1,01,06,253
Loss on sale of fixed asset	2	167	-	-
Miscellaneous expenses	1,11,723	93,13,229	(515)	(42,318)
Printing and stationery	7,373	6,14,613	5,086	4,17,917
Provision for doubtful debts	(7,228)	(6,02,526)	9,626	7,90,968
Rates and Taxes	2,51,857	2,09,94,800	2,63,883	2,16,83,266
Recruitment expenses	13,052	10,88,015	17,988	14,78,074
Relocation Expense	2,328	1,94,062	9,473	7,78,396
Rent	84,550	70,48,088	97,049	79,74,516
Repairs and Maintenance - Plant & Machinery	9,22,676	7,69,14,271	8,15,250	6,69,89,093
Repairs and Maintenance -Building	34,743	28,96,176	2,43,159	1,99,80,375
Security charges	32	2,668	6,943	5,70,506
Seminars, trainings and conferences	883	73,607	753	61,874
Services rendered by agencies	1,82,493	1,52,12,616	1,88,733	1,55,08,191
Travelling and conveyance expenses	32,504	27,09,533	26,514	21,78,655
<b>Total</b>	<b>31,90,196</b>	<b>26,59,34,738</b>	<b>39,79,624</b>	<b>32,70,05,704</b>





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## **APPENDIX - 36**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications (Guam) L.L.C.** ("the subsidiary") registered in Guam as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	46,69,903	38,92,83,114	34,39,488	28,26,22,728
	Capital work-in-progress		-	-	2,20,516	1,81,19,800
	Other Intangible assets	2	7,934	6,61,378	9,398	7,72,234
	Financial assets					
	(i) Loans	3	3,28,89,191	2,74,16,42,962	3,09,77,510	2,54,54,21,997
	Deferred tax assets (net)		36,77,193	30,65,30,808	22,67,308	18,63,04,698
	Advance tax (net)		-	-	5,56,652	4,57,40,095
			4,12,44,221	3,43,81,18,262	3,74,70,872	3,07,89,81,552
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	22,99,271	19,16,67,230	31,44,710	25,84,00,821
	(ii) Other financial assets	5	10,89,446	9,08,16,219	10,02,478	8,23,73,617
	Other Current assets	6	4,92,771	4,10,77,391	37,47,168	30,79,04,795
			38,81,488	32,35,60,840	78,94,356	64,86,79,233
	<b>TOTAL ASSETS</b>		4,51,25,709	3,76,16,79,102	4,53,65,228	3,72,76,60,785
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Other equity	7	2,88,37,731	2,40,39,13,256	2,71,46,808	2,23,06,53,213
	<b>Total Equity</b>		2,88,37,731	2,40,39,13,256	2,71,46,808	2,23,06,53,213
(2)	<b>Non-current liabilities</b>					
	Other liabilities (Deferred revenue)		99,84,300	83,22,91,248	58,77,570	48,29,59,927
			99,84,300	83,22,91,248	58,77,570	48,29,59,927
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	8	28,78,711	23,99,69,349	41,61,226	34,19,27,941
	(ii) Other financial liabilities	9	20,000	16,67,200	13,719	11,27,290
	Other current liabilities	10	23,63,292	19,70,04,021	81,56,644	67,02,31,438
	Provisions	11	(175)	(14,588)	9,261	7,60,976
	Current tax liability (Net)		10,41,850	8,68,48,616	-	-
			63,03,678	52,54,74,598	1,23,40,850	1,01,40,47,645
	<b>TOTAL EQUITY AND LIABILITIES</b>		4,51,25,709	3,76,16,79,102	4,53,65,228	3,72,76,60,785

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	12	1,63,36,820	1,36,18,37,315	62,40,462	51,27,78,763
ii	Other Income		21,80,591	18,17,74,066	14,47,949	11,89,77,969
iii	<b>Total income (i + ii)</b>		<b>1,85,17,411</b>	<b>1,54,36,11,381</b>	<b>76,88,411</b>	<b>63,17,56,732</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	13	1,30,85,246	1,09,07,86,107	31,18,832	25,62,74,425
	Employee benefits expenses	14	5,78,385	4,82,14,174	4,68,270	3,84,77,746
	Depreciation and amortisation expenses	15	3,86,897	3,22,51,734	3,65,735	3,00,52,445
	Operating and other expenses		22,58,444	18,82,63,891	22,27,679	18,30,48,384
	<b>Total expenses</b>		<b>1,63,08,972</b>	<b>1,35,95,15,906</b>	<b>61,80,516</b>	<b>50,78,53,000</b>
y	<b>Profit before taxes (iii - iv)</b>		<b>22,08,439</b>	<b>18,40,95,475</b>	<b>15,07,895</b>	<b>12,39,03,732</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		18,73,502	15,61,75,127	1,67,699	1,37,79,827
	(ii) Deferred tax expense/(benefit)		(14,09,885)	(11,75,28,014)	2,82,167	2,31,85,662
	<b>Net tax expenses</b>		<b>4,63,617</b>	<b>3,86,47,113</b>	<b>4,49,866</b>	<b>3,69,65,489</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>17,44,822</b>	<b>14,54,48,362</b>	<b>10,58,029</b>	<b>8,69,38,243</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	9,24,769	7,70,88,744	9,24,769	7,59,88,269
Building	48,65,871	40,56,19,007	48,65,871	39,98,28,620
Cables	1,71,000	1,42,54,560	1,71,000	1,40,51,070
Plant and machinery	50,47,500	42,07,59,600	34,33,946	28,21,67,343
Furniture and fixtures	14,007	11,67,624	14,007	11,50,955
Computers	8,756	7,29,900	2,773	2,27,857
Office equipment	2,20,487	1,83,79,796	2,20,487	1,81,17,417
(a)	1,12,52,390	93,79,99,231	96,32,853	79,15,31,531
<b>Accumulated depreciation:</b>				
Building	36,33,116	30,28,56,550	34,36,409	28,23,69,728
Cables	1,38,994	1,15,86,540	1,27,680	1,04,91,466
Plant and machinery	25,79,604	21,50,35,789	24,21,930	19,90,09,988
Furniture and fixtures	14,007	11,67,624	14,007	11,50,955
Computers	5,936	4,94,825	994	81,677
Office equipment	2,10,830	1,75,74,789	1,92,345	1,58,04,989
(b)	65,82,487	54,87,16,117	61,93,365	50,89,08,803
<b>Net block (a) - (b)</b>	46,69,903	38,92,83,114	34,39,488	28,26,22,728

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Indefeasible right to use assets	21,970	18,31,419	21,970	18,05,275
(a)	21,970	18,31,419	21,970	18,05,275
<b>Accumulated amortisation:</b>				
Indefeasible right to use assets	14,036	11,70,041	12,572	10,33,041
(b)	14,036	11,70,041	12,572	10,33,041
<b>Net block (a) - (b)</b>	7,934	6,61,378	9,398	7,72,234

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	3,28,89,191	2,74,16,42,962	3,09,77,510	2,54,54,21,997
<b>Total</b>	3,28,89,191	2,74,16,42,962	3,09,77,510	2,54,54,21,997



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	23,54,470	19,62,68,619	31,73,410	26,07,59,100
Provision for doubtful debts	(55,199)	(46,01,389)	(28,700)	(23,58,279)
<b>Total</b>	<b>22,99,271</b>	<b>19,16,67,230</b>	<b>31,44,710</b>	<b>25,84,00,821</b>

## 5 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	10,89,446	9,08,16,219	10,02,478	8,23,73,617
<b>Total</b>	<b>10,89,446</b>	<b>9,08,16,219</b>	<b>10,02,478</b>	<b>8,23,73,617</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	4,92,771	4,10,77,391	4,93,993	4,05,91,405
Others	-	-	32,53,175	26,73,13,390
<b>Total</b>	<b>4,92,771</b>	<b>4,10,77,391</b>	<b>37,47,168</b>	<b>30,79,04,795</b>

## 7 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	2,71,46,808	2,26,29,57,915	2,60,88,779	2,14,37,14,970
ECL impact	(53,899)	(44,93,021)	-	-
Profit / (loss) for the year	17,44,822	14,54,48,362	10,58,029	8,69,38,243
<b>Closing balance</b>	<b>2,88,37,731</b>	<b>2,40,39,13,256</b>	<b>2,71,46,808</b>	<b>2,23,06,53,213</b>
<b>Total</b>	<b>2,88,37,731</b>	<b>2,40,39,13,256</b>	<b>2,71,46,808</b>	<b>2,23,06,53,213</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	12,81,211	10,68,01,749	31,08,070	25,53,90,112
Inter Company - Payables (Net)	15,97,500	13,31,67,600	10,53,156	8,65,37,829
<b>Total</b>	<b>28,78,711</b>	<b>23,99,69,349</b>	<b>41,61,226</b>	<b>34,19,27,941</b>

## 9 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	13,000	10,83,680	13,000	10,68,210
Others	7,000	5,83,520	719	59,080
<b>Total</b>	<b>20,000</b>	<b>16,67,200</b>	<b>13,719</b>	<b>11,27,290</b>

## 10 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	23,13,952	19,28,91,039	81,22,529	66,74,28,208
Other Employee dues	49,340	41,12,982	34,115	28,03,230
<b>Total</b>	<b>23,63,292</b>	<b>19,70,04,021</b>	<b>81,56,644</b>	<b>67,02,31,438</b>

## 11 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	(175)	(14,588)	9,261	7,60,976
<b>Total</b>	<b>(175)</b>	<b>(14,588)</b>	<b>9,261</b>	<b>7,60,976</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	21,76,566	18,14,38,542	14,47,941	11,89,77,312
Exchange gain -Net	-	-	8	657
Miscellaneous income	4,025	3,35,524	-	-
<b>Total</b>	<b>21,80,591</b>	<b>18,17,74,066</b>	<b>14,47,949</b>	<b>11,89,77,969</b>

## 13 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	1,30,85,246	1,09,07,86,107	31,18,832	25,62,74,425
<b>Total</b>	<b>1,30,85,246</b>	<b>1,09,07,86,107</b>	<b>31,18,832</b>	<b>25,62,74,425</b>

## 14 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	5,60,094	4,66,89,436	4,54,109	3,73,14,137
Contribution to provident and other funds	15,522	12,93,914	14,161	11,63,609
Staff welfare expenses	2,769	2,30,824	-	-
<b>Total</b>	<b>5,78,385</b>	<b>4,82,14,174</b>	<b>4,68,270</b>	<b>3,84,77,746</b>

## 15 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	902	75,191	894	73,460
Communication expenses	7,824	6,52,209	6,952	5,71,246
Electricity	8,68,392	7,23,89,157	8,27,388	6,79,86,472
Exchange loss -Net	1	83	-	-
Insurance expenses	98,441	82,06,042	89,976	73,93,328
IT consumables	-	-	389	31,964
Legal and professional fees	9,305	7,75,665	56,756	46,63,641
Miscellaneous expenses	51,668	43,07,044	25,850	21,24,095
Printing and stationery	441	36,762	414	34,018
Provision for doubtful debts	(27,395)	(22,83,647)	4,700	3,86,199
Rates and Taxes	70,601	58,85,299	22,055	18,12,259
Recruitment expenses	181	15,088	284	23,336
Repairs and Maintenance - Plant & Machinery	10,76,195	8,97,11,615	11,13,468	9,14,93,666
Repairs and Maintenance -Building	8,320	6,93,555	40,351	33,15,642
Services rendered by agencies	93,568	77,99,828	38,202	31,39,058
<b>Total</b>	<b>22,58,444</b>	<b>18,82,63,891</b>	<b>22,27,679</b>	<b>18,30,48,384</b>



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LLP Identity No. AAB-7509

## APPENDIX - 37

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications SVCS Pte Ltd** ("the subsidiary") registered in Singapore as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	-	-	-	-
	Other Intangible assets	2	-	-	-	-
	Financial assets					
	(i) Loans	3	3,80,41,430	3,17,11,33,605	3,54,33,477	2,91,15,68,805
	Deferred tax assets (net)		53,569	44,65,512	49,013	40,27,398
			3,80,94,999	3,17,55,99,117	3,54,82,490	2,91,55,96,203
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	27,54,114	22,95,82,943	27,24,990	22,39,12,428
	(ii) Cash and cash equivalents	5	14,246	11,87,547	1,20,367	98,90,556
	(iii) Other financial assets	6	9,82,757	8,19,22,623	6,47,426	5,31,98,995
	Other Current assets	7	23,012	19,18,281	36,581	30,05,861
			37,74,129	31,46,11,394	35,29,364	29,00,07,840
	<b>TOTAL ASSETS</b>		4,18,69,128	3,49,02,10,511	3,90,11,854	3,20,56,04,043
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	1,06,11,000	88,45,32,960	1,06,11,000	87,19,05,870
	Other equity	9	2,59,62,574	2,16,42,40,170	2,33,08,507	1,91,52,60,020
	<b>Total Equity</b>		3,65,73,574	3,04,87,73,130	3,39,19,507	2,78,71,65,890
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	10	24,31,971	20,27,29,103	23,27,203	19,12,26,270
	(ii) Other financial liabilities	11	73,348	61,14,289	70,331	57,79,098
	Other current liabilities	12	1,34,095	1,11,78,159	1,77,745	1,46,05,307
	Provisions	13	7,981	6,65,296	13,745	11,29,427
	Current tax liability (Net)		26,48,159	22,07,50,534	25,03,323	20,56,98,051
			52,95,554	44,14,37,381	50,92,347	41,84,38,153
	<b>TOTAL EQUITY AND LIABILITIES</b>		4,18,69,128	3,49,02,10,511	3,90,11,854	3,20,56,04,043

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	14	2,00,60,305	1,67,22,27,025	1,86,13,845	1,52,94,99,644
ii	Other Income		20,49,834	17,08,74,162	15,34,475	12,60,87,810
iii	<b>Total income (i + ii)</b>		<b>2,21,10,139</b>	<b>1,84,31,01,187</b>	<b>2,01,48,320</b>	<b>1,65,55,87,454</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	15	52,19,299	43,50,80,765	38,45,401	31,59,76,600
	Employee benefits expenses	16	4,26,923	3,55,88,301	8,98,255	7,38,09,614
	Finance costs	17	25	2,084	20	1,643
	Operating and other expenses	18	11,15,042	9,29,49,900	12,31,154	10,11,63,924
	<b>Total expenses</b>		<b>67,61,289</b>	<b>56,36,21,050</b>	<b>59,74,830</b>	<b>49,09,51,781</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>1,53,48,850</b>	<b>1,27,94,80,137</b>	<b>1,41,73,490</b>	<b>1,16,46,35,673</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		(74,809)	(62,36,078)	-	-
vii	<b>Profit before taxes (v - vi)</b>		<b>1,52,74,041</b>	<b>1,27,32,44,059</b>	<b>1,41,73,490</b>	<b>1,16,46,35,673</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		26,06,648	21,72,90,177	21,96,982	18,05,26,011
	(ii) Deferred tax expense/(benefit)		(4,556)	(3,79,788)	(87,487)	(71,88,807)
	<b>Net tax expenses</b>		<b>26,02,092</b>	<b>21,69,10,389</b>	<b>21,09,495</b>	<b>17,33,37,204</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>1,26,71,949</b>	<b>1,05,63,33,670</b>	<b>1,20,63,995</b>	<b>99,12,98,469</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	95,980	80,00,893	95,980	78,86,677
Computers	62	5,168	62	5,095
(a)	96,042	80,06,061	96,042	78,91,772
<b>Accumulated depreciation:</b>				
Plant and machinery	95,980	80,00,893	95,980	78,86,677
Computers	62	5,168	62	5,095
(b)	96,042	80,06,061	96,042	78,91,772
<b>Net block (a) - (b)</b>	-	-	-	-

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	2,16,166	1,80,19,598	2,16,166	1,77,62,360
(a)	2,16,166	1,80,19,598	2,16,166	1,77,62,360
<b>Accumulated amortisation:</b>				
Computer software	2,16,166	1,80,19,598	2,16,166	1,77,62,360
(b)	2,16,166	1,80,19,598	2,16,166	1,77,62,360
<b>Net block (a) - (b)</b>	-	-	-	-

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	3,80,41,430	3,17,11,33,605	3,54,33,477	2,91,15,68,805
<b>Total</b>	3,80,41,430	3,17,11,33,605	3,54,33,477	2,91,15,68,805





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	29,91,677	24,93,86,195	30,14,243	24,76,80,347
Provision for doubtful debts	(2,37,563)	(1,98,03,252)	(2,89,253)	(2,37,67,919)
<b>Total</b>	<b>27,54,114</b>	<b>22,95,82,943</b>	<b>27,24,990</b>	<b>22,39,12,428</b>

## 5 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	14,246	11,87,547	1,20,367	98,90,556
<b>Total</b>	<b>14,246</b>	<b>11,87,547</b>	<b>1,20,367</b>	<b>98,90,556</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	9,79,134	8,16,20,610	6,43,750	5,28,96,938
Others	3,623	3,02,013	3,676	3,02,057
<b>Total</b>	<b>9,82,757</b>	<b>8,19,22,623</b>	<b>6,47,426</b>	<b>5,31,98,995</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	22,999	19,17,197	34,793	28,58,941
Indirect tax receivable	13	1,084	1,788	1,46,920
<b>Total</b>	<b>23,012</b>	<b>19,18,281</b>	<b>36,581</b>	<b>30,05,861</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	1,06,11,000	88,45,32,960	1,06,11,000	87,19,05,870
<b>Total</b>	<b>1,06,11,000</b>	<b>88,45,32,960</b>	<b>1,06,11,000</b>	<b>87,19,05,870</b>

## 9 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	2,33,08,507	1,94,29,97,144	3,12,44,512	2,56,73,61,551
ECL impact	(17,882)	(14,90,644)	-	-
Profit / (loss) for the year	1,26,71,949	1,05,63,33,670	1,20,63,995	99,12,98,469
Dividend	(1,00,00,000)	(83,36,00,000)	(2,00,00,000)	(1,64,34,00,000)
<b>Closing balance</b>	<b>2,59,62,574</b>	<b>2,16,42,40,170</b>	<b>2,33,08,507</b>	<b>1,91,52,60,020</b>
<b>Total</b>	<b>2,59,62,574</b>	<b>2,16,42,40,170</b>	<b>2,33,08,507</b>	<b>1,91,52,60,020</b>

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	8,35,327	6,96,32,859	9,07,012	7,45,29,176
Inter Company - Payables (Net)	15,96,644	13,30,96,244	14,20,191	11,66,97,094
<b>Total</b>	<b>24,31,971</b>	<b>20,27,29,103</b>	<b>23,27,203</b>	<b>19,12,26,270</b>

## 11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	73,348	61,14,289	70,331	57,79,098
<b>Total</b>	<b>73,348</b>	<b>61,14,289</b>	<b>70,331</b>	<b>57,79,098</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	2,933	2,44,495	1,639	1,34,677
Other Employee dues	1,30,694	1,08,94,652	1,74,670	1,43,52,634
Other Statutory dues	468	39,012	1,436	1,17,996
<b>Total</b>	<b>1,34,095</b>	<b>1,11,78,159</b>	<b>1,77,745</b>	<b>1,46,05,307</b>

## 13 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	7,981	6,65,296	13,745	11,29,427
<b>Total</b>	<b>7,981</b>	<b>6,65,296</b>	<b>13,745</b>	<b>11,29,427</b>

## 14 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	20,48,690	17,07,78,798	15,27,091	12,54,81,067
Miscellaneous income	1,144	95,364	7,384	6,06,743
<b>Total</b>	<b>20,49,834</b>	<b>17,08,74,162</b>	<b>15,34,475</b>	<b>12,60,87,810</b>

## 15 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	52,19,299	43,50,80,765	38,45,401	31,59,76,600
<b>Total</b>	<b>52,19,299</b>	<b>43,50,80,765</b>	<b>38,45,401</b>	<b>31,59,76,600</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 16 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	3,64,060	3,03,48,042	8,09,905	6,65,49,894
Contribution to provident and other funds	43,290	36,08,654	59,756	49,10,151
Staff welfare expenses	19,573	16,31,605	28,594	23,49,569
<b>Total</b>	<b>4,26,923</b>	<b>3,55,88,301</b>	<b>8,98,255</b>	<b>7,38,09,614</b>

## 17 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	25	2,084	20	1,643
<b>Total</b>	<b>25</b>	<b>2,084</b>	<b>20</b>	<b>1,643</b>

## 18 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	6,630	5,52,677	4,371	3,59,165
Communication expenses	2,899	2,41,661	3,449	2,83,404
Entertainment expenses	643	53,600	2,821	2,31,802
Exchange loss -Net	32,222	26,86,026	1,11,567	91,67,460
Legal and professional fees	19,211	16,01,429	18,800	15,44,796
Miscellaneous expenses	2,43,744	2,03,18,500	1,62,887	1,33,84,425
Printing and stationery	-	-	99	8,135
Provision for doubtful debts	(69,566)	(57,99,022)	60,842	49,99,387
Rates and Taxes	3,328	2,77,422	1,091	89,647
Recruitment expenses	268	22,340	-	-
Repairs and Maintenance - Plant & Machinery	7,18,356	5,98,82,156	7,40,356	6,08,35,053
Services rendered by agencies	1,13,034	94,22,514	1,11,470	91,59,490
Bad debts written off	41,534	34,62,274	-	-
Travelling and conveyance expenses	2,739	2,28,323	13,401	11,01,160
<b>Total</b>	<b>11,15,042</b>	<b>9,29,49,900</b>	<b>12,31,154</b>	<b>10,11,63,924</b>



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LLP Identity No. AAB-7509

## APPENDIX - 38

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications International Pte Ltd** ("the subsidiary") registered in Singapore as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

Particulars		Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	2,25,81,258	1,88,23,73,668	2,34,21,740	1,92,45,64,375
	Capital work-in-progress		30,98,345	25,82,78,039	34,69,694	28,51,04,756
	Right-of-use assets		1,03,62,212	86,37,93,992	1,16,36,723	95,61,89,529
	Goodwill		36,354	30,30,469	36,354	29,87,208
	Other Intangible assets	2	1,19,19,926	99,36,45,031	61,67,906	50,68,16,836
	Intangible assets under development		7,71,427	6,43,06,155	4,20,755	3,45,73,438
	Investments in subsidiaries & associates	3	64,02,93,451	53,37,48,62,075	20,03,51,011	16,46,28,42,574
	Financial assets					
	(i) Investments -others	4	20,00,000	16,67,20,000	20,00,000	16,43,40,000
	(ii) Loans	5	-	-	8,93,000	7,33,77,810
	(iii) Other financial assets	6	1,35,705	1,13,12,369	1,37,671	1,13,12,426
	Deferred tax assets (net)		20,84,333	17,37,49,999	10,50,099	8,62,86,635
	Other Non-current assets	7	21,70,141	18,09,02,954	8,44,573	6,93,98,564
			69,54,53,152	57,97,29,74,751	25,04,29,526	20,57,77,94,151
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	8	3,50,22,065	2,91,94,39,338	3,50,24,599	2,87,79,71,300
	(ii) Cash and cash equivalents	9	25,62,026	21,35,70,487	3,27,21,238	2,68,87,04,126
	(iii) Other financial assets	10	1,99,645	1,66,42,407	43,09,661	35,41,24,845
	Other Current assets	11	66,03,246	55,04,46,586	50,74,848	41,70,00,260
			4,43,86,982	3,70,00,98,818	7,71,30,346	6,33,78,00,531
	TOTAL ASSETS		73,98,40,134	61,67,30,73,569	32,75,59,872	26,91,55,94,682
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	12	3,46,32,769	2,88,69,87,624	1,91,02,863	1,56,96,82,253
	Other equity	13	25,21,47,825	21,01,90,42,692	10,64,97,630	8,75,09,10,259
	Total Equity		28,67,80,594	23,90,60,30,316	12,56,00,493	10,32,05,92,512
(2)	Non-current liabilities					
	Financial liabilities					
	(i) Borrowings	14	21,49,03,338.00	17,91,43,42,256	98,93,128	81,29,18,328
	(ia) Lease liabilities		86,71,307	72,28,40,152	1,02,77,222	84,44,79,332
	(ii) Other financial liabilities	15	3,34,61,000	2,78,93,08,960	3,34,61,000	2,74,94,90,370
	Provisions	16	1,48,20,165	1,23,54,08,954	1,37,96,916	1,13,36,92,588
	Other liabilities (Deferred revenue)		3,38,00,882	2,81,76,41,524	3,97,28,191	3,26,44,65,454
			30,56,56,692	25,47,95,41,846	10,71,56,457	8,80,50,46,072
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	17	8,24,09,276	6,86,96,37,248	1,43,13,188	1,17,61,14,658
	(ia) Lease liabilities		25,84,681	21,54,59,008	23,28,087	19,12,98,909
	(ii) Trade payables	18	4,31,10,002	3,59,36,49,764	5,49,57,620	4,51,58,67,632
	(iii) Other financial liabilities	19	31,85,064	26,55,06,935	7,23,270	5,94,31,096
	Other current liabilities	20	1,44,77,589	1,20,68,51,819	1,81,79,811	1,49,38,35,070
	Provisions	21	3,10,251	2,58,62,523	2,91,595	2,39,60,361
	Current tax liability (Net)		13,25,985	11,05,34,110	40,09,351	32,94,48,372
			14,74,02,848	12,28,75,01,407	9,48,02,922	7,78,99,56,098
	TOTAL EQUITY AND LIABILITIES		73,98,40,134	61,67,30,73,569	32,75,59,872	26,91,55,94,682

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
<b>A</b>	<b>CONTINUED OPERATIONS</b>					
i	Revenue from operations		18,29,01,263	15,24,66,49,284	19,17,39,532	15,75,52,37,344
ii	Other Income	22	2,52,58,789	2,10,55,72,651	3,08,47,683	2,53,47,54,113
iii	<b>Total income (i + ii)</b>		<b>20,81,60,052</b>	<b>17,35,22,21,935</b>	<b>22,25,87,215</b>	<b>18,28,99,91,457</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	23	11,31,43,214	9,43,16,18,319	11,76,87,218	9,67,03,58,703
	Employee benefits expenses	24	1,64,09,886	1,36,79,28,097	1,53,95,728	1,26,50,66,970
	Finance costs	25	1,62,28,772	1,35,28,30,434	1,19,20,805	97,95,32,547
	Depreciation and amortisation expenses		75,76,887	63,16,09,300	75,55,792	62,08,59,429
	Operating and other expenses	26	3,48,72,057	2,90,69,34,671	3,47,39,461	2,85,45,41,509
	<b>Total expenses</b>		<b>18,82,30,816</b>	<b>15,69,09,20,821</b>	<b>18,72,99,004</b>	<b>15,39,03,59,158</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>1,99,29,236</b>	<b>1,66,13,01,114</b>	<b>3,52,88,211</b>	<b>2,89,96,32,299</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		(3,81,827)	(3,18,29,099)	-	-
	Impairment of investment		(9,02,500)	(7,52,32,400)	-	-
vii	<b>Profit before taxes (v - vi)</b>		<b>1,86,44,909</b>	<b>1,55,42,39,615</b>	<b>3,52,88,211</b>	<b>2,89,96,32,299</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		19,59,657	16,33,57,008	33,48,197	27,51,21,347
	(ii) Deferred tax expense/(benefit)		(10,34,235)	(8,62,13,830)	(3,94,303)	(3,23,99,878)
	<b>Net tax expenses</b>		<b>9,25,422</b>	<b>7,71,43,178</b>	<b>29,53,894</b>	<b>24,27,21,469</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>1,77,19,487</b>	<b>1,47,70,96,437</b>	<b>3,23,34,317</b>	<b>2,65,69,10,830</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	27,84,279	23,20,97,497	27,66,324	22,73,08,843
Cables	3,28,36,734	2,73,72,70,146	3,33,75,638	2,74,24,76,174
Plant and machinery	6,04,05,111	5,03,53,70,053	5,95,04,126	4,88,94,54,033
Furniture and fixtures	5,57,817	4,64,99,625	5,72,155	4,70,13,976
Computers	30,27,005	25,23,31,137	22,17,862	18,22,41,721
Office equipment	1,19,007	99,20,424	3,26,779	2,68,51,430
(a)	9,97,29,953	8,31,34,88,882	9,87,62,884	8,11,53,46,177
<b>Accumulated depreciation:</b>				
Lease hold improvement	23,35,713	19,47,05,036	20,57,890	16,90,96,821
Cables	2,26,16,617	1,88,53,21,193	2,05,13,924	1,68,56,29,135
Plant and machinery	5,02,04,101	4,18,50,13,859	5,05,96,962	4,15,75,52,368
Furniture and fixtures	5,21,054	4,34,35,061	5,06,454	4,16,15,325
Computers	13,73,581	11,45,01,712	13,90,872	11,42,87,952
Office equipment	97,629	81,38,353	2,75,042	2,26,00,201
(b)	7,71,48,695	6,43,11,15,214	7,53,41,144	6,19,07,81,802
<b>Net block (a) - (b)</b>	<b>2,25,81,258</b>	<b>1,88,23,73,668</b>	<b>2,34,21,740</b>	<b>1,92,45,64,375</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	40,46,270	33,72,97,067	47,52,878	39,05,43,985
Indefeasible right to use assets	4,00,60,978	3,33,94,83,126	5,23,49,615	4,30,15,67,865
(a)	4,41,07,248	3,67,67,80,193	5,71,02,493	4,69,21,11,850
<b>Accumulated amortisation:</b>				
Computer software	33,71,892	28,10,80,917	36,77,684	30,21,95,294
Indefeasible right to use assets	2,88,15,430	2,40,20,54,245	4,72,56,903	3,88,30,99,720
(b)	3,21,87,322	2,68,31,35,162	5,09,34,587	4,18,52,95,014
<b>Net block (a) - (b)</b>	<b>1,19,19,926</b>	<b>99,36,45,031</b>	<b>61,67,906</b>	<b>50,68,16,836</b>

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments in subsidiaries	65,89,38,515	54,92,91,14,610	21,89,96,075	17,99,49,07,483
Impairment of investment in subsidiaries	(1,86,45,064)	(1,55,42,52,535)	(1,86,45,064)	(1,53,20,64,909)
<b>Total</b>	<b>64,02,93,451</b>	<b>53,37,48,62,075</b>	<b>20,03,51,011</b>	<b>16,46,28,42,574</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Financial asset - Investment others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments - others	20,00,000	16,67,20,000	20,00,000	16,43,40,000
<b>Total</b>	<b>20,00,000</b>	<b>16,67,20,000</b>	<b>20,00,000</b>	<b>16,43,40,000</b>

## 5 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given (Net)	24,50,616	20,42,83,350	24,41,116	20,05,86,502
Allowances for loan receivables	(24,50,616)	(20,42,83,350)	(15,48,116)	(12,72,08,692)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>8,93,000</b>	<b>7,33,77,810</b>

## 6 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	1,35,705	1,13,12,369	1,37,671	1,13,12,426
<b>Total</b>	<b>1,35,705</b>	<b>1,13,12,369</b>	<b>1,37,671</b>	<b>1,13,12,426</b>

## 7 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Prepaid expenses	21,69,391	18,08,40,434	8,43,823	6,93,36,936
Others	750	62,520	750	61,628
<b>Total</b>	<b>21,70,141</b>	<b>18,09,02,954</b>	<b>8,44,573</b>	<b>6,93,98,564</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	4,32,11,515	3,60,21,11,890	4,11,81,811	3,38,39,09,410
Provision for doubtful debts	(81,89,450)	(68,26,72,552)	(61,57,212)	(50,59,38,110)
<b>Total</b>	<b>3,50,22,065</b>	<b>2,91,94,39,338</b>	<b>3,50,24,599</b>	<b>2,87,79,71,300</b>

## 9 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	25,62,026	21,35,70,487	3,27,21,238	2,68,87,04,126
<b>Total</b>	<b>25,62,026</b>	<b>21,35,70,487</b>	<b>3,27,21,238</b>	<b>2,68,87,04,126</b>

## 10 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	19,059	15,88,758	10,168	8,35,505
Provision for Security Deposit	(5,841)	(4,86,906)	-	-
Forward Premium	1,14,900	95,78,064	-	-
Interest Receivable on Inter Co. Loan (Net)	-	-	42,92,363	35,27,03,468
MTM Option	71,507	59,60,824	-	-
Others	20	1,667	7,130	5,85,872
<b>Total</b>	<b>1,99,645</b>	<b>1,66,42,407</b>	<b>43,09,661</b>	<b>35,41,24,845</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 11 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	800	66,688	73,549	60,43,521
Advances to employees	51,890	43,25,550	21,295	17,49,810
Provision for doubtful advance	(26,353)	(21,96,786)	-	-
Prepaid expenses	61,79,566	51,51,28,622	35,59,239	29,24,62,669
Indirect tax receivable	-	-	8,00,220	6,57,54,077
Others	3,97,343	3,31,22,512	6,20,545	5,09,90,183
<b>Total</b>	<b>66,03,246</b>	<b>55,04,46,586</b>	<b>50,74,848</b>	<b>41,70,00,260</b>

## 12 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	3,46,32,769	2,88,69,87,624	1,91,02,863	1,56,96,82,253
<b>Total</b>	<b>3,46,32,769</b>	<b>2,88,69,87,624</b>	<b>1,91,02,863</b>	<b>1,56,96,82,253</b>

## 13 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(29,75,48,741)	(24,80,36,63,050)	(32,98,83,058)	(27,10,64,90,876)
ECL impact	(5,15,175)	(4,29,44,988)	-	-
Profit / (loss) for the year	1,77,19,487	1,47,70,96,437	3,23,34,317	2,65,69,10,830
Dividend	(39,99,450)	(33,33,94,152)	-	-
<b>Closing balance</b>	<b>(28,43,43,879)</b>	<b>(23,70,29,05,753)</b>	<b>(29,75,48,741)</b>	<b>(24,44,95,80,046)</b>
Share premium	53,65,16,465	44,72,40,12,522	40,40,46,371	33,20,04,90,305
OCI Reserves Employee Benefit Plan	(24,761)	(20,64,077)	-	-
<b>Total</b>	<b>25,21,47,825</b>	<b>21,01,90,42,692</b>	<b>10,64,97,630</b>	<b>8,75,09,10,259</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 14 Non-current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Loan from banks	14,03,338	11,69,82,256	98,93,128	81,29,18,328
Loan from related parties	21,35,00,000	17,79,73,60,000	-	-
<b>Total</b>	<b>21,49,03,338</b>	<b>17,91,43,42,256</b>	<b>98,93,128</b>	<b>81,29,18,328</b>

## 15 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Dividend payable	3,34,61,000	2,78,93,08,960	3,34,61,000	2,74,94,90,370
<b>Total</b>	<b>3,34,61,000</b>	<b>2,78,93,08,960</b>	<b>3,34,61,000</b>	<b>2,74,94,90,370</b>

## 16 Non-current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Asset retirement obligation and others	1,41,58,399	1,18,02,44,141	1,31,29,511	1,07,88,51,919
Provision for gratuity	1,44,754	1,20,66,693	1,19,888	98,51,197
Retention liability	5,17,012	4,30,98,120	5,47,517	4,49,89,472
<b>Total</b>	<b>1,48,20,165</b>	<b>1,23,54,08,954</b>	<b>1,37,96,916</b>	<b>1,13,36,92,588</b>

## 17 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Loan from bank	2,22,02,435	1,85,07,94,982	-	-
Current portion of long term loans	84,89,791	70,77,08,978	1,22,25,856	1,00,45,98,588
Inter company loans taken (Net)	5,17,17,050	4,31,11,33,288	20,87,332	17,15,16,070
<b>Total</b>	<b>8,24,09,276</b>	<b>6,86,96,37,248</b>	<b>1,43,13,188</b>	<b>1,17,61,14,658</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 18 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	3,71,22,027	3,09,44,92,168	3,47,89,832	2,85,86,80,492
Inter Company - Payables (Net)	59,87,975	49,91,57,596	2,01,67,788	1,65,71,87,140
<b>Total</b>	<b>4,31,10,002</b>	<b>3,59,36,49,764</b>	<b>5,49,57,620</b>	<b>4,51,58,67,632</b>

## 19 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	5,96,948	4,97,61,585	5,63,411	4,62,95,482
Interest accrued but not due on Inter Co. loan (Net)	25,00,821	20,84,68,439	-	-
Interest accrued but not due -others	71,907	59,94,168	85,256	70,05,486
Forward premium	14,640	12,20,390	2,790	2,29,254
Others	748	62,353	71,813	59,00,874
<b>Total</b>	<b>31,85,064</b>	<b>26,55,06,935</b>	<b>7,23,270</b>	<b>5,94,31,096</b>

## 20 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	1,07,11,843	89,29,39,232	1,40,61,381	1,15,54,23,677
Other Employee dues	35,79,380	29,83,77,117	28,30,172	23,25,55,233
Other Statutory dues	1,86,366	1,55,35,470	12,88,258	10,58,56,160
<b>Total</b>	<b>1,44,77,589</b>	<b>1,20,68,51,819</b>	<b>1,81,79,811</b>	<b>1,49,38,35,070</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 21 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	3,10,251	2,58,62,523	2,91,595	2,39,60,361
<b>Total</b>	<b>3,10,251</b>	<b>2,58,62,523</b>	<b>2,91,595</b>	<b>2,39,60,361</b>

## 22 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Dividend income	1,41,27,486	1,17,76,67,233	2,00,61,210	1,64,84,29,626
Interest income - others	83,178	69,33,718	1,71,764	1,41,13,848
Interest on loan to subsidiaries	1,08,52,814	90,46,90,575	1,01,90,386	83,73,44,018
Profit on sale of fixed assets	5	417	-	-
Exchange gain -Net	1,29,051	1,07,57,691	-	-
Miscellaneous income	66,255	55,23,017	4,24,323	3,48,66,621
<b>Total</b>	<b>2,52,58,789</b>	<b>2,10,55,72,651</b>	<b>3,08,47,683</b>	<b>2,53,47,54,113</b>

## 23 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	11,31,43,214	9,43,16,18,319	11,76,87,218	9,67,03,58,703
<b>Total</b>	<b>11,31,43,214</b>	<b>9,43,16,18,319</b>	<b>11,76,87,218</b>	<b>9,67,03,58,703</b>

## 24 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	1,51,80,451	1,26,54,42,395	1,43,11,203	1,17,59,51,551
Contribution to provident and other funds	6,53,386	5,44,66,257	6,65,893	5,47,16,428
Staff welfare expenses	5,76,049	4,80,19,445	4,18,632	3,43,98,991
<b>Total</b>	<b>1,64,09,886</b>	<b>1,36,79,28,097</b>	<b>1,53,95,728</b>	<b>1,26,50,66,970</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 25 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	33,28,921	27,74,98,855	19,65,842	16,15,33,237
Interest on inter companies loan	1,22,51,401	1,02,12,76,787	93,06,268	76,46,96,042
Guarantee fees	6,48,450	5,40,54,792	6,48,695	5,33,03,268
<b>Total</b>	<b>1,62,28,772</b>	<b>1,35,28,30,434</b>	<b>1,19,20,805</b>	<b>97,95,32,547</b>

## 26 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	5,49,152	4,57,77,311	6,24,643	5,13,26,915
Auditors remuneration	84,753	70,65,010	48,958	40,22,879
Communication expenses	96,398	80,35,737	84,029	69,04,663
CSR expenses	12,435	10,36,582	-	-
Directors fees	46,940	39,12,918	46,363	38,09,648
Electricity	26,87,871	22,40,60,927	30,49,119	25,05,46,108
Entertainment expenses	26,002	21,67,527	22,963	18,86,870
Exchange loss -Net	-	-	4,53,897	3,72,96,716
Insurance expenses	1,80,526	1,50,48,647	1,90,785	1,56,76,803
IT consumables	9,161	7,63,661	17,670	14,51,944
Legal and professional fees	21,55,496	17,96,82,147	10,10,555	8,30,37,304
Loss on sale of fixed asset	132	11,004	-	-
Miscellaneous expenses	23,59,254	19,66,67,413	17,10,081	14,05,17,356
Printing and stationery	53,770	44,82,267	13,496	11,08,966
Provision for doubtful debts	15,17,045	12,64,60,871	24,86,131	20,42,85,384
Provision For Doubtful advances	5,870	4,89,323	3	247
Rates and Taxes	6,21,440	5,18,03,238	6,67,715	5,48,66,142
Recruitment expenses	86,066	71,74,462	1,66,997	1,37,22,143
Relocation Expense	40,407	33,68,328	65,494	53,81,642
Rent	9,92,280	8,27,16,461	10,99,383	9,03,36,301
Repairs and Maintenance - Plant & Machinery	1,94,25,323	1,61,92,94,925	1,95,34,360	1,60,51,38,361
Repairs and Maintenance -Building	81,909	68,27,934	49,791	40,91,326
Seminars, trainings and conferences	1,37,061	1,14,25,405	21,298	17,50,057
Services rendered by agencies	28,58,515	23,82,85,810	22,35,200	18,36,66,384
Bad debts written off	2,86,847	2,39,11,566	7,18,435	5,90,33,804
Travelling and conveyance expenses	5,57,404	4,64,65,197	4,22,095	3,46,83,546
<b>Total</b>	<b>3,48,72,057</b>	<b>2,90,69,34,671</b>	<b>3,47,39,461</b>	<b>2,85,45,41,509</b>



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## ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications MOVE B.V** ("the subsidiary") registered in Netherlands as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31st March 2024		As at 31st March 2023	
			EURO	INR*	EURO	INR*
<b>(A) ASSETS</b>						
<b>(1) Non-current assets</b>						
Property, plant and equipment	1		31,605	28,41,606	76,255	68,18,142
Other Intangible assets	2		6,200	5,57,442	40,968	36,63,047
Financial assets						
(i) Investments -others	3		-	-	-	-
(ii) Loans	4		28,15,670	25,31,56,890	23,10,069	20,65,48,813
Deferred tax assets (Net)			84,798	76,24,188	-	-
			<b>29,38,273</b>	<b>26,41,80,126</b>	<b>24,27,292</b>	<b>21,70,30,002</b>
<b>(2) Current assets</b>						
Financial assets						
(i) Trade receivables	5		1,92,14,010	1,72,75,31,639	1,93,27,282	1,72,80,98,669
(ii) Cash and cash equivalent	6		6,848	6,15,704	8,787	7,85,667
(iii) Other financial assets	7		75,740	68,09,783	58,415	52,23,025
Other current assets	8		10,370	9,32,367	17,153	15,33,691
			<b>1,93,06,968</b>	<b>1,73,58,89,493</b>	<b>1,94,11,637</b>	<b>1,73,56,41,052</b>
<b>TOTAL ASSETS</b>			<b>2,22,45,241</b>	<b>2,00,00,69,619</b>	<b>2,18,38,929</b>	<b>1,95,26,71,054</b>
<b>(B) EQUITY AND LIABILITIES</b>						
<b>(1) Equity</b>						
Equity share capital	9		33,684	30,28,528	33,684	30,11,767
Other equity	10		2,19,49,677	1,97,34,95,460	2,17,00,294	1,94,02,75,366
<b>Total Equity</b>			<b>2,19,83,361</b>	<b>1,97,65,23,988</b>	<b>2,17,33,978</b>	<b>1,94,32,87,133</b>
<b>(2) Non-current liabilities</b>						
Deferred tax liabilities (Net)			-	-	84	7,511
			-	-	84	7,511
<b>(3) Current liabilities</b>						
Financial liabilities						
(i) Trade payables	11		2,50,034	2,24,80,557	1,04,864	93,76,142
(ii) Other financial liabilities	12		3	270	3	268
(iii) Other current liabilities	13		11,843	10,64,804	-	-
			<b>2,61,880</b>	<b>2,35,45,631</b>	<b>1,04,867</b>	<b>93,76,410</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>2,22,45,241</b>	<b>2,00,00,69,619</b>	<b>2,18,38,929</b>	<b>1,95,26,71,054</b>

\*Exchange rate as at 31 March 2024 | EURO = 89.91 INR (as at 31 March 2023 | EURO = INR 89.41 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current Year 2023-24		Previous year 2022-23	
			EURO	INR*	EURO	INR*
i	Revenue from operations	14	9,69,595	8,71,76,286	7,08,042	6,33,07,735
ii	Other Income		1,44,926	1,30,30,297	1,20,801	1,08,01,108
iii	<b>Total income (i + ii)</b>		<b>11,14,521</b>	<b>10,02,06,583</b>	<b>8,28,843</b>	<b>7,41,08,843</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	15	3,35,426	3,01,58,152	2,34,188	2,09,39,311
	Depreciation and amortisation expenses	16	79,419	71,40,562	1,67,956	1,50,17,349
	Operating and other expenses		5,35,175	4,81,17,584	2,96,669	2,65,25,890
	<b>Total expenses</b>		<b>9,50,020</b>	<b>8,54,16,298</b>	<b>6,98,813</b>	<b>6,24,82,550</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>1,64,501</b>	<b>1,47,90,285</b>	<b>1,30,030</b>	<b>1,16,26,293</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense		-	-	-	-
	(ii) Deferred tax expense/(benefit)		(84,882)	(76,31,741)	-	-
	<b>Net tax expenses</b>		<b>(84,882)</b>	<b>(76,31,741)</b>	<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>2,49,383</b>	<b>2,24,22,026</b>	<b>1,30,030</b>	<b>1,16,26,293</b>

\*Exchange rate as at 31 March 2024 | EURO = 89.91 INR (as at 31 March 2023 | EURO = INR 89.41 )



## 1 Property, plant and equipment

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
<b>Gross block:</b>				
Plant and machinery	28,63,638	25,74,69,693	28,63,638	25,60,44,746
(a)	28,63,638	25,74,69,693	28,63,638	25,60,44,746
<b>Accumulated depreciation:</b>				
Plant and machinery	28,32,033	25,46,28,087	27,87,383	24,92,26,604
(b)	28,32,033	25,46,28,087	27,87,383	24,92,26,604
<b>Net block (a) - (b)</b>	<b>31,605</b>	<b>28,41,606</b>	<b>76,255</b>	<b>68,18,142</b>

## 2 Other Intangible assets

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
<b>Gross block:</b>				
Computer software	50,09,233	45,03,80,139	52,09,710	46,58,12,674
(a)	50,09,233	45,03,80,139	52,09,710	46,58,12,674
<b>Accumulated amortisation:</b>				
Computer software	50,03,033	44,98,22,697	51,68,742	46,21,49,627
(b)	50,03,033	44,98,22,697	51,68,742	46,21,49,627
<b>Net block (a) - (b)</b>	<b>6,200</b>	<b>5,57,442</b>	<b>40,968</b>	<b>36,63,047</b>

## 3 Financial asset - Investment others

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
Investments - others	1,37,040	1,23,21,266	1,37,040	1,22,53,075
Impairment of investment - others	(1,37,040)	(1,23,21,266)	(1,37,040)	(1,22,53,075)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>





## 4 Non-current assets - financial assets - loans

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
Inter company loans given (net)	28,15,670	25,31,56,890	23,10,069	20,65,48,813
<b>Total</b>	<b>28,15,670</b>	<b>25,31,56,890</b>	<b>23,10,069</b>	<b>20,65,48,813</b>

## 5 Trade receivables

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
Intercompany receivables (net)	1,92,14,010	1,72,75,31,639	1,93,27,282	1,72,80,98,669
<b>Total</b>	<b>1,92,14,010</b>	<b>1,72,75,31,639</b>	<b>1,93,27,282</b>	<b>1,72,80,98,669</b>

## 6 Cash and cash equivalents

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
Balance with bank	6,848	6,15,704	8,787	7,85,667
<b>Total</b>	<b>6,848</b>	<b>6,15,704</b>	<b>8,787</b>	<b>7,85,667</b>

## 7 Current assets - other financial assets

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
Interest receivable	75,740	68,09,783	58,415	52,23,025
<b>Total</b>	<b>75,740</b>	<b>68,09,783</b>	<b>58,415</b>	<b>52,23,025</b>



## 8 Current assets - other assets

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
Prepaid expenses	10,370	9,32,367	10,806	9,66,190
Indirect tax receivable	-	-	6,347	5,67,501
<b>Total</b>	<b>10,370</b>	<b>9,32,367</b>	<b>17,153</b>	<b>15,33,691</b>

## 9 Equity share capital

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
Equity share capital	33,684	30,28,528	33,684	30,11,767
<b>Total</b>	<b>33,684</b>	<b>30,28,528</b>	<b>33,684</b>	<b>30,11,767</b>

## 10 Other Equity

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
<b>Surplus / (Deficit)</b>				
Opening balance	70,64,148	63,51,37,547	69,34,118	61,99,96,132
Profit for the year	2,49,383	2,24,22,026	1,30,030	1,16,26,293
<b>Closing balance</b>	<b>73,13,531</b>	<b>65,75,59,573</b>	<b>70,64,148</b>	<b>63,16,22,425</b>
Share premium	1,46,36,146	1,31,59,35,887	1,46,36,146	1,30,86,52,941
<b>Total</b>	<b>2,19,49,677</b>	<b>1,97,34,95,460</b>	<b>2,17,00,294</b>	<b>1,94,02,75,366</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
Trade payable	2,50,034	2,24,80,557	1,04,864	93,76,142
<b>Total</b>	<b>2,50,034</b>	<b>2,24,80,557</b>	<b>1,04,864</b>	<b>93,76,142</b>



## 12 Current liabilities - other financial liabilities

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
Others	3	270	3	268
<b>Total</b>	<b>3</b>	<b>270</b>	<b>3</b>	<b>268</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31st March 2024		As at 31st March 2023	
	EURO	INR	EURO	INR
Statutory dues	11,843	10,64,804	-	-
<b>Total</b>	<b>11,843</b>	<b>10,64,804</b>	<b>-</b>	<b>-</b>

## 14 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Interest income - others	100	8,991	16	1,431
Interest on loan to subsidiaries	1,44,826	1,30,21,306	1,20,785	1,07,99,677
<b>Total</b>	<b>1,44,926</b>	<b>1,30,30,297</b>	<b>1,20,801</b>	<b>1,08,01,108</b>

## 15 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Charges for use of transmission facilities	3,35,426	3,01,58,152	2,34,188	2,09,39,311
<b>Total</b>	<b>3,35,426</b>	<b>3,01,58,152</b>	<b>2,34,188</b>	<b>2,09,39,311</b>

## 16 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Auditors's remuneration	(12,600)	(11,32,866)	12,600	11,26,596
Directors fees	15,000	13,48,650	(4,678)	(4,18,271)
Light and power	3,07,847	2,76,78,524	-	-
Electricity charges	-	-	1,69,805	1,51,82,673
Exchange loss -Net	13,223	11,88,880	1,442	1,28,933
Legal and professional fees	1,25,213	1,12,57,901	53,979	48,26,392
Rate and taxes	820	73,726	-	-
Miscellaneous expenses	3,121	2,80,609	2,524	2,25,679
Rent	26,530	23,85,312	-	-
Repairs and Maintenance - Plant & Machinery	56,021	50,36,848	60,997	54,53,888
<b>Total</b>	<b>5,35,175</b>	<b>4,81,17,584</b>	<b>2,96,669</b>	<b>2,65,25,890</b>





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## **APPENDIX - 40**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications MOVE Nederland B.V.** ("the subsidiary") registered in Netherlands as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
		EURO	INR*	EURO	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	12,652	11,37,541	16,545	14,79,328
Capital work-in-progress		65,767	59,13,111	-	-
Other intangible assets	2	8,284	7,44,815	41,418	37,03,283
Financial assets					
(i) Other financial assets	3	69,601	62,57,826	68,923	61,62,571
Other non-current assets	4	208	18,701	2,819	2,52,054
		1,56,512	1,40,71,994	1,29,705	1,15,97,236
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	5	6,69,268	6,01,73,886	13,27,612	11,87,04,975
(ii) Cash and cash equivalents	6	10,763	9,67,701	8,421	7,52,942
Other current assets	7	38,814	34,89,767	85,083	76,07,475
		7,18,845	6,46,31,354	14,21,116	12,70,65,392
<b>TOTAL ASSETS</b>		<b>8,75,357</b>	<b>7,87,03,348</b>	<b>15,50,821</b>	<b>13,86,62,628</b>
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	8	18,000	16,18,380	18,000	16,09,423
Other equity	9	(61,94,972)	(55,69,89,933)	(59,44,999)	(53,15,56,627)
<b>Total Equity</b>		<b>(61,76,972)</b>	<b>(55,53,71,553)</b>	<b>(59,26,999)</b>	<b>(52,99,47,204)</b>
<b>(2) Current liabilities</b>					
Financial liabilities					
(i) Borrowings	10	3,77,792	3,39,67,279	25,64,971	22,93,40,213
(ii) Trade payables	11	57,69,147	51,87,04,005	40,89,584	36,56,59,520
(iii) Other financial liabilities	12	1,56,570	1,40,77,210	1,26,758	1,13,33,737
Other current liabilities	13	7,48,820	6,73,26,407	6,96,507	6,22,76,362
		70,52,329	63,40,74,901	74,77,820	66,86,09,832
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,75,357</b>	<b>7,87,03,348</b>	<b>15,50,821</b>	<b>13,86,62,628</b>

\*Exchange rate as at 31 March 2024 1 EURO = 89.91 INR (as at 31 March 2023 1 EURO = INR 89.41)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			EURO	INR*	EURO	INR*
i	Revenue from operations		1,67,55,128	1,50,64,53,558	1,37,93,215	1,23,32,84,457
ii	Other Income	14	628	56,463	82,252	73,54,349
iii	<b>Total income (i + ii)</b>		<b>1,67,55,756</b>	<b>1,50,65,10,021</b>	<b>1,38,75,467</b>	<b>1,24,06,38,806</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	15	1,59,90,785	1,43,77,31,479	1,31,09,055	1,17,21,12,069
	Employee benefits expenses	16	(10,688)	(9,60,958)	(1,390)	(1,24,283)
	Finance costs	17	3,34,269	3,00,54,126	1,79,728	1,60,69,912
	Depreciation and amortisation expenses		37,027	33,29,098	42,918	38,37,401
	Operating and other expenses	18	6,48,086	5,82,69,414	7,31,014	6,53,61,715
	<b>Total expenses</b>		<b>1,69,99,479</b>	<b>1,52,84,23,159</b>	<b>1,40,61,325</b>	<b>1,25,72,56,814</b>
v	<b>Profit/ (loss) before taxes (iii-iv)</b>		<b>(2,43,723)</b>	<b>(2,19,13,138)</b>	<b>(1,85,858)</b>	<b>(1,66,18,008)</b>
vi	<b>Tax expenses</b>					
	Current tax expense/(benefit)		-	-	-	-
	Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
vii	<b>Profit/(loss) for the year (v-vi)</b>		<b>(2,43,723)</b>	<b>(2,19,13,138)</b>	<b>(1,85,858)</b>	<b>(1,66,18,008)</b>

\*Exchange rate as at 31 March 2024 | EURO = 89.91 INR (as at 31 March 2023 | EURO = INR 89.41 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
<b>Gross block:</b>				
Plant & machinery	31,142	27,99,977	31,142	27,84,481
Office Equipment	9,262	8,32,746	9,262	8,28,138
(a)	40,404	36,32,723	40,404	36,12,619
<b>Accumulated depreciation:</b>				
Plant & machinery	18,490	16,62,436	14,597	13,05,153
Office Equipment	9,262	8,32,746	9,262	8,28,138
(b)	27,752	24,95,182	23,859	21,33,291
<b>Net block (a) - (b)</b>	12,652	11,37,541	16,545	14,79,328

## 2 Other intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
<b>Gross block:</b>				
Computer software	2,33,127	2,09,60,449	2,33,127	2,08,44,445
(a)	2,33,127	2,09,60,449	2,33,127	2,08,44,445
<b>Accumulated amortisation:</b>				
Computer software	2,24,843	2,02,15,634	1,91,709	1,71,41,162
(b)	2,24,843	2,02,15,634	1,91,709	1,71,41,162
<b>Net block (a) - (b)</b>	8,284	7,44,815	41,418	37,03,283

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Vendor deposits	69,601	62,57,826	68,923	61,62,571
<b>Total</b>	69,601	62,57,826	68,923	61,62,571

## 4 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Prepaid expenses	208	18,701	2,819	2,52,054
<b>Total</b>	208	18,701	2,819	2,52,054



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Trade receivables	10,38,186	9,33,43,303	8,85,832	7,92,04,365
Intercompany receivables (net)	-	-	8,40,632	7,51,62,925
Provision for doubtful debts	(3,68,918)	(3,31,69,417)	(3,98,852)	(3,56,62,315)
<b>Total</b>	<b>6,69,268</b>	<b>6,01,73,886</b>	<b>13,27,612</b>	<b>11,87,04,975</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Balance with bank	10,763	9,67,701	8,421	7,52,942
<b>Total</b>	<b>10,763</b>	<b>9,67,701</b>	<b>8,421</b>	<b>7,52,942</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Advances to employees	950	85,415	-	-
Provision for doubtful advance	(209)	(18,791)	-	-
Prepaid expenses	38,073	34,23,143	85,083	76,07,475
<b>Total</b>	<b>38,814</b>	<b>34,89,767</b>	<b>85,083</b>	<b>76,07,475</b>

## 8 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Equity share capital	18,000	16,18,380	18,000	16,09,423
<b>Total</b>	<b>18,000</b>	<b>16,18,380</b>	<b>18,000</b>	<b>16,09,423</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(59,44,999)	(53,45,14,860)	(57,59,141)	(51,49,38,619)
ECL impact	(6,250)	(5,61,938)	-	-
Profit/ (loss) for the year	(2,43,723)	(2,19,13,135)	(1,85,858)	(1,66,18,008)
<b>Total</b>	<b>(61,94,972)</b>	<b>(55,69,89,933)</b>	<b>(59,44,999)</b>	<b>(53,15,56,627)</b>

## 10 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Inter company loans taken (net)	3,77,792	3,39,67,279	25,64,971	22,93,40,213
<b>Total</b>	<b>3,77,792</b>	<b>3,39,67,279</b>	<b>25,64,971</b>	<b>22,93,40,213</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Trade payable	47,11,430	42,36,04,670	40,89,584	36,56,59,520
Inter company - payables (net)	10,57,717	9,50,99,335	-	-
<b>Total</b>	<b>57,69,147</b>	<b>51,87,04,005</b>	<b>40,89,584</b>	<b>36,56,59,520</b>

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Interest accrued but not due	1,56,570	1,40,77,209	1,26,758	1,13,33,737
<b>Total</b>	<b>1,56,570</b>	<b>1,40,77,209</b>	<b>1,26,758</b>	<b>1,13,33,737</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Deferred revenue and advance from customers	-	-	1,511	1,35,102
Other Statutory dues	7,48,815	6,73,25,957	6,99,416	6,25,36,463
Other Employee dues	-	-	(4,425)	(3,95,650)
Others	5	450	5	447
<b>Total</b>	<b>7,48,820</b>	<b>6,73,26,407</b>	<b>6,96,507</b>	<b>6,22,76,362</b>



# Tata Communications MOVE Nederland B.V.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 14 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Interest on loan to subsidiaries	177	15,914	175	15,647
Interest Income- Others	451	40,549	-	-
Miscellaneous income	-	-	82,077	73,38,702
<b>Total</b>	<b>628</b>	<b>56,463</b>	<b>82,252</b>	<b>73,54,349</b>

### 15 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Charges for use of transmission facilities	1,59,90,785	1,43,77,31,479	1,31,09,055	1,17,21,12,069
<b>Total</b>	<b>1,59,90,785</b>	<b>1,43,77,31,479</b>	<b>1,31,09,055</b>	<b>1,17,21,12,069</b>

### 16 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Salaries, bonus and allowances	37	3,327	475	42,471
Staff welfare expenses	(10,725)	(9,64,285)	(1,865)	(1,66,754)
<b>Total</b>	<b>(10,688)</b>	<b>(9,60,958)</b>	<b>(1,390)</b>	<b>(1,24,283)</b>

### 17 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Interest expenses	5,933	5,33,436	848	75,822
Interest on inter companies loan	3,28,336	2,95,20,690	1,78,880	1,59,94,090
<b>Total</b>	<b>3,34,269</b>	<b>3,00,54,126</b>	<b>1,79,728</b>	<b>1,60,69,912</b>

### 18 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Auditors remuneration	-	-	29,400	26,28,725
Communication expenses	-	-	457	40,861
Director Fees	15,000	13,48,650	(4,678)	(4,18,271)
Exchange loss -Net	1,48,904	1,33,87,959	1,49,827	1,33,96,392
Legal and professional fees	1,12,067	1,00,75,944	68,914	61,61,766
Miscellaneous expenses	21,871	19,66,422	16,907	15,11,694
Printing and stationery	-	-	585	52,306
Provision for doubtful debts	(36,184)	(32,53,303)	43,873	39,22,790
Provision For Doubtful Advances	-	-	209	18,687
Rates & taxes	-	-	(2,697)	(2,41,145)
Rent	-	-	41,835	37,40,568
Repairs and maintenance - plant & machinery	3,59,459	3,23,18,959	3,60,275	3,22,13,052
Repairs and maintenance -building	19,878	17,87,231	14,192	12,68,941
Services rendered by agencies	7,170	6,44,655	9,905	8,85,630
Water charges	-	-	2,697	2,41,145
Travelling and conveyance expenses	(79)	(7,103)	(687)	(61,426)
<b>Total</b>	<b>6,48,086</b>	<b>5,82,69,414</b>	<b>7,31,014</b>	<b>6,53,61,715</b>





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LLP Identity No. AAB-7509

## APPENDIX - 41

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **MuCoSO B.V.** ("the subsidiary") registered in Netherlands as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			EURO	INR*	EURO	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Financial assets					
	(i) Loans	1	1,94,249	1,74,64,928	45,508	40,68,979
			1,94,249	1,74,64,928	45,508	40,68,979
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	2	7,528	6,76,842	1,15,966	1,03,68,799
	(ii) Cash and cash equivalent	3	9,417	8,46,682	10,298	9,20,769
	(iii) Other financial assets	4	4,163	3,74,295	2,086	1,86,514
	Other current assets	5	7,202	6,47,532	-	-
			28,310	25,45,351	1,28,350	1,14,76,082
	<b>TOTAL ASSETS</b>		2,22,559	2,00,10,279	1,73,858	1,55,45,061
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	6	18,000	16,18,380	18,000	16,09,423
	Other equity	7	(36,834)	(33,11,745)	(21,203)	(18,95,812)
	<b>Total Equity</b>		(18,834)	(16,93,365)	(3,203)	(2,86,389)
(2)	<b>Non-current liabilities</b>					
	Other non current liabilities (Deferred revenue)		29,608	26,62,055	11,704	10,46,483
			29,608	26,62,055	11,704	10,46,483
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	8	1,02,068	91,76,933	37,706	33,71,384
	(ii) Other financial liabilities	9	3,245	2,91,758	3,217	2,87,640
	Other current liabilities	10	1,04,705	94,14,027	1,22,667	1,09,67,951
	Current tax liabilities (Net)		1,767	1,58,871	1,767	1,57,992
			2,11,785	1,90,41,589	1,65,357	1,47,84,967
	<b>TOTAL EQUITY AND LIABILITIES</b>		2,22,559	2,00,10,279	1,73,858	1,55,45,061

\*Exchange rate as at 31 March 2024 1 EURO = 89.91 INR (As at 31 March 2023 1 EURO = 89.41 INR)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			EURO	INR*	EURO	INR*
i	Revenue from operations	11	1,91,510	1,72,18,664	2,29,574	2,05,26,762
ii	Other Income		6,134	5,51,508	4,486	4,01,105
iii	<b>Total income (i + ii)</b>		<b>1,97,644</b>	<b>1,77,70,172</b>	<b>2,34,060</b>	<b>2,09,27,867</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	12	1,33,608	1,20,12,695	2,05,648	1,83,87,481
	Operating and other expenses	13	79,043	71,06,755	24,804	22,17,787
	<b>Total expenses</b>		<b>2,12,651</b>	<b>1,91,19,450</b>	<b>2,30,452</b>	<b>2,06,05,268</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(15,007)</b>	<b>(13,49,278)</b>	<b>3,608</b>	<b>3,22,599</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
vii	<b>Profit/ (loss) for the year (v-vi)</b>		<b>(15,007)</b>	<b>(13,49,278)</b>	<b>3,608</b>	<b>3,22,599</b>

\*Exchange rate as at 31 March 2024 | EURO = 89.91 INR (As at 31 March 2023 | EURO = 89.41 INR)





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Inter company loans given (net)	1,94,249	1,74,64,928	45,508	40,68,979
<b>Total</b>	<b>1,94,249</b>	<b>1,74,64,928</b>	<b>45,508</b>	<b>40,68,979</b>

## 2 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Trade receivables	8,389	7,54,255	40,506	36,21,739
Intercompany receivables (net)	-	-	75,834	67,80,500
Provision for doubtful debts	(861)	(77,413)	(374)	(33,440)
<b>Total</b>	<b>7,528</b>	<b>6,76,842</b>	<b>1,15,966</b>	<b>1,03,68,799</b>

## 3 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Balance with bank	9,417	8,46,682	10,298	9,20,769
<b>Total</b>	<b>9,417</b>	<b>8,46,682</b>	<b>10,298</b>	<b>9,20,769</b>

## 4 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Interest Receivable	4,163	3,74,295	2,086	1,86,514
<b>Total</b>	<b>4,163</b>	<b>3,74,295</b>	<b>2,086</b>	<b>1,86,514</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Indirect tax receivable	7,202	6,47,532	-	-
<b>Total</b>	<b>7,202</b>	<b>6,47,532</b>	<b>-</b>	<b>-</b>

## 6 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Equity share capital	18,000	16,18,380	18,000	16,09,423
<b>Total</b>	<b>18,000</b>	<b>16,18,380</b>	<b>18,000</b>	<b>16,09,423</b>

## 7 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(21,204)	(19,06,452)	(24,811)	(22,18,411)
ECL impact	(623)	(56,014)	-	-
Profit / (loss) for the year	(15,007)	(13,49,279)	3,608	3,22,599
<b>Total</b>	<b>(36,834)</b>	<b>(33,11,745)</b>	<b>(21,203)</b>	<b>(18,95,812)</b>

## 8 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Trade payable	47,503	42,70,995	37,706	33,71,384
Inter Company - Payables	54,565	49,05,939	-	-
<b>Total</b>	<b>1,02,068</b>	<b>91,76,933</b>	<b>37,706</b>	<b>33,71,384</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Deposit from customers and contractors	3,245	2,91,758	3,217	2,87,640
<b>Total</b>	<b>3,245</b>	<b>2,91,758</b>	<b>3,217</b>	<b>2,87,640</b>

## 10 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Deferred revenue and advance from customers	1,04,705	94,14,027	1,11,157	99,38,814
Statutory dues	-	-	11,510	10,29,137
<b>Total</b>	<b>1,04,705</b>	<b>94,14,027</b>	<b>1,22,667</b>	<b>1,09,67,951</b>

## 11 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Interest income - others	96	8,631	-	-
Interest on loan to subsidiaries	6,038	5,42,877	3,625	3,24,120
Exchange gain -Net	-	-	850	76,001
Miscellaneous income	-	-	11	984
<b>Total</b>	<b>6,134</b>	<b>5,51,508</b>	<b>4,486</b>	<b>4,01,105</b>

## 12 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Charges for use of transmission facilities	1,33,608	1,20,12,695	2,05,648	1,83,87,481
<b>Total</b>	<b>1,33,608</b>	<b>1,20,12,695</b>	<b>2,05,648</b>	<b>1,83,87,481</b>

## 13 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Exchange loss -Net	3,411	3,06,683	-	-
Director fees	15,000	13,48,650	(4,490)	(4,01,462)
Legal and professional fees	58,408	52,51,463	27,077	24,21,020
Provision for doubtful debts	(135)	(12,138)	(221)	(19,762)
Miscellaneous expenses	1,508	1,35,584	1,606	1,43,600
Services rendered by agencies	851	76,513	832	74,391
<b>Total</b>	<b>79,043</b>	<b>71,06,755</b>	<b>24,804</b>	<b>22,17,787</b>



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## APPENDIX - 42

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communication Middle East Technology Services LLC** ("the subsidiary") registered in UAE (Dubai) as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in preparation of these financial information. We have complied with relevant ethical requirements.

The management of the associate is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information is prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			USD	INR*
<b>(A) ASSETS</b>				
<b>(1) Non-current assets</b>				
Right-of-use assets			371,713	30,985,996
			371,713	30,985,996
<b>(2) Current assets</b>				
Financial assets				
(i) Trade receivables	1		714,464	59,557,719
(ii) Cash and cash equivalents	2		2,856	238,076
			717,320	59,795,795
<b>TOTAL ASSETS</b>			<b>1,089,033</b>	<b>90,781,791</b>
<b>(B) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
Equity share capital			-	-
Other equity	3		14,227	1,185,962
<b>Total Equity</b>			<b>14,227</b>	<b>1,185,962</b>
<b>(2) Non-current liabilities</b>				
<b>Financial liabilities</b>				
(i) Lease liabilities			143,679	11,977,081
Provisions	4		555,930	46,342,325
			699,609	58,319,406
<b>(3) Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Borrowings	5		176,000	14,671,360
(ia) Lease liabilities			125,524	10,463,681
(ii) Trade payables	6		31,999	2,667,437
(iii) Other financial liabilities	7		316	26,342
Provisions	8		41,358	3,447,603
			375,197	31,276,423
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>1,089,033</b>	<b>90,781,791</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			USD	INR
i	Revenue from operations	9	285,423	23,792,861
ii	Other Income		16,769	1,397,864
iii	<b>Total income (i + ii)</b>		<b>302,192</b>	<b>25,190,725</b>
iv	<b>Expenses:</b>			
	Employee benefits expenses	10	239,194	19,939,212
	Finance costs	11	316	26,342
	Operating and other expenses	12	48,455	4,039,209
	<b>Total expenses</b>		<b>287,965</b>	<b>24,004,763</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>14,227</b>	<b>1,185,962</b>
vi	<b>Tax expenses</b>			
	(i) Current tax expense/(benefit)		-	-
	(ii) Deferred tax expense/(benefit)		-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>14,227</b>	<b>1,185,962</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Trade receivables

Particulars	As at 31 March 2024	
	USD	INR
Intercompany receivables (Net)	714,464	59,557,719
<b>Total</b>	<b>714,464</b>	<b>59,557,719</b>

## 2 Cash and cash equivalents

Particulars	As at 31 March 2024	
	USD	INR
Balance with bank	2,856	238,076
<b>Total</b>	<b>2,856</b>	<b>238,076</b>

## 3 Other Equity

Particulars	As at 31 March 2024	
	USD	INR
Surplus / (Deficit)		
Opening balance	-	-
Profit / (loss) for the year	14,227	1,185,962
Closing balance	14,227	1,185,962
<b>Total</b>	<b>14,227</b>	<b>1,185,962</b>

## 4 Non-current liabilities - provisions

Particulars	As at 31 March 2024	
	USD	INR
Provision for gratuity	555,930	46,342,325
<b>Total</b>	<b>555,930</b>	<b>46,342,325</b>

## 5 Current liabilities - borrowings

Particulars	As at 31 March 2024	
	USD	INR
Inter company loans taken (Net)	176,000	14,671,360
<b>Total</b>	<b>176,000</b>	<b>14,671,360</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 6 Current liabilities - Trade payables

Particulars	As at 31 March 2024	
	USD	INR
Trade payable	31,999	2,667,437
<b>Total</b>	<b>31,999</b>	<b>2,667,437</b>

## 7 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024	
	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	316	26,342
<b>Total</b>	<b>316</b>	<b>26,342</b>

## 8 Current liabilities - provisions

Particulars	As at 31 March 2024	
	USD	INR
Leave entitlement	41,358	3,447,603
<b>Total</b>	<b>41,358</b>	<b>3,447,603</b>

## 9 Other income

Particulars	Current year 2023-24	
	USD	INR
Interest income - others	2	167
Miscellaneous income	16,767	1,397,697
<b>Total</b>	<b>16,769</b>	<b>1,397,864</b>

## 10 Employee benefit expenses

Particulars	Current year 2023-24	
	USD	INR
Salaries, bonus and allowances	239,194	19,939,212
<b>Total</b>	<b>239,194</b>	<b>19,939,212</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 11 Finance costs

Particulars	Current year 2023-24	
	USD	INR
Interest on inter companies loan	316	26,342
<b>Total</b>	<b>316</b>	<b>26,342</b>

## 12 Operating and other expenses

Particulars	Current year 2023-24	
	USD	INR
Auditors remuneration	2,859	238,326
Exchange loss -Net	1,332	111,036
Legal and professional fees	4,590	382,622
Miscellaneous expenses	950	79,192
Rent	38,724	3,228,033
<b>Total</b>	<b>48,455</b>	<b>4,039,209</b>



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## **APPENDIX - 43**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Netfoundry Inc** ("the subsidiary") registered in Delaware, USA as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	30,575	2,548,732	48,083	3,950,981
	Other Intangible assets	2	7,219,776	601,840,527	10,790,232	886,633,364
	(i) Other financial assets	3	-	-	77,539	6,371,380
	Advance tax (net)		182,814	15,239,375	44,766	3,678,422
			7,433,165	619,628,634	10,960,620	900,634,147
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	4	99,580	8,300,988	127,082	10,442,328
	(ii) Cash and cash equivalents	5	77,912	6,494,744	97,499	8,011,493
	(iii) Other financial assets	6	53,285	4,441,838	-	-
	Other Current assets	7	236,540	19,717,974	188,508	15,489,702
			467,317	38,955,544	413,089	33,943,523
	TOTAL ASSETS		7,900,482	658,584,178	11,373,709	934,577,670
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	8	3	250	3	247
	Other equity	9	(59,861,314)	(4,990,039,136)	(40,058,440)	(3,291,602,016)
	Total Equity		(59,861,311)	(4,990,038,886)	(40,058,437)	(3,291,601,769)
(2)	Non-current liabilities					
	Other liabilities (Deferred revenue)		1,050	87,528	20,321	1,669,777
			1,050	87,528	20,321	1,669,777
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	10	63,289,062	5,275,776,208	45,025,160	3,699,717,397
	(ii) Trade payables	11	1,456,037	121,375,245	4,136,116	339,864,654
	(iii) Other financial liabilities	12	1,910,387	159,249,860	1,204,133	98,943,609
	Other current liabilities	13	1,105,257	92,134,223	1,046,416	85,984,002
			67,760,743	5,648,535,536	51,411,825	4,224,509,662
	TOTAL EQUITY AND LIABILITIES		7,900,482	658,584,178	11,373,709	934,577,670

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR	USD	INR
i	Revenue from operations	14	2,829,301	235,850,531	1,829,485	150,328,782
ii	Other Income		430	35,845	6,239	512,659
iii	<b>Total income (i + ii)</b>		<b>2,829,731</b>	<b>235,886,376</b>	<b>1,835,724</b>	<b>150,841,441</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	15	949,104	79,117,309	1,203,855	98,920,765
	Employee benefits expenses	16	10,582,374	882,146,696	6,601,607	542,454,047
	Finance costs	17	3,536,157	294,774,048	2,194,651	180,334,473
	Depreciation and amortisation expenses	18	3,587,964	299,092,679	3,067,259	252,036,672
	Operating and other expenses		3,973,504	331,231,295	3,833,712	315,016,116
	<b>Total expenses</b>		<b>22,629,103</b>	<b>1,886,362,027</b>	<b>16,901,084</b>	<b>1,388,762,073</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>(19,799,372)</b>	<b>(1,650,475,651)</b>	<b>(15,065,360)</b>	<b>(1,237,920,632)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		1,331	110,952	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>1,331</b>	<b>110,952</b>	<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v - vi)</b>		<b>(19,800,703)</b>	<b>(1,650,586,603)</b>	<b>(15,065,360)</b>	<b>(1,237,920,632)</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	159,888	13,328,264	159,888	13,137,997
Computers	39,823	3,319,645	38,857	3,192,880
(a)	199,711	16,647,909	198,745	16,330,877
<b>Accumulated depreciation:</b>				
Plant and machinery	129,313	10,779,532	111,990	9,202,218
Computers	39,823	3,319,645	38,672	3,177,678
(b)	169,136	14,099,177	150,662	12,379,896
<b>Net block (a) - (b)</b>	<b>30,575</b>	<b>2,548,732</b>	<b>48,083</b>	<b>3,950,981</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	21,912,354	1,826,613,829	21,952,522	1,803,838,733
(a)	21,912,354	1,826,613,829	21,952,522	1,803,838,733
<b>Accumulated amortisation:</b>				
Computer software	14,692,578	1,224,773,302	11,162,290	917,205,369
(b)	14,692,578	1,224,773,302	11,162,290	917,205,369
<b>Net block (a) - (b)</b>	<b>7,219,776</b>	<b>601,840,527</b>	<b>10,790,232</b>	<b>886,633,364</b>

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Vendor deposits	-	-	77,539	6,371,380
<b>Total</b>	<b>-</b>	<b>-</b>	<b>77,539</b>	<b>6,371,380</b>

## 4 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	100,862	8,407,856	142,082	11,674,878
Provision for doubtful debts	(1,282)	(106,868)	(15,000)	(1,232,550)
<b>Total</b>	<b>99,580</b>	<b>8,300,988</b>	<b>127,082</b>	<b>10,442,328</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	77,912	6,494,744	97,499	8,011,493
<b>Total</b>	<b>77,912</b>	<b>6,494,744</b>	<b>97,499</b>	<b>8,011,493</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	53,285	4,441,838	-	-
<b>Total</b>	<b>53,285</b>	<b>4,441,838</b>	<b>-</b>	<b>-</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	12,365	1,030,746	26,291	2,160,331
Prepaid expenses	224,175	18,687,228	162,217	13,329,371
<b>Total</b>	<b>236,540</b>	<b>19,717,974</b>	<b>188,508</b>	<b>15,489,702</b>

## 8 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	3	250	3	247
<b>Total</b>	<b>3</b>	<b>250</b>	<b>3</b>	<b>247</b>

## 9 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(47,058,437)	(3,922,791,308)	(31,993,077)	(2,628,871,137)
ECL impact	(2,171)	(180,975)	-	-
Profit / (loss) for the year	(19,800,703)	(1,650,586,603)	(15,065,360)	(1,237,920,632)
<b>Closing balance</b>	<b>(66,861,311)</b>	<b>(5,573,558,886)</b>	<b>(47,058,437)</b>	<b>(3,866,791,769)</b>
Share premium	6,999,997	583,519,750	6,999,997	575,189,753
<b>Total</b>	<b>(59,861,314)</b>	<b>(4,990,039,136)</b>	<b>(40,058,440)</b>	<b>(3,291,602,016)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 10 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans taken (Net)	63,289,062	5,275,776,208	45,025,160	3,699,717,397
<b>Total</b>	<b>63,289,062</b>	<b>5,275,776,208</b>	<b>45,025,160</b>	<b>3,699,717,397</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	397,271	33,116,511	808,686	66,449,731
Inter Company - Payables (Net)	1,058,766	88,258,734	3,327,430	273,414,923
<b>Total</b>	<b>1,456,037</b>	<b>121,375,245</b>	<b>4,136,116</b>	<b>339,864,654</b>

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	1,910,387	159,249,860	1,204,133	98,943,609
<b>Total</b>	<b>1,910,387</b>	<b>159,249,860</b>	<b>1,204,133</b>	<b>98,943,609</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	390,979	32,592,009	217,177	17,845,434
Other Employee dues	714,212	59,536,712	829,126	68,129,283
Other Statutory dues	66	5,502	113	9,285
<b>Total</b>	<b>1,105,257</b>	<b>92,134,223</b>	<b>1,046,416</b>	<b>85,984,002</b>

## 14 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Exchange gain -Net	-	-	4,359	358,179
Miscellaneous income	430	35,845	1,880	154,480
<b>Total</b>	<b>430</b>	<b>35,845</b>	<b>6,239</b>	<b>512,659</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 15 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	949,104	79,117,309	1,203,855	98,920,765
<b>Total</b>	<b>949,104</b>	<b>79,117,309</b>	<b>1,203,855</b>	<b>98,920,765</b>

## 16 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	10,558,840	880,184,902	6,595,007	541,911,725
Staff welfare expenses	23,534	1,961,794	6,600	542,322
<b>Total</b>	<b>10,582,374</b>	<b>882,146,696</b>	<b>6,601,607</b>	<b>542,454,047</b>

## 17 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on inter companies loan	3,536,157	294,774,048	2,194,651	180,334,473
<b>Total</b>	<b>3,536,157</b>	<b>294,774,048</b>	<b>2,194,651</b>	<b>180,334,473</b>

## 18 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	327,077	27,265,139	535,017	43,962,347
Auditors remuneration	1,580	131,709	1,483	121,858
Communication expenses	5,052	421,135	3,500	287,595
Entertainment expenses	19,720	1,643,859	16,939	1,391,878
IT consumables	82,841	6,905,626	75,771	6,226,103
Legal and professional fees	282,137	23,518,940	458,328	37,660,812
Miscellaneous expenses	24,291	2,024,898	86,696	7,123,810
Printing and stationery	10,960	913,626	12,583	1,033,945
Provision for doubtful debts	(15,893)	(1,324,840)	(96,129)	(7,898,920)
Rates and Taxes	355	29,593	1,404	115,367
Recruitment expenses	34,446	2,871,419	79,908	6,566,040
Rent	10,133	844,687	5,034	413,644
Repairs and Maintenance - Plant & Machinery	312,954	26,087,845	352,762	28,986,454
Seminars, trainings and conferences	60,139	5,013,187	38,104	3,131,006
Services rendered by agencies	2,522,497	210,275,350	1,947,524	160,028,047
Bad debts written off	-	-	57,583	4,731,595
Travelling and conveyance expenses	295,215	24,609,122	257,205	21,134,535
<b>Total</b>	<b>3,973,504</b>	<b>331,231,295</b>	<b>3,833,712</b>	<b>315,016,116</b>





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LLP Identity No. AAB-7509

## APPENDIX - 44

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communication (LANKA) Limited** ("the subsidiary") registered in Colombo as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.

This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
<b>(A) ASSETS</b>						
<b>(1) Non-current assets</b>						
Property, plant and equipment	1		481,834	40,165,682	623,032	51,194,539
Capital work-in-progress			17,093	1,424,872	-	-
Right of use assets			182,023	15,173,437	185,529	15,244,918
Other intangible assets	2		342,541	28,554,218	36,783	3,022,459
Deferred tax assets (Net)			-	-	11,209	921,044
Advance tax (net)			77,612	6,469,736	110,940	9,115,940
Other non-current assets	3		-	-	19,705	1,619,160
			1,101,103	91,787,946	987,198	81,118,060
<b>(2) Current assets</b>						
Inventories	4		138,421	11,538,775	137,471	11,295,992
Financial assets						
(i) Trade receivables	5		782,217	65,205,608	1,652,145	135,756,754
(ii) Cash and cash equivalent	6		3,840,736	320,163,753	4,700,980	386,279,527
(iii) Other financial assets	7		58,279	4,858,137	69,019	5,671,291
Other current assets	8		70,023	5,837,117	110,522	9,081,593
			4,889,676	407,603,391	6,670,137	548,085,157
<b>TOTAL ASSETS</b>			5,990,779	499,391,337	7,657,335	629,203,217
<b>(B) EQUITY AND LIABILITIES</b>						
<b>(1) Equity</b>						
Equity share capital	9		1,197,348	99,810,929	1,197,348	98,386,085
Other equity	10		2,377,341	198,175,145	4,605,822	378,460,394
<b>Total Equity</b>			3,574,689	297,986,074	5,803,170	476,846,479
<b>(2) Non-current liabilities</b>						
Financial liabilities						
(i) Lease liabilities			-	-	51,417	4,224,935
Deferred tax liabilities (Net)			58,464	4,873,559	69,666	5,724,455
			58,464	4,873,559	121,083	9,949,390
<b>(3) Current liabilities</b>						
Financial liabilities						
(i) Lease liabilities			64,735	5,396,310	74,997	6,162,503
(ii) Trade payables	11		2,089,001	174,139,124	1,522,049	125,066,767
(iii) Other financial liabilities	12		28,457	2,372,176	-	-
Other current liabilities	13		169,838	14,157,696	135,671	11,148,086
Provisions	14		5,595	466,399	365	29,992
			2,357,626	196,531,704	1,733,082	142,407,348
<b>TOTAL EQUITY AND LIABILITIES</b>			5,990,779	499,391,337	7,657,335	629,203,217

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR*	USD	INR*
i	Revenue from operation	15	7,672,812	639,605,608	9,494,011	780,122,884
ii	Other Income		350,030	29,178,501	156,400	12,851,388
iii	<b>Total income (i + ii)</b>		<b>8,022,842</b>	<b>668,784,109</b>	<b>9,650,411</b>	<b>792,974,272</b>
iv	<b>Expenses:</b>					
	(i) Network and transmission expenses	16	5,525,739	460,625,603	6,909,074	567,718,611
	(ii) Employee benefits expenses	17	471,680	39,319,246	319,770	26,275,501
	(iii) Finance costs	18	13,112	1,093,016	14,252	1,171,087
	(iv) Depreciation and amortisation expenses		264,221	22,025,463	354,536	29,132,223
	(v) Operating and other expenses	19	398,617	33,228,713	374,813	30,798,384
	<b>Total expenses</b>		<b>6,673,369</b>	<b>556,292,041</b>	<b>7,972,445</b>	<b>655,095,806</b>
v	<b>Profit before taxes (iii-iv)</b>		<b>1,349,473</b>	<b>112,492,068</b>	<b>1,677,966</b>	<b>137,878,466</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		72,802	6,068,775	(224,103)	(18,414,544)
	(ii) Deferred tax expense/(benefit)		(8,876)	(739,903)	-	-
	<b>Net tax expenses</b>		<b>63,926</b>	<b>5,328,871</b>	<b>(224,103)</b>	<b>(18,414,544)</b>
vii	<b>Profit for the year (v-vi)</b>		<b>1,285,547</b>	<b>107,163,197</b>	<b>1,902,069</b>	<b>156,293,010</b>

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	82,296	6,860,195	82,296	6,762,262
Plant and machinery	3,141,207	261,851,016	3,622,534	297,663,619
Furniture and fixtures	132,955	11,083,129	131,764	10,827,048
Computers	39,711	3,310,309	193,850	15,928,655
Office equipment	45,749	3,813,637	48,697	4,001,432
(a)	3,441,918	286,918,284	4,079,141	335,183,016
<b>Accumulated depreciation:</b>				
Lease hold improvement	60,300	5,026,608	43,658	3,587,378
Plant and machinery	2,724,576	227,120,655	3,094,617	254,284,679
Furniture and fixtures	100,568	8,383,348	95,944	7,883,718
Computers	32,971	2,748,463	179,868	14,779,754
Office equipment	41,669	3,473,528	42,022	3,452,948
(b)	2,960,084	246,752,602	3,456,109	283,988,477
<b>Net block (a) - (b)</b>	481,834	40,165,682	623,032	51,194,539

## 2 Other intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
License Fees	1,230,082	102,539,636	867,532	71,285,104
(a)	1,230,082	102,539,636	867,532	71,285,104
<b>Accumulated amortisation:</b>				
License Fees	887,541	73,985,418	830,749	68,262,645
(b)	887,541	73,985,418	830,749	68,262,645
<b>Net block (a) - (b)</b>	342,541	28,554,218	36,783	3,022,459

## 3 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Capital Advances	-	-	19,705	1,619,160
<b>Total</b>	-	-	19,705	1,619,160

## 4 Inventories

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Stores and spares(Consumables)	138,421	11,538,775	137,471	11,295,992
<b>Total</b>	138,421	11,538,775	137,471	11,295,992



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	815,343	67,966,992	720,760	59,224,849
Intercompany receivables	-	-	983,502	80,814,359
Provision for doubtful debts	(33,126)	(2,761,383)	(52,117)	(4,282,454)
<b>Total</b>	<b>782,217</b>	<b>65,205,608</b>	<b>1,652,145</b>	<b>135,756,754</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	3,840,736	320,163,753	4,700,980	386,279,527
<b>Total</b>	<b>3,840,736</b>	<b>320,163,753</b>	<b>4,700,980</b>	<b>386,279,527</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	19,038	1,587,008	17,875	1,468,789
Interest Receivable	39,241	3,271,130	51,144	4,202,502
<b>Total</b>	<b>58,279</b>	<b>4,858,137</b>	<b>69,019</b>	<b>5,671,291</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	4,767	397,377	4,767	391,704
Prepaid expenses	7,671	639,455	8,745	718,577
Indirect Tax receivable	57,585	4,800,286	97,010	7,971,312
<b>Total</b>	<b>70,023</b>	<b>5,837,117</b>	<b>110,522</b>	<b>9,081,593</b>

## 9 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	1,197,348	99,810,929	1,197,348	98,386,085
<b>Total</b>	<b>1,197,348</b>	<b>99,810,929</b>	<b>1,197,348</b>	<b>98,386,085</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 10 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	4,605,822	383,941,322	6,483,727	532,767,848
Profit / (loss) for the year	1,285,547	107,163,197	1,902,069	156,293,010
<b>Closing balance</b>	<b>5,891,369</b>	<b>491,104,519</b>	<b>8,385,796</b>	<b>689,060,857</b>
OCI Reserves Employee Benefit Plan	-	-	(1,970)	(161,875)
Dividend	(3,514,028)	(292,929,374)	(3,778,004)	(310,438,589)
<b>Total</b>	<b>2,377,341</b>	<b>198,175,145</b>	<b>4,605,822</b>	<b>378,460,394</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade Payables	1,579,962	131,705,633	1,522,049	125,066,767
Inter Company - Payables/(Receivables)	509,039	42,433,491	-	-
<b>Total</b>	<b>2,089,001</b>	<b>174,139,124</b>	<b>1,522,049</b>	<b>125,066,767</b>

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deposit from customers and contractors	28,457	2,372,176	-	-
<b>Total</b>	<b>28,457</b>	<b>2,372,176</b>	<b>-</b>	<b>-</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	22,543	1,879,184	67,474	5,544,339
Accrued Payroll	106,596	8,885,843	10,612	871,988
Other Statutory dues	40,699	3,392,669	57,585	4,731,759
<b>Total</b>	<b>169,838</b>	<b>14,157,696</b>	<b>135,671</b>	<b>11,148,086</b>

## 14 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Provision for employee benefits	5,595	466,399	365	29,992
<b>Total</b>	<b>5,595</b>	<b>466,399</b>	<b>365</b>	<b>29,992</b>



## 15 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest income - others	219,590	18,305,022	147,898	12,152,779
Exchange (Gain)/Loss -Net	105,219	8,771,056	-	-
Miscellaneous income	25,221	2,102,423	8,502	698,609
<b>Total</b>	<b>350,030</b>	<b>29,178,501</b>	<b>156,400</b>	<b>12,851,388</b>

## 16 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Charges for use of transmission facilities	5,433,666	452,950,398	6,809,535	559,539,491
Rent of satellite channels	92,073	7,675,205	99,539	8,179,120
<b>Total</b>	<b>5,525,739</b>	<b>460,625,603</b>	<b>6,909,074</b>	<b>567,718,611</b>

## 17 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	375,758	31,323,188	276,360	22,708,502
Contribution to provident and other funds	25,934	2,161,858	26,525	2,179,559
Staff welfare expenses	69,988	5,834,200	16,885	1,387,440
<b>Total</b>	<b>471,680</b>	<b>39,319,246</b>	<b>319,770</b>	<b>26,275,501</b>

## 18 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	13,112	1,093,016	14,252	1,171,087
<b>Total</b>	<b>13,112</b>	<b>1,093,016</b>	<b>14,252</b>	<b>1,171,087</b>

## 19 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	5,711	476,069	4,418	363,027
Auditors remuneration	11,617	968,393	2,369	194,661
Bad debts Written off	8,872	739,570	-	-
Communication expenses	4,599	383,373	4,689	385,295
CSR expenses	-	-	8,337	685,051
Electricity	48,834	4,070,802	21,347	1,754,083
Exchange (Gain)/Loss -Net	-	-	132,120	10,856,300
Insurance expenses	2,033	169,471	1,638	134,594
IT consumables	(2,229)	(185,809)	24	1,972
Legal and professional fees	27,160	2,264,058	23,423	1,924,668
Miscellaneous expenses	73,526	6,129,126	32,855	2,699,694
Printing and stationery	1,696	141,379	2,059	169,188
Provision for doubtful debts	(10,406)	(867,444)	(27,245)	(2,238,722)
Rates and Taxes	6,764	563,847	1,096	90,058
Rent	(795)	(66,271)	3,787	311,178
Repairs and Maintenance - Plant & Machinery	59,199	4,934,829	60,452	4,967,341
Repairs and Maintenance -Building	16,795	1,400,031	228	18,735
Services rendered by agencies	110,503	9,211,530	69,203	5,686,411
Travelling and conveyance expenses	34,738	2,895,761	34,013	2,794,849
<b>Total</b>	<b>398,617</b>	<b>33,228,713</b>	<b>374,813</b>	<b>30,798,384</b>





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LLP Identity No. AAB-7509

## APPENDIX - 46

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **SEPCO Communications (Pty) Ltd** ("the subsidiary") registered in South Africa as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 March 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			ZAR	INR*	ZAR	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Current assets</b>					
	Financial assets					
	(i) Cash and cash equivalent	1	47,17,777	2,08,05,397	47,68,303	2,19,72,483
			47,17,777	2,08,05,397	47,68,303	2,19,72,483
	<b>TOTAL ASSETS</b>		47,17,777	2,08,05,397	47,68,303	2,19,72,483
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	2	1,000	4,410	1,000	4,608
	Other equity	3	46,96,085	2,07,09,735	47,57,930	2,19,24,684
	<b>Total Equity</b>		46,97,085	2,07,14,145	47,58,930	2,19,29,292
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	4	20,692	91,252	9,373	43,191
			20,692	91,252	9,373	43,191
	<b>TOTAL EQUITY AND LIABILITIES</b>		47,17,777	2,08,05,397	47,68,303	2,19,72,483

\*Exchange rate as at 31 March 2024 1 ZAR = INR 4.41 (as at 31 March 2023 1 ZAR = INR 4.61)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2024

	Particulars	Note No.	Current year 2023-24		Previous Year 2022-23	
			ZAR	INR*	ZAR	INR*
i	Revenue from operations		-	-	-	-
ii	Other Income		-	-	-	-
iii	<b>Total income (i + ii)</b>		-	-	-	-
iv	<b>Expenses:</b>					
	Operating and other expenses	5	61,845	2,72,736	51,363	2,36,682
	<b>Total expenses</b>		61,845	2,72,736	51,363	2,36,682
v	<b>Profit before taxes (iii -iv)</b>		(61,845)	(2,72,736)	(51,363)	(2,36,682)
vi	<b>Tax expenses</b>					
	Current tax expense/(benefit)		-	-	-	-
	Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		-	-	-	-
vii	<b>Profit / (loss) for the year (v-vi)</b>		(61,845)	(2,72,736)	(51,363)	(2,36,682)

\*Exchange rate as at 31 March 2024 1 ZAR = INR 4.41 (as at 31 March 2023 1 ZAR = INR 4.61)





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2024

## 1 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	ZAR	INR	ZAR	INR
Balance with bank	47,17,777	2,08,05,397	47,68,303	2,19,72,483
<b>Total</b>	<b>47,17,777</b>	<b>2,08,05,397</b>	<b>47,68,303</b>	<b>2,19,72,483</b>

## 2 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	ZAR	INR	ZAR	INR
Equity share capital	1,000	4,410	1,000	4,608
<b>Total</b>	<b>1,000</b>	<b>4,410</b>	<b>1,000</b>	<b>4,608</b>

## 3 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	ZAR	INR	ZAR	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(51,58,28,268)	(2,27,48,02,662)	(51,57,76,905)	(2,37,67,15,452)
Profit / (loss) for the year	(61,845)	(2,72,736)	(51,363)	(2,36,682)
<b>Closing balance</b>	<b>(51,58,90,113)</b>	<b>(2,27,50,75,398)</b>	<b>(51,58,28,268)</b>	<b>(2,37,69,52,134)</b>
Share premium	51,53,80,336	2,27,28,27,282	51,53,80,336	2,37,48,88,050
Preference share capital	52,05,862	2,29,57,851	52,05,862	2,39,88,768
<b>Total</b>	<b>46,96,085</b>	<b>2,07,09,735</b>	<b>47,57,930</b>	<b>2,19,24,684</b>

## 4 Current liabilities – Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	ZAR	INR	ZAR	INR
Trade payables	20,692	91,252	9,373	43,191
<b>Total</b>	<b>20,692</b>	<b>91,252</b>	<b>9,373</b>	<b>43,191</b>

## 5 Operating and other expenses

Particulars	Current year 2023-24		Previous Year 2022-23	
	ZAR	INR	ZAR	INR
Miscellaneous expenses	14,456	63,751	11,119	51,237
Legal and professional fees	47,389	2,08,985	40,244	1,85,446
<b>Total</b>	<b>61,845</b>	<b>2,72,736</b>	<b>51,363</b>	<b>2,36,682</b>



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LLP Identity No. AAB-7509

## APPENDIX - 47

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Transformation Services South Africa (Pty) Ltd** ("the subsidiary") registered in South Africa as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024



## TATA COMMUNICATIONS TRANSFORMATION SERVICES SOUTH AFRICA (PTY) LTD

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			ZAR	INR*	ZAR	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Current assets</b>					
	Financial assets					
	(i) Cash and cash equivalent	1	14,22,073	62,71,073	15,52,628	71,54,556
	Other current assets	2	-	-	1,260	5,806
			14,22,073	62,71,073	15,53,888	71,60,362
	<b>TOTAL ASSETS</b>		14,22,073	62,71,073	15,53,888	71,60,362
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	3	6,55,550	28,90,851	6,55,550	30,20,794
	Other equity	4	(11,65,826)	(51,41,071)	(9,72,133)	(44,79,619)
	<b>Total Equity</b>		(5,10,276)	(22,50,220)	(3,16,583)	(14,58,825)
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	5	19,32,349	85,21,293	18,69,919	86,16,643
	Current tax liabilities (Net)		-	-	552	2,544
			19,32,349	85,21,293	18,70,471	86,19,187
	<b>TOTAL EQUITY AND LIABILITIES</b>		14,22,073	62,71,073	15,53,888	71,60,362

\*Exchange rate as at 31 March 2024 1 ZAR = INR 4.41 (as at 31 March 2023 1 ZAR = INR 4.61)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			ZAR	INR*	ZAR	INR*
i	Revenue from operations	6	-	-	-	-
ii	Other Income		1,07,648	4,74,707	42,428	1,95,509
iii	<b>Total income (i + ii)</b>		<b>1,07,648</b>	<b>4,74,707</b>	<b>42,428</b>	<b>1,95,509</b>
iv	<b>Expenses:</b>	7				
	Operating and other expenses		3,01,341	13,28,856	1,67,824	7,73,339
	<b>Total expenses</b>		<b>3,01,341</b>	<b>13,28,856</b>	<b>1,67,824</b>	<b>7,73,339</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(1,93,693)</b>	<b>(8,54,149)</b>	<b>(1,25,396)</b>	<b>(5,77,830)</b>
vi	<b>Tax expenses</b>					
	Current tax expense		-	-	-	-
	Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(1,93,693)</b>	<b>(8,54,149)</b>	<b>(1,25,396)</b>	<b>(5,77,830)</b>

\*Exchange rate as at 31 March 2024 1 ZAR = INR 4.41 (as at 31 March 2023 1 ZAR = INR 4.61)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	ZAR	INR	ZAR	INR
Balance with bank	14,22,073	62,71,072	15,52,628	71,54,556
<b>Total</b>	<b>14,22,073</b>	<b>62,71,072</b>	<b>15,52,628</b>	<b>71,54,556</b>

## 2 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	ZAR	INR	ZAR	INR
Indirect tax receivable	-	-	1,260	5,806
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,260</b>	<b>5,806</b>

## 3 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	ZAR	INR	ZAR	INR
Equity share capital	6,55,550	28,90,851	6,55,550	30,20,794
<b>Total</b>	<b>6,55,550</b>	<b>28,90,851</b>	<b>6,55,550</b>	<b>30,20,794</b>

## 4 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	ZAR	INR	ZAR	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(9,72,133)	(42,86,922)	(8,46,737)	(39,01,789)
Profit / (loss) for the year	(1,93,693)	(8,54,149)	(1,25,396)	(5,77,830)
<b>Closing balance</b>	<b>(11,65,826)</b>	<b>(51,41,071)</b>	<b>(9,72,133)</b>	<b>(44,79,619)</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	ZAR	INR	ZAR	INR
Trade payable	36,336	1,60,236	84,954	3,91,471
Inter Company - Payables	18,96,013	83,61,057	17,84,965	82,25,172
<b>Total</b>	<b>19,32,349</b>	<b>85,21,293</b>	<b>18,69,919</b>	<b>86,16,643</b>

## 6 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	ZAR	INR	ZAR	INR
Interest income - others	80,504	3,55,007	42,428	1,95,509
Revaluation Gain	27,144	1,19,700	-	-
<b>Total</b>	<b>1,07,648</b>	<b>4,74,707</b>	<b>42,428</b>	<b>1,95,509</b>

## 7 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	ZAR	INR	ZAR	INR
Auditors remuneration	11,000	48,508	11,500	52,992
Exchange (Gain)/Loss -Net	51,170	2,25,650	27,343	1,25,997
Legal and professional fees	2,32,235	10,24,112	1,19,925	5,52,618
Miscellaneous expenses	6,936	30,586	9,056	41,732
<b>Total</b>	<b>3,01,341</b>	<b>13,28,856</b>	<b>1,67,824</b>	<b>7,73,339</b>



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## **APPENDIX - 48**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Transformation Services (Hungary) KFT** ("the subsidiary") registered in Hungary as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549

Place: Mumbai

Date: 17 April 2024



## TATA COMMUNICATIONS TRANSFORMATION SERVICES (HUNGARY) KFT

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			HUF	INR*	HUF	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Investments in subsidiaries	1	1,28,40,000	29,31,886	1,28,40,000	30,21,766
	Non current tax asset		6,000	1,370	3,000	706
			1,28,46,000	29,33,256	1,28,43,000	30,22,472
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	2	3,424	782	3,424	806
	(ii) Cash and cash equivalent	3	54,31,940	12,40,329	1,22,45,851	28,81,939
	Other current assets	4	3,28,412	74,990	1,50,238	35,357
			57,63,776	13,16,101	1,23,99,513	29,18,102
	<b>TOTAL ASSETS</b>		1,86,09,776	42,49,357	2,52,42,513	59,40,574
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	5	6,60,47,000	1,50,81,172	6,60,47,000	1,55,43,501
	Other equity	6	(5,41,95,041)	(1,23,74,894)	(4,86,04,125)	(1,14,38,494)
	<b>Total Equity</b>		1,18,51,959	27,06,278	1,74,42,875	41,05,007
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	7	67,57,817	15,43,079	77,99,638	18,35,567
			67,57,817	15,43,079	77,99,638	18,35,567
	<b>TOTAL EQUITY AND LIABILITIES</b>		1,86,09,776	42,49,357	2,52,42,513	59,40,574

\*Exchange rate as at 31 March 2024 1 HUF = INR 0.23 (as at 31 March 2023 1 HUF = INR 0.24)



## TATA COMMUNICATIONS TRANSFORMATION SERVICES (HUNGARY) KFT

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			HUF	INR*	HUF	INR*
i	Revenue from operations		-	-	-	-
ii	Other income	8	-	-	2	-
iii	<b>Total income (i + ii)</b>		-	-	2	-
iv	<b>Expenses:</b>					
	Finance costs	9	29	7	-	-
	Operating and other expenses	10	55,90,887	12,76,621	42,70,848	10,05,100
	<b>Total expenses</b>		55,90,916	12,76,628	42,70,848	10,05,100
v	<b>Profit / (loss) before taxes (iii - iv)</b>		(55,90,916)	(12,76,628)	(42,70,846)	(10,05,100)
vi	<b>Tax expenses</b>					
	Current tax expense/(benefit)		-	-	(3,000)	(706)
	Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		-	-	(3,000)	(706)
vii	<b>Profit / (loss) for the year (v-vi)</b>		(55,90,916)	(12,76,628)	(42,67,846)	(10,04,394)

\*Exchange rate as at 31 March 2024 1 HUF = INR 0.23 (as at 31 March 2023 1 HUF = INR 0.24)



# TATA COMMUNICATIONS TRANSFORMATION SERVICES (HUNGARY) KFT

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 1 Investments in subsidiaries

Particulars	As at 31 March 2024		As at 31 March 2023	
	HUF	INR	HUF	INR
Investments in subsidiaries	1,28,40,000	29,31,886	1,28,40,000	30,21,766
<b>Total</b>	<b>1,28,40,000</b>	<b>29,31,886</b>	<b>1,28,40,000</b>	<b>30,21,766</b>

### 2 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	HUF	INR	HUF	INR
Intercompany receivables	3,424	782	3,424	806
<b>Total</b>	<b>3,424</b>	<b>782</b>	<b>3,424</b>	<b>806</b>

### 3 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	HUF	INR	HUF	INR
Balance with bank	54,31,940	12,40,329	1,22,45,851	28,81,939
<b>Total</b>	<b>54,31,940</b>	<b>12,40,329</b>	<b>1,22,45,851</b>	<b>28,81,939</b>

### 4 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	HUF	INR	HUF	INR
Indirect tax receivable	3,28,412	74,990	1,50,238	35,357
<b>Total</b>	<b>3,28,412</b>	<b>74,990</b>	<b>1,50,238</b>	<b>35,357</b>

### 5 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	HUF	INR	HUF	INR
Equity share capital	6,60,47,000	1,50,81,172	6,60,47,000	1,55,43,501
<b>Total</b>	<b>6,60,47,000</b>	<b>1,50,81,172</b>	<b>6,60,47,000</b>	<b>1,55,43,501</b>

### 6 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	HUF	INR	HUF	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(4,86,04,125)	(1,10,98,266)	(4,43,36,279)	(1,04,34,100)
Profit / (loss) for the year	(55,90,916)	(12,76,628)	(42,67,846)	(10,04,394)
<b>Total</b>	<b>(5,41,95,041)</b>	<b>(1,23,74,894)</b>	<b>(4,86,04,125)</b>	<b>(1,14,38,494)</b>





## 7 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	HUF	INR	HUF	INR
Trade payable	67,57,817	15,43,080	77,99,638	18,35,567
<b>Total</b>	<b>67,57,817</b>	<b>15,43,079</b>	<b>77,99,638</b>	<b>18,35,567</b>

## 8 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	HUF	INR	HUF	INR
Interest income - others	-	-	2	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>

## 9 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	HUF	INR	HUF	INR
Interest expenses	29	7	-	-
<b>Total</b>	<b>29</b>	<b>7</b>	<b>-</b>	<b>-</b>

## 10 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	HUF	INR	HUF	INR
Exchange (Gain)/Loss -Net	24,346	5,559	85,121	20,032
Legal and professional fees	38,20,869	8,72,457	28,36,869	6,67,629
Miscellaneous expenses	7,33,216	1,67,421	6,69,637	1,57,591
Rates and Taxes	10,12,456	2,31,184	6,79,221	1,59,848
<b>Total</b>	<b>55,90,887</b>	<b>12,76,621</b>	<b>42,70,848</b>	<b>10,05,100</b>



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## APPENDIX - 49

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Transformation Services Pte. Limited** ("the subsidiary") registered in Singapore as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024





## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	56,553	47,14,456	58,300	47,90,512
	Right-of-use assets		3,18,579	2,65,57,860	4,11,821	3,38,39,332
	Investments in subsidiaries	2	3,74,000	3,11,77,949	3,74,000	3,07,31,580
	Financial assets					
	(i) Loans	3	12,72,048	10,60,42,373	5,59,251	4,59,53,655
	Non current tax asset		54,183	45,16,885	2,46,432	2,02,49,317
			20,75,363	17,30,09,523	16,49,804	13,55,64,396
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	40,23,698	33,54,29,549	40,25,171	33,07,48,301
	(ii) Cash and cash equivalent	5	22,93,137	19,11,63,926	33,94,106	27,88,93,690
	(iii) Other financial assets	6	1,85,051	1,54,26,500	1,39,334	1,14,49,075
	Other current assets	7	4,06,639	3,38,98,850	2,71,910	2,23,42,844
			69,08,525	57,59,18,825	78,30,521	64,34,33,910
	<b>TOTAL ASSETS</b>		<b>89,83,888</b>	<b>74,89,28,348</b>	<b>94,80,325</b>	<b>77,89,98,306</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	1,70,000	1,41,71,795	1,70,000	1,39,68,900
	Other equity	9	(2,33,89,989)	(1,94,98,71,348)	(2,25,49,384)	(1,85,28,82,882)
	<b>Total Equity</b>		<b>(2,32,19,989)</b>	<b>(1,93,56,99,553)</b>	<b>(2,23,79,384)</b>	<b>(1,83,89,13,982)</b>
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		2,33,572	1,94,71,379	3,23,576	2,65,88,240
			2,33,572	1,94,71,379	3,23,576	2,65,88,240
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	10	2,75,92,669	2,30,02,21,462	2,34,39,116	1,92,59,92,162
	(ia) Lease liabilities		81,238	67,72,284	74,996	61,62,421
	(ii) Trade payables	11	19,13,006	15,94,74,878	62,80,610	51,60,77,724
	(iii) Other financial liabilities	12	-	-	1,76,212	1,44,79,340
	Other current liabilities	13	16,72,014	13,93,84,940	10,91,444	8,96,83,953
	Provisions	14	7,11,378	5,93,02,958	4,73,755	3,89,28,448
			3,19,70,305	2,66,51,56,522	3,15,36,133	2,59,13,24,048
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>89,83,888</b>	<b>74,89,28,348</b>	<b>94,80,325</b>	<b>77,89,98,306</b>

\*Exchange rate as at 31 March 2024 | USD = 83.36 INR (31 March 2023 | USD = INR 82.17)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR*	USD	INR*
i	Revenue from operations	15	1,58,73,040	1,32,32,32,170	1,20,00,264	98,60,61,693
ii	Other Income		1,22,483	1,02,10,611	33,811	27,78,250
iii	Total income (i + ii)		1,59,95,523	1,33,34,42,781	1,20,34,075	98,88,39,943
iv	Expenses:					
	Employee benefits expenses	16	84,89,242	70,76,92,926	53,02,655	43,57,19,161
	Finance costs	17	18,43,143	15,36,50,852	12,21,026	10,03,31,706
	Depreciation and amortisation expenses	18	1,22,998	1,02,53,544	59,853	49,18,121
	Operating and other expenses		63,80,745	53,19,21,236	58,70,455	48,23,75,287
	Total expenses		1,68,36,128	1,40,35,18,558	1,24,53,989	1,02,33,44,275
v	Profit / (loss) before taxes (iii - iv)		(8,40,605)	(7,00,75,777)	(4,19,914)	(3,45,04,332)
vi	Tax expenses					
	Current tax expense/(benefit)		-	-	-	-
	Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		(8,40,605)	(7,00,75,777)	(4,19,914)	(3,45,04,332)

\*Exchange rate as at 31 March 2024 1 USD = 83.36 INR (31 March 2023 1 USD = INR 82.17)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	29,228	24,36,548	29,228	24,01,665
Computers	3,36,178	2,80,24,975	3,27,905	2,69,43,954
Office equipment	36,435	30,37,349	36,435	29,93,864
(a)	4,01,841	3,34,98,872	3,93,568	3,23,39,483
<b>Accumulated depreciation:</b>				
Plant and machinery	12,405	10,34,124	8,752	7,19,152
Computers	3,07,411	2,56,26,857	3,03,572	2,49,44,511
Office equipment	25,472	21,23,435	22,944	18,85,308
(b)	3,45,288	2,87,84,416	3,35,268	2,75,48,971
<b>Net block (a) - (b)</b>	56,553	47,14,456	58,300	47,90,512

## 2 Investments in subsidiaries

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Investments in subsidiaries	3,74,000	3,11,77,949	3,74,000	3,07,31,580
<b>Total</b>	3,74,000	3,11,77,949	3,74,000	3,07,31,580

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Inter company loans given	12,72,048	10,60,42,373	5,59,251	4,59,53,655
<b>Total</b>	12,72,048	10,60,42,373	5,59,251	4,59,53,655

## 4 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	54,25,557	45,22,93,421	66,76,354	54,85,96,008
Due from holding company	15,190	12,66,292	6,512	5,35,091
Intercompany receivables	9,12,374	7,60,58,690	12,17,083	10,00,07,710
Provision for doubtful debts	(23,29,423)	(19,41,88,854)	(38,74,778)	(31,83,90,508)
<b>Total</b>	40,23,698	33,54,29,549	40,25,171	33,07,48,301

## 5 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	22,93,137	19,11,63,926	33,94,106	27,88,93,690
<b>Total</b>	22,93,137	19,11,63,926	33,94,106	27,88,93,690





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 6 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	16,593	13,83,251	29,071	23,88,764
Forward Premium	1,31,760	1,09,83,975	99,447	81,71,560
Interest Receivable	29,907	24,93,152	10,816	8,88,751
Others	6,791	5,66,122	-	-
<b>Total</b>	<b>1,85,051</b>	<b>1,54,26,500</b>	<b>1,39,334</b>	<b>1,14,49,075</b>

## 7 Current assets - other current assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	45,839	38,21,299	45,785	37,62,153
Advances to employees	14,072	11,73,091	56,615	46,52,055
Provision for doubtful advance	(3,253)	(2,71,181)	-	-
Prepaid expenses	3,39,416	2,82,94,906	1,69,097	1,38,94,700
Others	10,565	8,80,735	413	33,936
<b>Total</b>	<b>4,06,639</b>	<b>3,38,98,850</b>	<b>2,71,910</b>	<b>2,23,42,844</b>

## 8 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	1,70,000	1,41,71,795	1,70,000	1,39,68,900
<b>Total</b>	<b>1,70,000</b>	<b>1,41,71,795</b>	<b>1,70,000</b>	<b>1,39,68,900</b>

## 9 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(2,25,49,384)	(1,87,97,95,573)	(2,21,29,470)	(1,81,83,78,550)
Profit / (loss) for the year	(8,40,605)	(7,00,75,775)	(4,19,914)	(3,45,04,332)
<b>Total</b>	<b>(2,33,89,989)</b>	<b>(1,94,98,71,348)</b>	<b>(2,25,49,384)</b>	<b>(1,85,28,82,882)</b>

## 10 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Loan from bank	2,05,92,669	1,71,66,76,962	1,64,39,116	1,35,08,02,162
Inter company loans taken	70,00,000	58,35,44,500	70,00,000	57,51,90,000
<b>Total</b>	<b>2,75,92,669</b>	<b>2,30,02,21,462</b>	<b>2,34,39,116</b>	<b>1,92,59,92,162</b>



## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	7,90,949	6,59,36,277	10,84,582	8,91,20,103
Inter Company - Payables	11,22,057	9,35,38,599	51,96,028	42,69,57,621
<b>Total</b>	<b>19,13,006</b>	<b>15,94,74,878</b>	<b>62,80,610</b>	<b>51,60,77,724</b>

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Interest accrued but not due	-	-	1,76,212	1,44,79,340
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,76,212</b>	<b>1,44,79,340</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	6,80,291	5,67,11,439	4,99,172	4,10,16,963
Other Employee dues	5,05,057	4,21,03,319	1,60,944	1,32,24,768
Statutory dues	3,69,820	3,08,29,490	3,09,175	2,54,04,910
Others	1,16,846	97,40,692	1,22,153	1,00,37,312
<b>Total</b>	<b>16,72,014</b>	<b>13,93,84,940</b>	<b>10,91,444</b>	<b>8,96,83,953</b>

## 14 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Leave entitlement	7,11,378	5,93,02,960	4,73,755	3,89,28,448
<b>Total</b>	<b>7,11,378</b>	<b>5,93,02,960</b>	<b>4,73,755</b>	<b>3,89,28,448</b>

## 15 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest on loan to subsidiaries	59,390	49,50,958	19,951	16,39,374
Profit on sale of fixed assets	413	34,429	-	-
Exchange Gain -Net	62,680	52,25,224	13,860	11,38,876
<b>Total</b>	<b>1,22,483</b>	<b>1,02,10,611</b>	<b>33,811</b>	<b>27,78,250</b>



## 16 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Salaries, bonus and allowances	82,88,338	69,09,44,865	52,43,411	43,08,51,082
Staff welfare expenses	2,00,904	1,67,48,061	59,244	48,68,079
<b>Total</b>	<b>84,89,242</b>	<b>70,76,92,926</b>	<b>53,02,655</b>	<b>43,57,19,161</b>

## 17 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Interest expenses	4,49,317	3,74,56,638	4,24,400	3,48,72,948
Guarantee fees	13,93,826	11,61,94,214	7,96,626	6,54,58,758
<b>Total</b>	<b>18,43,143</b>	<b>15,36,50,852</b>	<b>12,21,026</b>	<b>10,03,31,706</b>

## 18 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Advertising and publicity	28,972	24,15,207	16,316	13,40,686
Auditors remuneration	26,091	21,75,037	23,604	19,39,541
Communication expenses	63,375	52,83,162	25,827	21,22,205
Entertainment expenses	11,289	9,41,091	5,303	4,35,748
Insurance expenses	4,499	3,75,052	-	-
IT consumables	7,74,785	6,45,88,789	5,26,470	4,32,60,040
Legal and professional fees	5,80,027	4,83,53,081	8,19,946	6,73,74,963
Miscellaneous expenses	4,78,531	3,98,92,019	28,121	23,10,701
Printing and stationery	24,472	20,40,072	6,707	5,51,114
Provision for doubtful debts	(15,42,102)	(12,85,55,020)	(46,980)	(38,60,347)
Rates and Taxes	6	500	-	-
Recruitment expenses	72,594	60,51,690	1,67,246	1,37,42,604
Relocation Expense	1,63,381	1,36,20,012	1,09,943	90,34,016
Rent	3,91,432	3,26,31,142	2,54,150	2,08,83,506
Repairs and Maintenance - Plant & Machinery	55,961	46,65,105	40,126	32,97,153
Repairs and Maintenance -Building	16,405	13,67,578	595	48,891
Seminars, trainings and conferences	2,715	2,26,332	600	49,302
Services rendered by agencies	49,63,674	41,37,89,237	38,09,082	31,29,92,268
Travelling and conveyance expenses	2,64,638	2,20,61,150	83,399	68,52,896
<b>Total</b>	<b>63,80,745</b>	<b>53,19,21,236</b>	<b>58,70,455</b>	<b>48,23,75,287</b>





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LLP Identity No: AAB-7509

## APPENDIX - 50

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Tata Communications Transformation Services (US) Inc** ("the subsidiary") registered in Delaware, USA as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

**TATA COMMUNICATIONS TRANSFORMATION SERVICES (US) INC**

**BALANCE SHEET AS AT 31 MARCH 2024**

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			USD	INR*	USD	INR*
<b>(A) ASSETS</b>						
<b>(1) Non-current assets</b>						
Property, plant and equipment	I		867	72,276	-	-
			867	72,276	-	-
<b>(2) Current assets</b>						
Financial assets						
(i) Trade receivables	2		1,76,765	1,47,35,749	1,02,259	84,02,622
(ii) Cash and cash equivalent	3		2,28,653	1,90,61,314	9,64,099	7,92,20,015
(iii) Other financial assets	4		850	70,859	850	69,845
			4,06,268	3,38,67,922	10,67,208	8,76,92,482
<b>TOTAL ASSETS</b>			4,07,135	3,39,40,198	10,67,208	8,76,92,482
<b>(B) EQUITY AND LIABILITIES</b>						
<b>(1) Equity</b>						
Equity share capital	5		50,000	41,68,175	50,000	41,08,500
Other equity	6		35,923	29,94,667	(70,463)	(57,89,944)
<b>Total Equity</b>			85,923	71,62,842	(20,463)	(16,81,444)
<b>(2) Current liabilities</b>						
Financial liabilities						
(i) Trade payables	7		98,688	82,26,977	9,38,052	7,70,79,733
Other current liabilities	8		1,34,405	1,12,04,471	61,500	50,53,455
Current tax liabilities (Net)			88,119	73,45,908	88,119	72,40,738
			3,21,212	2,67,77,356	10,87,671	8,93,73,926
<b>TOTAL EQUITY AND LIABILITIES</b>			4,07,135	3,39,40,198	10,67,208	8,76,92,482

\*Exchange rate as at 31 March 2024 | USD = INR 83.36 (as at 31 March 2023 | USD = INR 82.17)





**TATA COMMUNICATIONS TRANSFORMATION SERVICES (US) INC**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024**

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			USD	INR*	USD	INR*
i	Revenue from operation	9	6,22,339	5,18,80,357	6,11,452	5,02,43,011
ii	Other Income		-	-	15	1,233
iii	<b>Total income (i + ii)</b>		<b>6,22,339</b>	<b>5,18,80,357</b>	<b>6,11,467</b>	<b>5,02,44,244</b>
iv	<b>Expenses:</b>	10				
	Operating and other expenses		5,16,787	4,30,81,172	6,43,228	5,28,54,045
	Depreciation and amortisation expenses		101	8,420	-	-
	<b>Total expenses</b>		<b>5,16,888</b>	<b>4,30,89,592</b>	<b>6,43,228</b>	<b>5,28,54,045</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>1,05,451</b>	<b>87,90,765</b>	<b>(31,761)</b>	<b>(26,09,801)</b>
vi	<b>Tax expenses</b>					
	Current tax expense/(benefit)		(935)	(77,945)	45,217	37,15,481
	Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>(935)</b>	<b>(77,945)</b>	<b>45,217</b>	<b>37,15,481</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>1,06,386</b>	<b>88,68,710</b>	<b>(76,978)</b>	<b>(63,25,282)</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36 (as at 31 March 2023 1 USD = INR 82.17)



# Tata Communications Transformation Services (US) Inc

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	968	80,696	-	-
(a)	968	80,696	-	-
<b>Accumulated depreciation:</b>				
Plant and machinery	101	8,420	-	-
(b)	101	8,420	-	-
<b>Net block (a) - (b)</b>	<b>867</b>	<b>72,276</b>	<b>-</b>	<b>-</b>

### 2 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade receivables	1,77,581	1,48,03,774	1,02,680	84,37,216
Provision for doubtful debts	(816)	(68,025)	(421)	(34,594)
<b>Total</b>	<b>1,76,765</b>	<b>1,47,35,749</b>	<b>1,02,259</b>	<b>84,02,622</b>

### 3 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Balance with bank	2,28,653	1,90,61,314	9,64,099	7,92,20,015
<b>Total</b>	<b>2,28,653</b>	<b>1,90,61,314</b>	<b>9,64,099</b>	<b>7,92,20,015</b>

### 4 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Security Deposit	850	70,859	850	69,845
<b>Total</b>	<b>850</b>	<b>70,859</b>	<b>850</b>	<b>69,845</b>



## 5 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Equity share capital	50,000	41,68,175	50,000	41,08,500
<b>Total</b>	<b>50,000</b>	<b>41,68,175</b>	<b>50,000</b>	<b>41,08,500</b>

## 6 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(70,463)	(58,74,042)	6,515	5,35,338
Profit / (loss) for the year	1,06,386	88,68,709	(76,978)	(63,25,282)
<b>Total</b>	<b>35,923</b>	<b>29,94,667</b>	<b>(70,463)</b>	<b>(57,89,944)</b>

## 7 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Trade payable	54,572	45,49,312	44,533	36,59,277
Inter Company - Payables/(Receivables)	44,116	36,77,664	8,93,519	7,34,20,456
<b>Total</b>	<b>98,688</b>	<b>82,26,977</b>	<b>9,38,052</b>	<b>7,70,79,733</b>





## 8 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	USD	INR	USD	INR
Deferred revenue and advance from customers	1,34,405	1,12,04,471	61,500	50,53,455
<b>Total</b>	<b>1,34,405</b>	<b>1,12,04,471</b>	<b>61,500</b>	<b>50,53,455</b>

## 9 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Exchange (Gain)/Loss -Net	-	-	15	1,233
<b>Total</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>1,233</b>

## 10 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	USD	INR	USD	INR
Auditors remuneration	1,323	1,10,290	1,278	1,05,013
Legal and professional fees	33,625	28,03,098	2,132	1,75,186
Miscellaneous expenses	10,479	8,73,566	4,341	3,56,700
Provision for doubtful debts	396	33,012	(19,385)	(15,92,865)
Rates and Taxes	185	15,422	185	15,201
Recruitment expenses	4,378	3,64,965	250	20,543
Services rendered by agencies	4,41,073	3,67,69,389	6,55,994	5,39,03,027
Travelling and conveyance expenses	5,673	4,72,921	(1,567)	(1,28,760)
Lease Rental	19,591	16,33,174	-	-
Printing and stationery	64	5,335	-	-
<b>Total</b>	<b>5,16,787</b>	<b>4,30,81,172</b>	<b>6,43,228</b>	<b>5,28,54,045</b>



## APPENDIX - 51

## ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **TCTS Sénégal Limited** ("the subsidiary") registered in Senegal as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.

This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			XOF	INR*	XOF	INR*
<b>(A) ASSETS</b>						
<b>(1) Non-current assets</b>						
Property, plant and equipment	1		3,74,837	51,458	27,10,187	3,69,019
Non current tax asset			71,37,892	9,79,890	-	-
Other non-current assets	2		-	-	5,44,225	74,102
			75,12,729	10,31,348	32,54,412	4,43,121
<b>(2) Current assets</b>						
(i) Cash and cash equivalent	3		21,25,301	2,91,761	4,33,98,635	59,09,158
(ii) Other financial assets	4		2,09,945	28,821	1,19,970	16,335
Other current assets	5		4,39,47,826	60,33,158	2,54,69,535	34,67,932
			4,62,83,072	63,53,740	6,89,88,140	93,93,425
<b>TOTAL ASSETS</b>			<b>5,37,95,801</b>	<b>73,85,088</b>	<b>7,22,42,552</b>	<b>98,36,546</b>
<b>(B) EQUITY AND LIABILITIES</b>						
<b>(1) Equity</b>						
Equity share capital	6		6,00,00,000	82,36,800	6,00,00,000	81,69,600
Other equity	7		(1,36,69,90,216)	(18,76,60,418)	(1,22,17,41,810)	(16,63,52,365)
<b>Total Equity</b>			<b>(1,30,69,90,216)</b>	<b>(17,94,23,618)</b>	<b>(1,16,17,41,810)</b>	<b>(15,81,82,765)</b>
<b>(2) Non-current liabilities</b>						
Financial liabilities						
(i) Borrowings	8		77,24,50,978	10,60,42,070	33,75,07,899	4,59,55,076
			77,24,50,978	10,60,42,070	33,75,07,899	4,59,55,076
<b>(3) Current liabilities</b>						
Financial liabilities						
(i) Trade payables	9		56,62,15,118	7,77,30,013	87,41,66,769	11,90,26,546
(ii) Other financial liabilities	10		1,81,60,977	24,93,139	65,27,692	8,88,811
Other current liabilities	11		39,58,944	5,43,484	1,17,15,627	15,95,200
Provisions	12		-	-	14,22,414	1,93,676
Current tax liabilities (Net)			-	-	26,43,961	3,60,002
			58,83,35,039	8,07,66,636	89,64,76,463	12,20,64,235
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>5,37,95,801</b>	<b>73,85,088</b>	<b>7,22,42,552</b>	<b>98,36,546</b>

\*Exchange rate as at 31 March 2024 1 XOF = INR 0.14 ( 31 March 2023 XOF = INR 0.14)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			XOF	INR*	XOF	INR*
i	Revenue from operations		-	-	-	-
ii	Other income	13	-	-	51,26,103	6,97,970
iii	<b>Total income (i + ii)</b>		-	-	51,26,103	6,97,970
iv	<b>Expenses:</b>					
	Employee benefits expenses	14	2,99,75,762	41,15,072	10,76,86,108	1,46,62,540
	Finance costs	15	3,59,35,751	49,33,260	1,25,97,060	17,15,216
	Depreciation and amortisation expenses		23,35,350	3,20,597	23,35,350	3,17,981
	Operating and other expenses	16	7,70,01,543	1,05,70,773	32,02,00,971	4,35,98,565
	<b>Total expenses</b>		<b>14,52,48,406</b>	<b>1,99,39,702</b>	<b>44,28,19,489</b>	<b>6,02,94,302</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(14,52,48,406)</b>	<b>(1,99,39,702)</b>	<b>(43,76,93,386)</b>	<b>(5,95,96,332)</b>
vi	<b>Tax expenses</b>					
	Current tax expense/(benefit)		-	-	-	-
	Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(14,52,48,406)</b>	<b>(1,99,39,702)</b>	<b>(43,76,93,386)</b>	<b>(5,95,96,332)</b>

\*Exchange rate as at 31 March 2024 1 XOF = INR 0.14 ( 31 March 2023 XOF = INR 0.14)



## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	XOF	INR	XOF	INR
<b>Gross block:</b>				
Computers	70,06,050	9,61,791	70,06,050	9,53,944
(a)	70,06,050	9,61,791	70,06,050	9,53,944
<b>Accumulated depreciation:</b>				
Computers	66,31,213	9,10,333	(42,95,863)	(5,84,925)
(b)	66,31,213	9,10,333	(42,95,863)	(5,84,925)
<b>Net block (a) - (b)</b>	<b>3,74,837</b>	<b>51,458</b>	<b>27,10,187</b>	<b>3,69,019</b>

## 2 Non-current assets - others

Particulars	As at 31 March 2024		As at 31 March 2023	
	XOF	INR	XOF	INR
Prepaid expenses	-	-	5,44,225	74,102
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,44,225</b>	<b>74,102</b>

## 3 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	XOF	INR	XOF	INR
Balance with bank	21,25,301	2,91,761	4,33,98,635	59,09,158
<b>Total</b>	<b>21,25,301</b>	<b>2,91,761</b>	<b>4,33,98,635</b>	<b>59,09,158</b>

## 4 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	XOF	INR	XOF	INR
Others	2,09,945	28,821	1,19,970	16,335
<b>Total</b>	<b>2,09,945</b>	<b>28,821</b>	<b>1,19,970</b>	<b>16,335</b>

## 5 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	XOF	INR	XOF	INR
Advances to employees	1,43,60,283	19,71,380	1,43,60,283	19,55,296
Indirect tax receivable	2,95,87,543	40,61,778	1,11,09,252	15,12,636
<b>Total</b>	<b>4,39,47,826</b>	<b>60,33,158</b>	<b>2,54,69,535</b>	<b>34,67,932</b>





## 6 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	XOF	INR	XOF	INR
Equity share capital	6,00,00,000	82,36,800	6,00,00,000	81,69,600
<b>Total</b>	<b>6,00,00,000</b>	<b>82,36,800</b>	<b>6,00,00,000</b>	<b>81,69,600</b>

## 7 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	XOF	INR	XOF	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(1,22,17,41,810)	(16,77,20,716)	(78,40,48,424)	(10,67,56,033)
Profit / (loss) for the year	(14,52,48,406)	(1,99,39,702)	(43,76,93,386)	(5,95,96,332)
<b>Total</b>	<b>(1,36,69,90,216)</b>	<b>(18,76,60,418)</b>	<b>(1,22,17,41,810)</b>	<b>(16,63,52,365)</b>

## 8 Non-current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	XOF	INR	XOF	INR
Unsecured borrowings - Inter company loans taken	77,24,50,978	10,60,42,070	33,75,07,899	4,59,55,076
<b>Total</b>	<b>77,24,50,978</b>	<b>10,60,42,070</b>	<b>33,75,07,899</b>	<b>4,59,55,076</b>

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	XOF	INR	XOF	INR
Trade payable	4,37,85,651	60,10,894	18,66,51,912	2,54,14,523
Inter Company - Payables/(Receivables)	52,24,29,467	7,17,19,117	68,75,14,857	9,36,12,023
<b>Total</b>	<b>56,62,15,118</b>	<b>7,77,30,013</b>	<b>87,41,66,769</b>	<b>11,90,26,546</b>

## 10 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	XOF	INR	XOF	INR
Interest accrued but not due	1,81,60,977	24,93,139	65,27,692	8,88,811
<b>Total</b>	<b>1,81,60,977</b>	<b>24,93,139</b>	<b>65,27,692</b>	<b>8,88,811</b>



## 11 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	XOF	INR	XOF	INR
Other Employee dues	-	-	(89,20,724)	(12,14,646)
Others	39,58,944	5,43,484	2,06,36,351	28,09,846
<b>Total</b>	<b>39,58,944</b>	<b>5,43,484</b>	<b>1,17,15,627</b>	<b>15,95,200</b>

## 12 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	XOF	INR	XOF	INR
Leave entitlement	-	-	14,22,414	1,93,676
<b>Total</b>	<b>-</b>	<b>-</b>	<b>14,22,414</b>	<b>1,93,676</b>

## 13 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	XOF	INR	XOF	INR
Exchange Gain/(Loss) -Net	-	-	51,26,103	6,97,970
<b>Total</b>	<b>-</b>	<b>-</b>	<b>51,26,103</b>	<b>6,97,970</b>

## 14 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	XOF	INR	XOF	INR
Salaries, bonus and allowances	3,07,85,412	42,26,221	10,60,58,461	1,44,40,920
Staff welfare expenses	(8,09,650)	(1,11,149)	16,27,647	2,21,620
<b>Total</b>	<b>2,99,75,762</b>	<b>41,15,072</b>	<b>10,76,86,108</b>	<b>1,46,62,540</b>

## 15 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	XOF	INR	XOF	INR
Interest expenses	3,59,35,751	49,33,260	1,25,97,060	17,15,216
<b>Total</b>	<b>3,59,35,751</b>	<b>49,33,260</b>	<b>1,25,97,060</b>	<b>17,15,216</b>

## 16 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	XOF	INR	XOF	INR
Auditors remuneration	47,21,569	6,48,177	55,38,674	7,54,146
Communication expenses	83,36,388	11,44,419	5,26,18,735	71,64,567
Exchange (Gain)/Loss -Net	2,07,41,745	28,47,427	-	-
Insurance expenses	27,85,188	3,82,351	16,38,655	2,23,119
Legal and professional fees	1,91,87,147	26,34,012	13,77,25,059	1,87,52,644
Miscellaneous expenses	1,01,73,833	13,96,664	40,23,930	5,47,899
Recruitment expenses	4,17,201	57,273	(2,50,807)	(34,150)
Rent	5,57,631	76,552	(20,75,780)	(2,82,638)
Repairs and Maintenance - Plant & Machinery	1,17,794	16,171	55,73,562	7,58,896
Repairs and Maintenance -Building	66,93,500	9,18,884	-	-
Travelling and conveyance expenses	32,69,547	4,48,843	4,78,08,423	65,09,595
<b>Total</b>	<b>7,70,01,543</b>	<b>1,05,70,773</b>	<b>32,02,00,971</b>	<b>4,35,98,565</b>





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LLP Identity No. AAB / 7509

## **APPENDIX - 52**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Oasis Smart SIM Europe SAS** ("the subsidiary") registered in France as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010

Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			EURO	INR*	EURO	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	112,572	10,121,348	79,184	7,080,031
	Right of use assets		996,699	89,613,207	89,537	8,005,718
	Other intangible assets	2	3,832,819	344,608,757	1,336,889	119,534,454
	Intangible assets under development		3,956,533	355,731,882	4,416,657	394,903,902
	Investments in subsidiaries	3	641	57,632	641	57,313
	Financial assets					
	(i) Other financial assets	4	79,285	7,128,514	35,804	3,201,322
	Advance tax (net)		1,474,450	132,567,800	638,383	57,079,356
			10,452,999	939,829,140	6,597,095	589,862,096
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	4,899,606	440,523,575	3,677,368	328,802,299
	(ii) Cash and cash equivalent	6	234,966	21,125,793	1,043,186	93,273,764
	(iii) Other financial assets	7	406	36,503	-	-
	Current tax assets (Net)					
	Other current assets	8	376,904	33,887,439	501,237	44,816,803
			5,511,882	495,573,310	5,221,791	466,892,866
	<b>TOTAL ASSETS</b>		15,964,881	1,435,402,450	11,818,886	1,056,754,962
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	364,900	32,808,159	364,900	32,626,585
	Other equity	10	5,339,534	480,077,500	5,711,597	510,687,596
	<b>Total Equity</b>		5,704,434	512,885,659	6,076,497	543,314,181
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Borrowings	11	139,787	12,568,249	267,817	23,946,161
	(ia) Lease liabilities		881,810	79,283,537	22,086	1,974,762
	(ii) Other financial liabilities	12	283,750	25,511,963	258,250	23,090,752
			1,305,347	117,363,749	548,153	49,011,675
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Borrowings	13	3,706,442	333,246,200	127,074	11,361,991
	(ia) Lease liabilities		115,023	10,341,718	69,633	6,226,054
	(ii) Trade payables	14	3,028,451	272,288,031	3,255,363	291,069,818
	(iii) Other financial liabilities	15	106,047	9,534,686	5,327	476,300
	Other current liabilities	16	1,651,164	148,456,155	1,500,263	134,142,115
	Provisions	17	347,973	31,286,252	236,576	21,152,828
			8,955,100	805,153,042	5,194,236	464,429,106
	<b>TOTAL EQUITY AND LIABILITIES</b>		15,964,881	1,435,402,450	11,818,886	1,056,754,962

\*Exchange rate as at 31 March 2024 | EURO = INR 89.91 (as at 31 March 2023 | EURO = INR 89.41)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			EURO	INR*	EURO	INR*
i	Revenue from operations	18	9,647,085	867,369,412	12,250,776	1,095,371,284
ii	Other income		4,019	361,348	369	32,993
iii	<b>Total income (i + ii)</b>		<b>9,651,104</b>	<b>867,730,760</b>	<b>12,251,145</b>	<b>1,095,404,277</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	19	2,131,625	191,654,404	6,205,959	554,889,688
	Employee benefits expenses	20	1,892,780	170,179,850	1,984,057	177,399,298
	Finance costs	21	70,167	6,308,715	3,469	310,172
	Depreciation and amortisation expenses		1,630,971	146,640,603	890,320	79,605,648
	Operating and other expenses	22	4,364,539	392,415,702	2,087,762	186,671,811
	<b>Total expenses</b>		<b>10,090,082</b>	<b>907,199,274</b>	<b>11,171,567</b>	<b>998,876,617</b>
v	<b>Profit / (loss) before exceptional items and taxes (iii - iv)</b>		<b>(438,978)</b>	<b>(39,468,514)</b>	<b>1,079,578</b>	<b>96,527,660</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		514,329	46,243,320	-	-
vii	<b>Profit before taxes (v - vi)</b>		<b>(953,307)</b>	<b>(85,711,834)</b>	<b>1,079,578</b>	<b>96,527,660</b>
viii	<b>Tax expenses</b>					
	Current tax expense/(benefit)		(781,244)	(70,241,648)	(195,963)	(17,521,522)
	Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>(781,244)</b>	<b>(70,241,648)</b>	<b>(195,963)</b>	<b>(17,521,522)</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>(172,063)</b>	<b>(15,470,186)</b>	<b>1,275,541</b>	<b>114,049,182</b>

\*Exchange rate as at 31 March 2024 | EURO = INR 89.91 (as at 31 March 2023 | EURO = INR 89.41)





## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
<b>Gross block:</b>				
Computers	210,683	18,942,509	158,012	14,128,232
Office equipment	49,918	4,488,127	24,808	2,218,143
(a)	260,601	23,430,636	182,820	16,346,375
<b>Accumulated depreciation:</b>				
Computers	130,305	11,715,723	89,978	8,045,149
Office equipment	17,724	1,593,565	13,658	1,221,195
(b)	148,029	13,309,288	103,636	9,266,344
<b>Net block (a) - (b)</b>	112,572	10,121,348	79,184	7,080,031

## 2 Other intangible assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
<b>Gross block:</b>				
Computer software	8,653,947	778,076,375	4,733,284	423,214,282
(a)	8,653,947	778,076,375	4,733,284	423,214,282
<b>Accumulated amortisation:</b>				
Computer software	4,821,128	433,467,618	3,396,395	303,679,828
(b)	4,821,128	433,467,618	3,396,395	303,679,828
<b>Net block (a) - (b)</b>	3,832,819	344,608,757	1,336,889	119,534,454

## 3 Investments in subsidiaries

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Investments in subsidiaries	641	57,632	641	57,313
<b>Total</b>	641	57,632	641	57,313

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Vendor deposits	79,285	7,128,514	35,804	3,201,322
<b>Total</b>	79,285	7,128,514	35,804	3,201,322

## 5 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Trade receivables	5,396,932	485,238,156	3,756,532	335,880,542
Intercompany receivables	4,090	367,732	-	-
Provision for doubtful debts	(501,416)	(45,082,313)	(79,164)	(7,078,243)
<b>Total</b>	4,899,606	440,523,575	3,677,368	328,802,299



## 6 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Balance with bank	234,966	21,125,793	1,043,186	93,273,764
<b>Total</b>	<b>234,966</b>	<b>21,125,793</b>	<b>1,043,186</b>	<b>93,273,764</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Others	406	36,503	-	-
<b>Total</b>	<b>406</b>	<b>36,503</b>	<b>-</b>	<b>-</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Advances to employees	-	-	853	76,269
Other Advances	-	-	-	-
Prepaid expenses	71,005	6,384,060	64,789	5,792,940
Indirect tax receivable	168,688	15,166,738	-	-
Others	137,211	12,336,641	435,595	38,947,594
<b>Total</b>	<b>376,904</b>	<b>33,887,439</b>	<b>501,237</b>	<b>44,816,803</b>

## 9 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Equity share capital	364,900	32,808,159	364,900	32,626,585
<b>Total</b>	<b>364,900</b>	<b>32,808,159</b>	<b>364,900</b>	<b>32,626,585</b>

## 10 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
<b>Surplus / (Deficit)</b>				
Opening balance	2,933,811	263,778,947	1,758,270	157,211,141
Profit / (loss) for the year	(172,063)	(15,470,186)	1,275,541	114,049,182
Dividend	(200,000)	(17,982,000)	(100,000)	(8,941,240)
<b>Closing balance</b>	<b>2,561,748</b>	<b>230,326,761</b>	<b>2,933,811</b>	<b>262,319,083</b>
Share premium	2,777,786	249,750,739	2,777,786	248,368,513
<b>Total</b>	<b>5,339,534</b>	<b>480,077,500</b>	<b>5,711,597</b>	<b>510,687,596</b>



## 11 Non-current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Loan from banks	139,787	12,568,249	267,817	23,946,161
<b>Total</b>	<b>139,787</b>	<b>12,568,249</b>	<b>267,817</b>	<b>23,946,161</b>

## 12 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Others	283,750	25,511,963	258,250	23,090,752
<b>Total</b>	<b>283,750</b>	<b>25,511,963</b>	<b>258,250</b>	<b>23,090,752</b>

## 13 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Current portion of long term loans	128,030	11,511,177	127,074	11,361,991
Inter company loans taken	3,578,412	321,735,023	-	-
<b>Total</b>	<b>3,706,442</b>	<b>333,246,200</b>	<b>127,074</b>	<b>11,361,991</b>

## 14 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Trade payable	3,028,451	272,288,031	3,255,363	291,069,818
<b>Total</b>	<b>3,028,451</b>	<b>272,288,031</b>	<b>3,255,363</b>	<b>291,069,818</b>

## 15 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Interest accrued but not due	65,448	5,884,430	-	-
Others	40,599	3,650,256	5,327	476,300
<b>Total</b>	<b>106,047</b>	<b>9,534,686</b>	<b>5,327</b>	<b>476,300</b>





## 16 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Deferred revenue and advance from customers	221,039	19,873,616	201,422	18,009,624
Other Employee dues	1,430,125	128,582,539	1,269,767	113,532,915
Other Statutory dues	-	-	29,074	2,599,576
<b>Total</b>	<b>1,651,164</b>	<b>148,456,155</b>	<b>1,500,263</b>	<b>134,142,115</b>

## 17 Current liabilities - provisions

Particulars	As at 31 March 2024		As at 31 March 2023	
	EURO	INR	EURO	INR
Leave entitlement	347,973	31,286,252	236,576	21,152,828
<b>Total</b>	<b>347,973</b>	<b>31,286,252</b>	<b>236,576</b>	<b>21,152,828</b>

## 18 Other income

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Interest income - others	4,019.0	361,348	369	32,993
<b>Total</b>	<b>4,019</b>	<b>361,348</b>	<b>369</b>	<b>32,993</b>

## 19 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Charges for use of transmission facilities	2,131,625	191,654,404	6,205,959	554,889,688
<b>Total</b>	<b>2,131,625</b>	<b>191,654,404</b>	<b>6,205,959</b>	<b>554,889,688</b>

## 20 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Salaries, bonus and allowances	1,892,780	170,179,850	1,984,057	177,399,298
<b>Total</b>	<b>1,892,780</b>	<b>170,179,850</b>	<b>1,984,057</b>	<b>177,399,298</b>



## 21 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Interest expenses	2,525	227,023	3,469	310,172
Interest expenses- Inter companies loan	67,642	6,081,692	-	-
<b>Total</b>	<b>70,167</b>	<b>6,308,715</b>	<b>3,469</b>	<b>310,172</b>

## 22 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	EURO	INR	EURO	INR
Advertising and publicity	91,885	8,261,380	125,924	11,259,167
Communication expenses	130,178	11,704,304	175,837	15,722,008
Entertainment expenses	27,002	2,427,750	32,793	2,932,101
Exchange (Gain)/Loss -Net	21,854	1,964,893	18,501	1,654,219
Insurance expenses	2,712	243,836	2,855	255,272
Legal and professional fees	2,425,672	218,092,170	855,310	76,475,320
Miscellaneous expenses	441,705	39,713,696	210,019	18,778,302
Provision for doubtful debts	422,252	37,964,677	79,164	7,078,243
Rates and Taxes	27,604	2,481,876	(1,852)	(165,592)
Recruitment expenses	27,409	2,464,343	14,863	1,328,937
Rent	494,481	44,458,787	415,676	37,166,589
Repairs and Maintenance - Plant & Machinery	104,538	9,399,012	38,025	3,399,907
Repairs and Maintenance -Building	10,030	901,797	2,262	202,251
Seminars, trainings and conferences	10,834	974,085	-	-
Services rendered by agencies	7,837	704,625	2,500	223,531
Travelling and conveyance expenses	118,546	10,658,471	115,885	10,361,556
<b>Total</b>	<b>4,364,539</b>	<b>392,415,702</b>	<b>2,087,762</b>	<b>186,671,811</b>



LLP Identity No. AAB-7509



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 March 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			SGD	INR*	SGD	INR*
<b>(A) ASSETS</b>						
<b>(1) Non-current assets</b>						
Property, plant and equipment	1		12,446	7,68,915	21,353	13,19,131
Right of use assets			24,366	15,05,331	97,434	60,19,210
Intangible assets under development			-	-	35,298	21,80,615
Financial assets						
(i) Other financial assets	2		12,800	7,90,784	12,800	7,90,750
			49,612	30,65,030	1,66,885	1,03,09,706
<b>(2) Current assets</b>						
Financial assets						
(i) Trade receivables	3		4,72,138	2,91,68,686	4,48,107	2,76,82,845
(ii) Cash and cash equivalent	4		26,026	16,07,886	37,266	23,02,193
Other current assets	5		39,370	24,32,278	19,076	11,78,464
			5,37,534	3,32,08,850	5,04,449	3,11,63,502
<b>TOTAL ASSETS</b>			5,87,146	3,62,73,880	6,71,334	4,14,73,208
<b>(B) EQUITY AND LIABILITIES</b>						
<b>(1) Equity</b>						
Equity share capital	6		1,000	61,780	1,000	61,777
Other equity	7		1,69,929	1,04,98,214	1,94,484	1,20,14,698
<b>Total Equity</b>			1,70,929	1,05,59,994	1,95,484	1,20,76,475
<b>(2) Non-current liabilities</b>						
Financial liabilities						
(i) Lease liabilities			25,434	15,71,313	99,122	61,23,491
			25,434	15,71,313	99,122	61,23,491
<b>(3) Current liabilities</b>						
<b>Financial liabilities</b>						
(i) Borrowings	8		1,65,000	1,01,93,700	-	-
(ii) Trade payables	9		93,287	57,63,270	1,16,579	72,01,937
Other current liabilities	10		1,32,496	81,85,603	2,56,163	1,58,25,061
Current tax liabilities (Net)			-	-	3,986	2,46,244
			3,90,783	2,41,42,573	3,76,728	2,32,73,242
<b>TOTAL EQUITY AND LIABILITIES</b>			5,87,146	3,62,73,880	6,71,334	4,14,73,208

\*Exchange rate as at 31 March 2024 1 SGD = INR 61.78 (as at 31 March 2023 1 SGD = INR 61.78)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			SGD	INR*	SGD	INR*
i	Revenue from operations		11,41,324	7,05,10,997	14,01,880	8,66,04,375
ii	Other income		-	-	-	-
iii	<b>Total income (i + ii)</b>		<b>11,41,324</b>	<b>7,05,10,997</b>	<b>14,01,880</b>	<b>8,66,04,375</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	11	1,92,527	1,18,94,318	-	-
	Employee benefits expenses	12	9,02,105	5,57,32,047	11,78,060	7,27,77,378
	Finance costs	13	3,062	1,89,170	4,247	2,62,368
	Depreciation and amortisation expenses		13,633	8,42,247	11,692	7,22,300
	Operating and other expenses	14	17,994	11,11,669	2,16,792	1,33,92,827
	<b>Total expenses</b>		<b>11,29,321</b>	<b>6,97,69,451</b>	<b>14,10,791</b>	<b>8,71,54,873</b>
v	<b>Profit / (loss) before exceptional items and taxes (iii - iv)</b>		<b>12,003</b>	<b>7,41,546</b>	<b>(8,911)</b>	<b>(5,50,498)</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		42,061	25,98,529	-	-
vii	<b>Profit before taxes (v - vi)</b>		<b>(30,058)</b>	<b>(18,56,983)</b>	<b>(8,911)</b>	<b>(5,50,498)</b>
viii	<b>Tax expenses</b>					
	Current tax expense/(benefit)		(5,503)	(3,39,975)	2,000	1,23,555
	Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>(5,503)</b>	<b>(3,39,975)</b>	<b>2,000</b>	<b>1,23,555</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>(24,555)</b>	<b>(15,17,008)</b>	<b>(10,911)</b>	<b>(6,74,053)</b>

\*Exchange rate as at 31 March 2024 1 SGD = INR 61.78 (as at 31 March 2023 1 SGD = INR 61.78)





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024		As at 31 March 2023	
	SGD	INR	SGD	INR
Furniture and fixtures	1,561	96,439	1,562	96,496
Computers	58,610	36,20,926	53,883	33,28,747
(a)	60,171	37,17,365	55,445	34,25,243
<b>Accumulated depreciation:</b>				
Furniture and fixtures	1,562	96,500	1,443	89,145
Computers	46,163	28,51,950	32,649	20,16,967
(b)	47,725	29,48,450	34,092	21,06,112
<b>Net block (a) - (b)</b>	<b>12,446</b>	<b>7,68,915</b>	<b>21,353</b>	<b>13,19,131</b>

## 2 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	SGD	INR	SGD	INR
Vendor deposits	12,800	7,90,784	12,800	7,90,750
<b>Total</b>	<b>12,800</b>	<b>7,90,784</b>	<b>12,800</b>	<b>7,90,750</b>

## 3 Trade receivables

Particulars	As at 31 March 2024		As at 31 March 2023	
	SGD	INR	SGD	INR
Trade receivables	4,72,138	2,91,68,686	4,48,107	2,76,82,845
<b>Total</b>	<b>4,72,138</b>	<b>2,91,68,686</b>	<b>4,48,107</b>	<b>2,76,82,845</b>

## 4 Cash and cash equivalents

Particulars	As at 31 March 2024		As at 31 March 2023	
	SGD	INR	SGD	INR
Balance with bank	26,026	16,07,886	37,266	23,02,193
<b>Total</b>	<b>26,026</b>	<b>16,07,886</b>	<b>37,266</b>	<b>23,02,193</b>

## 5 Current assets - other assets

Particulars	As at 31 March 2024		As at 31 March 2023	
	SGD	INR	SGD	INR
Prepaid expenses	24,730	15,27,819	8,326	5,14,358
Indirect tax receivable	14,640	9,04,459	10,750	6,64,106
<b>Total</b>	<b>39,370</b>	<b>24,32,278</b>	<b>19,076</b>	<b>11,78,464</b>



## 6 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	SGD	INR	SGD	INR
Equity share capital	1,000	61,780	1,000	61,777
<b>Total</b>	<b>1,000</b>	<b>61,780</b>	<b>1,000</b>	<b>61,777</b>

## 7 Other Equity

Particulars	As at 31 March 2024		As at 31 March 2023	
	SGD	INR	SGD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	1,94,484	1,20,15,222	2,05,395	1,26,88,751
Profit / (loss) for the year	(24,555)	(15,17,008)	(10,911)	(6,74,053)
<b>Closing balance</b>	<b>1,69,929</b>	<b>1,04,98,214</b>	<b>1,94,484</b>	<b>1,20,14,698</b>

## 8 Current liabilities - borrowings

Particulars	As at 31 March 2024		As at 31 March 2023	
	SGD	INR	SGD	INR
Inter company loans taken	1,65,000	1,01,93,700	-	-
<b>Total</b>	<b>1,65,000</b>	<b>1,01,93,700</b>	<b>-</b>	<b>-</b>

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2024		As at 31 March 2023	
	SGD	INR	SGD	INR
Trade payable	93,287	57,63,270	1,16,579	72,01,937
<b>Total</b>	<b>93,287</b>	<b>57,63,270</b>	<b>1,16,579</b>	<b>72,01,937</b>

## 10 Current liabilities - other current liabilities

Particulars	As at 31 March 2024		As at 31 March 2023	
	SGD	INR	SGD	INR
Other Employee dues	1,32,496	81,85,603	2,56,163	1,58,25,061
<b>Total</b>	<b>1,32,496</b>	<b>81,85,603</b>	<b>2,56,163</b>	<b>1,58,25,061</b>



## 11 Network costs

Particulars	Current year 2023-24		Previous year 2022-23	
	SGD	INR	SGD	INR
Charges for use of transmission facilities	1,92,527	1,18,94,318	-	-
<b>Total</b>	<b>1,92,527</b>	<b>1,18,94,318</b>	<b>-</b>	<b>-</b>

## 12 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	SGD	INR	SGD	INR
Salaries, bonus and allowances	9,02,105	5,57,32,047	11,78,010	7,27,74,289
Staff welfare expenses	-	-	50	3,089
<b>Total</b>	<b>9,02,105</b>	<b>5,57,32,047</b>	<b>11,78,060</b>	<b>7,27,77,378</b>

## 13 Finance costs

Particulars	Current year 2023-24		Previous year 2022-23	
	SGD	INR	SGD	INR
Interest expenses	3,062	1,89,170	4,247	2,62,368
<b>Total</b>	<b>3,062</b>	<b>1,89,170</b>	<b>4,247</b>	<b>2,62,368</b>

## 14 Operating and Other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	SGD	INR	SGD	INR
Advertising and publicity	650	40,157	-	-
Communication expenses	55,078	34,02,719	33,519	20,70,714
Electricity	-	-	751	46,395
Entertainment expenses	1,115	68,885	2,767	1,70,938
Exchange (Gain)/Loss -Net	1,673	1,03,358	2,117	1,30,783
Insurance expenses	23,442	14,48,247	20,241	12,50,435
IT consumables	1,650	1,01,937	450	27,800
Legal and professional fees	39,912	24,65,763	37,161	22,95,707
Miscellaneous expenses	(1,93,455)	(1,19,51,651)	11,342	7,00,680
Rent	73,068	45,14,141	69,525	42,95,064
Repairs and Maintenance - Plant & Machinery	-	-	1,480	91,430
Travelling and conveyance expenses	14,861	9,18,113	37,439	23,12,881
<b>Total</b>	<b>17,994</b>	<b>11,11,669</b>	<b>2,16,792</b>	<b>1,33,92,827</b>





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LLP Identity No. AAB-7509

## **APPENDIX - 54**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **United Telecom Limited** ("the associate") registered in Kathmandu as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

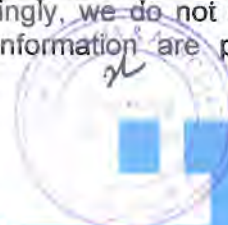
We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549

Place: Mumbai

Date: 17 April 2024

## UNITED TELECOM LIMITED

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			NPR	INR*	NPR	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	58,827,899	36,473,298	56,950,304	35,594,510
	Capital work-in-progress		1,465,048	908,330	1,465,048	915,670
	Other intangible assets	2	1,928,866,654	1,195,897,325	668,191,764	417,626,534
			1,989,159,601	1,233,278,953	726,607,116	454,136,714
(2)	<b>Current assets</b>					
	Inventories		37,376,203	23,173,246	37,376,203	23,360,501
	Financial assets					
	(i) Trade receivables	3	46,174,241	28,628,030	70,767,570	44,230,438
	(ii) Cash and cash equivalent	4	281,223	174,358	298,032	186,273
	(iii) Other financial assets	5	221,450,279	137,299,173	223,755,153	139,849,208
			305,281,946	189,274,807	332,196,958	207,626,420
	<b>TOTAL ASSETS</b>		2,294,441,547	1,422,553,760	1,058,804,074	661,763,134
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	6	4,605,506,533	2,855,414,050	4,602,006,533	2,876,300,103
	Other equity	7	(9,418,749,610)	(5,839,624,759)	(8,637,473,867)	(5,398,507,542)
	<b>Total Equity</b>		(4,813,243,077)	(2,984,210,709)	(4,035,467,334)	(2,522,207,439)
(2)	<b>Non-current liabilities</b>					
	Deferred tax liabilities (Net)		8,537,628	5,293,329	12,227,754	7,642,469
			8,537,628	5,293,329	12,227,754	7,642,469
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	8	7,076,474,586	4,387,414,246	5,059,381,244	3,162,163,871
	Other current liabilities	9	22,672,410	14,056,894	22,662,410	14,164,233
			7,099,146,996	4,401,471,140	5,082,043,654	3,176,328,104
	<b>TOTAL EQUITY AND LIABILITIES</b>		2,294,441,547	1,422,553,760	1,058,804,074	661,763,134

\*Exchange rate as at 31 March 2024 1 NPR = INR 0.62 (as at 31 March 2023 1 NPR = INR 0.63)





## UNITED TELECOM LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24		Previous year 2022-23	
			NPR	INR*	NPR	INR*
i	Revenue from operation		-	-	-	-
ii	Other Income		-	-	-	-
iii	<b>Total income (i + ii)</b>		-	-	-	-
iv	<b>Expenses:</b>					
	(i) Network and transmission expenses	10	507,567,075	314,691,587	400,608,588	250,384,374
	(ii) Employee benefits expenses	11	6,378,398	3,954,607	10,411,407	6,507,233
	(iii) Depreciation and amortisation expenses		246,747,410	152,983,394	100,552,585	62,846,371
	(iv) Operating and other expenses	12	25,075,664	15,546,911	15,489,692	9,681,213
	<b>Total expenses</b>		<b>785,768,547</b>	<b>487,176,499</b>	<b>527,062,272</b>	<b>329,419,191</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(785,768,547)</b>	<b>(487,176,499)</b>	<b>(527,062,272)</b>	<b>(329,419,191)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		(4,492,804)	(2,785,538)	-	-
	<b>Net tax expenses</b>		<b>(4,492,804)</b>	<b>(2,785,538)</b>	<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(781,275,743)</b>	<b>(484,390,961)</b>	<b>(527,062,272)</b>	<b>(329,419,191)</b>

\*Exchange rate as at 31 March 2024 1 NPR = INR 0.62 (as at 31 March 2023 1 NPR = INR 0.63)



## 1 Property, plant and equipment

Particulars	As as 31 March 2024		As at 31 March 2023	
	NPR	INR	NPR	INR
<b>Gross block:</b>				
Land	9,406,115	5,831,791	9,406,115	5,878,916
Plant and machinery	2,009,602,385	1,245,953,479	1,787,755,174	1,117,364,861
Furniture and fixtures	33,231,990	20,603,834	38,847,311	24,279,958
Computers	28,274,925	17,530,454	28,284,425	17,678,048
Office equipment	5,615,321	3,481,499	42,330,380	26,456,911
Vehicles	18,140,866	11,247,337	18,140,866	11,338,223
(a)	2,104,271,602	1,304,648,394	1,924,764,271	1,202,996,917
<b>Accumulated depreciation:</b>				
Plant and machinery	1,891,135,126	1,172,503,778	1,750,371,410	1,093,999,635
Furniture and fixtures	38,070,365	23,603,626	38,103,880	23,815,306
Computers	27,709,426	17,179,844	27,955,082	17,472,206
Office equipment	74,016,093	45,889,978	36,894,372	23,059,351
Vehicles	14,512,693	8,997,870	14,489,223	9,055,909
(b)	2,045,443,703	1,268,175,096	1,867,813,967	1,167,402,408
<b>Net block</b>	<b>(a) - (b)</b>	<b>58,827,899</b>	<b>56,950,304</b>	<b>35,594,510</b>

## 2 Other intangible assets

Particulars	As as 31 March 2024		As at 31 March 2023	
	NPR	INR	NPR	INR
<b>Gross block:</b>				
License Fees	2,832,133,244	1,755,922,611	1,318,097,744	823,824,271
(a)	2,832,133,244	1,755,922,611	1,318,097,744	823,824,271
<b>Accumulated amortisation:</b>				
License Fees	903,266,590	560,025,286	649,905,980	406,197,737
(b)	903,266,590	560,025,286	649,905,980	406,197,737
<b>Net block</b>	<b>(a) - (b)</b>	<b>1,928,866,654</b>	<b>668,191,764</b>	<b>417,626,534</b>

## 3 Trade receivables

Particulars	As as 31 March 2024		As at 31 March 2023	
	NPR	INR	NPR	INR
Trade receivables	533,766,496	330,935,228	558,136,347	348,840,797
Provision for doubtful debts	(487,592,255)	(302,307,198)	(487,368,777)	(304,610,359)
<b>Total</b>	<b>46,174,241</b>	<b>28,628,030</b>	<b>70,767,570</b>	<b>44,230,438</b>

## 4 Cash and cash equivalents

Particulars	As as 31 March 2024		As at 31 March 2023	
	NPR	INR	NPR	INR
Balance with bank	281,223	174,358	298,032	186,273
<b>Total</b>	<b>281,223</b>	<b>174,358</b>	<b>298,032</b>	<b>186,273</b>

## 5 Current assets - other financial assets

Particulars	As as 31 March 2024		As at 31 March 2023	
	NPR	INR	NPR	INR
Security Deposit	221,450,279	137,299,173	223,755,153	139,849,208
<b>Total</b>	<b>221,450,279</b>	<b>137,299,173</b>	<b>223,755,153</b>	<b>139,849,208</b>



## 6 Equity share capital

Particulars	As as 31 March 2024		As at 31 March 2023	
	NPR	INR	NPR	INR
Equity share capital	4,605,506,533	2,855,414,050	4,602,006,533	2,876,300,103
<b>Total</b>	<b>4,605,506,533</b>	<b>2,855,414,050</b>	<b>4,602,006,533</b>	<b>2,876,300,103</b>

## 7 Other Equity

Particulars	As as 31 March 2024		As at 31 March 2023	
	NPR	INR	NPR	INR
Surplus / (Deficit)				
Opening balance	(8,637,473,867)	(5,355,233,798)	(8,110,411,595)	(5,069,088,351)
Profit / (loss) for the year	(781,275,743)	(484,390,961)	(527,062,272)	(329,419,191)
<b>Total</b>	<b>(9,418,749,610)</b>	<b>(5,839,624,759)</b>	<b>(8,637,473,867)</b>	<b>(5,398,507,542)</b>

## 8 Current liabilities - Trade payables

Particulars	As as 31 March 2024		As at 31 March 2023	
	NPR	INR	NPR	INR
Payable for capital and other supplies	7,076,474,586	4,387,414,246	5,059,381,244	3,162,163,871
<b>Total</b>	<b>7,076,474,586</b>	<b>4,387,414,246</b>	<b>5,059,381,244</b>	<b>3,162,163,871</b>

## 9 Current liabilities - other current liabilities

Particulars	As as 31 March 2024		As at 31 March 2023	
	NPR	INR	NPR	INR
Deferred revenue and advance from customers	22,672,410	14,056,894	22,662,410	14,164,233
<b>Total</b>	<b>22,672,410</b>	<b>14,056,894</b>	<b>22,662,410</b>	<b>14,164,233</b>

## 10 Network and transmission expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	NPR	INR	NPR	INR
Charges for use of transmission facilities	507,567,075	314,691,587	400,608,588	250,384,374
<b>Total</b>	<b>507,567,075</b>	<b>314,691,587</b>	<b>400,608,588</b>	<b>250,384,374</b>

## 11 Employee benefit expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	NPR	INR	NPR	INR
Salaries, bonus and allowances	6,378,398	3,954,607	10,411,407	6,507,233
<b>Total</b>	<b>6,378,398</b>	<b>3,954,607</b>	<b>10,411,407</b>	<b>6,507,233</b>

## 12 Operating and other expenses

Particulars	Current year 2023-24		Previous year 2022-23	
	NPR	INR	NPR	INR
Miscellaneous expenses	5,586,999	3,463,939	-	-
Rent	19,488,665	12,082,972	15,489,692	9,681,213
<b>Total</b>	<b>25,075,664</b>	<b>15,546,911</b>	<b>15,489,692</b>	<b>9,681,213</b>





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## **APPENDIX - 55**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Buc Mobile Inc.** ("the subsidiary") registered in Delaware (United States) as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			USD	INR*
(A)	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	Property, plant and equipment	1	-	-
	Goodwill		46,58,625	38,83,42,980
	Other intangible assets	2	12,28,191	10,23,82,002
	Investments in subsidiaries & associates	3	10	834
	<b>Financial assets</b>			
	(i) Other financial assets	4	30,409	25,34,894
			59,17,235	49,32,60,710
(2)	<b>Current assets</b>			
	<b>Financial assets</b>			
	(i) Trade receivables	5	2,07,73,478	1,73,16,77,125
	(ii) Cash and cash equivalent	6	7,82,016	6,51,88,854
	Other current assets	7	4,56,068	3,80,17,828
			2,20,11,562	1,83,48,83,807
	<b>TOTAL ASSETS</b>		2,79,28,797	2,32,81,44,517
(B)	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Equity</b>			
	Equity share capital	8	1	83
	Other equity	9	(54,15,620)	(45,14,46,084)
	<b>Total Equity</b>		(54,15,619)	(45,14,46,001)
(2)	<b>Non-current liabilities</b>			
	<b>Financial liabilities</b>			
	(i) Borrowings	10	2,04,23,367	1,70,24,91,873
	Deferred tax liabilities (Net)		61,768	51,48,980
			2,04,85,135	1,70,76,40,853
(3)	<b>Current liabilities</b>			
	<b>Financial liabilities</b>			
	(i) Trade payables	11	1,25,41,109	1,04,54,26,847
	(ii) Other financial liabilities	12	2,61,967	2,18,37,569
	Other current liabilities	13	21,832	18,19,916
	Current tax liabilities (Net)		34,373	28,65,333
			1,28,59,281	1,07,19,49,665
	<b>TOTAL EQUITY AND LIABILITIES</b>		2,79,28,797	2,32,81,44,517

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36





Buc Mobile Inc.

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 05 OCTOBER 2023 TO 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			USD	INR*
i	Revenue from operation	14	4,66,22,211	3,88,64,27,509
ii	Other Income		80,121	66,78,887
iii	<b>Total income (i + ii)</b>		<b>4,67,02,332</b>	<b>3,89,31,06,396</b>
iv	<b>Expenses:</b>			
	Network and transmission expenses	15	4,55,58,788	3,79,77,80,568
	Employee benefits expenses	16	2,39,566	1,99,70,222
	Operating and other expenses	17	35,29,870	29,42,49,964
	Finance costs	18	5,64,720	4,70,75,059
	Depreciation and amortisation expenses		1,11,215	92,70,882
	<b>Total expenses</b>		<b>5,00,04,159</b>	<b>4,16,83,46,695</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(33,01,827)</b>	<b>(27,52,40,299)</b>
vi	<b>Tax expenses</b>			
	(i) Current tax expense/(benefit)		33,943	28,29,488
	(ii) Deferred tax expense/(benefit)		61,768	51,48,980
	<b>Net tax expenses</b>		<b>95,711</b>	<b>79,78,468</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(33,97,538)</b>	<b>(28,32,18,767)</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36



**Buc Mobile Inc.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024****1 Property, plant and equipment**

Particulars	As at 31 March 2024	
	USD	INR
<b>Gross block:</b>		
Computers	1,01,810	84,86,882
Office equipment	4,883	4,07,047
Vehicles		-
(a)	1,06,693	88,93,929
<b>Accumulated depreciation:</b>		
Computers	1,01,810	84,86,882
Office equipment	4,883	4,07,047
(b)	1,06,693	88,93,929
<b>Net block (a) - (b)</b>	-	-

**2 Other intangible assets**

Particulars	As at 31 March 2024	
	USD	INR
<b>Gross block:</b>		
Computer software	20,07,948	16,73,82,545
Customer relationship	27,47,253	22,90,11,010
(a)	47,55,201	39,63,93,555
<b>Accumulated amortisation:</b>		
Computer software	20,03,734	16,70,31,266
Customer relationship	15,23,276	12,69,80,287
(b)	35,27,010	29,40,11,553
<b>Net block (a) - (b)</b>	12,28,191	10,23,82,002

**3 Investments in subsidiaries & associates**

Particulars	As at 31 March 2024	
	USD	INR
Investments in subsidiaries	10	834
<b>Total</b>	10	834



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024	
	USD	INR
Vendor deposits	30,409	25,34,894
<b>Total</b>	<b>30,409</b>	<b>25,34,894</b>

## 5 Trade receivables

Particulars	As at 31 March 2024	
	USD	INR
Trade receivables	1,65,93,173	1,38,32,06,901
Intercompany receivables	54,97,493	45,82,71,016
Provision for doubtful debts	(13,17,188)	(10,98,00,792)
<b>Total</b>	<b>2,07,73,478</b>	<b>1,73,16,77,125</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2024	
	USD	INR
Balance with bank	7,82,016	6,51,88,854
<b>Total</b>	<b>7,82,016</b>	<b>6,51,88,854</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2024	
	USD	INR
Advances to Vendors / Suppliers	2,92,814	2,44,08,975
Prepaid expenses	1,63,254	1,36,08,853
<b>Total</b>	<b>4,56,068</b>	<b>3,80,17,828</b>





**Buc Mobile Inc.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024****8 Equity share capital**

Particulars	As at 31 March 2024	
	USD	INR
Equity share capital	1	83
<b>Total</b>	<b>1</b>	<b>83</b>

**9 Other Equity**

Particulars	As at 31 March 2024	
	USD	INR
<b>Surplus / (Deficit)</b>		
Opening balance	-	-
Pre-acquisition reserve	(2,30,86,127)	(1,92,44,59,547)
Profit / (loss) for the year	(33,97,538)	(28,32,18,768)
<b>Closing balance</b>	<b>(2,64,83,665)</b>	<b>(2,20,76,78,315)</b>
Share premium	2,10,68,045	1,75,62,32,231
<b>Total</b>	<b>(54,15,620)</b>	<b>(45,14,46,084)</b>

**10 Non-current liabilities - borrowings**

Particulars	As at 31 March 2024	
	USD	INR
Unsecured borrowings - Inter company loans taken	2,04,23,367	1,70,24,91,873
<b>Total</b>	<b>2,04,23,367</b>	<b>1,70,24,91,873</b>

**11 Current liabilities - Trade payables**

Particulars	As at 31 March 2024	
	USD	INR
Trade payable	1,25,41,109	1,04,54,26,847
<b>Total</b>	<b>1,25,41,109</b>	<b>1,04,54,26,847</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024	
	USD	INR
Interest accrued but not due	2,61,967	2,18,37,569
<b>Total</b>	<b>2,61,967</b>	<b>2,18,37,569</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024	
	USD	INR
Deferred revenue and advance from customers	21,832	18,19,916
<b>Total</b>	<b>21,832</b>	<b>18,19,916</b>

## 14 Other income

Particulars	Current year 2023-24	
	USD	INR
Exchange (Gain)/Loss -Net	80,121	66,78,887
<b>Total</b>	<b>80,121</b>	<b>66,78,887</b>

## 15 Network costs

Particulars	Current year 2023-24	
	USD	INR
Charges for use of transmission facilities	4,55,58,788	3,79,77,80,568
<b>Total</b>	<b>4,55,58,788</b>	<b>3,79,77,80,568</b>



## 16 Employee benefit expenses

Particulars	Current year 2023-24	
	USD	INR
Salaries, bonus and allowances	2,37,294	1,97,80,828
Staff welfare expenses	2,272	1,89,394
<b>Total</b>	<b>2,39,566</b>	<b>1,99,70,222</b>

## 17 Operating and other expenses

Particulars	Current year 2023-24	
	USD	INR
Communication expense	810	67,522
Insurance expenses	6,033	5,02,911
Legal and professional fees	2,826	2,35,575
Miscellaneous expenses	26,68,469	22,24,43,576
Provision for doubtful debts	8,38,960	6,99,35,706
Rates and Taxes	185	15,422
Rent	12,183	10,15,575
Travelling and conveyance expenses	404	33,677
<b>Total</b>	<b>35,29,870</b>	<b>29,42,49,964</b>

## 18 Finance costs

Particulars	Current year 2023-24	
	USD	INR
Interest expenses	2,61,797	2,18,23,398
Interest on Inter Company Loan	3,02,923	2,52,51,661
<b>Total</b>	<b>5,64,720</b>	<b>4,70,75,059</b>





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## **APPENDIX - 56**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Campagin Registry Inc. (Canada)** ("the Subsidiary") registered in Canada as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

Campaign Registry Inc. (Canada)

BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			CAD	INR*
(A)	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	Property, plant and equipment	1	1,768	108,732
			1,768	108,732
(2)	<b>Current assets</b>			
	Financial assets			
	(i) Trade receivables	2	158,401	9,741,661
	(ii) Cash and cash equivalent	3	151,640	9,325,860
			310,041	19,067,521
	<b>TOTAL ASSETS</b>		311,809	19,176,253
(B)	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Equity</b>			
	Equity share capital		-	-
	Other equity	4	(150,199)	(9,237,239)
	<b>Total Equity</b>		(150,199)	(9,237,239)
(2)	<b>Current liabilities</b>			
	Other current liabilities	5	231,577	14,241,985
	Current tax liabilities (Net)		171,937	10,574,126
			462,008	28,413,492
	<b>TOTAL EQUITY AND LIABILITIES</b>		311,809	19,176,253

\*Exchange rate as at 31 March 2024 1 CAD = INR 61.50





## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 05 OCTOBER 2023 TO 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			CAD	INR*
i	Revenue from operation	6	-	-
ii	Other Income		1,856,097	114,149,966
iii	<b>Total income (i + ii)</b>		<b>1,856,097</b>	<b>114,149,966</b>
iv	<b>Expenses:</b>	7		
	Network and transmission expenses		-	-
	Employee benefits expenses		1,326,232	81,563,268
	Operating and other expenses		16,410	1,009,215
	Finance costs		-	-
	Depreciation and amortisation expenses		399	24,539
	<b>Total expenses</b>		<b>1,343,041</b>	<b>82,597,022</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>513,056</b>	<b>31,552,945</b>
vi	<b>Tax expenses</b>			
	(i) Current tax expense/(benefit)		136,528	8,396,472
	(ii) Deferred tax expense/(benefit)		-	-
	<b>Net tax expenses</b>		<b>136,528</b>	<b>8,396,472</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>376,528</b>	<b>23,156,473</b>

\*Exchange rate as at 31 March 2024 1 CAD = INR 61.50



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024	
	CAD	INR
<b>Gross block:</b>		
Computers	2,448	150,552
Office equipment	-	-
Vehicles	-	-
(a)	2,448	150,552
<b>Accumulated depreciation:</b>		
Computers	680	41,820
Office equipment	-	-
(b)	680	41,820
Net block (a) - (b)	1,768	108,732

## 2 Trade receivables

Particulars	As at 31 March 2024	
	CAD	INR
Trade receivables	158,401	9,741,661
Total	158,401	9,741,661

## 3 Cash and cash equivalents

Particulars	As at 31 March 2024	
	CAD	INR
Balance with bank	151,640	9,325,860
Total	151,640	9,325,860

## 4 Other Equity

Particulars	As at 31 March 2024	
	CAD	INR
Surplus / (Deficit)		
Opening balance	-	-
Pre-acquisition reserve	(526,727)	(32,393,711)
Profit / (loss) for the year	376,528	23,156,472
Total	(150,199)	(9,237,239)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Current liabilities - other current liabilities

Particulars	As at 31 March 2024	
	CAD	INR
Other Employee dues	231,577	14,241,985
<b>Total</b>	<b>231,577</b>	<b>14,241,985</b>

## 6 Current liabilities - provisions

Particulars	As at 31 March 2024	
	CAD	INR
Leave entitlement	58,494	3,597,381
<b>Total</b>	<b>58,494</b>	<b>3,597,381</b>

## 6 Other income

Particulars	Current year 2023-24	
	CAD	INR
Exchange (Gain)/Loss -Net	18,418	1,132,707
Miscellaneous income	1,837,679	113,017,259
<b>Total</b>	<b>1,856,097</b>	<b>114,149,966</b>

## 7 Employee benefit expenses

Particulars	Current year 2023-24	
	CAD	INR
Salaries, bonus and allowances	1,219,181	74,979,632
Contribution to provident and other funds	138,800	8,536,200
Staff welfare expenses	(31,749)	(1,952,564)
<b>Total</b>	<b>1,326,232</b>	<b>81,563,268</b>

## 8 Operating and other expenses

Particulars	Current year 2023-24	
	CAD	INR
Legal and professional fees	16,028	985,722
Miscellaneous expenses	382	23,493
<b>Total</b>	<b>16,410</b>	<b>1,009,215</b>





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## **APPENDIX - 57**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Campagin Registry Inc.** ("the Subsidiary") registered in US as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549

Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			USD	INR*
<b>(A) ASSETS</b>				
<b>(1) Non-current assets</b>				
Property, plant and equipment	1		87,627	7,304,588
Right-of-use assets			27,582	2,299,236
Other intangible assets	2		1,799,411	149,998,901
Intangible assets under development			93,030	7,754,981
Financial assets				
(i) Loans	3		29,056,870	2,422,180,683
(ii) Other financial assets	4		8,350	696,056
Deferred tax assets (Net)			226,823	18,907,965
			31,299,693	2,609,142,410
<b>(2) Current assets</b>				
Financial assets				
(i) Trade receivables	5		9,164,568	763,958,389
(ii) Cash and cash equivalent	6		2,549,113	212,494,060
(iii) Other financial assets	7		292,509	24,383,550
Other current assets	8		152,046	12,674,555
			12,158,236	1,013,510,554
<b>TOTAL ASSETS</b>			<b>43,457,929</b>	<b>3,622,652,964</b>
<b>(B) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
Equity share capital	9	10		834
Other equity	10		35,933,137	2,995,386,301
<b>Total Equity</b>			35,933,147	2,995,387,135
<b>(2) Non-current liabilities</b>				
Financial liabilities				
(i) Lease liabilities			29,937	2,495,548
			29,937	2,495,548
<b>(3) Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Trade payables	11		1,395,252	116,308,208
Other current liabilities	12		3,114,180	259,598,045
Provisions	13		171,535	14,299,158
Current tax liabilities (Net)			2,813,878	234,564,870
			7,494,845	624,770,281
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>43,457,929</b>	<b>3,622,652,964</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36





## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 05 OCTOBER 2023 TO 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			USD	INR*
i	Revenue from operation	14	31,956,770	2,663,916,347
ii	Other Income		584,769	48,746,344
iii	<b>Total income (i + ii)</b>		<b>32,541,539</b>	<b>2,712,662,691</b>
iv	<b>Expenses:</b>			
	Network and transmission expenses	15	3,874,697	322,994,742
	Employee benefits expenses	16	2,832,602	236,125,703
	Operating and other expenses	17	3,281,571	273,551,759
	Finance costs	18	(150)	(12,504)
	Depreciation and amortisation expenses		576,409	48,049,454
	<b>Total expenses</b>		<b>10,565,129</b>	<b>880,709,154</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>21,976,410</b>	<b>1,831,953,537</b>
vi	<b>Tax expenses</b>			
	(i) Current tax expense/(benefit)		3,739,638	311,736,224
	(ii) Deferred tax expense/(benefit)		(226,869)	(18,911,800)
	<b>Net tax expenses</b>		<b>3,512,769</b>	<b>292,824,424</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>18,463,641</b>	<b>1,539,129,113</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36



# Campaign Registry Inc.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 1 Property, plant and equipment

Particulars	As at 31 March 2024	
	USD	INR
<b>Gross block:</b>		
Computers	152,747	12,732,990
Office equipment	10,377	865,027
(a)	163,124	13,598,017
<b>Accumulated depreciation:</b>		
Computers	70,218	5,853,372
Office equipment	5,279	440,057
(b)	75,497	6,293,429
<b>Net block (a) - (b)</b>	<b>87,627</b>	<b>7,304,588</b>

### 2 Other intangible assets

Particulars	As at 31 March 2024	
	USD	INR
<b>Gross block:</b>		
Computer software	5,245,192	437,239,205
(a)	5,245,192	437,239,205
<b>Accumulated amortisation:</b>		
Computer software	3,445,781	287,240,304
(b)	3,445,781	287,240,304
<b>Net block (a) - (b)</b>	<b>1,799,411</b>	<b>149,998,901</b>

### 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024	
	USD	INR
Inter company loans given	29,056,870	2,422,180,683
<b>Total</b>	<b>29,056,870</b>	<b>2,422,180,683</b>

### 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024	
	USD	INR
Vendor deposits	8,350	696,056
<b>Total</b>	<b>8,350</b>	<b>696,056</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

5 Trade receivables

Particulars	As at 31 March 2024	
	USD	INR
Trade receivables	9,738,672	811,815,698
Provision for doubtful debts	(574,104)	(47,857,309)
<b>Total</b>	<b>9,164,568</b>	<b>763,958,389</b>

6 Cash and cash equivalents

Particulars	As at 31 March 2024	
	USD	INR
Balance with bank	2,549,113	212,494,060
<b>Total</b>	<b>2,549,113</b>	<b>212,494,060</b>

7 Current assets - other financial assets

Particulars	As at 31 March 2024	
	USD	INR
Interest Receivable	292,509	24,383,550
<b>Total</b>	<b>292,509</b>	<b>24,383,550</b>

8 Current assets - other assets

Particulars	As at 31 March 2024	
	USD	INR
Prepaid expenses	152,046	12,674,555
<b>Total</b>	<b>152,046</b>	<b>12,674,555</b>

9 Equity share capital

Particulars	As at 31 March 2024	
	USD	INR
Equity share capital	10	834
<b>Total</b>	<b>10</b>	<b>834</b>





## 10 Other Equity

Particulars	As at 31 March 2024	
	USD	INR
Surplus / (Deficit)		
Opening balance	-	-
Pre-acquisition reserve	17,469,496	1,456,257,187
Profit / (loss) for the year	18,463,641	1,539,129,114
<b>Total</b>	<b>35,933,137</b>	<b>2,995,386,301</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024	
	USD	INR
Trade payable	657,797	54,833,959
Inter Company - Payables/(Receivables)	737,455	61,474,249
<b>Total</b>	<b>1,395,252</b>	<b>116,308,208</b>

## 12 Current liabilities - other current liabilities

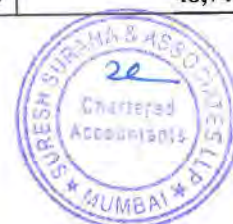
Particulars	As at 31 March 2024	
	USD	INR
Deferred revenue and advance from customers	2,574,958	214,648,499
Other Employee dues	539,222	44,949,546
<b>Total</b>	<b>3,114,180</b>	<b>259,598,045</b>

## 13 Current liabilities - provisions

Particulars	As at 31 March 2024	
	USD	INR
Leave entitlement	171,535	14,299,158
<b>Total</b>	<b>171,535</b>	<b>14,299,158</b>

## 14 Other income

Particulars	Current year 2023-24	
	USD	INR
Interest income - others	584,769	48,746,344
<b>Total</b>	<b>584,769</b>	<b>48,746,344</b>



15 Network costs

Particulars	Current year 2023-24	
	USD	INR
Charges for use of transmission facilities	3,874,697	322,994,742
<b>Total</b>	<b>3,874,697</b>	<b>322,994,742</b>

16 Employee benefit expenses

Particulars	Current year 2023-24	
	USD	INR
Salaries, bonus and allowances	2,590,889	215,976,507
Contribution to provident and other funds	100,369	8,366,760
Staff welfare expenses	141,344	11,782,436
<b>Total</b>	<b>2,832,602</b>	<b>236,125,703</b>

17 Operating and other expenses

Particulars	Current year 2023-24	
	USD	INR
Advertising and publicity	35,600	2,967,616
Communication expense	6,856	571,516
Donations	2,297	191,478
Exchange loss -Net	19,496	1,625,187
Insurance expenses	16,052	1,338,095
Legal and professional fees	122,953	10,249,362
Miscellaneous expenses	2,083,358	173,668,723
Printing and stationery	12,386	1,032,497
Provision for doubtful debts	380,490	31,717,646
Rates and Taxes	1,186	98,865
Rent	24,726	2,061,159
Repairs and Maintenance - Plant & Machinery	165,877	13,827,507
Seminars, trainings and conferences	1,650	137,544
Services rendered by agencies	248,680	20,729,965
Travelling and conveyance expenses	159,964	13,334,599
<b>Total</b>	<b>3,281,571</b>	<b>273,551,759</b>

18 Finance costs

Particulars	Current year 2023-24	
	USD	INR
Interest expenses	(150)	(12,504)
<b>Total</b>	<b>(150)</b>	<b>(12,504)</b>





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## **APPENDIX - 58**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Kaleyra Africa Limited** ("the Subsidiary") registered in South Africa as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			ZAR	INR*
<b>(A) ASSETS</b>				
<b>(1) Non-current assets</b>				
Property, plant and equipment	1		39,290	173,269
Non current tax asset			324,832	1,432,509
			364,122	1,605,778
<b>(2) Current assets</b>				
Financial assets	2		2,818,022	12,427,477
(i) Cash and cash equivalent	3		6,800	29,988
Other current assets			2,824,822	12,457,465
<b>TOTAL ASSETS</b>			<b>3,188,944</b>	<b>14,063,243</b>
<b>(B) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
Equity share capital	4		740,000	3,263,400
Other equity	5		(441,617)	(1,947,530)
<b>Total Equity</b>			<b>298,383</b>	<b>1,315,870</b>
<b>(2) Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Trade payables	6		2,716,964	11,981,810
Other current liabilities	7		173,597	765,563
			2,890,561	12,747,373
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>3,188,944</b>	<b>14,063,243</b>

\*Exchange rate as at 31 March 2024 1 ZAR = INR 4.41



## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 05 OCTOBER 2023 TO 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			ZAR	INR*
i	Revenue from operation	8	-	-
ii	Other Income		2,754,054	12,145,378
iii	<b>Total income (i + ii)</b>		<b>2,754,054</b>	<b>12,145,378</b>
iv	<b>Expenses:</b>	9		
	Employee benefits expenses		1,336,243	5,892,832
	Operating and other expenses		1,186,692	5,233,312
	Depreciation and amortisation expenses		4,952	21,838
	<b>Total expenses</b>		<b>2,527,887</b>	<b>11,147,982</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>226,167</b>	<b>997,396</b>
vi	<b>Tax expenses</b>	10		
	(i) Current tax expense/(benefit)		166,356	733,630
	(ii) Deferred tax expense/(benefit)		-	-
	<b>Net tax expenses</b>		<b>166,356</b>	<b>733,630</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>59,811</b>	<b>263,766</b>

\*Exchange rate as at 31 March 2024 1 ZAR = INR 4.41





# Kaleyra Africa Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 1 Property, plant and equipment

Particulars	As at 31 March 2024	
	ZAR	INR
<b>Gross block:</b>		
Office equipment	78,809	347,548
(a)	78,809	347,548
<b>Accumulated depreciation:</b>		
Office equipment	39,519	174,279
(b)	39,519	174,279
<b>Net block (a) - (b)</b>	<b>39,290</b>	<b>173,269</b>

### 2 Cash and cash equivalents

Particulars	As at 31 March 2024	
	ZAR	INR
Balance with bank	2,818,022	12,427,477
<b>Total</b>	<b>2,818,022</b>	<b>12,427,477</b>

### 3 Current assets - other assets

Particulars	As at 31 March 2024	
	ZAR	INR
Prepaid expenses	6,800	29,988
<b>Total</b>	<b>6,800</b>	<b>29,988</b>

### 4 Equity share capital

Particulars	As at 31 March 2024	
	ZAR	INR
Equity share capital	740,000	3,263,400
<b>Total</b>	<b>740,000</b>	<b>3,263,400</b>



# Kaleyra Africa Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 5 Other Equity

Particulars	As at 31 March 2024	
	ZAR	INR
<b>Surplus / (Deficit)</b>		
Opening balance	-	-
Pre-acquisition reserve	(501,428)	(2,211,297)
Profit / (loss) for the year	59,811	263,767
<b>Closing balance</b>	<b>(441,617)</b>	<b>(1,947,530)</b>

### 6 Current liabilities - Trade payables

Particulars	As at 31 March 2024	
	ZAR	INR
Trade payable	36,087	159,142
Inter Company - Payables/(Receivables)	2,680,877	11,822,668
<b>Total</b>	<b>2,716,964</b>	<b>11,981,810</b>

### 7 Current liabilities - other current liabilities

Particulars	As at 31 March 2024	
	ZAR	INR
Advance from customers	100	441
Other Employee dues	173,497	765,122
<b>Total</b>	<b>173,597</b>	<b>765,563</b>

### 8 Other income

Particulars	Current year 2023-24	
	ZAR	INR
Exchange (Gain)/Loss -Net	13,449	59,310
Other	2,740,605	12,086,068
<b>Total</b>	<b>2,754,054</b>	<b>12,145,378</b>



**Kaleyra Africa Limited****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024****9 Employee benefit expenses**

Particulars	Current year 2023-24	
	ZAR	INR
Salaries, bonus and allowances	1,273,185	5,614,746
Staff welfare expenses	63,058	278,086
<b>Total</b>	<b>1,336,243</b>	<b>5,892,832</b>

**10 Operating and other expenses**

Particulars	Current year 2023-24	
	ZAR	INR
Auditors remuneration	919,454	4,054,792
Communication expense	20,221	89,175
Legal and professional fees	112,804	497,466
Miscellaneous expenses	44,025	194,150
Software support expense	88,257	389,213
Travelling and conveyance expenses	1,931	8,516
<b>Total</b>	<b>1,186,692</b>	<b>5,233,312</b>





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## **APPENDIX - 59**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **mGage Athens PC** ("the Subsidiary") registered in Greece as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			EURO	INR*
<b>(A) ASSETS</b>				
<b>(1) Non-current assets</b>				
Property, plant and equipment	1		-	-
Non current tax asset			2,071	186,204
			2,071	186,204
<b>(2) Current assets</b>				
(i) Cash and cash equivalent	2		187,952	16,898,764
			187,952	16,898,764
<b>TOTAL ASSETS</b>			<b>190,023</b>	<b>17,084,968</b>
<b>(B) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
Equity share capital	3		-	-
Other equity			(64,969)	(5,841,362)
<b>Total Equity</b>			<b>(64,969)</b>	<b>(5,841,362)</b>
<b>(2) Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Trade payables	4		254,992	22,926,330
			254,992	22,926,330
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>190,023</b>	<b>17,084,968</b>

\*Exchange rate as at 31 March 2024 1 EURO = INR 89.91





## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 05 OCTOBER 2023 TO 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			EURO	INR*
i	Revenue from operation	5	-	-
ii	Other Income		1,142	102,677
iii	<b>Total income (i + ii)</b>		<b>1,142</b>	<b>102,677</b>
iv	<b>Expenses:</b>	6		
	Employee benefits expenses		(13,423)	(1,206,862)
	Operating and other expenses	7	144,206	12,965,562
	<b>Total expenses</b>		<b>130,783</b>	<b>11,758,700</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(129,641)</b>	<b>(11,656,023)</b>
vi	<b>Tax expenses</b>			
	(i) Current tax expense/(benefit)		-	-
	(ii) Deferred tax expense/(benefit)		-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(129,641)</b>	<b>(11,656,023)</b>

\*Exchange rate as at 31 March 2024 1 EURO = INR 89.91



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024	
	EURO	INR
<b>Gross block:</b>		
Office equipment	2,485	223,426
(a)	2,485	223,426
<b>Accumulated depreciation:</b>		
Office equipment	2,485	223,426
(b)	2,485	223,426
<b>Net block (a) - (b)</b>	-	-

## 2 Cash and cash equivalents

Particulars	As at 31 March 2024	
	EURO	INR
Balance with bank	187,952	16,898,764
<b>Total</b>	<b>187,952</b>	<b>16,898,764</b>

## 3 Other Equity

Particulars	As at 31 March 2024	
	EURO	INR
<b>Surplus / (Deficit)</b>		
Opening balance	-	-
Pre-acquisition reserve	6,472	581,898
Profit / (loss) for the year	(129,641)	(11,656,022)
<b>Closing balance</b>	<b>(123,169)</b>	<b>(11,074,124)</b>
Share premium	58,200	5,232,762
<b>Total</b>	<b>(64,969)</b>	<b>(5,841,362)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Current liabilities - Trade payables

Particulars	As at 31 March 2024	
	EURO	INR
Trade payable	1,183	106,362
Inter Company - Payables/(Receivables)	253,809	22,819,968
<b>Total</b>	<b>254,992</b>	<b>22,926,330</b>

## 5 Other income

Particulars	Current year 2023-24	
	EURO	INR
Exchange (Gain)/Loss -Net	1,142	102,677
<b>Total</b>	<b>1,142</b>	<b>102,677</b>

## 6 Employee benefit expenses

Particulars	Current year 2023-24	
	EURO	INR
Salaries, bonus and allowances	(13,423)	(1,206,862)
<b>Total</b>	<b>(13,423)</b>	<b>(1,206,862)</b>

## 7 Operating and other expenses

Particulars	Current year 2023-24	
	EURO	INR
Auditors remuneration	2,203	198,072
Bank charges	41	3,686
Communication expense	190	17,083
Electricity	369	33,177
Miscellaneous expenses	135,780	12,207,980
Printing and stationery	389	34,975
Rates and Taxes	1,000	89,910
Rent	4,234	380,679
<b>Total</b>	<b>144,206</b>	<b>12,965,562</b>





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LLP Identity No. AAB-7509

## APPENDIX - 60

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Kaleyra Dominicana** ("the Subsidiary") registered in Dominican Republic as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.

This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			DOP	INR*
<b>(A) ASSETS</b>				
<b>(1) Non-current assets</b>				
Property, plant and equipment	1		2,796,388	3,942,907
Right-of-use assets			170,053	239,775
Other intangible assets	2		26,577,381	37,474,107
Intangible assets under development			3,475,066	4,899,843
			<b>33,018,888</b>	<b>46,556,632</b>
<b>(2) Current assets</b>				
Financial assets				
(i) Trade receivables	3		38,352,706	54,077,316
(ii) Cash and cash equivalent	4		2,813,934	3,967,647
(iii) Other financial assets	5		708,420	998,872
Other current assets	6		112,580	158,738
			<b>41,987,640</b>	<b>59,202,573</b>
<b>TOTAL ASSETS</b>			<b>75,006,528</b>	<b>105,759,205</b>
<b>(B) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
Equity share capital	7		100,000	141,000
Other equity	8		15,836,151	22,328,973
<b>Total Equity</b>			<b>15,936,151</b>	<b>22,469,973</b>
<b>(2) Non-current liabilities</b>				
Financial liabilities				
(i) Lease liabilities			40,728	57,426
			<b>40,728</b>	<b>57,426</b>
<b>(3) Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Lease liabilities			267,651	377,388
(ii) Trade payables	9		7,673,284	10,819,331
Other current liabilities	10		37,906,119	53,447,628
Current tax liabilities (Net)			13,182,595	18,587,459
			<b>59,029,649</b>	<b>83,231,806</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>75,006,528</b>	<b>105,759,205</b>

\*Exchange rate as at 31 March 2024 1 DOP = INR 1.41





## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 05 OCTOBER 2023 TO 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			DOP	INR*
i	Revenue from operation		-	-
ii	Other Income	11	150,803,336	212,632,703
iii	<b>Total income (i + ii)</b>		<b>150,803,336</b>	<b>212,632,703</b>
iv	<b>Expenses:</b>			
	Employee benefits expenses	12	74,568,531	105,141,629
	Operating and other expenses	13	23,823,962	33,591,786
	Finance costs	14	3,907	5,509
	Depreciation and amortisation expenses		5,908,894	8,331,541
	<b>Total expenses</b>		<b>104,305,294</b>	<b>147,070,465</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>46,498,042</b>	<b>65,562,238</b>
vi	<b>Tax expenses</b>			
	(i) Current tax expense/(benefit)		12,818,607	18,074,236
	(ii) Deferred tax expense/(benefit)		-	-
	<b>Net tax expenses</b>		<b>12,818,607</b>	<b>18,074,236</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>33,679,435</b>	<b>47,488,003</b>

\*Exchange rate as at 31 March 2024 1 DOP = INR 1.41



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024	
	DOP	INR
<b>Gross block:</b>		
Cell phones	67,116	94,634
Computers	4,436,432	6,255,369
(a)	4,503,548	6,350,003
<b>Accumulated depreciation:</b>		
Cell phones	9,788	13,801
Computers	1,697,372	2,393,295
(b)	1,707,160	2,407,096
<b>Net block (a) - (b)</b>	<b>2,796,388</b>	<b>3,942,907</b>

## 2 Other intangible assets

Particulars	As at 31 March 2024	
	DOP	INR
<b>Gross block:</b>		
Computer software	41,447,183	58,440,528
(a)	41,447,183	58,440,528
<b>Accumulated amortisation:</b>		
Computer software	14,869,802	20,966,421
(b)	14,869,802	20,966,421
<b>Net block (a) - (b)</b>	<b>26,577,381</b>	<b>37,474,107</b>

## 3 Trade receivables

Particulars	As at 31 March 2024	
	DOP	INR
Trade receivables	31,336,919	44,185,056
Intercompany receivables	7,015,787	9,892,260
<b>Total</b>	<b>38,352,706</b>	<b>54,077,316</b>

## 4 Cash and cash equivalents

Particulars	As at 31 March 2024	
	DOP	INR
Balance with bank	2,813,934	3,967,647
<b>Total</b>	<b>2,813,934</b>	<b>3,967,647</b>



## 5 Current assets - other financial assets

Particulars	As at 31 March 2024	
	DOP	INR
Security Deposit	579,442	817,013
Advances to employees	128,978	181,859
<b>Total</b>	<b>708,420</b>	<b>998,872</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2024	
	DOP	INR
Prepaid expenses	112,580	158,738
<b>Total</b>	<b>112,580</b>	<b>158,738</b>

## 7 Equity share capital

Particulars	As at 31 March 2024	
	DOP	INR
Equity share capital	100,000	141,000
<b>Total</b>	<b>100,000</b>	<b>141,000</b>

## 8 Other Equity

Particulars	As at 31 March 2024	
	DOP	INR
Surplus / (Deficit)		
Opening balance	-	-
Pre-acquisition reserve	(17,843,284)	(25,159,030)
Profit / (loss) for the year	33,679,435	47,488,003
<b>Closing balance</b>	<b>15,836,151</b>	<b>22,328,973</b>

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2024	
	DOP	INR
Trade payable	7,673,284	10,819,331
<b>Total</b>	<b>7,673,284</b>	<b>10,819,331</b>





## 10 Current liabilities - other current liabilities

Particulars	As at 31 March 2024	
	DOP	INR
Other Employee dues	37,906,119	53,447,628
<b>Total</b>	<b>37,906,119</b>	<b>53,447,628</b>

## 11 Other income

Particulars	Current year 2023-24	
	DOP	INR
Interest income - others	8,528	12,024
Other	150,794,808	212,620,679
<b>Total</b>	<b>150,803,336</b>	<b>212,632,703</b>

## 12 Employee benefit expenses

Particulars	Current year 2023-24	
	DOP	INR
Salaries, bonus and allowances	63,543,539	89,596,390
Contribution to provident and other funds	3,261,514	4,598,735
Staff welfare expenses	7,763,478	10,946,504
<b>Total</b>	<b>74,568,531</b>	<b>105,141,629</b>

## 13 Operating and other expenses

Particulars	Current year 2023-24	
	DOP	INR
Bank charges	193,252	272,485
Communication expense	2,375,584	3,349,573
Exchange loss -Net	12,028,675	16,960,432
Insurance	1,074,916	1,515,632
Legal and professional fees	148,031	208,724
Miscellaneous expenses	398,354	561,679
Postage & Courier	15,385	21,693
Printing & Stationery	36,529	51,506
Rates and Taxes	2,357,557	3,324,155
Rent	1,996,845	2,815,551
Repairs and Maintenance - Plant & Machinery	50,704	71,493
Repairs and Maintenance - others	296,890	418,615
Seminars and training	172,024	242,554
Software support expense	439,484	619,672
Travelling and conveyance expenses	2,239,732	3,158,022
<b>Total</b>	<b>23,823,962</b>	<b>33,591,786</b>

## 14 Finance costs

Particulars	Current year 2023-24	
	DOP	INR
Interest expense- Others	3,907	5,509
<b>Total</b>	<b>3,907</b>	<b>5,509</b>



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LLP Identity No. AAB-7509

## APPENDIX - 61

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Kaleyra Inc.** ("the Subsidiary") registered in US as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.

This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			USD	INR*
<b>(A) ASSETS</b>				
<b>(1) Non-current assets</b>				
Property, plant and equipment	1	1,336	111,369	
Investments in subsidiaries & associates	2	263,422,072	21,958,863,922	
Other non-current assets	3	1,239,325	103,310,132	
		264,662,733	22,062,285,423	
<b>(2) Current assets</b>				
Financial assets				
(i) Trade receivables	4	13,289,533	1,107,815,471	
(ii) Cash and cash equivalent	5	734,472	61,225,586	
Other current assets	6	700,949	58,431,109	
		14,724,954	1,227,472,166	
<b>TOTAL ASSETS</b>			<b>279,387,687</b>	<b>23,289,757,589</b>
<b>(B) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
Equity share capital	7	1,346	112,203	
Other equity	8	67,276,988	5,608,209,719	
<b>Total Equity</b>		67,278,334	5,608,321,922	
<b>(2) Non-current liabilities</b>				
Financial liabilities				
(i) Borrowings	9	201,221,000	16,773,782,560	
(ii) Other financial liabilities	10	4,495,941	374,781,642	
		205,716,941	17,148,564,202	
<b>(3) Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Trade payables	11	6,127,510	510,789,234	
Other current liabilities	12	100,000	8,336,000	
Current tax liabilities (Net)		164,902	13,746,231	
		6,392,412	532,871,465	
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>279,387,687</b>	<b>23,289,757,589</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36



Kaleyra Inc.

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 05 OCTOBER 2023 TO 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			USD	INR*
i	Revenue from operation	13		-
ii	Other Income		195,817	16,323,306
iii	<b>Total income (i + ii)</b>		195,817	16,323,306
iv	<b>Expenses:</b>			
	Employee benefits expenses	14	(1,424,389)	(118,737,067)
	Operating and other expenses	15	5,127,257	427,408,145
	Finance costs	16	7,222,209	602,043,342
	Depreciation and amortisation expenses		(2,255)	(187,977)
	<b>Total expenses</b>		10,922,822	910,526,443
v	<b>Profit / (loss) before taxes (iii - iv)</b>		(10,727,005)	(894,203,137)
vi	<b>Tax expenses</b>			
	(i) Current tax expense/(benefit)		170,027	14,173,451
	(ii) Deferred tax expense/(benefit)		-	-
	<b>Net tax expenses</b>		170,027	14,173,451
vii	<b>Profit / (loss) for the year (v-vi)</b>		(10,897,032)	(908,376,588)

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36



**Kaleyra Inc.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024****1 Property, plant and equipment**

Particulars	As at 31 March 2024	
	USD	INR
<b>Gross block:</b>		
Computers	1,819	151,632
(a)	1,819	151,632
<b>Accumulated depreciation:</b>		
Computers	483	40,263
(b)	483	40,263
Net block (a) - (b)	1,336	111,369

**2 Investments in subsidiaries & associates**

Particulars	As at 31 March 2024	
	USD	INR
Investments in subsidiaries	263,422,072	21,958,863,922
Total	263,422,072	21,958,863,922

**3 Non-current assets - others**

Particulars	As at 31 March 2024	
	USD	INR
Advance tax payment	70,441	5,871,962
Prepaid expense	1,168,884	97,438,170
Total	1,239,325	103,310,132

**4 Trade receivables**

Particulars	As at 31 March 2024	
	USD	INR
Intercompany receivables	13,289,533	1,107,815,471
Total	13,289,533	1,107,815,471





**Kaleyra Inc.****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024****5 Cash and cash equivalents**

Particulars	As at 31 March 2024	
	USD	INR
Balance with bank	734,472	61,225,586
<b>Total</b>	<b>734,472</b>	<b>61,225,586</b>

**6 Current assets - other assets**

Particulars	As at 31 March 2024	
	USD	INR
Prepaid expenses	700,949	58,431,109
<b>Total</b>	<b>700,949</b>	<b>58,431,109</b>

**7 Equity share capital**

Particulars	As at 31 March 2024	
	USD	INR
Equity share capital	1,346	112,203
<b>Total</b>	<b>1,346</b>	<b>112,203</b>

**8 Other Equity**

Particulars	As at 31 March 2024	
	USD	INR
<b>Surplus / (Deficit)</b>		
Opening balance	-	-
Pre-acquisition reserve	(128,761,189)	(10,733,532,715)
Profit / (loss) for the year	(10,897,032)	(908,376,588)
<b>Closing balance</b>	<b>(139,658,221)</b>	<b>(11,641,909,303)</b>
Share premium	237,364,928	19,786,740,398
Foreign Exchange Translation Reserve	1,000	83,360
Share application money pending allotment	(30,430,719)	(2,536,704,736)
<b>Total</b>	<b>67,276,988</b>	<b>5,608,209,719</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Non-current liabilities - borrowings

Particulars	As at 31 March 2024	
	USD	INR
Unsecured borrowings - Inter company loans taken	201,221,000	16,773,782,560
<b>Total</b>	<b>201,221,000</b>	<b>16,773,782,560</b>

## 10 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2024	
	USD	INR
Interest payable	4,495,941	374,781,642
<b>Total</b>	<b>4,495,941</b>	<b>374,781,642</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024	
	USD	INR
Trade payable	1,342,152	111,881,791
Inter Company - Payables/(Receivables)	4,785,358	398,907,443
<b>Total</b>	<b>6,127,510</b>	<b>510,789,234</b>

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2024	
	USD	INR
Other Employee dues	100,000	8,336,000
<b>Total</b>	<b>100,000</b>	<b>8,336,000</b>

## 13 Other income

Particulars	Current year 2023-24	
	USD	INR
Interest income - others	6,607	550,760
Miscellaneous income	189,210	15,772,546
<b>Total</b>	<b>195,817</b>	<b>16,323,306</b>



## 14 Employee benefit expenses

Particulars	Current year 2023-24	
	USD	INR
Salaries, bonus and allowances	(1,424,389)	(118,737,067)
<b>Total</b>	<b>(1,424,389)</b>	<b>(118,737,067)</b>

## 15 Operating and other expenses

Particulars	Current year 2023-24	
	USD	INR
Auditors remuneration	32,258	2,689,027
Bank charges	78,124	6,512,417
Directors fees	162,500	13,546,000
Exchange loss -Net	9,623	802,173
Insurance expenses	449,106	37,437,476
Legal and professional fees	1,978,053	164,890,498
Marketing expense	18,128	1,511,150
Miscellaneous expenses	1,537,966	128,204,846
Printing and stationery	8,421	701,975
Rates and Taxes	(37,723)	(3,144,589)
Recruitment expenses	(40,256)	(3,355,740)
Rent	2,699	224,989
Seminars, trainings and conferences	55,198	4,601,305
Services rendered by agencies	451,564	37,642,375
Software support expense	421,596	35,144,243
<b>Total</b>	<b>5,127,257</b>	<b>427,408,145</b>

## 16 Finance costs

Particulars	Current year 2023-24	
	USD	INR
Interest expenses	2,726,268	227,261,700
Interest on Inter Company Loan	4,495,941	374,781,642
<b>Total</b>	<b>7,222,209</b>	<b>602,043,342</b>





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LLP Identity No. AAB-7509

## APPENDIX - 62

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Kaleyra SPA** ("the Subsidiary") registered in Italy as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			EURO	INR*
<b>(A) ASSETS</b>				
<b>(1) Non-current assets</b>				
Property, plant and equipment	1		6,42,159	5,77,36,516
Capital work-in-progress			8,71,075	7,83,18,353
Right-of-use assets			9,84,913	8,85,53,528
Goodwill			68,78,231	61,84,21,749
Other intangible assets	2		57,91,543	52,07,17,631
Investments in subsidiaries & associates	3		3,59,24,592	3,22,99,80,067
Financial assets				
(i) Loans	4		9,60,089	8,63,21,602
(ii) Other financial assets	5		38,993	35,05,861
Non current tax asset			2,17,758	1,95,78,622
			5,23,09,353	4,70,31,33,929
<b>(2) Current assets</b>				
Financial assets				
(i) Trade receivables	6		3,99,38,195	3,59,08,43,113
(ii) Cash and cash equivalent	7		35,72,308	32,11,86,212
(iii) Other financial assets	8		10,310	9,26,972
Other current assets	9		17,03,991	15,32,05,831
			4,52,24,804	4,06,61,62,128
<b>TOTAL ASSETS</b>			9,75,34,157	8,76,92,96,057
<b>(B) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
Equity share capital	10		1,10,593	99,43,417
Other equity	11		4,06,35,711	3,65,35,56,775
<b>Total Equity</b>			4,07,46,304	3,66,35,00,192
<b>(2) Non-current liabilities</b>				
Financial liabilities				
(i) Borrowings	12		70,00,000	62,93,70,000
(ia) Lease liabilities			4,47,786	4,02,60,439
Deferred tax liabilities (Net)			13,864	12,46,512
			74,61,650	67,08,76,951
<b>(3) Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Borrowings	13		53,42,568	48,03,50,289
(ii) Lease liabilities			4,31,867	3,88,29,162
(iii) Trade payables	14		3,50,17,629	3,14,84,35,025
(iv) Other financial liabilities	15		2,09,539	1,88,39,652
Other current liabilities	16		70,67,468	63,54,36,048
Current tax liabilities (Net)			12,57,132	11,30,28,738
			4,93,26,203	4,43,49,18,914
<b>TOTAL EQUITY AND LIABILITIES</b>			9,75,34,157	8,76,92,96,057

\*Exchange rate as at 31 March 2024 1 EURO = INR 89.91





## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 05 OCTOBER 2023 TO 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			EURO	INR*
i	Revenue from operation	17	3,88,09,665	3,48,93,76,980
ii	Other Income	18	64,16,081	57,68,69,842
iii	<b>Total income (i + ii)</b>		<b>4,52,25,746</b>	<b>4,06,62,46,822</b>
iv	<b>Expenses:</b>			
	Network and transmission expenses	19	3,00,52,756	2,70,20,43,292
	Employee benefits expenses	20	68,56,909	61,65,04,689
	Operating and other expenses	21	32,17,027	28,92,42,900
	Finance costs	22	6,78,864	6,10,36,662
	Depreciation and amortisation expenses		10,09,100	9,07,28,181
	<b>Total expenses</b>		<b>4,18,14,656</b>	<b>3,75,95,55,724</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>34,11,090</b>	<b>30,66,91,098</b>
vi	<b>Tax expenses</b>			
	(i) Current tax expense/(benefit)		2,20,340	1,98,10,769
	(ii) Deferred tax expense/(benefit)		13,864	12,46,512
	<b>Net tax expenses</b>		<b>2,34,204</b>	<b>2,10,57,281</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>31,76,886</b>	<b>28,56,33,817</b>

\*Exchange rate as at 31 March 2024 1 EURO = INR 89.91



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024	
	EURO	INR
<b>Gross block:</b>		
Lease hold improvement	444,520	39,966,793
Furniture and fixtures	271,502	24,410,745
Computers	722,205	64,933,452
Office equipment	785,934	70,663,326
(a)	2,224,161	199,974,316
<b>Accumulated depreciation:</b>		
Lease hold improvement	252,046	22,661,456
Furniture and fixtures	188,306	16,930,592
Computers	561,926	50,522,767
Office equipment	579,724	52,122,985
(b)	1,582,002	142,237,800
<b>Net block (a) - (b)</b>	642,159	57,736,516

## 2 Other intangible assets

Particulars	As at 31 March 2024	
	EURO	INR
<b>Gross block:</b>		
Computer software	9,619,646	864,902,372
Customer relationship	1,519,000	136,573,290
(a)	11,138,646	1,001,475,662
<b>Accumulated amortisation:</b>		
Computer software	4,824,947	433,810,985
Customer relationship	522,156	46,947,046
(b)	5,347,103	480,758,031
<b>Net block (a) - (b)</b>	5,791,543	520,717,631

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024	
	EURO	INR
Investments in subsidiaries	35,924,592	3,229,980,067
<b>Total</b>	35,924,592	3,229,980,067



## 4 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024	
	EURO	INR
Inter company loans given	960,089	86,321,602
<b>Total</b>	<b>960,089</b>	<b>86,321,602</b>

## 5 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024	
	EURO	INR
Others	38,993	3,505,861
<b>Total</b>	<b>38,993</b>	<b>3,505,861</b>

## 6 Trade receivables

Particulars	As at 31 March 2024	
	EURO	INR
Trade receivables	24,282,891	2,183,274,730
Less: Provision for doubtful debts	(1,047,590)	(94,188,817)
Intercompany receivables	16,702,894	1,501,757,200
<b>Total</b>	<b>39,938,195</b>	<b>3,590,843,113</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2024	
	EURO	INR
Balance with bank	3,572,308	321,186,212
<b>Total</b>	<b>3,572,308</b>	<b>321,186,212</b>

## 8 Current assets - other financial assets

Particulars	As at 31 March 2024	
	EURO	INR
Advances to employees	10,310	926,972
<b>Total</b>	<b>10,310</b>	<b>926,972</b>





## 9 Current assets - other assets

Particulars	As at 31 March 2024	
	EURO	INR
Advance to vendors	43,635	3,923,223
Prepaid expenses	580,449	52,188,170
Indirect Tax receivable	1,079,907	97,094,438
<b>Total</b>	<b>1,703,991</b>	<b>153,205,831</b>

## 10 Equity share capital

Particulars	As at 31 March 2024	
	EURO	INR
Equity share capital	110,593	9,943,417
<b>Total</b>	<b>110,593</b>	<b>9,943,417</b>

## 11 Other Equity

Particulars	As at 31 March 2024	
	EURO	INR
<b>Surplus / (Deficit)</b>		
Opening balance	-	-
Pre-acquisition reserve	(24,547,213)	(2,207,039,921)
Profit / (loss) for the year	3,176,886	285,633,820
<b>Closing balance</b>	<b>(21,370,327)</b>	<b>(1,921,406,101)</b>
Share premium	61,576,862	5,536,375,662
OCI Reserves Employee Benefit Plan	429,176	38,587,214
<b>Total</b>	<b>40,635,711</b>	<b>3,653,556,775</b>

## 12 Non-current liabilities - borrowings

Particulars	As at 31 March 2024	
	EURO	INR
Loan from banks	7,000,000	629,370,000
<b>Total</b>	<b>7,000,000</b>	<b>629,370,000</b>



## 13 Current liabilities - borrowings

Particulars	As at 31 March 2024	
	EURO	INR
Loan from bank	5,342,568	480,350,289
<b>Total</b>	<b>5,342,568</b>	<b>480,350,289</b>

## 14 Current liabilities - Trade payables

Particulars	As at 31 March 2024	
	EURO	INR
Trade payable	35,017,629	3,148,435,025
<b>Total</b>	<b>35,017,629</b>	<b>3,148,435,025</b>

## 15 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024	
	EURO	INR
Interest accrued but not due	143,368	12,890,217
Interest payable	66,171	5,949,435
<b>Total</b>	<b>209,539</b>	<b>18,839,652</b>

## 16 Current liabilities - other current liabilities

Particulars	As at 31 March 2024	
	EURO	INR
Deferred revenue	1,754,989	157,791,061
Other Employee dues	4,943,975	444,512,792
Other Statutory dues	368,504	33,132,195
<b>Total</b>	<b>7,067,468</b>	<b>635,436,048</b>



## 17 Revenue from operations

Particulars	Current year 2023-24	
	EURO	INR
Data revenue	38,809,665	3,489,376,980
<b>Total</b>	<b>38,809,665</b>	<b>3,489,376,980</b>

## 18 Other income

Particulars	Current year 2023-24	
	EURO	INR
Interest income - others	56,075	5,041,703
Other	6,360,006	571,828,139
<b>Total</b>	<b>6,416,081</b>	<b>576,869,842</b>

## 19 Network costs

Particulars	Current year 2023-24	
	EURO	INR
Charges for use of transmission facilities	30,052,756	2,702,043,292
<b>Total</b>	<b>30,052,756</b>	<b>2,702,043,292</b>

## 20 Employee benefit expenses

Particulars	Current year 2023-24	
	EURO	INR
Salaries, bonus and allowances	6,616,448	594,884,840
Staff welfare expenses	240,461	21,619,849
<b>Total</b>	<b>6,856,909</b>	<b>616,504,689</b>





## 21 Operating and other expenses

Particulars	Current year 2023-24	
	EURO	INR
Advertising and publicity	343,728	30,904,584
Auditors remuneration	36,416	3,274,163
Bank charges	18,416	1,655,783
Communication expense	59,869	5,382,822
Donations	47,500	4,270,725
Exchange loss -Net	178,556	16,053,970
Electricity	9,854	885,973
Insurance	37,699	3,389,517
Legal and professional fees	388,013	34,886,249
Light and power	8,579	771,338
Miscellaneous expenses	712,213	64,035,071
Printing and stationery	(774)	(69,590)
Provision for doubtful debts	174,848	15,720,584
Rates and Taxes	140,324	12,616,531
Rent	238,198	21,416,382
Repairs and Maintenance -Building	1,679	150,959
Repairs and Maintenance - others	672	60,420
Security charges	462	41,538
Loss on sale of fixed asset	2,178	195,824
Seminars and training	25,257	2,270,857
Software support expense	502,459	45,176,089
Travelling and conveyance expenses	290,881	26,153,111
<b>Total</b>	<b>3,217,027</b>	<b>289,242,900</b>

## 22 Finance costs

Particulars	Current year 2023-24	
	EURO	INR
Interest expenses- Bank Loan	604,925	54,388,807
Interest on Inter Company Loan	66,986	6,022,711
Interest expense- Others	6,953	625,144
<b>Total</b>	<b>678,864</b>	<b>61,036,662</b>



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## **APPENDIX - 63**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Kaleyra UK Limited** ("the Subsidiary") registered in United Kingdom as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			GBP	INR*
(A)	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	Property, plant and equipment	1	9,348	983,316
	Right-of-use assets		394,125	41,458,009
	Goodwill		2,949,244	310,230,976
	Other intangible assets	2	660,705	69,499,559
	Investments in subsidiaries & associates	3	-	-
	Deferred tax assets (Net)		155,502	16,357,255
			4,168,924	438,529,115
(2)	<b>Current assets</b>			
	Financial assets			
	(i) Trade receivables	4	1,753,513	184,452,033
	(ii) Cash and cash equivalent	5	2,114,042	222,376,078
	Other current assets	6	77,040	8,103,838
			3,944,595	414,931,949
	<b>TOTAL ASSETS</b>		8,113,519	853,461,064
(B)	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Equity</b>			
	Equity share capital		-	-
	Other equity	7	(6,276,441)	(660,218,829)
	<b>Total Equity</b>		(6,276,441)	(660,218,829)
(2)	<b>Non-current liabilities</b>			
	Financial liabilities			
	(i) Borrowings	9	8,158,383	858,180,308
	(ia) Lease liabilities		275,362	28,965,329
	(ii) Other financial liabilities	10	194,603	20,470,290
			8,628,348	907,615,927
(3)	<b>Current liabilities</b>			
	<b>Financial liabilities</b>			
	(i) Lease liabilities		118,763	12,492,680
	(ii) Trade payables	11	4,806,691	505,615,826
	Other current liabilities	12	836,158	87,955,460
			5,761,612	606,063,966
	<b>TOTAL EQUITY AND LIABILITIES</b>		8,113,519	853,461,064

\*Exchange rate as at 31 March 2024 1 GBP = INR 105.19



## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 05 OCTOBER 2023 TO 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			GBP	INR*
i	Revenue from operation	13	7,685,422	808,429,540
ii	Other Income		1,127,935	118,647,482
iii	<b>Total income (i + ii)</b>		<b>8,813,357</b>	<b>927,077,022</b>
iv	<b>Expenses:</b>	14		
	Network and transmission expenses		7,943,033	835,527,641
	Employee benefits expenses		1,381,398	145,309,256
	Operating and other expenses		1,525,430	160,459,982
	Finance costs		222,998	23,457,160
	Depreciation and amortisation expenses		89,599	9,424,919
	<b>Total expenses</b>		<b>11,162,458</b>	<b>1,174,178,958</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(2,349,101)</b>	<b>(247,101,936)</b>
vi	<b>Tax expenses</b>			
	(i) Current tax expense/(benefit)		-	-
	(ii) Deferred tax expense/(benefit)		(157,061)	(16,521,247)
	<b>Net tax expenses</b>		<b>(157,061)</b>	<b>(16,521,247)</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(2,192,040)</b>	<b>(230,580,689)</b>

\*Exchange rate as at 31 March 2024 1 GBP = INR 105.19



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024	
	GBP	INR
<b>Gross block:</b>		
Lease hold improvement	77,411	8,142,863
Furniture and fixtures	20,448	2,150,925
Computers	13,724	1,443,628
Office equipment	448,321	47,158,886
(a)	559,904	58,896,302
<b>Accumulated depreciation:</b>		
Lease hold improvement	77,411	8,142,863
Furniture and fixtures	20,448	2,150,925
Computers	9,099	957,124
Office equipment	443,598	46,662,074
(b)	550,556	57,912,986
<b>Net block (a) - (b)</b>	<b>9,348</b>	<b>983,316</b>

## 2 Other intangible assets

Particulars	As at 31 March 2024	
	GBP	INR
<b>Gross block:</b>		
Computer software	1,697,810	178,592,634
Customer relationship	619,543	65,169,728
(a)	2,317,353	243,762,362
<b>Accumulated amortisation:</b>		
Computer software	1,037,105	109,093,075
Customer relationship	619,543	65,169,728
(b)	1,656,648	174,262,803
<b>Net block (a) - (b)</b>	<b>660,705</b>	<b>69,499,559</b>

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024	
	GBP	INR
Investments in subsidiaries	53,760	5,655,014
Impairment of investment in subsidiaries	(53,760)	(5,655,014)
<b>Total</b>	<b>-</b>	<b>-</b>





# Kaleyra UK Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 4 Trade receivables

Particulars	As at 31 March 2024	
	GBP	INR
Trade receivables	2,089,856	219,831,953
Less: Provision for doubtful debts	(336,343)	(35,379,920)
<b>Total</b>	<b>1,753,513</b>	<b>184,452,033</b>

### 5 Cash and cash equivalents

Particulars	As at 31 March 2024	
	GBP	INR
Balance with bank	2,114,042	222,376,078
<b>Total</b>	<b>2,114,042</b>	<b>222,376,078</b>

### 6 Current assets - other assets

Particulars	As at 31 March 2024	
	GBP	INR
Advances to Vendors / Suppliers	20,836	2,191,739
Prepaid expenses	56,204	5,912,099
<b>Total</b>	<b>77,040</b>	<b>8,103,838</b>

### 7 Other Equity

Particulars	As at 31 March 2024	
	GBP	INR
<b>Surplus / (Deficit)</b>		
Opening balance	-	-
Pre-acquisition reserve	(11,295,063)	(1,188,127,677)
Profit / (loss) for the year	(2,192,040)	(230,580,688)
<b>Closing balance</b>	<b>(13,487,103)</b>	<b>(1,418,708,365)</b>
Share premium	7,210,662	758,489,536
<b>Total</b>	<b>(6,276,441)</b>	<b>(660,218,829)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Non-current liabilities - borrowings

Particulars	As at 31 March 2024	
	GBP	INR
Inter company loans	8,158,383	858,180,308
<b>Total</b>	<b>8,158,383</b>	<b>858,180,308</b>

## 10 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2024	
	GBP	INR
Interest payable	194,603	20,470,290
<b>Total</b>	<b>194,603</b>	<b>20,470,290</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024	
	GBP	INR
Trade payable	2,733,171	287,502,257
Inter Company - Payables/(Receivables)	2,073,520	218,113,569
<b>Total</b>	<b>4,806,691</b>	<b>505,615,826</b>

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2024	
	GBP	INR
Deferred revenue and advance from customers	284,096	29,884,058
Other Employee dues	283,351	29,805,692
Other Statutory dues	268,711	28,265,710
<b>Total</b>	<b>836,158</b>	<b>87,955,460</b>

## 13 Other income

Particulars	Current year 2023-24	
	GBP	INR
Profit on sale of PPE	3,636	382,471
Exchange (Gain)/Loss -Net	35,192	3,701,846
Other	1,089,107	114,563,165
<b>Total</b>	<b>1,127,935</b>	<b>118,647,482</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 14 Employee benefit expenses

Particulars	Current year 2023-24	
	GBP	INR
Salaries, bonus and allowances	1,380,324	145,196,282
Staff welfare expenses	1,074	112,974
<b>Total</b>	<b>1,381,398</b>	<b>145,309,256</b>

## 15 Operating and other expenses

Particulars	Current year 2023-24	
	GBP	INR
Auditors remuneration	10,738	1,129,530
Bank charges	2,329	244,988
Communication expense	7,254	763,048
Electricity	927	97,511
Insurance	10,894	1,145,940
Legal and professional fees	27,048	2,845,179
Miscellaneous expenses	1,186,254	124,782,058
Printing and stationery	618	65,007
Provision for doubtful debts	57,487	6,047,058
Rates and Taxes	20,884	2,196,788
Recruitment expenses	45,125	4,746,699
Rent	97,268	10,231,621
Sales promotion expense	931	97,932
Software support expense	44,904	4,723,452
Travelling and conveyance expenses	12,769	1,343,171
<b>Total</b>	<b>1,525,430</b>	<b>160,459,982</b>

## 16 Finance costs

Particulars	Current year 2023-24	
	GBP	INR
Interest on Inter Company Loan	222,998	23,457,160
<b>Total</b>	<b>222,998</b>	<b>23,457,160</b>





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## **APPENDIX - 64**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Kaleyra US Inc.** ("the Subsidiary") registered in United States as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549



Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			USD	INR*
<b>(A) ASSETS</b>				
<b>(1) Non-current assets</b>				
Property, plant and equipment	1		7,41,052	6,17,74,095
Capital work-in-progress			3,38,578	2,82,23,862
Right-of-use assets			9,50,340	7,92,20,342
Goodwill			8,53,49,448	7,11,47,29,985
Other intangible assets	2		4,36,91,304	3,64,21,07,101
Intangible assets under development			16,75,844	13,96,98,356
Investments in subsidiaries & associates	3		1,30,13,092	1,08,47,71,349
Financial assets				
(i) Loans	4		1,34,13,207	1,11,81,24,936
Non current tax asset			42,079	35,07,705
Other non-current assets	5		1,28,220	1,06,88,419
			15,93,43,164	13,28,28,46,150
<b>(2) Current assets</b>				
Inventories				
Financial assets				
(i) Trade receivables	6		2,69,33,934	2,24,52,12,738
(ii) Cash and cash equivalent	7		20,45,761	17,05,34,637
(iii) Other financial assets	8		2,49,923	2,08,33,581
Other current assets	9		9,96,392	8,30,59,237
			3,02,26,010	2,51,96,40,193
<b>TOTAL ASSETS</b>			18,95,69,174	15,80,24,86,343
<b>(B) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
Equity share capital	-		-	-
Other equity	10		16,74,05,399	13,95,49,14,062
<b>Total Equity</b>			16,74,05,399	13,95,49,14,062
<b>(2) Non-current liabilities</b>				
Financial liabilities				
(i) Lease liabilities			9,24,557	7,70,71,072
			9,24,557	7,70,71,072
<b>(3) Current liabilities</b>				
Financial liabilities				
(i) Lease liabilities			1,48,720	1,23,97,299
(ii) Trade payables	12		1,95,33,262	1,62,82,92,717
Other current liabilities	13		11,84,682	9,87,55,092
Provisions	14		3,72,554	3,10,56,101
			2,12,39,218	1,77,05,01,209
<b>TOTAL EQUITY AND LIABILITIES</b>			18,95,69,174	15,80,24,86,343

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36





## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 05 OCTOBER 2023 TO 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			USD	INR*
i	Revenue from operation	15	5,20,11,811	4,33,57,04,565
ii	Other Income		2,99,453	2,49,62,402
iii	<b>Total income (i + ii)</b>		<b>5,23,11,264</b>	<b>4,36,06,66,967</b>
iv	<b>Expenses:</b>	16		
	Network and transmission expenses		3,63,86,517	3,03,31,80,057
	Employee benefits expenses		73,82,780	61,54,28,541
	Operating and other expenses		45,51,101	37,93,79,778
	Depreciation and amortisation expenses		51,79,939	43,17,99,715
	<b>Total expenses</b>	17	<b>5,35,00,337</b>	<b>4,45,97,88,091</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(11,89,073)</b>	<b>(9,91,21,124)</b>
vi	<b>Tax expenses</b>			
	(i) Current tax expense/(benefit)		3,722	3,10,266
	(ii) Deferred tax expense/(benefit)		-	-
	<b>Net tax expenses</b>		<b>3,722</b>	<b>3,10,266</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(11,92,795)</b>	<b>(9,94,31,390)</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024	
	USD	INR
<b><u>Gross block:</u></b>		
Lease hold improvement	72,916	6,078,278
Furniture and fixtures	2,048,047	170,725,198
Computers	2,304,728	192,122,126
Office equipment	1,625	135,460
(a)	4,427,316	369,061,062
<b><u>Accumulated depreciation:</u></b>		
Lease hold improvement	24,305	2,026,065
Furniture and fixtures	1,955,195	162,985,055
Computers	1,706,439	142,248,755
Office equipment	325	27,092
(b)	3,686,264	307,286,967
<b>Net block (a) - (b)</b>	<b>741,052</b>	<b>61,774,095</b>

## 2 Other intangible assets

Particulars	As at 31 March 2024	
	USD	INR
<b><u>Gross block:</u></b>		
Computer software	39,133,701	3,262,185,315
Customer relationship	45,761,850	3,814,707,816
(a)	84,895,551	7,076,893,131
<b><u>Accumulated amortisation:</u></b>		
Computer software	22,879,253	1,907,214,530
Customer relationship	18,324,994	1,527,571,500
(b)	41,204,247	3,434,786,030
<b>Net block (a) - (b)</b>	<b>43,691,304</b>	<b>3,642,107,101</b>

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024	
	USD	INR
Investments in subsidiaries	13,013,092	1,084,771,349
<b>Total</b>	<b>13,013,092</b>	<b>1,084,771,349</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024	
	USD	INR
Inter company loans given	13,413,207	1,118,124,936
<b>Total</b>	<b>13,413,207</b>	<b>1,118,124,936</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2024	
	USD	INR
Prepaid expense	128,220	10,688,419
<b>Total</b>	<b>128,220</b>	<b>10,688,419</b>

## 6 Trade receivables

Particulars	As at 31 March 2024	
	USD	INR
Trade receivables	27,290,465	2,274,933,162
Less: Provision for doubtful debts	(356,531)	(29,720,424)
<b>Total</b>	<b>26,933,934</b>	<b>2,245,212,738</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2024	
	USD	INR
Balance with bank	2,045,761	170,534,637
<b>Total</b>	<b>2,045,761</b>	<b>170,534,637</b>

## 8 Current assets - other financial assets

Particulars	As at 31 March 2024	
	USD	INR
Security Deposit	60,390	5,034,110
Interest Receivable	189,533	15,799,471
<b>Total</b>	<b>249,923</b>	<b>20,833,581</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 9 Current assets - other assets

Particulars	As at 31 March 2024	
	USD	INR
Prepaid expenses	996,392	83,059,237
<b>Total</b>	<b>996,392</b>	<b>83,059,237</b>

## 10 Other Equity

Particulars	As at 31 March 2024	
	USD	INR
<b>Surplus / (Deficit)</b>		
Opening balance	-	-
Pre-acquisition reserve	(51,726,072)	(4,311,885,362)
Profit / (loss) for the year	(1,192,795)	(99,431,390)
<b>Closing balance</b>	<b>(52,918,867)</b>	<b>(4,411,316,752)</b>
Share premium	220,311,717	18,365,184,729
Foreign Exchange Translation Reserve	12,549	1,046,085
<b>Total</b>	<b>167,405,399</b>	<b>13,954,914,062</b>

## 12 Current liabilities - Trade payables

Particulars	As at 31 March 2024	
	USD	INR
Trade payable	13,974,089	1,164,880,056
Inter Company - Payables/(Receivables)	5,559,173	463,412,661
<b>Total</b>	<b>19,533,262</b>	<b>1,628,292,717</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024	
	USD	INR
Deferred revenue	237,300	19,781,328
Other Employee dues	947,382	78,973,764
<b>Total</b>	<b>1,184,682</b>	<b>98,755,092</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 14 Current liabilities - provisions

Particulars	As at 31 March 2024	
	USD	INR
Leave encashment	372,554	31,056,101
<b>Total</b>	<b>372,554</b>	<b>31,056,101</b>

## 15 Other income

Particulars	Current year 2023-24	
	USD	INR
Interest income - others	189,862	15,826,896
Exchange Gain/(Loss) -Net	109,591	9,135,506
<b>Total</b>	<b>299,453</b>	<b>24,962,402</b>

## 16 Employee benefit expenses

Particulars	Current year 2023-24	
	USD	INR
Salaries, bonus and allowances	6,563,097	547,099,766
Contribution to provident and other funds	254,873	21,246,213
Staff welfare expenses	564,810	47,082,562
<b>Total</b>	<b>7,382,780</b>	<b>615,428,541</b>

## 17 Operating and other expenses

Particulars	Current year 2023-24	
	USD	INR
Advertising and publicity	137,228	11,439,326
Loss on sale of PPE	347	28,926
Bank charges	26,022	2,169,194
Communication expense	94,009	7,836,590
Insurance	19,519	1,627,104
Legal and professional fees	633,829	52,835,985
Miscellaneous expenses	2,818,579	234,956,745
Postage & Courier	8,347	695,806
Provision for doubtful debts	(21,807)	(1,817,832)
Printing & Stationery	3,254	271,253
Rates and Taxes	474	39,513
Rent	66,198	5,518,265
Seminars and training	5,983	498,743
Software support expense	554,817	46,249,545
Travelling and conveyance expenses	204,302	17,030,615
<b>Total</b>	<b>4,551,101</b>	<b>379,379,778</b>





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LLP Identity No. AAB-7509

## APPENDIX - 65

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **The Switch Enterprises, LLC** ("the Subsidiary") registered in United States as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.





This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549

Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			USD	INR*
(A)	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	Property, plant and equipment	1	1,70,56,410	1,42,18,22,337
	Right-of-use assets		7,48,530	6,23,97,461
	Other intangible assets	2	1,25,19,452	1,04,36,21,518
			3,03,24,392	2,52,78,41,316
(2)	<b>Current assets</b>			
	Financial assets			
	(i) Trade receivables	3	70,53,949	58,80,17,189
	(ii) Cash and cash equivalent	4	4,65,891	3,88,36,674
	(iii) Bank balance other than (ii) above		2,84,860	2,37,45,930
	(iv) Other financial assets	5	1,35,297	1,12,78,358
	Other current assets	6	22,44,111	18,70,69,093
			1,01,84,108	84,89,47,244
	<b>TOTAL ASSETS</b>		4,05,08,500	3,37,67,88,560
(B)	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Equity</b>			
	Equity share capital	7	12,65,65,176	10,55,04,73,071
	Other equity	8	(10,10,43,962)	(8,42,30,24,673)
	<b>Total Equity</b>		2,55,21,214	2,12,74,48,398
(2)	<b>Non-current liabilities</b>			
	Financial liabilities			
	(i) Lease liabilities		1,77,091	1,47,62,306
	(ii) Other financial liabilities	9	8,33,334	6,94,66,722
	Other non current liabilities (Deferred revenue)		78,607	65,52,680
			10,89,032	9,07,81,708
(3)	<b>Current liabilities</b>			
	<b>Financial liabilities</b>			
	(i) Borrowings	10	34,25,926	28,55,85,191
	(ia) Lease liabilities		5,78,032	4,81,84,748
	(ii) Trade payables	11	65,81,738	54,86,53,679
	(iii) Other financial liabilities	12	4,000	3,33,440
	Other current liabilities	13	31,66,576	26,39,65,776
	Provisions	14	73,516	61,28,294
	Current tax liabilities (Net)		68,466	57,07,326
			1,38,98,254	1,15,85,58,454
	<b>TOTAL EQUITY AND LIABILITIES</b>		4,05,08,500	3,37,67,88,560

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36



## Switch Enterprises LLC

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			USD	INR*
i	Revenue from operation	15	7,87,28,612	6,56,28,17,096
ii	Other Income		1,36,766	1,14,00,814
iii	<b>Total income (i + ii)</b>		<b>7,88,65,378</b>	<b>6,57,42,17,910</b>
iv	<b>Expenses:</b>			
	Network and transmission expenses	16	4,00,73,501	3,34,05,27,043
	Employee benefits expenses	17	1,71,23,988	1,42,74,55,640
	Operating and other expenses	18	1,08,16,685	90,16,78,861
	Finance costs	19	1,49,496	1,24,61,986
	Depreciation and amortisation expenses		1,00,26,616	83,58,18,710
	<b>Total expenses</b>		<b>7,81,90,286</b>	<b>6,51,79,42,240</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>6,75,092</b>	<b>5,62,75,670</b>
vi	<b>Tax expenses</b>			
	(i) Current tax expense/(benefit)		1,54,747	1,28,99,710
	(ii) Deferred tax expense/(benefit)		-	-
	<b>Net tax expenses</b>		<b>1,54,747</b>	<b>1,28,99,710</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>5,20,345</b>	<b>4,33,75,960</b>

\*Exchange rate as at 31 March 2024 1 USD = INR 83.36





# Switch Enterprises LLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 1 Property, plant and equipment

Particulars	As at 31 March 2024	
	USD	INR
<b>Gross block:</b>		
Lease hold improvement	38,47,228	32,07,04,926
Plant and machinery	4,84,16,243	4,03,59,78,016
Computers	5,92,323	4,93,76,045
Office equipment	2,93,566	2,44,71,662
Vehicles	3,26,832	2,72,44,716
(a)	5,34,76,192	4,45,77,75,365
<b>Accumulated depreciation:</b>		
Lease hold improvement	16,13,684	13,45,16,698
Plant and machinery	3,38,58,012	2,82,24,03,880
Computers	3,45,419	2,87,94,128
Office equipment	2,75,835	2,29,93,606
Vehicles	3,26,832	2,72,44,716
(b)	3,64,19,782	3,03,59,53,028
<b>Net block (a) - (b)</b>	<b>1,70,56,410</b>	<b>1,42,18,22,337</b>

### 2 Other intangible assets

Particulars	As at 31 March 2024	
	USD	INR
<b>Gross block:</b>		
Computer software	1,30,69,315	1,08,94,58,098
Tradename	18,00,000	15,00,48,000
Customer relationship	4,95,00,000	4,12,63,20,000
(a)	6,43,69,315	5,36,58,26,098
<b>Accumulated amortisation:</b>		
Computer software	1,27,82,530	1,06,55,51,701
Tradename	13,33,500	11,11,60,560
Customer relationship	3,77,33,833	3,14,54,92,319
(b)	5,18,49,863	4,32,22,04,580
<b>Net block (a) - (b)</b>	<b>1,25,19,452</b>	<b>1,04,36,21,518</b>

### 3 Trade receivables

Particulars	As at 31 March 2024	
	USD	INR
Trade receivables	71,32,055	59,45,28,105
Provision for doubtful debts	(78,106)	(65,10,916)
<b>Total</b>	<b>70,53,949</b>	<b>58,80,17,189</b>



# Switch Enterprises LLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 4 Cash and cash equivalents

Particulars	As at 31 March 2024	
	USD	INR
Balance with bank	4,65,891	3,88,36,674
<b>Total</b>	<b>4,65,891</b>	<b>3,88,36,674</b>

### 5 Current assets - other financial assets

Particulars	As at 31 March 2024	
	USD	INR
Security Deposit	1,35,297	1,12,78,358
<b>Total</b>	<b>1,35,297</b>	<b>1,12,78,358</b>

### 6 Current assets - other assets

Particulars	As at 31 March 2024	
	USD	INR
Advances to employees	75,136	62,63,337
Prepaid expenses	21,68,975	18,08,05,756
<b>Total</b>	<b>22,44,111</b>	<b>18,70,69,093</b>

### 7 Equity share capital

Particulars	As at 31 March 2024	
	USD	INR
Equity share capital	12,65,65,176	10,55,04,73,071
<b>Total</b>	<b>12,65,65,176</b>	<b>10,55,04,73,071</b>

### 8 Other Equity

Particulars	As at 31 March 2024	
	USD	INR
<b>Surplus / (Deficit)</b>		
Opening balance	-	-
Pre-acquisition reserves	(10,54,02,471)	(8,78,63,49,983)
Profit / (loss) for the year	5,20,345	4,33,75,959
<b>Closing balance</b>	<b>(10,48,82,126)</b>	<b>(8,74,29,74,024)</b>
Share premium	38,38,164	31,99,49,351
<b>Total</b>	<b>(10,10,43,962)</b>	<b>(8,42,30,24,673)</b>



## 9 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2024	
	USD	INR
Others	8,33,334	6,94,66,722
<b>Total</b>	<b>8,33,334</b>	<b>6,94,66,722</b>

## 10 Current liabilities - borrowings

Particulars	As at 31 March 2024	
	USD	INR
Inter company loans taken	34,25,926	28,55,85,191
<b>Total</b>	<b>34,25,926</b>	<b>28,55,85,191</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2024	
	USD	INR
Trade payable	60,01,649	50,02,97,460
Inter Company - Payables/(Receivables)	5,80,089	4,83,56,219
<b>Total</b>	<b>65,81,738</b>	<b>54,86,53,679</b>

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024	
	USD	INR
Deposit from customers and contractors	4,000	3,33,440
<b>Total</b>	<b>4,000</b>	<b>3,33,440</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2024	
	USD	INR
Other Employee dues	14,04,224	11,70,56,113
Other Statutory dues	17,62,352	14,69,09,663
<b>Total</b>	<b>31,66,576</b>	<b>26,39,65,776</b>

## 14 Current liabilities - provisions

Particulars	As at 31 March 2024	
	USD	INR
Leave entitlement	73,516	61,28,294
<b>Total</b>	<b>73,516</b>	<b>61,28,294</b>





# Switch Enterprises LLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

### 15 Other income

Particulars	As at 31 March 2024	
	USD	INR
Interest income - others	128	10,670
Profit on sale of fixed assets	1,36,638	1,13,90,144
<b>Total</b>	<b>1,36,766</b>	<b>1,14,00,814</b>

### 16 Network costs

Particulars	Current year 2023-24	
	USD	INR
Charges for use of transmission facilities	4,00,73,501	3,34,05,27,043
<b>Total</b>	<b>4,00,73,501</b>	<b>3,34,05,27,043</b>

### 17 Employee benefit expenses

Particulars	Current year 2023-24	
	USD	INR
Salaries, bonus and allowances	1,67,47,367	1,39,60,60,513
Contribution to provident and other funds	3,76,621	3,13,95,127
<b>Total</b>	<b>1,71,23,988</b>	<b>1,42,74,55,640</b>

### 18 Operating and other expenses

Particulars	Current year 2023-24	
	USD	INR
Advertising and publicity	9,57,617	7,98,26,953
Bad debts	(2,76,705)	(2,30,66,129)
Communication expenses	3,43,520	2,86,35,827
Electricity	11,13,777	9,28,44,451
Entertainment expenses	1,53,400	1,27,87,424
Exchange loss -Net	26,775	22,31,964
Insurance expenses	93,642	78,05,997
Legal and professional fees	13,04,274	10,87,24,281
Miscellaneous expenses	7,97,417	6,64,72,681
Provision for doubtful debts	72,232	60,21,260
Rates and Taxes	13,08,140	10,90,46,550
Recruitment expenses	11,838	9,86,816
Rent	1,72,182	1,43,53,092
Repairs and Maintenance - Plant & Machinery	26,54,229	22,12,56,529
Repairs and Maintenance - others	35,862	29,89,456
Seminars, trainings and conferences	615	51,266
Services rendered by agencies	7,50,440	6,25,56,678
Travelling and conveyance expenses	12,97,430	10,81,53,765
<b>Total</b>	<b>1,08,16,685</b>	<b>90,16,78,861</b>

### 19 Finance costs

Particulars	Current year 2023-24	
	USD	INR
Interest expenses	28,570	23,81,595
Interest on Inter Company Loan	1,20,926	1,00,80,391
<b>Total</b>	<b>1,49,496</b>	<b>1,24,61,986</b>



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## **APPENDIX - 66**

### **ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS**

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Solutions Infiny Technologies (INDIA) Private Limited** ("the Subsidiary") registered in India as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- c) Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- d) Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- e) Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.



This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549

Place: Mumbai

Date: 17 April 2024



## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024
			INR
<b>(A) ASSETS</b>			
<b>(1) Non-current assets</b>			
Property, plant and equipment	1		75,602,538
Capital work-in-progress			8,985,327
Right of use assets			333,071
Goodwill			876,119,952
Other intangible assets	2		520,698,600
Investments in subsidiaries & associates	3		1,266,742
Financial assets			
(i) Other financial assets	4		58,500
Deferred tax assets (Net)			7
Other non-current assets	5		212,512,188
			1,695,576,925
<b>(2) Current assets</b>			
Inventories			
Financial assets			
(i) Trade receivables	6		1,241,834,167
(ii) Cash and cash equivalent	7		322,224,700
(iii) Bank balance other than (ii) above			8,130,897
(iv) Other financial assets	8		11,026,839
Other current assets	9		190,298,878
			1,773,515,481
<b>TOTAL ASSETS</b>			3,469,092,406
<b>(B) EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
Equity share capital	10		500,000
Other equity	11		557,101,650
<b>Total Equity</b>			557,601,650
<b>(2) Non-current liabilities</b>			
Financial liabilities			
(i) Lease liabilities			117,521
Provisions	12		26,751,908
			26,869,429
<b>(3) Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities			221,470
(ii) Trade payables	13		2,634,005,957
(iii) Other financial liabilities	14		660,806
Other current liabilities	15		236,067,863
Provisions	16		13,527,855
Current tax liabilities (Net)			137,376
			2,884,621,327
<b>TOTAL EQUITY AND LIABILITIES</b>			3,469,092,406



**Solutions Infiny Technologies (INDIA) Private Limited**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 05 OCTOBER 2023 TO 31 MARCH 2024**

	Particulars	Note No.	Current year 2023-24
			INR
i	Revenue from oprations	17	1,823,486,986
ii	Other Income	18	143,144,564
iii	<b>Total income (i + ii)</b>		<b>1,966,631,550</b>
iv	<b>Expenses:</b>		
	Network and transmission expenses	19	1,625,931,149
	Employee benefits expenses	20	318,373,393
	Finance costs	21	4,086
	Operating and other expenses	22	505,457,142
	Depreciation and amortisation expenses		71,650,579
	<b>Total expenses</b>		<b>2,521,416,349</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(554,784,799)</b>
vi	<b>Tax expenses</b>		
	(i) Current tax expense/(benefit)		-
	(ii) Deferred tax expense/(benefit)		-
	<b>Net tax expenses</b>		<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(554,784,799)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024
	INR
<b>Gross block:</b>	
Lease hold improvement	14,156,773
Furniture and fixtures	7,907,349
Computers	180,511,226
Office equipment	10,280,207
Vehicles	82,995
(a)	212,938,550
<b>Accumulated depreciation:</b>	
Lease hold improvement	14,156,773
Furniture and fixtures	4,432,569
Computers	109,013,445
Office equipment	9,654,363
Vehicles	78,862
(b)	137,336,012
<b>Net block (a) - (b)</b>	<b>75,602,538</b>

## 2 Other intangible assets

Particulars	As at 31 March 2024
	INR
<b>Gross block:</b>	
Computer software	557,737,487
Customer relationship	451,100,907
(a)	1,008,838,394
<b>Accumulated amortisation:</b>	
Computer software	209,545,432
Customer relationship	278,594,362
(b)	488,139,794
<b>Net block (a) - (b)</b>	<b>520,698,600</b>

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2024
	INR
Investments in subsidiaries	1,266,742
<b>Total</b>	<b>1,266,742</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024
	INR
Vendor deposits	58,500
<b>Total</b>	<b>58,500</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2024
	INR
Prepaid expenses	195,666
Advance payment of tax	212,316,522
<b>Total</b>	<b>212,512,188</b>

## 6 Trade receivables

Particulars	As at 31 March 2024
	INR
Trade receivables	1,159,317,809
Intercompany receivables	434,327,107
Provision for doubtful debts	(351,810,749)
<b>Total</b>	<b>1,241,834,167</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2024
	INR
Balance with bank	322,224,700
<b>Total</b>	<b>322,224,700</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 8 Current assets - other financial assets

Particulars	As at 31 March 2024
	INR
Security Deposit	9,831,036
Advances to employees	707,396
Interest Receivable	488,407
<b>Total</b>	<b>11,026,839</b>

## 9 Current assets - other assets

Particulars	As at 31 March 2024
	INR
Advances to Vendors / Suppliers	5,806,294
Prepaid expenses	23,509,218
Indirect tax receivable	160,983,366
<b>Total</b>	<b>190,298,878</b>

## 10 Equity share capital

Particulars	As at 31 March 2024
	INR
Equity share capital	500,000
<b>Total</b>	<b>500,000</b>

## 11 Other Equity

Particulars	As at 31 March 2024
	INR
<b>Surplus / (Deficit)</b>	
Opening balance	-
Pre-acquisition reserve	1,102,187,673
Profit / (loss) for the year	(554,784,799)
<b>Closing balance</b>	<b>547,402,874</b>
OCI Reserves Employee Benefit Plan	9,698,776
<b>Total</b>	<b>557,101,650</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 12 Non-current liabilities - provisions

Particulars	As at 31 March 2024
	INR
Provision for gratuity	23,394,796
Provision for leave encashment	3,357,112
<b>Total</b>	<b>26,751,908</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2024
	INR
Trade payable	498,005,293
Inter Company - Payables/(Receivables)	2,136,000,664
<b>Total</b>	<b>2,634,005,957</b>

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2024
	INR
Security deposits	660,806
<b>Total</b>	<b>660,806</b>

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2024
	INR
Deferred revenue and advance from customers	109,224,227
Other Employee dues	62,857,441
Other Statutory dues	63,986,195
<b>Total</b>	<b>236,067,863</b>

## 16 Current liabilities - provisions

Particulars	As at 31 March 2024
	INR
Provision for Leave encashment	7,788,044
Provision for Gratuity Funded	5,739,811
<b>Total</b>	<b>13,527,855</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 17 Revenue from operations

Particulars	Current year 2023-24
	INR
Data revenue	1,823,486,986
<b>Total</b>	<b>1,823,486,986</b>

## 18 Other income

Particulars	Current year 2023-24
	INR
Interest income - others	2,293,106
Profit on sale of fixed assets	599,665
Net gain/loss on sale of investments	817,071
Miscellaneous income	139,434,722
<b>Total</b>	<b>143,144,564</b>

## 19 Network and transmission expenses

Particulars	Current year 2023-24
	INR
Charges for use of transmission facilities	1,625,931,149
<b>Total</b>	<b>1,625,931,149</b>

## 20 Employee benefit expenses

Particulars	Current year 2023-24
	INR
Salaries, bonus and allowances	302,582,935
Contribution to provident and other funds	14,392,250
Staff welfare expenses	1,398,208
<b>Total</b>	<b>318,373,393</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 21 Finance costs

Particulars	Current year 2023-24
	INR
Interest expenses	4,086
<b>Total</b>	<b>4,086</b>

## 22 Other expenses

Particulars	Current year 2023-24
	INR
Advertising and publicity	7,780,902
Auditors remuneration	957,054
Bank charges	2,466,901
Business support expense	110,003,033
Bad debts written off	1,167,907
Communication expenses	1,404,368
Electricity	646,040
Exchange (Gain)/Loss -Net	8,477,862
Insurance expenses	6,531,118
Legal and professional fees	1,652,065
Light and power	1,289,276
Miscellaneous expenses	107,001,303
Printing and stationery	846,500
Professional & legal fees	6,791,044
Provision for doubtful debts	165,366,907
Rates and Taxes	24,724,753
Rent	10,429,825
Repairs and Maintenance - Plant & Machinery	33,801,505
Repairs and Maintenance - Others	2,216,142
Security charges	354,449
Seminars, trainings and conferences	869,110
Travelling and conveyance expenses	10,679,078
<b>Total</b>	<b>505,457,142</b>



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## APPENDIX - 67

### ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To  
The Board of Directors  
Tata Communications Limited

On the basis of the trial balance and explanations provided to us by the management, we have compiled the balance sheet of **Solutions Infiny FZ LLC** ("the Subsidiary") registered in Dubai (UAE) as at 31 March 2024 and the related statement of profit and loss for the year then ended, attached herewith.

We performed this compilation engagement in accordance with the Standard on Related Services 4410 (Revised), Compilation Engagements, issued by the Institute of Chartered Accountants of India.

We have applied our expertise in accounting and financial reporting to assist you in the preparation of these financial information. We have complied with relevant ethical requirements.

The management of the subsidiary is responsible for:

- These financial information and the accuracy and completeness of the information used to compile them.
- Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies.
- Preparation and presentation of financial statements in accordance with the applicable laws and regulations.
- Establishing controls to safeguard the assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review conclusion on whether the financial information are prepared in accordance with an accounting principal generally accepted in India.

Suresh Surana & Associates LLP

Chartered Accountants  
Mumbai - 400 021, India  
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This balance sheet and the related statement of profit and loss has been compiled by us only for the purpose of preparation of statement pursuant to Section 129(3) of the Companies Act, 2013, based on trial balance and explanations provided by the management. Accordingly, these financial information may not be suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W /W100010



Rahul Bhansali

Partner

Membership No. 126549

Place: Mumbai

Date: 17 April 2024

## BALANCE SHEET AS AT 31 MARCH 2024

	Particulars	Note No.	As at 31 March 2024	
			AED	INR*
<b>(A) ASSETS</b>				
<b>(1) Non-current assets</b>				
Property, plant and equipment	1		10,326	234,394
Financial assets				
(i) Loans	2		5,509,350	125,062,245
(ii) Other financial assets	3		5,050	114,635
Other non-current assets	4		301	6,824
			5,525,026	125,418,098
<b>(2) Current assets</b>				
Financial assets				
(i) Trade receivables	5		9,021,076	204,778,430
(ii) Cash and cash equivalent	6		3,440,861	78,107,551
(iii) Other financial assets	7		37,111	842,418
Other current assets	8		479,759	10,890,534
			12,978,808	294,618,933
<b>TOTAL ASSETS</b>			<b>18,503,834</b>	<b>420,037,031</b>
<b>(B) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
Equity share capital	9		74,500	1,691,150
Other equity	10		(16,867,218)	(382,885,842)
<b>Total Equity</b>			<b>(16,792,718)</b>	<b>(381,194,692)</b>
<b>(2) Non-current liabilities</b>				
Provisions	11		174,990	3,972,264
			174,990	3,972,264
<b>(2) Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Trade payables	12		33,024,382	749,653,465
Other current liabilities	13		1,065,801	24,193,688
Provisions	14		183,428	4,163,816
Current tax liabilities (Net)			847,951	19,248,490
			35,121,562	797,259,459
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>18,503,834</b>	<b>420,037,031</b>

\*Exchange rate as at 31 March 2024 1 AED = INR 22.70



## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD 05 OCTOBER 2023 TO 31 MARCH 2024

	Particulars	Note No.	Current year 2023-24	
			AED	INR*
i	Revenue from operation	15	23,045,599	523,135,095
ii	Other Income		41,469	941,349
iii	<b>Total income (i + ii)</b>		<b>23,087,068</b>	<b>524,076,444</b>
iv	<b>Expenses:</b>			
	Network and transmission expenses	16	20,045,720	455,037,842
	Employee benefits expenses	17	1,547,833	35,135,808
	Operating and other expenses	18	5,594,639	126,998,308
	Depreciation and amortisation expenses		4,133	93,825
	<b>Total expenses</b>		<b>27,192,325</b>	<b>617,265,783</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(4,105,257)</b>	<b>(93,189,339)</b>
vi	<b>Tax expenses</b>			
	(i) Current tax expense/(benefit)		-	-
	(ii) Deferred tax expense/(benefit)		-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(4,105,257)</b>	<b>(93,189,339)</b>

\*Exchange rate as at 31 March 2024 1 AED = INR 22.70





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 1 Property, plant and equipment

Particulars	As at 31 March 2024	
	AED	INR
<b>Gross block:</b>		
Computers	46,845	1,063,373
Office equipment	118	2,669
(a)	46,962	1,066,042
<b>Accumulated depreciation:</b>		
Computers	36,536	829,359
Office equipment	101	2,289
(b)	36,636	831,648
<b>Net block (a) - (b)</b>	10,326	234,394

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2024	
	AED	INR
Inter company loans given	5,509,350	125,062,245
<b>Total</b>	5,509,350	125,062,245

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2024	
	AED	INR
Vendor deposits	5,050	114,635
<b>Total</b>	5,050	114,635

## 4 Non-current assets - others

Particulars	As at 31 March 2024	
	AED	INR
Prepaid expense	301	6,824
<b>Total</b>	301	6,824



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## 5 Trade receivables

Particulars	As at 31 March 2024	
	AED	INR
Trade receivables	21,835,136	495,657,598
Provision for doubtful debts	(12,814,060)	(290,879,168)
<b>Total</b>	<b>9,021,076</b>	<b>204,778,430</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2024	
	AED	INR
Balance with bank	3,440,861	78,107,551
<b>Total</b>	<b>3,440,861</b>	<b>78,107,551</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2024	
	AED	INR
Security Deposit	24,884	564,866
Interest Receivable	12,227	277,552
<b>Total</b>	<b>37,111</b>	<b>842,418</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2024	
	AED	INR
Advances to Vendors / Suppliers	3,771	85,595
Prepaid expenses	475,989	10,804,939
<b>Total</b>	<b>479,759</b>	<b>10,890,534</b>



## 9 Equity share capital

Particulars	As at 31 March 2024	
	AED	INR
Equity share capital	74,500	1,691,150
<b>Total</b>	<b>74,500</b>	<b>1,691,150</b>

## 10 Other Equity

Particulars	As at 31 March 2024	
	AED	INR
Surplus / (Deficit)		
Opening balance	-	-
Pre-acquisition reserve	(12,761,960)	(289,696,503)
Profit / (loss) for the year	(4,105,257)	(93,189,339)
<b>Total</b>	<b>(16,867,218)</b>	<b>(382,885,842)</b>

## 11 Non-current liabilities - provisions

Particulars	As at 31 March 2024	
	AED	INR
Provision for gratuity	174,990	3,972,264
<b>Total</b>	<b>174,990</b>	<b>3,972,264</b>

## 12 Current liabilities - Trade payables

Particulars	As at 31 March 2024	
	AED	INR
Trade payable	2,004,506	45,502,292
Inter Company - Payables/(Receivables)	31,019,875	704,151,173
<b>Total</b>	<b>33,024,382</b>	<b>749,653,465</b>





**13 Current liabilities - other current liabilities**

Particulars	As at 31 March 2024	
	AED	INR
Deferred revenue and advance from customers	653,489	14,834,195
Other Employee dues	273,039	6,197,981
Other Statutory dues	139,274	3,161,512
<b>Total</b>	<b>1,065,801</b>	<b>24,193,688</b>

**14 Current liabilities - provisions**

Particulars	As at 31 March 2024	
	AED	INR
Leave entitlement	183,428	4,163,816
<b>Total</b>	<b>183,428</b>	<b>4,163,816</b>

**15 Other income**

Particulars	Current year 2023-24	
	AED	INR
Interest income - others	41,469	941,349
<b>Total</b>	<b>41,469</b>	<b>941,349</b>

**16 Network costs**

Particulars	Current year 2023-24	
	AED	INR
Charges for use of transmission facilities	20,045,720	455,037,842
<b>Total</b>	<b>20,045,720</b>	<b>455,037,842</b>



## 17 Employee benefit expenses

Particulars	Current year 2023-24	
	AED	INR
Salaries, bonus and allowances	1,498,219	34,009,573
Contribution to provident and other funds	36,040	818,108
Staff welfare expenses	13,574	308,127
<b>Total</b>	<b>1,547,833</b>	<b>35,135,808</b>

## 18 Operating and other expenses

Particulars	Current year 2023-24	
	AED	INR
Advertising and publicity	210,832	4,785,890
Loss on sale of PPE	76,775	1,742,790
Auditors remuneration	66,837	1,517,204
Communication expense	23,775	539,699
Exchange loss -Net	628,831	14,274,460
Insurance expenses	4,364	99,053
Miscellaneous expenses	2,292,069	52,029,960
Provision for doubtful debts	2,098,695	47,640,384
Rates and Taxes	50	1,143
Rent	54,590	1,239,203
Repairs and Maintenance - Plant & Machinery	56,965	1,293,108
Repairs and Maintenance -Building	39,444	895,385
Travelling and conveyance expenses	41,411	940,029
<b>Total</b>	<b>5,594,639</b>	<b>126,998,308</b>



# Pankaj R. Shah & Associates

## Chartered Accountants

CA. Dr. Pankaj Shah  
B Com., F.C.A., Ph.D (Commerce)

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### INDEPENDENT AUDITOR'S REPORT

**To the Members of**

**SMART ICT SERVICES PRIVATE LIMITED**

**Report on the audit of the Financial Statements: -**

**Opinion: -**

We have audited the accompanying standalone Ind AS Financial Statements of SMART ICT SERVICES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss and the Cash Flow Statement, Statement of changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2024, its Profit for the year, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for opinion:**

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the Ind AS Financial Statements 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 together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements 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 code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not



provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

**Information other than the Ind AS Financial Statements and auditors' report thereon: -**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Standalone Ind AS Financial Statements: -**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows, statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2016, as amended. 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 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, management is 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 management 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 Company's financial reporting process.

**Auditor's Responsibility for the audit of the Ind AS Financial Statements: -**

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements 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 these Ind AS Financial Statements.

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 Ind AS Financial Statement, 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 financial controls relevant to the audit in order to design audit procedure that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's 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 Company's ability 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 Ind AS Financial Statements 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 Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS Financial Statements 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 works; and (ii) to evaluate the effect of any identified misstatements in the standalone Ind AS Financial Statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstance, we determine that a matter should not be communicate in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in equity, and the cash flow statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) The company being a Government Company, the provision of section 164(2) of the Act is not applicable.



- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; as the company does not fall within limits attracting compliance with IFC over FR, we have not presented report on the same.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(6) of the Act, as amended,  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has no pending litigations which can impact its financial position.
  - The company has made the provision, as required under the applicable laws or accounting standards for material foreseeable losses on long term contracts including derivative contracts.
  - The company is not required to transfer any amount to the Investor Education and Protection fund.
  - Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

**For, M/s Pankaj R. Shah & Associates**  
**Chartered Accountants**  
**(Registration No. 107361W)**

*N.R. Shah*

**CA Nilesh Shah**  
**Partner**

**(Membership No. 107414)**

**UDIN: 24107414BJZWXX9655**

**Place: Ahmedabad**

**Date: 18-04-2024**



**ANNEXURE - A" TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SMART ICT SERVICES PRIVATE LIMITED Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2024:**

**1. In respect of its Property, Plant and Equipment:**

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the company does not have any Property, Plant and Equipment. Accordingly, the provisions of clause 3(i)(a) to 3(i)(e) of the Order are not applicable to the Company and hence not commented upon.

**2. In respect of its Inventories:**

- (a) The Company is conducting its business in service industry hence there is no inventory maintained and physically verified, hence reporting under clause 3(ii)(a) is not applicable.
- (b) During the year, company has not taken any working capital from banks or financial institutions. Hence this clause is not applicable.

3. During the year, company has not made any investments and also not provided any loans, or advances in the terms of loans, or stood guarantee, or provided security, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties and accordingly clause (b to f) of this clause are not applicable, hence not commented upon. The Company has not granted any unsecured loans to parties covered in the Register maintained under section 189 of the Act.

4. In our opinion and according to the information and explanations given to us, the company has not granted or given any loan guarantee or has not made any investment covered with the provisions of section 185 and 186 of the Companies Act, 2013.

5. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits from the shareholders of the Company in accordance with the directives issued by the Reserve Bank of India and the provisions of Sections 73 and all other relevant provisions, if any, of the Act and the rules made there under.

6. With reference to the compulsory cost records to be maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government of India under section 148 of the Companies Act, 2013, as the company does not fall within limits attracting compliance of Cost records, the Company has not maintained the cost records on the same grounds.

**7. In respect of Statutory Dues:**

- (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2024 for a period of more than six months from the date of becoming payable.

8. According to information and explanations given to us, there was no transaction found unrecorded in the books of account of the company which have been surrendered or disclosed as income during the year in the tax assessments under The Income Tax Act, 1961.

9. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. During the year the Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the company has not taken any term loans during the year.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short term basis have been used for long-term purposes by the company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company does not have any subsidiaries, associates or joint ventures, hence provisions of clause 3(ix)(e) of the Order are not applicable and not commented upon.

(f) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company does not have any subsidiaries, associates or joint ventures, hence provisions of clause 3(ix)(f) of the Order are not applicable and not commented upon.



10. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(x)(a) & (b) of the Order are not applicable to the Company and hence not commented upon.
- 11.
- (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor we have been informed of such case by the management.
- (b) To the best of our knowledge and information with us, there is no instance of fraud reportable under sub-Section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that there are no transactions with related parties during the year 2023-24.
14. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business and the same is in order of size and nature of the business of the company.
15. According to the information and explanations given by the management, in our opinion, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
16. (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence clause (xvi)(b) is also not applicable to the company.

(b) According to the information and explanations given to us, the Company or any other company in a group is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India and hence clause (xvi)(c) and (d) are also not applicable.

17. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management the Company is generally profit-making company and there was no cash loss in last financial year also.

18. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable and hence not commented upon.

19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

20. According to the information and explanations given to us, as Section 135 of the Companies Act, 2013 is not applicable to the company, comments related to CSR provisions have not been made.

21. As the company does not have any subsidiary, associate or Joint venture, clause (xxi) is not applicable to the company, hence not commented upon.

For, M/s Pankaj R. Shah & Associates  
Chartered Accountants  
(Registration No. 107361W)

*N. R. Shah*

**CA Nilesh Shah**  
Partner

(Membership No. 107414)

UDIN: - 24107414BJZWXXK9655

Place: Ahmedabad

Date: 18-04-2024



**SMART ICT SERVICES PRIVATE LIMITED**  
**Balance Sheet as at 31st March, 2024**

(₹ in thousands)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment		-	-
(b) Intangible assets		-	-
(c) Other non-current assets		-	-
<b>2. Current assets</b>			
(a) Financial assets			
(i) Trade receivables	2	13,254	12,433
(ii) Cash and cash equivalents	3	7,671	3,142
(b) Current tax assets (net)	4	1,982	1,192
(c) Other current assets	5	123	4,654
		<b>23,030</b>	<b>21,421</b>
<b>TOTAL</b>		<b>23,030</b>	<b>21,421</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	6	500	500
Other equity	7	(16,626)	(17,719)
		<b>(16,126)</b>	<b>(17,219)</b>
<b>Liabilities</b>			
<b>1. Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	8	17,706	17,706
		<b>17,706</b>	<b>17,706</b>
<b>2. Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	9	21,384	20,782
(b) Other current liabilities	10	66	152
		<b>21,450</b>	<b>20,934</b>
<b>TOTAL</b>		<b>23,030</b>	<b>21,421</b>

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

**For Pankaj R. Shah & Associates**  
**Chartered Accountants**  
Firm Registration Number: 107361W

*N. R. Shah*

**Nilesh Shah**  
**Partner**

**Membership Number: 107414**  
**Place: Ahmedabad**  
**Date : April 18, 2024**



**For and on behalf of the Board of Directors**  
**SMART ICT SERVICES PRIVATE LIMITED**  
CIN: U72900GJ2013PTC073187

*Avichal Khara*

**Avichal Khara**  
**Director**

**DIN 03100636**  
**Place: Gandhinagar**  
**Date : April 18, 2024**

*Nilesh Purey*

**Nilesh Purey**  
**Director**

**DIN 06548272**





**SMART ICT SERVICES PRIVATE LIMITED**
**Statement of Profit & Loss for the year ended 31st March, 2024**

(₹ in thousands)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
I. Revenue from operations	11	18,476	15,108
II. Other income	12	-	44
III. Total income (I+II)		<b>18,476</b>	<b>15,152</b>
IV. Expenses			
Network Charges	13	17,332	11,779
Finance costs	14	-	1
Other expenses	15	51	81
V. Total expenses		<b>17,383</b>	<b>11,861</b>
VI. Profit before exceptional items and tax (III-V)		<b>1,093</b>	<b>3,291</b>
Exceptional items			
VII. Profit before tax		<b>1,093</b>	<b>3,291</b>
VIII. Income tax expense			
- Current tax		-	-
- MAT Credit entitlement		-	-
- Deferred tax (benefit)/ charge		-	-
IX. Profit/loss for the period (VII-VIII)		<b>1,093</b>	<b>3,291</b>
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement gain/(loss)		-	-
Tax relating to above		-	-
X. Other comprehensive income for the year, net of tax		-	-
XI. Total comprehensive income for the year (IX+X)		<b>1,093</b>	<b>3,291</b>
XII. Earnings per equity share			
(i) Basic Earning Per Share	18	0.02	0.07
(ii) Diluted Earning Per Share	18	0.02	0.07

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

For Pankaj R. Shah & Associates  
Chartered Accountants  
Firm Registration Number: 107361W

For and on behalf of the Board of Directors  
SMART ICT SERVICES PRIVATE LIMITED  
CIN: U72900GJ2013PTC073187

N. R. Shah  
Nilesh Shah  
Partner  
Membership Number: 107414  
Place: Ahmedabad  
Date : April 18, 2024



Avichal Khara

Avichal Khara  
Director  
DIN 03100636  
Place: Gandhinagar  
Date : April 18, 2024

Nilesh Purey

Nilesh Purey  
Director  
DIN 06548272



**SMART ICT SERVICES PRIVATE LIMITED****Statement of Changes In Equity for the year ended 31st March, 2024****A. Equity share capital**

(₹ in thousands)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Opening balance	50,000	500	50,000	500
Changes in equity share capital during the year	-	-	-	-
Closing Balance	50,000	500	50,000	500

**B. Other equity**

(₹ in thousands)

Particulars	Retained earnings
As at 31 March 2022	(21,010)
Profit for the year	3,291
Other comprehensive income for the year	-
Total comprehensive income for the year	3,291
As at 31 March 2023	(17,719)
Profit for the year	1,093
Other comprehensive income for the year	-
Total comprehensive income for the year	1,093
As at 31 March 2024	(16,626)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Pankaj R. Shah &amp; Associates

Chartered Accountants

Firm Registration Number: 107361W

N. R. Shah

Nilesh Shah

Partner

Membership Number: 107414

Place: Ahmedabad

Date : April 18, 2024



For and on behalf of the Board of Directors

SMART ICT SERVICES PRIVATE LIMITED

CIN: U72900GJ2013PTC073187

Avichal Khara

Avichal Khara

Director

DIN 03100636

Place: Gandhinagar

Date : April 18, 2024

Nilesh Purey

Nilesh Purey

Director

DIN 06548272



**SMART ICT SERVICES PRIVATE LIMITED**  
**Cash flow statement for the year ended 31st March, 2024**

(₹ in thousands)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per statement of profit and loss	1,093	3,291
Adjustments for:		
Exceptional Items		
Remeasurement of employee benefits		
Remeasurement gain on dividend on preference shares		
Finance cost		
Interest from inter corporate deposit		
Short / Excess Provision for Tax		
<b>Operating Profit before working capital changes</b>	<b>1,093</b>	<b>3,291</b>
<b>Adjustments for changes in Working Capital</b>		
Trade Receivables	(821)	(7,209)
Other Financial assets		
Other Current Assets	4,531	(3,769)
Provisions		
Other Current Liabilities	(86)	(10)
Trade payables	602	8,761
Other Bank Balances		
<b>Cash Generated from Operations</b>	<b>5,319</b>	<b>1,064</b>
Taxes (paid)/ refund	(790)	63
<b>Net Cash Flow from Operating Activities (A)</b>	<b>4,529</b>	<b>1,127</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Dividend on Long-Term Investments		
Other Dividend		
Interest from inter corporate deposit		
Other Non-Current Assets		
Sale of Investment		
<b>Net Cash Flow from Investing Activities (B)</b>		
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceed from Equity Share issue		
Provisions		
Borrowings		
Availment/(Repayment) of Non-current liability		
Availment/(Repayment) of Secured Loans (net)		
<b>Net Cash Flow from Financing Activities (C)</b>		
<b>Net Increase/(Decrease) in Cash and Cash equivalents (D) (A+B+C)</b>	<b>4,529</b>	<b>1,127</b>
<b>Cash and Cash equivalents at the Beginning of the Year</b>		
Cash on hand		
Bank Balances	3,142	2,015
<b>Cash and Cash equivalents at the End of the Year</b>		
Cash on hand		
Bank Balances	7,671	3,142

As per our report of even date

For Pankaj R. Shah & Associates  
Chartered Accountants  
Firm Registration Number: 107361W

N. R. Shah  
Nilesh Shah  
Partner  
Membership Number: 107414  
Place: Ahmedabad  
Date : April 18, 2024



For and on behalf of the Board of Directors  
SMART ICT SERVICES PRIVATE LIMITED  
CIN: U72900GJ2013PTC073187

Avichal Khara  
Avichal Khara  
Director  
DIN 03100636  
Place: Gandhinagar  
Date : April 18, 2024

Nilesh Purey  
Nilesh Purey  
Director  
DIN 06548272





## SMART ICT SERVICES PRIVATE LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

#### COMPANY OVERVIEW:

**Smart ICT Services Private Ltd.** is a public limited company incorporated in India and is a subsidiary of Gujarat International Finance Tec-City Company Limited. The address of its registered office and principal place of business is EPS – Building No.49A, Block 49, Zone 04, Gyan Marg, GIFT City, Gandhinagar, Taluka & District Gandhinagar – 382 355, Gujarat, India. The Company was incorporated on 1<sup>st</sup> January, 2013. (CIN: U72900GJ2013PTC073187).

The standalone financial statements were authorized for issue in accordance with resolution of the Board of Directors in its meeting held on April 18, 2024.

#### SIGNIFICANT ACCOUNTING POLICIES:

##### **a) Statement of Compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013, as amended.

##### **b) Basis of Preparation of Financial Statements**

The financial statements have been prepared on the going concern basis using historical cost convention except for certain financial instruments, if any, that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liabilities or
- In the absence of a principal market, in the most advantageous market for the asset and liabilities

In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis, except for share based payment transaction that are within the scope of Ind AS 102 Share-based Payment, leasing transactions



that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair valued such as net realizable value in Ind AS 2 or value in use in Ind AS 36 Impairment of assets.

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

- 1) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.
- 2) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- 3) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

#### **c) Use of Estimates**

The presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized prospectively during the period in which the estimates are revised.

#### **d) Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are restricted for withdrawal and usage.

#### **e) Earnings per share**

A basic earnings per equity share is computed by dividing the profit/(loss) for the year attributable to the equity holders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the profit/(loss) attributable to equity shareholders by the weighted average number of equity shares considered for deriving basic earnings per equity share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.



Potential equity shares are deemed to be dilutive only if their conversion into equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the share been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.

#### **f) Taxation**

Tax expense represents the sum of the current tax and deferred tax.

##### **Current Tax**

The tax currently payable is based on taxable profit for the year. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

##### **Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets included Minimum Alternate Tax (MAT) credit paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT credit is recognized as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.





## **Current and Deferred Tax for the year**

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised in other comprehensive income.

## **g) Provisions, Contingent Liabilities, Contingent Assets and Commitments**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present obligations of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities and Contingent assets are not recognized in the financial statements when an inflow/outflow of economic benefits/loss are probable.

## **h) Non-derivative Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from their respective fair value on initial recognition of financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss.

## **Financial Assets at amortised cost**

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



### **Financial Assets at fair Value through profit or Loss (FVTPL)**

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

### **Financial Liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.

### **Equity Instruments**

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognized by the Company are measured at the proceeds received net off direct issue cost.

### **Offsetting of Financial instruments**

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

#### **i)Revenue Recognition**

Company is engaged in the business of providing circuit network connection in GIFT City. Company purchases network charges from Tata Consultancy Services Ltd. Smart ICT Private Ltd. being a mediator charges 8% on purchased network charges and sells it further.

#### **j)Operating Cycle**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification based on operating cycle.

a) An asset is treated as current when it is:

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

b) All other assets are classified as non-current.



c) A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period; or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

d) All other liabilities are classified as non-current:

e) Deferred tax assets and liabilities, if any, are classified as non-current assets and liabilities





**SMART ICT SERVICES PRIVATE LIMITED**  
**Notes forming part of the financial statements for the year ended 31st March, 2024**

2 Trade receivables (₹ in thousands)		
	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good, unless otherwise stated</b>		
Outstanding for a period of more than six months from their due date	7,828	3,524
Outstanding for a period of less than six months from their due date	5,426	8,909
<b>Total</b>	<b>13,254</b>	<b>12,433</b>

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

**(1) Trade Receivables ageing schedule as at the end of March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables Considered good	5,426	6,660	1,168	-	-	13,254
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables Considered good	-	-	-	-	-	-
(ii) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Disputed Trade Receivables credit impaired	-	-	-	-	-	-

**(2) Trade Receivables ageing schedule as at the end of March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables Considered good	8,909	1,665	1,859	-	-	12,433
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables Considered good	-	-	-	-	-	-
(ii) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Disputed Trade Receivables credit impaired	-	-	-	-	-	-

3 Cash and cash equivalents (₹ in thousands)		
	As at 31 March 2024	As at 31 March 2023
Balances with banks		
- In current accounts	7,671	3,142
Cash on hand	-	-
<b>Total</b>	<b>7,671</b>	<b>3,142</b>

4 Current tax assets (net) (₹ in thousands)		
	As at 31 March 2024	As at 31 March 2023
<b>Balance with Government authorities</b>		
- TDS Receivables	1,982	1,192
<b>Total</b>	<b>1,982</b>	<b>1,192</b>

5 Other current assets (₹ in thousands)		
	As at 31 March 2024	As at 31 March 2023
Prepaid Expenses	-	3,682
<b>Balance with Government authorities</b>		
- GST input credits receivables	123	972
<b>Total</b>	<b>123</b>	<b>4,654</b>



## 6 Share Capital

(₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Authorised share capital</b>		
<b>Equity shares of Rs 10 each</b>		
50,000 Equity shares (PY - 50,000 shares)	500	500
<b>Preference shares of Rs 10 each</b>		
14,50,000 Preference shares (PY - 14,50,000 shares)	1,450	1,450
<b>Issued, subscribed and paid up</b>		
50,000 Equity shares with voting rights, fully paid-up (PY - 50,000 Equity shares fully paid-up)	500	500

**Terms/ rights attached to equity shares**

The company has only one class of equity shares having face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

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

**(i) Details of shareholders holding more than 5% shares in the Company**

(₹ in thousands)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% Holding	Number of shares	% Holding
Gujarat International Finance Tec-City Company Limited	38,000	76.00	38,000	76.00
Tata Communications Limited	12,000	24.00	12,000	24.00
<b>TOTAL</b>	<b>50,000</b>	<b>100.00</b>	<b>50,000</b>	<b>100.00</b>

**(ii) Reconciliation of the number of shares outstanding and the amount of the share capital**

(₹ in thousands)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Number of shares at the beginning of the period	50,000	500	50,000	500
Add : Shares issued during the year	-	-	-	-
Number of shares at the end of the period	50,000	500	50,000	500

## 7 Other Equity

(₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
Retained earnings	(16,626)	(17,719)
<b>Total</b>	<b>(16,626)</b>	<b>(17,719)</b>

**(i) Retained earnings**

(₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	(17,719)	(21,010)
Profit for the year	1,093	3,291
Other comprehensive income	-	-
<b>Closing balance</b>	<b>(16,626)</b>	<b>(17,719)</b>





**SMART ICT SERVICES PRIVATE LIMITED**
**Notes forming part of the financial statements for the year ended 31st March, 2024**
**8 Non-current borrowings**

(₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non-convertible Preference Shares</b>		
No. of preference shares	11,550	11,550
Fully paid-up shares of ₹ 10 each	1,155	1,155
Category	Non-Cumulative Non-Convertible	Cumulative
Dividend rate	0.01%	10%
<b>Preference shares (At amortized value)</b>	<b>17,706</b>	<b>17,706</b>

The holders of the preference shares have the right to receive preference dividend of 10% p.a. for the financial year 2022-23 which has been reduced to 0.01% effective from 1st April, 2023. However, the preference share dividend for F.Y. 2022-23 has been waived off entirely. The preference shares shall be redeemed at face value, alongwith with accumulated dividend, as specifically decided by the Board. With effect from April 1, 2023, the terms of preference shares have been modified and the term shall stand as non-cumulative non-convertible preference shares and the preference share dividend shall be payable @ 0.01% p.a.

**9 Trade payables**

(₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of creditors other than micro enterprises and small enterprises	21,384	20,782
<b>Total</b>	<b>21,384</b>	<b>20,782</b>

**(1) Trade Payables ageing schedule as at the end of March 31, 2024**

(₹ in thousands)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME *	-	-	-	-	-
(ii) Others	15,330	4,435	-	1,619	21,384
(iii) Disputed dues - MSME *	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-

**(2) Trade Payables ageing schedule as at the end of March 31, 2023**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME *	-	-	-	-	-
(ii) Others	11,837	3,496	-	5,449.00	20,782
(iii) Disputed dues - MSME *	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-

**10 Other current liabilities**

(₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for expense	32	32
Statutory dues payable	34	120
<b>Total</b>	<b>66</b>	<b>152</b>





**SMART ICT SERVICES PRIVATE LIMITED**

Notes forming part of the financial statements for the year ended 31st March, 2024

**11 Revenue from operations** (₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
Revenue from operations		
Network services	18,476	15,108
Revenue From Operations (Gross)	18,476	15,108
<b>Total</b>	<b>18,476</b>	<b>15,108</b>

**12 Other income** (₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest income	-	44
<b>Total</b>	<b>-</b>	<b>44</b>

**13 Network Charges** (₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
Operating charges	17,332	11,779
<b>Total</b>	<b>17,332</b>	<b>11,779</b>

**14 Finance costs** (₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest and penalty	-	1
<b>Total</b>	<b>-</b>	<b>1</b>

**15 Other expenses** (₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
Filing Fees	3	19
Legal and professional fees	12	25
<b>Payment to Auditors</b>		
- As Auditor	35	35
- Out of Pocket Expense	1	2
<b>Total</b>	<b>51</b>	<b>81</b>



**SMART ICT SERVICES PRIVATE LIMITED**

Notes forming part of the financial statements for the year ended 31st March, 2024

**Note 16**
**A. Financial instruments by category and their fair value**

(₹ in thousands)

As at 31st March 2024	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
<b>Financial assets</b>								
Investments								
Quoted	-	-	-	-	-	-	-	-
Unquoted	-	-	-	-	-	-	-	-
Other financial assets								
Current	-	-	-	-	-	-	-	-
Trade Receivables	-	-	13,254	13,254	-	-	-	-
Cash and Cash Equivalents	-	-	7,671	7,671	-	-	-	-
Other Bank Balances	-	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-	-	-
Non-current	-	-	-	-	-	-	-	-
<b>Total financial assets</b>	-	-	<b>20,925</b>	<b>20,925</b>	-	-	-	-
<b>Financial liabilities</b>								
Borrowings								
Non-current	-	-	17,706	17,706	-	-	-	-
Other financial liabilities								
Current	-	-	-	-	-	-	-	-
Non-current	-	-	-	-	-	-	-	-
Trade Payables	-	-	21,384	21,384	-	-	-	-
<b>Total financial liabilities</b>	-	-	<b>39,090</b>	<b>39,090</b>	-	-	-	-

(₹ in thousands)

As at 31st March 2024	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
<b>Financial assets</b>								
Investments								
Quoted	-	-	-	-	-	-	-	-
Unquoted	-	-	-	-	-	-	-	-
Other financial assets								
Current	-	-	-	-	-	-	-	-
Investments ( Current)	-	-	-	-	-	-	-	-
Trade Receivables	-	-	12,433	12,433	-	-	-	-
Cash and Cash Equivalents	-	-	3,142	3,142	-	-	-	-
Other Bank Balances	-	-	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-	-	-
Non-current	-	-	-	-	-	-	-	-
<b>Total financial assets</b>	-	-	<b>15,575</b>	<b>15,575</b>	-	-	-	-
<b>Financial liabilities</b>								
Borrowings								
Non-current	-	-	17,706	17,706	-	-	-	-
Other financial liabilities								
Current	-	-	-	-	-	-	-	-
Non-current	-	-	-	-	-	-	-	-
Trade Payables	-	-	20,782	20,782	-	-	-	-
<b>Total financial liabilities</b>	-	-	<b>38,488</b>	<b>38,488</b>	-	-	-	-

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.



**Types of inputs are as under:**

Input Level I (Directly Observable) which includes quoted prices in active markets for identical assets such as quoted price for an equity security on Security Exchanges.

Input Level II (Indirectly Observable) which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses etc.

Input Level III (Unobservable) which includes management's own assumptions for arriving at a fair value such as projected cash flows used to value a business etc.

**B. Measurement of fair values****Valuation techniques and significant unobservable inputs**

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

**Financial instruments measured at fair value**

<b>FVTOCI in unquoted equity shares</b>	<u>Investments in Equity Shares of Subsidiaries &amp; Equity Accounted Entities as on the transition date:</u>
	There are no investments in equity shares of subsidiaries & equity accounted entities.
	<u>Investments in Equity Shares of Other Entities :</u>
	There are no investments in equity shares of other entities.

**Transfers between Levels 1 and 2**

There have been no transfers between Level 1 and Level 2 during the reporting periods.

**Level 3 fair values**

Movements in the values of unquoted equity instruments for the period ended 31st March, 2024 is as below:

(₹ in thousands)	
Particulars	Amount
<b>As at 1 April 2023</b>	-
Gains/ (losses) recognised in other comprehensive income	-
<b>As at 31 March 2024</b>	-

**Transfer out of Level 3**

There were no transfers out of level 3 during the year 2022-23 and 2023-24.

**C. Financial risk management**

The Company's principal financial liabilities comprises of preference shares and trade & other payables. The main purpose of these financial liabilities is to finance the Company operations and to provide guarantees to support its operations. The Company's principal financial assets include trade & other receivables, cash & cash equivalents and investments that are derived directly from its operations. The Company has exposure to the following risks arising from financial instruments:

- i. Credit risk
- ii. Liquidity risk
- iii. Market risk

**(i) Credit risk**

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or fail to pay amounts due causing financial loss to the company. The potential activities where credit risks may arise include from cash and cash equivalents, derivative financial instruments and deposits with financial institutions and principally from credit exposures to customers relating to outstanding receivables.

**Trade receivables**

Significant portion of trade receivables at the respective reporting date comprise of PSUs and entities with significant government influence. Further, Management does not expect any credit risk on the same.

**Other financial assets**

Other financial assets comprise of cash and cash equivalents, loans provided to employees and investments in equity shares of companies other than subsidiaries, associates and joint ventures.

- Cash and cash equivalents and Bank deposits are placed with banks having good reputation and past track record with adequate credit rating. The Company reviews their credit-worthiness at regular intervals.

**(ii) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.





**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross / undiscounted values and include estimated interest payments and exclude the impact of netting agreements.

(₹ in thousands)

31st March, 2024	Contractual cash flows based on maturity			
	Carrying amount	Total	Less than 12 months	More than 12 months
<b>Non-derivative financial liabilities</b>				
Non current borrowings	17,706	17,706	-	17,706
Current borrowings	-	-	-	-
Non current financial liabilities	-	-	-	-
Current financial liabilities	-	-	-	-
Trade and other payables	21,384	21,384	21,384	-
<b>Total</b>	<b>39,090</b>	<b>39,090</b>	<b>21,384</b>	<b>17,706</b>

(₹ in thousands)

31st March, 2024	Contractual cash flows based on maturity			
	Carrying amount	Total	Less than 12 months	More than 12 months
<b>Non-derivative financial liabilities</b>				
Non current borrowings	17,706	17,706	-	17,706
Current borrowings	-	-	-	-
Non current financial liabilities	-	-	-	-
Current financial liabilities	-	-	-	-
Trade and other payables	20,782	20,782	20,782	-
<b>Total</b>	<b>38,488</b>	<b>38,488</b>	<b>20,782</b>	<b>17,706</b>

**(iii) Market risk**

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the present/future performance of a business. The market risks include price risk, currency risk and interest rate risk. The primary price risk for the company is commodity price risk i.e. price risk of that could adversely affect the value of the Company's financial assets, liabilities or expected future cash flows.

**Equity price risk**

The Company's exposure to equity securities price risk arises from investments held by the Company which are classified in the balance sheet as fair value through other comprehensive income (FVOCI). The company does not have any equity investments

**Sensitivity**

There is no sensitivity risk as the Company does not have any investments.

(₹ in thousands)

Particulars	Impact on Other Comprehensive Income	
	As at 31st March, 2024	As at 31st March, 2023
NSE NIFTY 50 - increase 30% (31 March 2023 - 20%)	-	-
NSE NIFTY 50 - decrease 30% (31 March 2023 - 20%)	-	-

**Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company does not have any undrawn or outstanding borrowings at fluctuating rate of interest and hence does not possess any interest rate risk.

**D. Capital management**

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total non-current liabilities, less cash and cash equivalents. Adjusted equity comprises all components of equity.



The Company's adjusted net debt to equity ratio on 31st March, 2024 is as follows:

(₹ in thousands)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Total non-current liabilities</b>	17,706	17,706
Less : Cash and bank balances	7,671	3,142
<b>Adjusted net debt</b>	<b>10,035</b>	<b>14,564</b>
<b>Total equity</b>	(16,126)	(17,219)
Adjusted net debt to adjusted equity ratio	-0.622:1 times	-0.846:1 times



**(17) Key Ratios:**

Ratio Analysis		Units	FY 2023-24	FY 2022-23
<b>Numerator and denominator for computing ratios</b>				
Current Assets	A	(₹ in thousands)	23,030	21,421
Current Liabilities	B	(₹ in thousands)	21,450	20,934
Net income (Profit/loss for the period)	C	(₹ in thousands)	1,093	3,291
Equity Share Capital	D	(₹ in thousands)	500	500
Earnings before interest and tax (EBIT)	E	(₹ in thousands)	1,093	3,291
Capital employed = Total Assets - Total Current Liabilities	F	(₹ in thousands)	1,580	487
Cost of investment (initial share capital)	G	(₹ in thousands)	500	500
Final value of investment (Total equity)	H	(₹ in thousands)	(16,126)	(17,219)
Net return on investment = Final value of investment - Initial value of investment	I	(₹ in thousands)	(16,626)	(17,719)
Net Sales = Total revenue from operations	J	(₹ in thousands)	18,476	15,108
Average Accounts Receivable = (Opening + Closing Trade Receivable) / 2	K	(₹ in thousands)	12,844	8,829
Net Credit Purchases = Network charges + Operating Expenses	L	(₹ in thousands)	17,383	11,860
Average Accounts Payable = (Opening + Closing Trade Payables) / 2	M	(₹ in thousands)	21,083	16,402
Total Revenue (Revenue from operations)	N	(₹ in thousands)	18,476	15,108
Working Capital = Current Assets - Current Liabilities	O	(₹ in thousands)	1,580	487
Debt (Long Term borrowings)	P	(₹ in thousands)	17,706	17,706
Net worth (Shareholder's Equity)	Q	(₹ in thousands)	(16,126)	(17,219)
Average Net worth (Shareholder's Equity) = (Opening + Closing)/2	R	(₹ in thousands)	(16,673)	(18,865)
Earning available for debt service	S	(₹ in thousands)	1,093	3,291
Debt Service	T	(₹ in thousands)	N.A.	N.A.
<b>Ratios</b>				
(a) Current Ratio = Current Assets / Current Liabilities	A / B	Times	1.1	1.0
(b) Debt-Equity Ratio	P / Q	Times	-1.10	-1.03
(c) Debt Service Coverage Ratio = Earning available for debt service / Debt Service	S / T	%	N.A.	N.A.
(d) Return on Equity Ratio = Net income / Average shareholder's equity	C / R	%	-7%	-17%
(e) Inventory turnover ratio #	N.A.	N.A.	N.A.	N.A.
(f) Trade Receivables turnover ratio = Net Sales / (Average Accounts Receivable)	J / K	Times	1.4	1.7
(g) Trade payables turnover ratio = Net Credit Purchases / Average Accounts Payable	L / M	Times	0.8	0.7
(h) Net capital turnover ratio = Net sales / Working Capital	J / O	Times	11.7	31.0
(i) Net profit ratio = Net Profit / Total revenue X 100	C / N	%	6%	22%
(j) Return on Capital employed = EBIT / Capital employed @	E / D	%	219%	658%
(k) Return on investment = Net Return on Investment / Cost of Investment x 100%	I / G	%	-3325%	-3544%

# Company does not have any Inventory

@ As Capital employed is negative, for calculating the ratio, equity share capital has been taken as Capital employed





**Explanation for change in ratio by more than 25% as compared to preceding year:**

**Return on Equity Ratio:**

It has changed from negative 17% in previous year to negative 7% in current year as average shareholders equity has increased from (Rs. 17219 thousand) to (Rs. 15988 thousand).

**Net capital turnover Ratio:**

It has changed from 31 times in previous year to 11.7 times in current year because of increase in working capital from 487 thousand in previous year to 1580 thousand in current year.

**Net profit Ratio:**

It has changed from 22% in previous year to 7% in current year because of decrease in net Income from Rs. 3291 thousand in previous year to Rs. 1093 thousand in current year.

**Return on Capital employed:**

It has changed from 658% in previous year to 219% in current year because of decrease in net Income from Rs. 3291 thousand in previous year to Rs. 1093 thousand in current year.



**SMART ICT SERVICES PRIVATE LIMITED**

Notes forming part of the financial statements for the year ended 31st March, 2024

**18 Earnings per Share (EPS) as per Indian Accounting Standard 33:**

(₹ in thousands except for EPS)

Particulars	As at 31 March 2024	As at 31 March 2023
Net Profit as per Statement of Profit and Loss	1,093	3,291
No. of weighted average outstanding Equity Shares	50,000	50,000
<b>Earning per Equity Share of ₹ 10/- each (Basic &amp; Diluted)</b>	<b>0.02</b>	<b>0.07</b>

**19 Related Party Transactions as per Indian Accounting Standard 24:**

The disclosure in pursuance to Indian Accounting Standard 24 on "Related Party disclosures" is as under:

**(a) Name of Related Parties & Relationship**

Nature of relationship	Name of related party
<b>Holding entity</b>	Gujarat International Finance Tec-City Company Limited
<b>Fellow subsidiaries</b>	GIFT Power Company Limited
<b>Key Managerial Personnel</b>	Nilesh Purey, Director in Charge
<b>Related party</b>	Gujarat International Finance Tec-City Company Limited Tata Communications Limited

**(b) There are no transactions during the year with related parties mentioned in (a) above in ordinary course of business. The balances outstanding as at the year end are as under:**

(₹ in thousands)

Transactions during the year	Key Managerial Personnel	Holding entity	Total
Balance of Preference shares at the beginning of the year	-	11,550	11,550
Balance of Equity shares at the beginning of the year	-	500	500
- Transfer of preference shares during the Year	-	-	-
- Transfer of equity shares during the year	-	-	-
Balance of Preference shares outstanding at the year end	-	11,550	11,550
Balance of Equity shares outstanding at the year end	-	500	500



**SMART ICT SERVICES PRIVATE LIMITED**

Notes forming part of the financial statements for the year ended 31st March, 2024

**20 Contingent Liabilities:**

(₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
Income Tax Demand	-	-

**21 In view of Segment reporting policy, entity-wide disclosures are given from the financial statements are as below:**

(₹ in thousands)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Information about products and services:</b>		
Revenue from External Customers	18,476	15,108
<b>Information about geographical areas:</b>		
<b>Non-Current assets: (In domicile country)</b>		
Property Plant & Equipment	-	-
Mining Development Asset	-	-
Investment in subsidiary, associate and joint venture	-	-
Other non-current assets	-	-
<b>Information about major customers:</b>		
Revenues from four customers of the company is approx. ₹ 124 lakhs (67% of the company's total revenue from operations)		

**22 Going concern:**

Though the net worth of the company is negative as at the end of the financial year, it does not effect the company's ability to continue as a going concern as the Parent Company i.e. Gujarat International Finance Tec-City Company Limited which is implementing the GIFT City Project has the requisite financial resources to infuse additional equity capital in the company at any point of time to meet its financial obligations.

**For Pankaj R. Shah & Associates****Chartered Accountants**

Firm Registration Number: 107361W

N. R. Shah  
Nilesh Shah

Partner

Membership Number: 107414

Place: Ahmedabad

Date : April 18, 2024

**For and on behalf of the Board of Directors****SMART ICT SERVICES PRIVATE LIMITED**

CIN: U72900GJ2013PTC073187

Avichal Khera

Avichal Khera

Director

DIN 03100636

Place: Gandhinagar

Date : April 18, 2024

Nilesh Purey

Director

DIN 06548272





## Independent Auditor's Report

### To the Members of STT Global Data Centres India Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of STT Global Data Centres India Private Limited (the "Company") which comprise the balance sheet as at 31 March 2024, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* 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 together with the ethical requirements that are relevant to our audit of the financial statements 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report(s) thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding

## Independent Auditor's Report (Continued)

### STT Global Data Centres India Private Limited

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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and 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 is also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

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 financial statements, 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Independent Auditor's Report (Continued)**  
**STT Global Data Centres India Private Limited**

safeguards.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(B)(f) below on Reporting under Rule 11g of the Companies Audit and Auditors Rules, 2014.
  - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 29 May 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its financial statements - Refer Note 35 to the financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 5 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 16 and 21 to the financial statements, no funds have been received by the



**Independent Auditor's Report (Continued)**  
**STT Global Data Centres India Private Limited**

Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares, except for the instances mentioned below:
- The feature of recording audit trail (edit log) facility was not enabled at the database level for the accounting software used for maintaining the books of account relating to general ledger to log any direct data changes for the period from 1 April 2023 to 30 June 2023.
  - Effective 1 July 2023, the Company has migrated to a new accounting software. However, the audit trail (edit log) for database level for the said software was not retained for more than 201 days.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, to the extent edit logs were available, we did not come across any instance of the audit trail feature being tampered with.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**  
**Chartered Accountants**

Firm's Registration No.:101248W/W-100022

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**Jaclyn Desouza**  
**Partner**

Place: Mumbai  
Date: 29 May 2024

Membership No.: 124629  
ICAI UDIN:24124629BKGUNZ6834

## Annexure A to the Independent Auditor's Report on the Financial Statements of STT Global Data Centres India Private Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Building (Right-of-use assets)	1,585.38	Tata Communication Limited	Promoter	From January 2024 1	Refer note 1

Note 1: Subsequently registered on 13 May 2024

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily rendering data centre services comprising of co-location and managed services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order

**Annexure A to the Independent Auditor's Report on the Financial Statements of STT Global Data Centres India Private Limited for the year ended 31 March 2024 (Continued)**

is not applicable to the Company.

- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.



**Annexure A to the Independent Auditor's Report on the Financial Statements of STT Global Data Centres India Private Limited for the year ended 31 March 2024 (Continued)**

- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies

**Annexure A to the Independent Auditor's Report on the Financial Statements of STT Global Data Centres India Private Limited for the year ended 31 March 2024 (Continued)**

- (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

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**Jaclyn Desouza**

*Partner*

Place: Mumbai

Date: 29 May 2024

Membership No.: 124629

ICAI UDIN:24124629BKGUNZ6834

**Annexure B to the Independent Auditor's Report on the financial statements of STT Global Data Centres India Private Limited for the year ended 31 March 2024**

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of STT Global Data Centres India Private Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to

Page 9 of 10



**Annexure B to the Independent Auditor's Report on the financial statements of STT Global Data Centres India Private Limited for the year ended 31 March 2024 (Continued)**

provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

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**Jaclyn Desouza**

*Partner*

Place: Mumbai

Date: 29 May 2024

Membership No.: 124629

ICAI UDIN:24124629BKGUNZ6834

STT Global Data Centres India Private Limited

Balance Sheet

as at 31 March 2024

Currency in Indian Rupees

		₹ in lakhs	
	Note	As at 31 March 2024	As at 31 March 2023
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	348,809.16	298,913.74
(b) Capital work-in-progress	3	149,969.44	58,913.76
(c) Right-of-use assets	34	205,757.72	203,978.16
(d) Other intangible assets	4	508.57	431.91
(e) Financial assets			
(i) Investments	12	3,469.67	3,216.55
(ii) Other financial assets	5	9,407.17	6,910.47
(f) Contract assets	7A	18,063.74	10,213.80
(g) Other non-current assets	8A	26,513.39	29,289.18
<b>Total non-current assets</b>		<b>762,498.86</b>	<b>611,867.57</b>
<b>2 Current assets</b>			
(a) Financial assets			
(i) Trade receivables	9	16,666.89	14,136.97
(ii) Cash and cash equivalents	10	26,821.97	36,497.84
(iii) Bank balances other than (ii) above	11	68,020.88	0.64
(b) Income tax assets (net)		9,089.17	3,043.36
(c) Contract assets	7B	158.97	-
(d) Other current assets	8B	19,593.94	10,601.56
<b>Total current assets</b>		<b>140,351.82</b>	<b>64,280.37</b>
<b>Total assets</b>		<b>902,850.68</b>	<b>676,147.94</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
(a) Equity share capital	13	1.58	1.40
(b) Other equity	14	312,042.36	198,526.71
<b>Total equity</b>		<b>312,043.94</b>	<b>198,528.11</b>
<b>II Liabilities</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15A	270,039.18	194,740.47
(ii) Lease liabilities	34	171,461.50	176,015.77
(iii) Other financial liabilities	16A	14,260.08	8,756.07
(b) Provisions	17A	541.45	394.69
(c) Deferred tax Liability (Net)	6	6,440.91	4,140.62
(d) Contract liabilities	7A	1,625.75	1,698.33
(e) Other non-current liabilities	18A	9,377.30	5,628.08
<b>Total non-current liabilities</b>		<b>473,746.17</b>	<b>391,374.03</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15B	24,701.58	18,873.58
(ii) Lease liabilities	34	6,837.62	6,838.23
(iii) Trade payables	19		
1. Dues of micro enterprises and small enterprises		200.45	209.72
2. Dues of creditors other than micro enterprises and small enterprises		20,519.20	19,916.83
(iv) Other financial liabilities	16B	53,266.96	29,224.54
(b) Contract liabilities	7B	7,379.54	8,698.40
(c) Other current liabilities	18B	4,117.48	2,450.95
(d) Provisions	17B	37.74	33.55
<b>Total current liabilities</b>		<b>117,060.57</b>	<b>86,245.80</b>
<b>Total equity and liabilities</b>		<b>902,850.68</b>	<b>676,147.94</b>
<b>Material accounting policies</b>	2		
<b>The accompanying notes form an integral part of the financial statements</b>	1 to 43		

As per our report of even date attached

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration no: 101248W/W-100022

JACLYN  
DESOUZA  
Jaclyn Desouza  
Partner  
Membership no. : 124629

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Chartered Accountants  
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Sumit Mukhija  
Executive Director and Chief Executive Officer  
DIN : 10287837

For and on behalf of the Board of Directors  
STT Global Data Centres India Private Limited

BRUNO  
LOPEZ

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Bruno Lopez  
Director  
DIN : 07554875

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Bimal Khandelwal  
Chief Financial officer

Dated: 29 May 2024

Dated: 29 May 2024

# STT Global Data Centres India Private Limited

## Statement of Profit and Loss

for the year ended 31 March 2024

Currency in Indian Rupees

		Note	₹ in lakhs	
			For the year ended 31 March 2024	For the year ended 31 March 2023
I	Revenue from operations	20	199,747.06	182,344.71
II	Other income	21	4,381.19	3,396.49
III	<b>Total Income (I + II)</b>		<b>204,128.25</b>	<b>185,741.20</b>
IV	<b>EXPENSES:</b>			
	Operating and other expenses	22	95,130.54	83,508.26
	Employee benefits expense	23	17,680.15	15,559.52
	Finance costs	24	31,532.29	26,919.27
	Depreciation and amortisation expense	25	45,299.37	37,787.81
	<b>Total Expenses</b>		<b>189,642.35</b>	<b>163,774.86</b>
V	<b>Profit before tax (III-IV)</b>		<b>14,485.90</b>	<b>21,966.34</b>
VI	<b>Tax expense</b>	26		
(a)	Current tax		1,408.47	2,473.81
(b)	Deferred tax		2,308.70	3,092.03
			3,717.17	5,565.84
VII	<b>Profit after tax for the year (V - VI)</b>		<b>10,768.73</b>	<b>16,400.50</b>
VIII	<b>Other comprehensive income/(loss)</b>			
	<b>Items that will not be subsequently reclassified to profit or loss</b>			
	(i) Remeasurements of the defined employee benefit plan		(33.42)	28.81
	(ii) Income tax relating to items that will not be subsequently reclassified to statement of profit and loss		8.41	(7.25)
	<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>(25.01)</b>	<b>21.56</b>
IX	<b>Total comprehensive income for the year, net of tax (VII + VIII)</b>		<b>10,743.72</b>	<b>16,422.06</b>
	<b>Earnings per share</b>			
	<b>Basic and diluted (of ₹ 10 each)</b>	28	<b>75,788.09</b>	<b>120,529.87</b>
	<b>Material accounting policies</b>	2		
	<b>The accompanying notes form an integral part of the financial statements</b>	1 to 43		

As per our report of even date attached

For **BSR & Co. LLP**  
Chartered Accountants  
Firm's Registration no: 101248W/W-100022

**JACLYN DESOUZA**  
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**Jaclyn Desouza**  
Partner  
Membership no. : 124629

For and on behalf of the Board of Directors  
STT Global Data Centres India Private Limited

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**Sumit Mukhija**  
Executive Director and Chief Executive Officer  
DIN : 10287837

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**Bruno Lopez**  
Director  
DIN : 07554875

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**Bimal Khandelwal**  
Chief Financial officer

Dated: 29 May 2024

Dated: 29 May 2024



STT Global Data Centres India Private Limited

Statement of Changes in Equity  
for the year ended 31 March 2024

Currency in Indian Rupees

A Equity share capital

		₹ in lakhs	
Note	No. of Shares	Amount	
Balance as at 1 April 2022	13,300	1.33	
Changes in equity share capital due to prior period errors	-	-	
Restated balance as at 1 April 2022	13,300	1.33	
Changes in equity share capital during the year	700	0.07	13
Balance as at 31 March 2023	14,000	1.40	
Balance as at 1 April 2023	14,000	1.40	
Changes in equity share capital due to prior period errors	-	-	
Restated balance as at 1 April 2023	14,000	1.40	
Changes in equity share capital during the year	1,800	0.18	13
Balance as at 31 March 2024	15,800	1.58	

B Changes in other equity

₹ in lakhs						
Particulars	Note	Reserve and surplus			Other comprehensive income	Total other equity
		Securities premium	General reserve	Retained earnings	Remeasurement of defined benefit plan	
Balance as at 1 April 2022	14	110,867.22	8,750.00	27,750.53	(75.28)	147,292.47
Profit for the year		-	-	16,400.50	-	16,400.50
Right issue of equity shares		34,812.18	-	-	-	34,812.18
Remeasurements of the defined benefit plans		-	-	-	28.81	28.81
Tax impact on above		-	-	-	(7.25)	(7.25)
Balance as at 31 March 2023		145,679.40	8,750.00	44,151.03	(53.72)	198,526.71
Balance as at 1 April 2023		145,679.40	8,750.00	44,151.03	(53.72)	198,526.71
Profit for the year		-	-	10,768.73	-	10,768.73
Right issue of equity shares		102,771.93	-	-	-	102,771.93
Remeasurements of the defined benefit plans		-	-	-	(33.42)	(33.42)
Tax impact on above		-	-	-	8.41	8.41
Balance as at 31 March 2024		248,451.33	8,750.00	54,919.76	(78.73)	312,042.36

Nature and purpose of reserves

- (a) **Securities premium**  
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.
- (b) **General reserve**  
The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.
- (c) **Retained earnings**  
This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

The accompanying notes form an integral part of the financial statements 1 to 43

As per our report of even date attached

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration no: 101248W/W-100022  
JACLYN DESOUZA  
Partner  
Membership no. : 124629

For and on behalf of the Board of Directors  
STT Global Data Centres India Private Limited

**SUMIT MUKHIJA**  
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Date: 2024.05.29 16:11:05.50

**Sumit Mukhija**  
Executive Director and Chief Executive Officer  
DIN : 10287837

**Bruno Lopez**  
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Date: 2024.05.29 15:54:12 +05'30'

**Bruno Lopez**  
Director  
DIN : 07554875

**Bimal Giriraj Khandelwal**  
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Date: 2024.05.29 15:22:06 +05'30'

**Bimal Khandelwal**  
Chief Financial officer

Dated: 29 May 2024 Dated: 29 May 2024

# STT Global Data Centres India Private Limited

## Cash Flow Statement

for the year ended 31 March 2024

Currency in Indian Rupees

Particulars	For the year ended 31 March 2024	₹ in lakhs For the year ended 31 March 2023
<b><u>CASH FLOW FROM OPERATING ACTIVITIES:</u></b>		
Profit before tax	14,485.90	21,966.34
<b>Adjustments for:</b>		
Depreciation and amortisation expense	45,299.37	37,787.81
Gain on disposal of property, plant and equipment and intangibles (net)	(710.85)	(1,046.04)
Finance costs	31,532.29	26,919.27
Unwinding of discount on security deposits	(116.41)	(81.64)
Impairment loss recognised /(reversed) under expected credit loss model	150.89	(1,059.40)
Interest on fixed deposits	(2,607.27)	(1,780.56)
<b>Operating profit before working capital changes</b>	<b>88,033.92</b>	<b>82,705.78</b>
<b>Changes in working capital:</b>		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Trade receivables	(3,239.62)	201.40
Other financial assets	(2,604.29)	(328.54)
Contract assets	(3,193.80)	(7,786.31)
Other assets	(13,533.27)	(9,382.32)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	701.25	114.20
Other financial liabilities	7,586.53	5,461.26
Contract liabilities	(1,391.44)	1,366.29
Employee benefit obligations	117.53	38.60
Other liabilities	5,381.05	6,284.53
<b>Cash generated from operations</b>	<b>77,857.86</b>	<b>78,674.89</b>
Income tax paid (net of refunds)	(7,454.28)	7,846.90
<b>Net Cash flow generated from operating activities (A)</b>	<b>70,403.58</b>	<b>86,521.79</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES:</u></b>		
Payments for purchase of property, plant and equipment and intangibles	(152,410.46)	(109,865.95)
Proceeds from disposal of property, plant and equipment and intangibles	847.20	1,257.39
Purchase of non-current investments	(253.13)	(291.55)
Increase in Bank deposits	(68,020.88)	-
Decrease in earmarked funds	0.64	96.41
Interest received on fixed deposits	1,864.24	1,737.87
<b>Net Cash flow (used in) investing activities (B)</b>	<b>(217,972.39)</b>	<b>(107,065.83)</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES:</u></b>		
Proceeds from long term borrowings (net of arrangement fees)	100,000.00	40,000.00
Proceeds from short term borrowings	-	46.93
Repayment of long term borrowings	(18,978.00)	(17,178.00)
Repayment of short term borrowings	-	(46.93)
Proceeds from issue of equity shares (Refer note 13)	102,772.11	34,812.25
Repayment of lease liabilities	(7,739.09)	(6,517.73)
Finance cost paid towards lease liabilities	(13,446.60)	(10,494.00)
Finance cost paid	(24,715.48)	(16,991.36)
<b>Net Cash flow generated from financing activities (C)</b>	<b>137,892.94</b>	<b>23,631.16</b>
<b>Net Increase in Cash and Cash Equivalents (A)+(B)+(C)</b>	<b>(9,675.87)</b>	<b>3,087.12</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>36,497.84</b>	<b>33,410.72</b>
<b>Cash and Cash Equivalents at the end of the year (Refer note 10 Cash and cash equivalents)</b>	<b>26,821.97</b>	<b>36,497.84</b>

Note: Figures in brackets represent outflows.

### Reconciliation of movement of liabilities to cash flows arising from financing activity

Particulars	Rupee loan from banks	Lease liabilities	Equity share capital (Incl Sec. Premium)	Interest accrued but not due
<b>Balance as at 1 April 2023</b>	213,614.05	182,854.00	145,680.80	557.83
Cash flow movement (Refer above)	81,022.00	(21,185.69)	102,772.11	(24,715.48)
Expenses as per Statement of Profit and Loss (Refer note 24)	-	12,305.17	-	19,194.02
<b>Non cash/other adjustments:</b>				
Amortisation of arrangement fees	104.71	-	-	(104.71)
Lease liabilities recognised during the year	-	1,666.23	-	-
Finance cost capitalised	-	2,659.41	-	5,921.09
<b>Balance as at 31 March 2024</b>	<b>294,740.76</b>	<b>178,299.12</b>	<b>248,452.91</b>	<b>852.75</b>

The accompanying notes form an integral part of the financial statements

1 to 43

As per our report of even date attached

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration no: 101248W/W-100022

JACLYN  
DESOUZA

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Date: 2024.05.29 21:18:09  
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Jaclyn Desouza

Partner

Membership no. : 124629

For and on behalf of the Board of Directors

STT Global Data Centres India Private Limited

SUMIT  
MUKHIJA

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Sumit Mukhija

Executive Director and Chief Executive Officer

DIN : 10287837

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Bruno Lopez

Director

DIN : 07554875

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KHANDELWAL

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Date: 2024.05.29  
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Bimal Khandelwal  
Chief Financial officer

Dated: 29 May 2024

Dated: 29 May 2024

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# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 1. Corporate information

STT Global Data Centres India Private Limited (formerly known as Tata Communications Data Centers Private Limited) (“the Company”) was incorporated in India on 13 December 2007. The Company was originally incorporated with the name S & A Internet Services Private Limited which was changed to Tata Communications Data Centers Private Limited on 27 February 2014 and then to STT Global Data Centres India Private Limited on 11 April 2017 (vide SRN G39621719). The Company is engaged in the business of providing Data center service which include colocation, managed hosting, infrastructure and related services.

The Company is domiciled in India and its registered office is at 5<sup>th</sup> Floor, Tower B, Plot No. C21 & C36, ‘G’ Block, Bandra Kurla Complex Mumbai – 400098. Corporate identification number: U74999MH2007PTC176737.

The Company is a subsidiary of STT India DC Pte. Ltd.

### 2. Material accounting policies

#### a. *Statement of compliance*

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standards) Rules as amended from time to time.

#### b. *Basis of preparation of financial statements*

The financial statements have been prepared on a historical cost basis, except for certain financial assets, liabilities and defined benefit plans measured at fair value or amortised cost (Refer note 2(s) below). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The financial statements are presented in Indian Rupees (“₹”) and all values are rounded to the nearest lakh (00,000), except when otherwise indicated.

The Statement of Cash Flows have been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.

#### c. *Current and non-current classification*

All assets and liabilities are classified into current and non-current.

#### **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in the Company’s normal operating cycle;



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### c. Current and non-current classification (*Continued*)

##### Assets (*Continued*)

- it is held primarily for the purpose of being traded;
- it is expected to be realized within twelve months after the Balance Sheet date; or
- it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the Balance Sheet date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

##### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the Balance Sheet date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act.

Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

#### d. Significant accounting judgements, estimates and assumptions

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

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### d. Significant accounting judgements, estimates and assumptions (*Continued*)

##### **Judgements**

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

##### **Fair value measurement of financial instruments**

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

Further information about the assumptions made in measuring fair values is included in note 30 – Financial instruments.

##### **Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

##### **Estimates and assumptions**

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

##### **Defined benefit plans**

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

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### d. Significant accounting judgements, estimates and assumptions (*Continued*)

##### **Useful life of property, plant and equipment and intangible assets**

The Company reviews the useful life of assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

##### **Impairment of property, plant and equipment**

The Company estimates the value-in-use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGU's represent the weighted average cost of capital based on the historical market returns of comparable companies.

##### **Provisions and contingent liabilities**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent liabilities are disclosed in the notes. Contingent assets are not recognised in the financial statements.

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

##### **Income taxes**

Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

Deferred tax: Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the level of deferred tax assets recognized that can result in a charge or credit in the period in which the change occurs.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### d. Significant accounting judgements, estimates and assumptions (*Continued*)

##### Leases

###### Determination of lease term

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the option is reasonably certain to be exercised. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

###### Discount rate

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

#### e. Cash and cash equivalents

Cash comprises cash on hand. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### f. Property, plant and equipment

- i. Property, plant and equipment are stated at cost of acquisition or construction, less accumulated depreciation/ amortisation and impairment loss, if any. Cost includes inward freight, duties, taxes and all incidental expenses incurred for making the asset ready for its intended use.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

- ii. Capital work-in-progress includes cost of property, plant and equipment under installation/ under development as at the Balance Sheet date are carried at cost, comprising direct cost, directly attributable cost including capitalised borrowing cost.

The depreciable amount for property, plant and equipment is the cost of the property, plant and equipment or other amount substituted for cost, less its estimated residual value (wherever applicable). Depreciation on property, plant and equipment has been provided on the straight-line method as per the estimated useful lives. The asset's residual values, estimated useful lives and methods of depreciation are reviewed at each financial year end and any change in estimate is accounted for on a prospective basis.

Asset retirement obligation is capitalised when it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Asset retirement is measured based on the present value of expected cost to settle the obligation.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### f. Property, plant and equipment (*Continued*)

iii. Estimated useful lives of the assets are as follows:

Property, plant and equipment	Estimated useful lives w.e.f 1 April 2018	Note reference below
Plant and machinery		
- Network equipment and components	3 to 8 years	Note 3
- <b>Electrical equipment and installations</b>		Note 1
- Power Cables, power distribution boards, chillers and other electrical installation	15 years	Note 2
- DG Set and transformers	20 years	Note 2
- LT and HT Panels	18 years	Note 2
- HVAC and low side work	12 years	Note 2
- Batteries	5 years	Note 2
- UPS,PAC and Cannopy	10 years	Note 1
- Other plant and machinery	15 years	Note 1
Office equipment - Integrated building management systems	15 years	Note 2
Leasehold improvements	Asset life or lease period whichever is less	Note 1
Building		
- RCC structure	60 years	Note 1
- Temporary structures	3 years	Note 1
Furniture and fixtures	10 years	Note 1
Office equipment	5 years	Note 1
Computers		
- End user devices like laptops and desktop	3 years	Note 1
- Server and network	6 years	Note 1

- On the above categories of assets, the depreciation has been provided as per useful life prescribed in Schedule II to the Companies Act, 2013.
  - The Company conducted a review of useful life of all its Property, Plant and Equipment. Based on technical advice, there was no change in expected useful life of the assets.
  - In these cases, the lives of the assets are other than the prescribed lives in Schedule II to the Companies Act, 2013. The lives of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.
- iv. Property, plant and equipment are derecognised from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit and Loss in the year of occurrence.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### g. *Intangible assets*

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each financial period. Changes in the expected useful life are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Estimated useful lives of intangible assets are as follows:

Software	3 to 6 years
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An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

#### h. *Impairment of non-financial asset*

The carrying values of assets / cash generating units ("CGU") at each Balance Sheet date are reviewed for impairment, if any indication of impairment exists. The following intangible assets are tested for impairment at the end of each financial year even if there is no indication that the asset is impaired:

- i. an intangible asset that is not yet available for use; and
- ii. an intangible asset with indefinite useful lives.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at a revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and the value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### *h. Impairment of non-financial asset (Continued)*

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for the Company as a CGU. These budgets and forecast calculations generally cover a significant period. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the significant period.

#### *i. Leases*

The Company assesses whether a contract is or contains a lease at the inception of a contract as per the requirement of Ind AS 116. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of an identified asset; (ii) the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use and (iii) the Company has right to direct the use of the asset..

##### **As a lessee**

The Company recognizes a right-of-use assets and a lease liability at the lease commencement date. The right-of-use assets is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Certain lease arrangements include the option to extend or terminate the lease before the end of the contract end date. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### i. Leases (*Continued*)

##### As a lessee (*Continued*)

The right-of-use assets is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in Company's assessment of whether it will exercise a purchase, extension or termination option. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use assets and statement of profit and loss depending upon the nature of modification.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets or is recorded in profit or loss if the carrying amount of the right-of-use assets has been reduced to zero.

Lease liability is further bifurcated into current and non-current portion; and the right-of-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing activities in the Statement of Cash Flow.

##### Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognizes the lease payments associated with these leases as an expense in the Statement of Profit and Loss over the lease term. The related cash flows are classified as operating activities in the Statement of Cash Flow.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### i. Leases (*Continued*)

##### As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the lessor are classified as operating leases.

Leases are classified as finance leases when substantially all of the risks and rewards incidental to ownership of an asset are transferred from the Company to the lessee. As a part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

Lease rental income and one time charges from operating leases where the Company is lessor is recognised as income on a straight line basis over the term of the lease. The initial direct costs relating to operating leases are recorded as expenses as they are incurred.

#### j. Employee benefits

Employee benefits include contribution to provident fund, gratuity fund, compensated absences and performance incentives.

##### i. Short term employment benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employees render the service. These benefits include compensated absences such as paid annual leave and performance incentives payable within 12 months.

##### ii. Share based payment transactions

The Company would apply Ind AS 102 on “Share based payments” issued by the Institute of Chartered Accountants of India (‘ICAI’) to account for costs related to the employee stock options. The fair value of the amount payable to employees in respect stock options, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the stock options. Any changes in the liability are recognized in the Statement of Profit and Loss.

##### iii. Post-employment benefits

Contributions to defined contribution retirement benefit schemes are recognised as expenses when employees have rendered services entitling them to the contributions.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### j. Employee benefits (*Continued*)

##### iii. Post-employment benefits (*Continued*)

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if applicable), excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the period of plan amendment.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises changes in service costs comprising of current service costs, past-service costs, gains and losses on curtailments and non-routine settlements under employee benefit expenses in the Statement of Profit and Loss. The net interest expense or income is recognised as part of finance cost in the Statement of Profit and Loss.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

##### iv. Other long-term employee benefits

The employees can carry forward a portion of the unutilised accrued compensated absence and utilise it in future service periods or receive cash compensation on termination of employment. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligations at the Balance Sheet date based on an actuarial valuation by an independent actuary using the Projected Unit Credit Method. The discount rates used for determining the present value of the obligations under the defined benefit plan are based on the market yields on government securities as at the Balance sheet date.

The Company's net obligation in respect of long term employee benefits other than pension plans is the amount of future benefit that employees have earned in return for their service in current and prior periods. That benefit is discounted to determine its present value. The discount rate is yield at reporting date on government bonds that have maturity dates approximating the terms of the Company's obligations. Any remeasurements are recognised as employee benefit expenses in profit or loss in the period in which they arise.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### k. Revenue recognition

Income from operations consist of revenue from Data centre services comprising of co-location and managed services.

Revenue is recognized as per Ind AS 115 when a contract exists with the customer, measured based on the amount entitled to be received for the performance obligation and recognized when it satisfies its performance obligation (transfer of control) which may be either over time (service) or at a point in time (product). One time charges for set up activities are amortised over the contract period on a straight line basis.

The Company recognizes revenue from co-location services which consists of space, power, cooling, physical security, storage, networking and one time charges for set up activity. The Company also recognizes revenue from support services and managed services contracts.

As the services rendered by the Company (and the value derived by the customer) is continuous over the term of the contract, revenue from co-location services is recognised on a straight-line basis over the contract term. Revenue from support services and managed service contracts are recognised in the period in which the services are rendered.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. Lease components of a contract, where applicable, are measured basis estimated sales price.

Direct costs solely related to obtaining revenue contracts are capitalised as costs of obtaining a contract when they are incremental and if they are expected to be recovered. Contract costs are amortised over the contract period on a straight-line basis.

The Company incurs commission cost that are solely incremental to obtaining contracts with customer that would not otherwise be incurred.

Contract assets represents effect of straight lining of revenue of customers and hence the Company does not have the unconditional right to consideration. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required as per contractual terms. The Company recognises contract assets when there is an excess of revenue earned over billing on contract.

A contract liability is recognised when the Company has an unconditional right to a payment before it transfers goods or services to customers. The billing schedules agreed with customers include periodic performance based payments. Invoices are payable within contractually agreed credit period.

Any penalties relating to customer contracts are accounted as a reduction from the transaction price over the period of the contract, if paid in advance these are treated as part of prepaid expenses.

#### l. Other income

Other income comprises of interest income for all financial instruments measured at amortised cost. Interest income is recorded on accrual basis. Interest income is included in other income in the Statement of Profit and Loss.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### *m. Taxation*

##### *Current income tax*

- i. Current tax expense is determined in accordance with the provisions of the Income Tax Act, 1961.
- ii. Provision for current income taxes and advance taxes paid in respect of the same jurisdiction are presented in the Balance Sheet after offsetting them on an assessment year basis.

##### *Deferred tax*

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity) is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

#### *n. Fair value measurement*

The Company measures financial instruments such as derivatives and certain investments, at fair value at each Balance Sheet date.

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

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

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

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



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### *n. Fair value measurement (Continued)*

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

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

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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

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

#### *o. Foreign currencies*

The Company's financial statements are presented in ₹, which is also the Company's functional currency. Foreign currency transactions are converted into ₹ at rates of exchange approximating those prevailing at the transaction dates or at the average exchange rate for the month in which the transaction occurs. Foreign currency monetary assets and liabilities are outstanding as at the Balance Sheet date are translated to ₹ at the closing rates prevailing on the Balance Sheet date. Exchange differences on settlement of and restatement of foreign currency transactions are recognised in the Statement of Profit and Loss.

#### *p. Borrowing costs*

Borrowing costs include interest, amortisation of any fee paid to the lender at the time of availing the borrowing. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date when such asset is ready for its intended use are added to the cost of the assets. Where the funds used to finance a project, forms part of general borrowings, the amount capitalised is calculated using an applicable weighted average rate. Capitalisation of borrowing costs is suspended and charged to the Statement of

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### p. *Borrowing costs (Continued)*

Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

#### q. *Earnings per share*

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

#### r. *Investment in equity instrument*

Investment in equity instruments can either be classified as an investment in subsidiary, associate, joint venture or as a financial asset.

All investments in equity instruments are evaluated for determining whether it qualifies as an investment in subsidiary, associate, or joint venture.

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable return from its involvement with the entity and has the ability to affect those returns through its power over entity.

An associate is an entity in which the Company has significant influence, but not control or joint control, over the financial and operating policies.

A joint venture is an arrangement in which the Company has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

#### s. *Financial instruments*

##### **Non – derivative financial instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

##### **A. Financial assets**

###### **i. Financial assets at amortised cost**

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

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### s. Financial instruments (*Continued*)

##### Non – derivative financial instruments (*Continued*)

##### A. Financial assets (*Continued*)

##### ii. Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in investments fair value in OCI. This election is made on an investment-by-investment basis

##### iii. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in Statement of Profit or Loss.

##### iv. Derecognition

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

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

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### s. Financial instruments (*Continued*)

##### Non – derivative financial instruments (*Continued*)

##### A. Financial assets (*Continued*)

##### v. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at Fair Value through other comprehensive income; (except for FVOCI – Equity instruments)

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

- the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date)

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on:

- Trade receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at reporting date.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default and is adjusted for forward looking estimates. At every reporting date, the historically observed rates are updated for changes, if any, in the forward-looking estimates.

For assessing expected credit loss on a collective basis, financial assets have been grouped on the basis of shared risk characteristics and basis of estimation may change during the course of time due to change in risk characteristics.

##### B. Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

##### i. Subsequent measurement

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

##### I. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost on accrual basis.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 2. Material accounting policies (*Continued*)

#### s. Financial instruments (*Continued*)

##### Non – derivative financial instruments (*Continued*)

##### B. Financial liabilities (*Continued*)

##### i. Subsequent measurement (*Continued*)

##### II. Derecognition

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

##### ii. Offsetting of financial instruments

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

#### t. Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued) for the year ended 31 March 2024

Currency in Indian Rupees

### 3 Property, plant and equipment and Capital work-in-progress

	Freehold land	Leasehold improvements	Office buildings	Plant and machinery	Furniture and fixtures	Office equipment	Motor Vehicles	Computers	Total	Capital work-in-progress
<b>Gross block</b>										
<b>At 1 April 2022</b>	7,994.69	39,537.71	43,516.25	268,836.40	7,005.75	37,834.56	-	1,952.24	406,677.60	9,475.60
Additions	-	5,139.51	446.19	29,599.23	1,408.59	4,457.71	36.32	321.44	41,408.99	90,881.64
Disposals	-	(3.15)	-	(3,419.01)	(30.68)	(30.57)	-	-	(3,483.41)	-
Asset (written off) / write back	-	-	-	(103.40)	(4.72)	(2.89)	-	(0.07)	(111.08)	-
Adjustment/Capitalisation	-	-	-	-	-	-	-	-	-	(41,443.48)
<b>At 31 March 2023</b>	7,994.69	44,674.07	43,962.44	294,913.22	8,378.94	42,258.81	36.32	2,273.61	444,492.10	58,913.76
Additions	-	10,685.78	-	62,421.61	139.15	8,534.45	-	371.32	82,152.31	173,593.36
Disposals	-	(92.84)	-	(2,073.68)	(16.33)	(99.34)	-	(0.41)	(2,282.60)	-
Asset (written off) / write back	-	-	-	(411.34)	(39.80)	(38.67)	-	(0.14)	(489.95)	-
Adjustment/Capitalisation	-	-	-	-	-	-	-	-	-	(82,537.68)
<b>At 31 March 2024</b>	7,994.69	55,267.01	43,962.44	354,849.81	8,461.96	50,655.25	36.32	2,644.38	523,871.86	149,969.44
<b>Accumulated depreciation</b>										
<b>At 1 April 2022</b>	-	8,960.06	1,222.82	93,931.38	3,797.75	13,832.04	-	737.37	122,481.42	-
Depreciation	-	3,179.82	878.62	18,230.84	375.33	3,438.28	3.42	373.75	26,480.06	-
Disposals	-	(2.45)	-	(3,210.98)	(30.60)	(29.65)	-	-	(3,273.68)	-
Asset (written off) / write back	-	-	-	(101.90)	(4.60)	(2.89)	-	(0.07)	(109.46)	-
Adjustment/Capitalisation	-	-	-	0.02	-	-	-	-	0.02	-
<b>At 31 March 2023</b>	-	12,137.43	2,101.44	108,849.36	4,137.88	17,237.78	3.42	1,111.05	145,578.36	-
Depreciation	-	3,942.95	887.95	21,770.77	370.85	4,716.39	4.31	427.31	32,120.53	-
Disposals	-	(92.84)	-	(1,948.18)	(16.33)	(99.30)	-	-	(2,156.65)	-
Asset (written off) / write back	-	-	-	(402.39)	(38.71)	(37.96)	-	(0.13)	(479.19)	-
Adjustment/Capitalisation	-	-	-	-	-	-	-	(0.35)	(0.35)	-
<b>At 31 March 2024</b>	-	15,987.54	2,989.39	128,269.56	4,453.69	21,816.91	7.73	1,537.88	175,062.70	-
<b>Net block</b>										
<b>At 31 March 2024</b>	7,994.69	39,279.47	40,973.05	226,580.25	4,008.27	28,838.34	28.59	1,106.50	348,809.16	149,969.44
At 31 March 2023	7,994.69	32,536.64	41,861.00	186,063.86	4,241.06	25,021.03	32.90	1,162.56	298,913.74	58,913.76

- a. Property, plant and equipment and Capital work-in-progress are subject to first charge to secure the loans availed from bank (Refer note 15)
- b. The Company has capitalised borrowing costs during the year ended 31 March 2024 amounting to ₹ 5,921.09 lakhs (2023 : ₹ 1,322.18 lakhs), interest on lease liabilities amounting to ₹ 2,659.41 lakhs (2023 : ₹ 196.70 lakhs) and depreciation on right-of-use assets amounting to ₹ 1,087.60 lakhs (2023 : ₹ 149.23 lakhs) included in capital work-in-progress.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 3. Property, plant and equipment and Capital work-in-progress (Continued)

#### CWIP ageing schedule

(₹ in lakhs)

As at 31 March 2024					Total
Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	129,520.26	18,901.34	1,547.84	-	149,969.44

(₹ in lakhs)

As at 31 March 2023					(₹ in lakhs)
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	54,499.81	4,327.88	86.07	-	58,913.76

For capital-work-in progress, whose completion is overdue, CWIP completion schedule is as follows:

(₹ in lakhs)

(₹ in lakhs)					
Particulars	As at 31 March 2024				Total
	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	₹	₹	₹	₹	

(₹ in lakhs)

As at 31 March 2023					
Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
C4-DEL01-00001-01	26,667.43	-	-	-	26,667.43

### 4. Other intangible assets

(₹ in lakhs)

	Software	Total
<b>Cost</b>		
Balance as at 1 April 2022	1,232.32	1,232.32
Additions	34.49	34.49
Balance as at 31 March 2023	1,266.81	1,266.81
Additions	385.40	385.40
Balance as at 31 March 2024	1,652.21	1,652.21
<b>Accumulated amortization</b>		
Balance as at 1 April 2022	594.82	594.82
Amortisation for the year	240.08	240.08
Balance as at 31 March 2023	834.90	834.90
Amortisation for the year	308.74	308.74
Balance as at 31 March 2024	1,143.64	1,143.64
<b>Carrying amount</b>		
Balance as at 31 March 2024	508.57	508.57
Balance as at 31 March 2023	431.91	431.91

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 4. Other intangible assets (*Continued*)

Intangible assets are subject to first charge to secure the loans availed from bank. Refer note 15.

The estimated amortisation for years subsequent to 31 March 2024 is as follows:

(₹ in lakhs)	
Year ending 31 March,	Amortisation expense
2025	241.85
2026	207.05
2027	55.75
2028	3.92
	<b>508.57</b>

### 5. Other financial assets

(₹ in lakhs)		
	As at 31 March 2024	As at 31 March 2023
Considered good, unsecured – at amortised cost		
<b>Non-current</b>		
Security deposits		
- Receivable from related parties (Refer note 33)	<b>1,950.34</b>	1,884.83
- Others	<b>7,456.83</b>	5,025.64
<b>Total</b>	<b>9,407.17</b>	6,910.47

Security deposit and Advance to supplier are subject to first charge to secure the loans availed from bank. Refer note 15.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

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

Major components of deferred tax asset and liability consist of the following:

(₹ in lakhs)

	As at 1 April 2023	Recognised in Statement of Profit and Loss (net)	Recognised in other comprehensive income	As at 31 March 2024
<b>Deferred tax assets arising out of timing differences on:</b>				
Difference between accounting and tax depreciation / amortisation	(11,497.69)	(2,739.64)	-	(14,237.33)
Provision for doubtful trade receivables and advances	213.98	37.98	-	251.96
Provision for leave encashment	80.48	19.55	-	100.03
Provision for gratuity	(4.77)	39.01	8.41	42.65
Provision for stamp duty	866.38	-547.11	-	319.27
Expenditure disallowed u/s.40 (a) (ia)	832.84	-129.68	-	703.16
Adjustment related to Ind AS 116	45,372.40	6,344.45	-	51,716.85
Others	0.85	117.35	-	118.20
<b>Total deferred tax assets (A)</b>	<b>35,864.47</b>	<b>3,141.91</b>	<b>8.41</b>	<b>39,014.79</b>
<b>Deferred tax liability arising out of timing differences on:</b>				
Adjustment related to Ind AS 115	109.48	(20.62)	-	88.86
Adjustment related to Ind AS 116	39,872.37	5,470.35	-	45,342.72
Others	23.24	0.88	-	24.12
<b>Total deferred tax liabilities (B)</b>	<b>40,005.09</b>	<b>5,450.61</b>	<b>-</b>	<b>45,455.70</b>
<b>Deferred tax assets/(liability) (net)</b>	<b>(4,140.62)</b>	<b>(2,308.70)</b>	<b>8.41</b>	<b>(6,440.91)</b>



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 6. Deferred tax assets/liabilities (net) (Continued)

	As at 1 April 2022	Recognised in Statement of Profit and Loss (net)	Recognised in other comprehensive income	As at 31 March 2023
(₹ in lakhs)				
<b>Deferred tax assets arising out of timing differences on:</b>				
Difference between accounting and tax depreciation / amortisation	(8,100.83)	(3,396.86)	-	(11,497.69)
Provision for doubtful trade receivables and advances	480.61	(266.63)	-	213.98
Provision for leave encashment	72.78	7.70	-	80.48
Provision for gratuity	6.54	(4.06)	(7.25)	(4.77)
Provision for stamp duty	810.26	56.12	-	866.38
Expenditure disallowed u/s.40 (a) (ia)	774.94	57.90	-	832.84
Tax Losses*	250.42	(250.42)	-	-
Adjustment related to Ind AS 116	39,808.04	5,564.36	-	45,372.40
Others	38.66	(37.81)	-	0.85
<b>Total deferred tax assets (A)</b>	<b>34,141.42</b>	<b>1,730.30</b>	<b>(7.25)</b>	<b>35,864.47</b>
<b>Deferred tax liability arising out of timing differences on:</b>				
Adjustment related to Ind AS 115	(79.72)	189.20	-	109.48
Adjustment related to Ind AS 116	35,239.52	4,632.85	-	39,872.37
Others	22.97	0.27	-	23.24
<b>Total deferred tax liabilities (B)</b>	<b>35,182.77</b>	<b>4,822.32</b>	<b>-</b>	<b>40,005.09</b>
<b>Deferred tax assets/(liability) (net)</b>	<b>(1,041.35)</b>	<b>(3,092.02)</b>	<b>(7.25)</b>	<b>(4,140.62)</b>

\*The amount pertains to Deferred Tax on Unabsorbed Depreciation which can be carried forward indefinitely.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 7. Contract assets and contract liabilities

		(₹ in lakhs)	
		As at 31 March 2024	As at 31 March 2023
<b>A Non-current</b>			
Contract assets *		18,063.74	10,213.80
Loss allowance		-	-
<b>Total contract assets</b>		<b>18,063.74</b>	<b>10,213.80</b>
<b>Total contract liabilities</b>		<b>1,625.75</b>	<b>1,698.33</b>
<b>B Current</b>			
Contract assets *		158.97	-
Loss allowance		-	-
<b>Total contract assets</b>		<b>158.97</b>	<b>-</b>
<b>Total contract liabilities</b>		<b>7,379.54</b>	<b>8,698.40</b>

\* ₹ 5,601.80 lakhs (2023: ₹ 4,815.11 lakhs) regrouped to prepaid expenses from contract assets pertaining to customer contract obligations.

Contract assets are subject to first charge to secure the loans availed from bank. Refer note 15.

#### Movement of contract assets and contract liabilities:

The following table reflects the movement of contract assets and contract liabilities:

		(₹ in lakhs)	
		As at 31 March 2024	As at 31 March 2023
<b>A Changes in contract assets:</b>			
Balance at the beginning of the year		15,028.91	2,427.50
Contract assets recognized, net of reclassification to Receivables		3,193.80	7,786.30
Balance at the end of the year		<b>18,222.71</b>	<b>10,213.80</b>
<b>B Changes in contract liability:</b>			
Balance at the beginning of the year		10,396.73	9,030.45
Revenue recognized from prior year balance		(8,698.40)	(7,419.49)
Cash received in advance and not recognized as revenue		7,306.96	8,785.77
Balance at the end of the year		<b>9,005.29</b>	<b>10,396.73</b>

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 8. Other assets

(₹ in lakhs)		
	As at 31 March 2024	As at 31 March 2023
<b>Unsecured, considered good</b>		
<b>A Non-current (Refer note 15)</b>		
a. Capital advances	15,061.60	18,306.19
b. Prepaid expenses*	5,436.29	4,893.08
c. Asset recognised from cost to obtain contracts (#)	270.20	344.61
d. Indirect taxes recoverable (Refer note 35 (i)(g))	5,630.04	5,630.04
e. Balance with government authorities	115.26	115.26
<b>Total (A)</b>	<b>26,513.39</b>	<b>29,289.18</b>
<b>B Current (Refer note 15)</b>		
a. Prepaid expenses*	1,560.24	1,161.95
b. Indirect taxes recoverable	16,604.20	8,776.90
c. Advance to contractors and vendors	0.04	0.04
d. Interest receivable	867.14	124.11
e. Asset recognised from cost to obtain contracts (#)	81.53	89.04
f. Others	480.79	449.52
<b>Total (B)</b>	<b>19,593.94</b>	<b>10,601.56</b>
<b>Total (A) + (B)</b>	<b>46,107.33</b>	<b>39,890.74</b>

\* ₹ 5,601.80 lakhs (2023: ₹ 4,815.11 lakhs) regrouped to prepaid expenses from contract assets pertaining to customer contract obligations.

(#) On adoption of Ind AS 115, the Company recognised an asset in relation to cost incurred to obtain contracts. The asset is amortised on a straight line basis over the contract period. Applying the practical expedient in paragraph 94 of Ind AS 115, the Company recognises the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the assets that the Company otherwise would have recognised is one year or less.

There was no impairment loss in relation to the costs capitalised.

(₹ in lakhs)		
	As at 31 March 2024	As at 31 March 2023
<b>Changes in contract cost:</b>		
Balance at the beginning of the year	433.65	537.14
Contract cost deferred during the year	8.20	7.83
Amortization of contract cost	(90.12)	(111.32)
Balance at the end of year	<b>351.73</b>	<b>433.65</b>



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 9. Trade Receivables

(₹ in lakhs)

As at 31 March 2024								
Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables- considered good	5,839.56	10,401.22	426.11	-	-	-	-	16,666.89
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	88.74	27.58	-	0.17	1.50	117.99
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	2.09	0.57	324.83	327.49
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables-Credit impaired	-	1.30	-	-	77.41	42.94	433.99	555.64
<b>Total</b>	<b>5,839.56</b>	<b>10,402.52</b>	<b>514.85</b>	<b>27.58</b>	<b>79.50</b>	<b>43.68</b>	<b>760.32</b>	<b>17,668.01</b>
Less: Loss Allowance								(1,001.12)
<b>Grand Total</b>								<b>16,666.89</b>

(₹ in lakhs)

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- i. For trade receivables secured against borrowings Refer note 15
- ii. For trade receivables from related parties Refer note 33

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 10. Cash and cash equivalents

(₹ in lakhs)		
	As at 31 March 2024	As at 31 March 2023
a. Balances with banks (Refer note 15)	2,231.08	2,297.84
b. Deposit with scheduled banks having maturity less than three months (Refer note 15)	24,590.89	34,200.00
Cash and cash equivalent as per Statement of Cash Flows	26,821.97	36,497.84

### 11. Bank balances other than cash and cash equivalents as above

(₹ in lakhs)		
	As at 31 March 2024	As at 31 March 2023
Deposits with banks with original maturity date more than three months but less than twelve months	68,020.88	-
Restricted bank balance #	-	0.64
Total	68,020.88	0.64

# Represents balance lying in the unspent CSR bank account for FY 21-22.

### 12. Investments

(₹ in lakhs)		
	As at 31 March 2024	As at 31 March 2023
<b>Non-current (Refer note 15)</b>		
<b>Investment designated at fair value through OCI</b>		
Fully paid equity shares (unquoted) #		
Avaada MHKhamgaon Private limited	1,950.00	1,950.00
Avaada Sunlight Private limited	975.00	975.00
O2 Renewable Energy IV Private limited	432.17	291.55
Class A Units (unquoted) #		
KAS On Site Power Solutions LLP	112.50	-
Total	3,469.67	3,216.55

# During the year, the Company had subscribed to additional equity share capital of O2 Renewable Energy IV Private limited on right basis and 26% Class A units of KAS On Site Power Solutions LLP on fully diluted basis. The Company plans to purchase renewable power from the investee company for its data centres. The Company has made an irrevocable election to present subsequent changes in the fair value of the investment in other comprehensive income.

The investment has been classified as a financial asset as per Note 2(r).

For investments in related parties Refer note 33

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 13. Equity share capital

(₹ in lakhs)		
	As at 31 March 2024	As at 31 March 2023
a. Authorised:		
150,000,000 (2023:150,000,000) Equity shares of ₹10 each	15,000.00	15,000.00
b. Issued, subscribed and paid up:		
15,800 (2023:14,000) equity shares of ₹10 each fully paid up (Refer i below)	1.58	1.40

#### i. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Equity shares	As at 31 March 2024		As at 31 March 2023	
	No of shares	₹ in lakhs	No of shares	₹ in lakhs
Opening balance	14,000	1.40	13,300	1.33
Add: Right issue during the year	1800	0.18	700	0.07
Closing balance	15,800	1.58	14,000	1.40

#### ii. Terms/ rights attached to equity shares:

The Company has only one class of equity shares with a face value of ₹10 per share. Each shareholder of equity shares is entitled to one vote per share at any general meeting of shareholders. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

#### iii. Right issue of equity shares:

- Vide its Board Meeting dated 31 May 2023, the Company approved Right issue of 200 equity shares with face value of ₹ 10 per share at a premium of ₹ 5,576,660 per share aggregating to ₹ 1,115,334,000 (Rupees One Hundred Eleven Crores Fifty-Three Lakhs Thirty-Four Thousand only) to their existing shareholders in the ratio of current shareholding. The Board of Directors vide its resolution by circulation dated 21 August 2023 approved the allotment of equity shares.
- Vide its Board Meeting dated 29 November 2023, the Company approved Right issue of 1,600 equity shares with face value of ₹ 10 per share at a premium of ₹ 5,726,163 per share aggregating to ₹ 9,161,876,800 (Rupees Nine Hundred Sixteen Crores Eighteen Lakhs Seventy Six Thousand Eight Hundred only) to their existing shareholders in the ratio of current shareholding. The Board of Directors vide its meeting dated on 12 March 2024 approved the allotment of equity shares.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 13. Equity share capital (*Continued*)

#### iv. Shares held by holding company:

	As at 31 March 2024		As at 31 March 2023	
	No of shares	₹ in lakhs	No of shares	₹ in lakhs
STT India DC Pte. Ltd.	11,692	1.17	10,360	1.04

#### v. Number of shares held by each shareholder holding more than 5% of the issued share capital and shares held by promoters:

	As at 31 March 2024		As at 31 March 2023	
	No of shares	Percentage	No of shares	Percentage
STT India DC Pte. Ltd.	11,692	74%	10,360	74%
Tata Communications Limited.	4,108	26%	3,640	26%

### 14. Other equity

			(₹ in lakhs)
		As at 31 March 2024	As at 31 March 2023
a.	Securities premium	248,451.33	145,679.40
b.	General reserve	8,750.00	8,750.00
c.	Retained earnings	54,919.76	44,151.03
d.	Other comprehensive income	(78.73)	(53.72)
	Total	312,042.36	198,526.71

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 15. Borrowings

		(₹ in lakhs)	
		As at 31 March 2024	As at 31 March 2023
(A)	<b>Non – current financial liabilities</b>		
	Secured		
	Rupee loan from banks (Refer i below)	270,714.00	195,520.00
	Less: Arrangement fees	(674.82)	(779.53)
	Total (A)	270,039.18	194,740.47
(B)	<b>Current financial liabilities</b>		
	Secured		
	Rupee loan from banks (Refer i below)	24,806.00	18,978.00
	Less: Arrangement fees	(104.42)	(104.42)
	Total (B)	24,701.58	18,873.58
	Total (A+B)	294,740.76	213,614.05

#### i. Secured bank loan

The Company had availed a loan facility of ₹ 160,000 lakhs from consortium of banks in financial year 2017-18 for repayment of existing loan and construction of new data centres. During the year the Company has repaid quarterly loan installments totaling to ₹ 14,388 lakhs for this loan facility.

The Company also availed sanction of fresh loan of ₹ 300,000 lakhs in the financial year 2018-19 from consortium of banks, this loan is taken for construction of new data centres at various locations in India. Company had drawn ₹ 100,000 lakhs from this facility during the year and repaid quarterly loan installments totaling to ₹ 4,590 lakhs for this loan facility.

Both the loan has been secured in favor of the Security Trustee acting for the benefit of the Secured Parties by way of first pari passu charge by way of hypothecation of (the “Security”): (a) all the movable properties and assets (other than Insurance Contracts) of the Borrower (present and future), including, but not limited to, moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, both present and future; (b) all the Borrower’s accounts (present and future), including in each case, all

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 15. Borrowings (*Continued*)

#### i. Secured bank loan (*Continued*)

monies lying credited/deposited into such accounts; (c) all the Borrower's current assets, book debts operating cash flows, commissions, receivables, revenues of whatsoever nature and wherever arising, all investments and other securities (present and future).

The carrying amounts of assets pledged as security for borrowings are as follows:

(₹ in lakhs)	
Particulars	As at 31 March 2024
<b>Non current assets</b>	
Property, plant and equipment	348,809.16
Capital work-in-progress	149,969.44
Right-of-use assets	205,757.72
Other intangible assets	508.57
Investments	3,469.67
Other financial assets	9,407.17
Contract assets	18,063.74
Other non-current assets	26,513.39
<b>Current assets</b>	
Trade receivables	16,666.89
Cash and cash equivalents	26,821.97
Bank balances others	68,020.88
Income tax assets (net)	9,089.17
Contract assets	158.97
Other current assets	19,593.94

The repayment schedule of loan from bank is stated below:

(₹ in lakhs)	
Date of Repayment	Amount of Repayment
FY 2024-25	24,806
FY 2025-26	38,366
FY 2026-27	41,183
FY 2027-28	42,975
FY 2028-29	44,945
FY 2029-30	27,615
FY 2030-31	27,420
FY 2031-32	26,640
FY 2032-33	21,570
	<b>295,520</b>



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 15. Borrowings (Continued)

#### i. Secured bank loan (Continued)

(₹ in lakhs)			
	Interest Rate	Year of maturity	Carrying amount as at 31 March 2024
Secured Bank Loan	MCLR + 0.25%-0.45%	2029	57,711
Secured Bank Loan	MCLR + 0.25%-0.45%	2029	30,229
Secured Bank Loan	MCLR + 0.50%	2033	72,653
Secured Bank Loan	MCLR + 0.25%	2033	67,463
Secured Bank Loan	MCLR + 0.40%	2033	67,464
Total			295,520

(₹ in lakhs)			
	Interest Rate	Year of maturity	Carrying amount as at 31 March 2023
Secured Bank Loan	MCLR + 0.25%-0.45%	2029	46,748
Secured Bank Loan	MCLR + 0.25%-0.45%	2029	55,580
Secured Bank Loan	MCLR + 0.50%	2033	39,260
Secured Bank Loan	MCLR + 0.25%	2033	36,455
Secured Bank Loan	MCLR + 0.40%	2033	36,455
Total			214,498

#### Details of Covenant restrictions on bank loan

There is no financial covenant in the ₹ 160,000 lakhs loan facility.

For the loan of ₹ 300,000 lakhs financial covenants are as under.

- (a) A minimum DSCR (Debt service coverage ratio) of 1.15 x till the financial year 2021; and
- (b) A minimum DSCR of 1.20 x from financial year 2022 throughout the tenor of the facility

The Company has complied with the above covenant for the year ended 31 March 2024.

#### ii. Unsecured bank loan

The sanctioned short-term working capital facilities as on 31 March 2024 is ₹ 34,500 lakhs. Out of which, ₹12,000 lakhs is fungible limit between fund based & non fund based, ₹ 13,500 lakhs is non fund based and ₹ 9,000 lakhs is fund based. As on 31 March 2024, the Company has utilised ₹ 18,643.92 lakhs of limit facilities for issuance of bank guarantees. The fund-based facilities are unutilised as on 31 March 2024.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 16. Other financial liabilities

		(₹ in lakhs)	
		As at 31 March 2024	As at 31 March 2023
<b>A</b>	<b>Non-current</b>		
	Cash settled incentive		
	(i) Appreciation unit plan (AUP) (Refer note 27(iii))	13,308.38	7,726.92
	(ii) Restricted stock option Plan (RSUP) (Refer note 37)	951.70	1,029.15
	<b>Total (A)</b>	<b>14,260.08</b>	<b>8,756.07</b>

		(₹ in lakhs)	
		As at 31 March 2024	As at 31 March 2023
<b>B</b>	<b>Current</b>		
a.	Payable for capital goods		
	- Payable to related parties (Refer note 33)	-	820.47
	- Others	47,476.54	22,873.04
		<b>47,476.54</b>	<b>23,693.51</b>
b.	Interest accrued on loan	852.75	557.83
c.	Accrued payroll	3,784.92	3,832.39
d.	Cash settled incentive		
	(i) Appreciation unit plan (AUP) (Refer note 27(iii))	528.02	392.20
	(ii) Restricted stock option Plan (RSUP) (Refer note 37)	592.45	377.23
e.	Initial lease expense liability		
	- Payable to related parties (Refer note 33)	-	340.00
f.	Other payables	32.28	31.38
	<b>Total (B)</b>	<b>53,266.96</b>	<b>29,224.54</b>
	<b>Total (A) + (B)</b>	<b>67,527.04</b>	<b>37,980.61</b>

### 17. Provisions

		(₹ in lakhs)	
		As at 31 March 2024	As at 31 March 2023
<b>A</b>	<b>Non-current</b>		
	Employee benefit obligations (Refer note 27)		
	- Compensated absences	373.41	298.75
	- Gratuity liability	168.04	95.94
	<b>Total (A)</b>	<b>541.45</b>	<b>394.69</b>
<b>B</b>	<b>Current</b>		
	Employee benefit obligations (Refer note 27)		
	- Compensated absences	37.74	33.55
	<b>Total (B)</b>	<b>37.74</b>	<b>33.55</b>
	<b>Total (A) + (B)</b>	<b>579.19</b>	<b>428.24</b>

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 18. Other current liabilities

		(₹ in lakhs)	
		As at 31 March 2024	As at 31 March 2023
<b>A</b>	<b>Non-current</b>		
	Deferred revenue	8,924.16	5,209.65
	Provision - ARO Cost	453.14	418.43
	<b>Total (A)</b>	<b>9,377.30</b>	<b>5,628.08</b>
<b>B</b>	<b>Current</b>		
a.	Statutory dues #	1,937.06	1,383.95
b.	Others	2,180.42	1,067.00
	<b>Total (B)</b>	<b>4,117.48</b>	<b>2,450.95</b>
	<b>Total (A) + (B)</b>	<b>13,494.78</b>	<b>8,079.03</b>
	#Statutory dues include		
	i. TDS payable	970.07	343.32
	ii. Professional tax	1.14	4.03
	iii. GST payable	965.85	1,036.60

### 19. Trade payables

(₹ in lakhs)						
As at 31 March 2024						
Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than a year	1-2 years	2-3 years	More than 3 years	
(i) MSME	200.45	-	-	-	-	200.45
(ii) Others	283.24	1,239.39	55.73	50.29	220.90	1,849.55
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
<b>Total</b>	<b>483.69</b>	<b>1,239.39</b>	<b>55.73</b>	<b>50.29</b>	<b>220.90</b>	<b>2,050.00</b>
Unbilled dues						18,669.65
<b>Grand Total</b>						<b>20,719.65</b>

(₹ in lakhs)						
As at 31 March 2023						
Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than a year	1-2 years	2-3 years	More than 3 years	
(i) MSME	209.72	-	-	-	-	209.72
(ii) Others	367.21	837.97	-	18.48	54.93	1,278.59
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
<b>Total</b>	<b>576.93</b>	<b>837.97</b>	<b>-</b>	<b>18.48</b>	<b>54.93</b>	<b>1,488.31</b>
Unbilled dues						18,638.24
<b>Grand Total</b>						<b>20,126.55</b>

i) For trade payables to related parties Refer note 33



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 20. Revenue from operations

	(₹ in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from data centre services	199,747.06	182,344.71
<b>Total</b>	<b>199,747.06</b>	<b>182,344.71</b>

The revenue recognised in the Statement of Profit and Loss equals to the contracted price.

#### Unsatisfied performance obligations:

The Company has applied Ind AS 115 retrospectively using the practical expedient in paragraph C5 (d) of Ind AS 115 under which the Company does not disclose for reporting periods presented before the date of initial application:

- The amount of transaction price allocated to the remaining performance obligations; nor
- An explanation of when the entity expects to recognize that amount as revenue.

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Company has applied the practical expedient in Ind AS 115. Accordingly, the Company has not disclosed the aggregate transaction price allocated to unsatisfied (or partially satisfied) performance obligations, which pertain to contracts where revenue recognised corresponds to the value transferred to customer typically involving outcome based, and event based contracts.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc).

The aggregate value of the transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 614,617.65 lakhs (2023: ₹668,683.96 lakhs) out of which 18.17% (2023: 14.3%) lakhs is expected to be recognized as revenue in the next year and balance thereafter.

Variable consideration that is constrained and therefore not included in the transaction price is excluded in the amount presented above.

### 21. Other income

	(₹ in lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
a. Interest income	2,829.90	2,079.39
b. Interest on income tax refund	832.38	291.25
c. Gain on disposal of property, plant and equipment and intangibles (net)	710.85	1,046.04
d. Other non-operating income (net)		
- Foreign exchange gain/(loss) (net)	8.06	(20.19)
<b>Total</b>	<b>4,381.19</b>	<b>3,396.49</b>

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 22. Operating and other expenses

		(₹ in lakhs)
	For the year ended 31 March 2024	For the year ended 31 March 2023
a. Power and fuel	69,886.52	60,703.28
b. Rent	221.57	230.03
c. Repairs and maintenance:		
Buildings	2,417.00	2,262.01
Plant and machinery	9,693.08	9,312.44
Others	3,288.30	2,993.30
d. Impairment loss recognised/(reversed) under expected credit loss model	150.90	(1,059.40)
e. Network and cable charges	659.15	588.46
f. Rates and taxes	1,134.13	1,186.74
g. Travelling	519.27	509.77
h. Outsource services	645.98	682.40
i. Legal and professional charges	2,283.87	1,770.84
j. Sales and marketing Expenses	685.79	588.74
k. Insurance	623.45	556.40
l. Security charges	1,427.46	1,298.57
m. Water charges	437.26	573.51
n. Director's remuneration	240.06	574.29
o. Corporate social responsibility expenditure (Refer i)	223.19	118.52
p. Other expenses (Refer ii)	593.56	618.36
<b>Total</b>	<b>95,130.54</b>	<b>83,508.26</b>

- i. As required by the Companies Act, 2013 and rules thereon, gross amount required to be spent by the Company during the year toward corporate social responsibility (CSR) amount to ₹ 223.19 lakhs (2023: ₹118.44 lakhs). The Company has spent ₹ 223.19 lakhs during the year on CSR activities mainly for transforming the livelihood of tribal farmer households and help them enhance their income earning capacities and training students in employment linked infrastructure management services program.

- ii. Other expenses include auditors' remuneration as follows (excluding taxes):

	For the year ended 31 March 2024	For the year ended 31 March 2023
Auditors' remuneration and expenses		
Services as Statutory Auditors	20.00	18.00
Tax audit fees	5.00	4.00
Other audit related fees	286.00	41.00
For reimbursement of expenses	30.41	4.75

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 23. Employee benefits expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
a. Salaries, bonus and related costs	10,361.40	9,935.64
b. Contribution to provident funds (Refer note 27)	354.08	303.97
c. Gratuity expense (Refer note 27)	142.14	126.95
d. Compensated absences	89.93	69.17
e. Long term incentive plan		
- Cash settled incentive (Refer note 27)	6,055.98	4,435.66
f. Staff welfare expenses	676.62	688.13
<b>Total</b>	<b>17,680.15</b>	<b>15,559.52</b>

### 24. Finance costs

	For the year ended 31 March 2024	For the year ended 31 March 2023
a. Interest costs:		
-On loan from banks measured at amortised cost	25,111.23	17,215.39
Less: Amount capitalised *	5,921.09	1,322.18
	19,190.14	15,893.21
-Others	3.88	5.32
<b>Total (A)</b>	<b>19,194.02</b>	<b>15,898.53</b>
b. Interest on lease liabilities (Refer note 34 (a) (iii))	14,964.58	11,190.51
Less: Amount capitalised	2,659.41	196.70
<b>Total (B)</b>	<b>12,305.17</b>	<b>10,993.81</b>
c. Interest on initial lease expenses liability# (C)	-	26.93
d. Interest expense - Unwinding of restoration cost (D)	33.10	-
<b>Finance cost expensed in profit and loss (A+B+C+D)</b>	<b>31,532.29</b>	<b>26,919.27</b>

\*The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Company's general borrowings during the year, i.e., 9.23% (2023: 7.99%).

# Refer note 16 (B)

### 25. Depreciation and amortisation expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment	32,120.53	26,480.06
Depreciation of right-of-use assets (Refer note 34 (a) (i))	12,870.10	11,067.67
Amortization of intangible assets	308.74	240.08
<b>Total</b>	<b>45,299.37</b>	<b>37,787.81</b>



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 26. Tax expense

#### i. Income tax recognised in Statement of Profit and loss:

(₹ in lakhs)		
Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Current tax</b>		
In respect of current year	1,415.51	2,473.81
In respect of prior years	(7.04)	-
Total Current tax (a)	1,408.47	2,473.81
<b>Deferred tax</b>		
In respect of the current year	2,300.85	3,091.67
In respect of the earlier years	7.85	0.36
Total deferred tax (b)	2,308.70	3,092.03
<b>Total Income tax expense (a+b)</b>	<b>3,717.17</b>	<b>5,565.84</b>

#### ii. The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit / (loss) before tax is as follows:

(₹ in lakhs)		
Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit/ (Loss) before tax	14,485.90	21,966.32
Income tax expense calculated at 25.168% Tax rate (2023 : 25.168% Tax rate)	3,645.81	5,528.49
<b>Reasoning</b>		
Effect of adjustments that are not deductible in determining taxable profit	70.55	36.99
True up impact of prior years	0.81	0.36
Total	71.36	37.35
Income tax expense recognised in Statement of Profit and Loss	3,717.17	5,565.84

#### iii. Income tax recognised in other comprehensive income

(₹ in lakhs)		
Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Deferred tax</b>		
Re-measurements of the defined benefit obligation	8.41	(7.25)
Total Income tax	8.41	(7.25)
Bifurcation of income taxes recognized in other comprehensive income into:		
Items that will not be reclassified to profit and loss	8.41	(7.25)

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 27. Employee Benefits

#### i. Defined contribution plan - Provident fund:

The Company makes contribution towards provident fund under a defined contribution retirement benefit plan for qualifying employees. The provident fund is administered by the Regional Provident Fund Commissioner. Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

Provident fund contributions amounting to ₹ 354.08 lakhs (2023: ₹ 303.97 lakhs) have been charged to the Statement of Profit and Loss, under Contribution to provident, gratuity and other funds in note 23 "Employee benefits expense".

#### ii. Defined benefit obligation – Gratuity

The plan provides for lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The cost of providing benefits for defined benefit schemes is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

These plans typically expose the Company to actuarial risk such as interest rate risk and salary risk:

Interest rate risk	The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase
Salary risk	Higher than expected increases in salary will increase the defined benefit obligation
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee
Regulatory risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

No other post-retirement benefits are provided to the employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2024 by an independent actuary.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 27. Employee Benefits (Continued)

#### ii. Defined benefit obligation – Gratuity (Continued)

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	As at 31 March 2024	As at 31 March 2023
Principal actuarial assumptions		
Discount rate	7.00%	7.20%
Salary escalation Rate :	10%	10%
Mortality rate	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Withdrawal rate		
Less than 5 years	10%	10%
5 years and more	8%	8%

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimates of future compensation cost considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors.

Amounts recognised in the Statement of Profit and Loss in respect of these defined benefit plans are as follows:

		(₹ in lakhs)
	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>I Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	142.14	126.95
Past Service cost – plan amendments	-	-
Net interest on net defined benefit liability/(asset)	3.07	3.92
<b>Components of defined benefit cost recognised in the Statement of Profit and Loss (Refer note 23 and 24)</b>	<b>145.21</b>	<b>130.87</b>
	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>II Expenses recognised in the other comprehensive income</b>		
Actuarial changes arising from changes in Financial assumptions	12.82	(21.12)
Actuarial changes arising from experience adjustments	21.17	(4.33)
Actuarial changes arising from return on plan assets	(0.57)	(3.36)
<b>Components of defined benefit cost recognised in other comprehensive income</b>	<b>33.42</b>	<b>(28.81)</b>



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 27. Employee Benefits (Continued)

#### ii. Defined benefit obligation – Gratuity (Continued)

During the year 2018-19, the Company had opened a trust to manage the Gratuity plan, the contributions being administered by the Trustees. The details in respect of the funded amounts recognised in the Balance Sheet for these defined benefit schemes are as under:

Particulars	Gratuity	
	As at 31 March 2024	As at 31 March 2023
<b>III Amount recognised in the Balance Sheet</b>		
Obligation at the end of the year	812.62	640.16
<b>Net liability arising from defined benefit obligation</b>	<b>168.04</b>	95.94
<b>Non-current provision (Refer note 17A)</b>	<b>168.04</b>	95.94
<b>IV Change in the defined benefit obligation</b>		
Opening defined benefit obligation	640.16	570.66
Current service cost	142.14	126.95
Interest cost	44.36	36.48
Past service cost – plan amendments	-	-
Actuarial (gain) / loss on obligations- experience	21.17	(4.33)
Actuarial (gain) / loss on obligations– demographic assumptions	-	-
Actuarial (gain) / loss on obligations– financial assumptions	12.82	(21.12)
Benefits paid directly by the company	(6.51)	(2.23)
Benefits paid (from plan assets)	(41.52)	(66.25)
<b>Closing defined benefit obligation</b>	<b>812.62</b>	640.16

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 27. Employee Benefits (Continued)

#### ii. Defined benefit obligation – Gratuity (Continued)

(₹ in lakhs)

		Gratuity	
Particulars	As at 31 March 2024	As at 31 March 2023	
V	Changes in plan asset		
	Fair value of plan assets, beginning of the year	544.22	449.46
	Interest income	41.29	32.57
	Employer contributions	100.02	125.08
	Benefits paid	(41.52)	(66.25)
	Return on plan assets greater / (lesser) than discount rate	0.57	3.36
	Fair value of the plan assets, end of year	644.58	544.22
VI	Funded status		
	(Deficit)/Surplus of plan assets over obligations	(168.04)	(95.94)
	(Refer note 17A)		
VII	A quantitative sensitivity analysis for significant assumption as at 31 March 2024 and 31 March 2023 is as shown below: (As per actuarial valuation report)		
	The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.		
		As at 31 March 2024	As at 31 March 2023
	Discount rate		
	Increase (1%)	(61.04)	(48.43)
	Decrease (1%)	69.16	54.89
	Salary escalation rate		
	Increase (1%)	68.62	54.55
	Decrease (1%)	(61.80)	(49.10)
	Withdrawal rate		
	Increase (5%)	(60.80)	(46.91)
	Decrease (5%)	92.61	70.87
	The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.		
	Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the Balance Sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.		

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 27. Employee Benefits (*Continued*)

#### ii. Defined benefit obligation – Gratuity (*Continued*)

<b>VIII</b>	<b>Maturity profile of defined benefit plan</b>	<b>As at 31 March 2024</b>
	31 March 2025	<b>48.21</b>
	31 March 2026	<b>64.40</b>
	31 March 2027	<b>75.51</b>
	31 March 2028	<b>91.68</b>
	31 March 2029	<b>130.95</b>
	31 March 2030 to 31 March 2034	<b><u>965.66</u></b>
	Total expected payments	<b>1,376.41</b>
<b>II</b>	<b>Leave plan and compensated absences</b>	
	Leave unavailed of by eligible employees may be carried forward / encashed by them / their nominees in the event of death or permanent disablement or resignation, subject to a maximum leave of 60 days in addition to accumulated leave balance available in accumulated quota.	
	The total liability for compensated absences as at the year end is ₹ 411.15 lakhs (2023: ₹ 332.30 lakhs), as shown under non-current provisions ₹ 373.41 lakhs (2023: ₹ 298.75 lakhs) and current provisions ₹ 37.74 lakhs (2023: ₹ 33.55 lakhs). The amount charged to the Statement of Profit and Loss is ₹ 112.65 lakhs (2023: ₹ 87.60 lakhs).	

#### iii. Long term incentive plan

##### a. Description of cash settled payment arrangement

During the year ended 31 March 2018, the Board of Directors of the Company approved a long term incentives scheme to its high performing employees in the form of Cash-settled Appreciation Unit Plan (AUP), whereby the eligible employees will be granted certain AUP units.

The AUP units granted were equally divided into four/five tranches and each tranche/grant can be encashed over a seven year period subject to the terms of the encashment conditions of the scheme.

On the 'event of exercise' subject to the express provisions of the scheme, each eligible employee shall, subject to deduction of taxes at appropriate rates, be paid an amount equivalent to the difference between the Fair Value determined as of the relevant valuation date prior to encashment and the Initial Value, subject to a minimum of NIL.

The final value of an AUP shall be the Initial Value adjusted with the cumulative Total Shareholder's Return (TSR) % after taking into account the dividends paid and adjustments of net new equity, if any. Being an unlisted Company, the TSR calculation has been done on the basis of Net Operating Profit After Tax (NOPAT) Improvement Valuation Model.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 27. Employee Benefits (Continued)

#### iii. Long term incentive plan (Continued)

##### b. Measurement of fair values

	The key assumptions used to estimate the fair value of options using Black - Scholes pricing model:		For the year ended 31 March 2024				
	Initial Value at Grant date		₹ 100 for each grant				
	Exercise price		Initial Value adjusted with the cumulative TSR% taking into account dividends paid and adjusted for any net new equity				
	Expected time to exercise option (Range)		(15 days encashment window of 1st to 15th July annually)				
Vesting period	Grant 2024	Grant 2023	Grant 2022	Grant 2021	Grant 2020	Grant 2019	Grant 2018
1st Tranche	1 April 2024	1 April 2023	1 April 2022	1 April 2021	1 April 2020	1 April 2019	1 April 2018
2nd Tranche	1 April 2025	1 April 2024	1 April 2023	1 April 2022	1 April 2021	1 April 2020	1 April 2019
3rd Tranche	1 April 2026	1 April 2025	1 April 2024	1 April 2023	1 April 2022	1 April 2021	1 April 2020
4th Tranche	1 April 2027	1 April 2026	1 April 2025	1 April 2024	1 April 2023	1 April 2022	1 April 2021
5th Tranche	1 April 2028	1 April 2027	1 April 2026	-	-	-	-
Expected volatility	33.62%	33.62%	33.62%	33.62%	33.62%	33.62%	33.62%
Expected dividend	NIL						
Risk-free rate over vesting period (Range)	7.07%	7.05%	7.06%	7.05%	7.03%	6.98%	6.98%
AUP unit value (₹)	138.32	200.21	278.66	379.58	484.05	574.88	682.81

##### c. Reconciliation of outstanding AUP Units

	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Number of units	Weighted average exercise price (₹)	Number of units	Weighted average exercise price (₹)
Outstanding at beginning of the year	7,229,835	215.64	6,053,375	167.97
Granted during the year	1,523,900	138.32	1,631,900	143.26
Forfeited during the year	211,135	165.03	260,405	138.41
Exercised during the year	378,565	269.59	195,035	228.14
Outstanding at the end of the year	8,164,035	269.62	7,229,835	215.64

##### d. Expense recognised in Statement of Profit and Loss

For details on the employee benefits expense Refer note 23

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 28. Earnings per share

	As at 31 March 2024	As at 31 March 2023
Net profit / (loss) after tax attributable to the equity shareholders (A)	10,768.73	16,400.50
Number of equity shares outstanding at the end of the year	15,800	14,000
Weighted average number of shares outstanding during the year (B)	14,209	13,607
Basic and diluted earnings per share (₹ per equity share of ₹ 10 each) (A/B) (In ₹)	75,788.09	120,529.87

Weighted average number of shares outstanding during the year:

	As at 31 March 2024	As at 31 March 2023
Opening balance (Refer note 13(i))	14,000	13,300
Effect of right issue of shares for cash	209	307
<b>Weighted average number of shares outstanding during the Year</b>	<b>14,209</b>	<b>13,607</b>

### 29. Segment reporting

The Board of directors of the Company have been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The Company is engaged in providing data center co-location services which comprises of space, power, cooling, physical security, storage, networking and one time charges for set up activity. Considering the nature of the Company's business and operations, there are no other reportable segments (business and/or geographical) and is also considered by CODM as the only reportable business segment taking into account the nature of the business, the organization structure, internal reporting structure and risk and rewards.

Information about major customers: -

Name	(₹ in lakhs) For the Year Ended 31 March 2024
Customer A	100,803.05
Customer C	9,843.49
Customer B	10,724.14

Name	(₹ in lakhs) For the Year Ended 31 March 2023
Customer A	91,322.21
Customer C	7,511.60
Customer B	8,692.86

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 30. Financial instruments

The material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2(s) to the financial statements.

#### Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2024 is as follows:

				(₹ in lakhs)
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
<b>Financial assets:</b>				
Investments	-	3,469.67	-	3,469.67
Other financial assets	-	-	9,407.17	9,407.17
Trade receivables	-	-	16,666.89	16,666.89
Cash and cash equivalents	-	-	26,821.97	26,821.97
Other bank balances	-	-	68,020.88	68,020.88
<b>Total</b>	-	3,469.67	120,916.91	124,386.58
<b>Financial liabilities:</b>				
Borrowings	-	-	294,740.76	294,740.76
Lease liabilities	-	-	178,299.12	178,299.12
Other financial liabilities	-	-	67,527.04	67,527.04
Trade payables	-	-	20,719.65	20,719.65
<b>Total</b>	-	-	561,286.57	561,286.57

The carrying value of financial instruments by categories as at 31 March 2023 is as follows:

				(₹ in lakhs)
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
<b>Financial assets:</b>				
Investments	-	3,216.55	-	3,216.55
Other financial assets	-	-	6,910.47	6,910.47
Trade receivables	-	-	14,136.97	14,136.97
Cash and cash equivalents	-	-	36,497.84	36,497.84
Other bank balances	-	-	0.64	0.64
<b>Total</b>	-	3,216.55	57,545.92	60,762.47
<b>Financial liabilities:</b>				
Borrowings	-	-	213,614.05	213,614.05
Lease liabilities	-	-	182,854.00	182,854.00
Other financial liabilities	-	-	37,980.61	37,980.61
Trade payables	-	-	20,126.55	20,126.55
<b>Total</b>	-	-	454,575.21	454,575.21

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at 31 March 2024 and 31 March 2023 approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented. Fair value measurement of lease liabilities is not required.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 30. Financial instruments (Continued)

#### Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following tables summarises financial assets and liabilities measured at fair value on a recurring basis:

#### As at 31 March 2024

	(₹ in lakhs)			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment in equity shares (Refer Note 12)	-	-	3,469.67	3,469.67
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,469.67</b>	<b>3,469.67</b>

The cost of unquoted investments included in Level 3 of fair value hierarchy has been considered as an appropriate estimate of fair value since it is a transaction between two independent parties, the transaction value / amount invested represents fair value.

#### As at 31 March 2023

	(₹ in lakhs)			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment in equity shares (Refer Note 12)	-	-	3,216.55	3,216.55
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,216.55</b>	<b>3,216.55</b>

Reconciliation of Level 3 fair value measurement is as follows:

	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
<b>Balance at the beginning of the year</b>	<b>3,216.55</b>	2,925.00
Additions during the year	253.12	291.55
Fair value changes through OCI	-	-
<b>Balance at the end of the year</b>	<b>3,469.67</b>	3,216.55

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 31. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations. The Company may invest in mutual funds, the returns on the same are recognised through profit or loss.

The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The Company's senior management ensures that financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The senior management reviews and agrees policies for managing each of these risks, which are summarised below.

#### a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, fair value through profit or loss investments,

The sensitivity analysis in the following sections relate to the position as at 31 March 2024 and 31 March 2023.

The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post- retirement obligations and provisions.

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

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

#### b) Interest rate risk

Interest rate risk is the risk that the future cash flows with respect to interest payments on borrowings will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The following table sets forth information relating to interest rate exposure (net) as at 31 March 2024 and 31 March 2023.

	(₹ in lakhs)	
	As at 31 March 2024	As at 31 March 2023
Financial liabilities – Borrowings	295,520.00	214,498.00

#### Interest rate sensitivity analysis:

(₹ in lakhs)

	Profit before tax		Equity	
	For the year ended 31 March 2024	For the year ended 31 March 2023	As at 31 March 2024	As at 31 March 2023
Increase by 1%	(2,955.20)	(2,144.98)	(2,211.44)	(1,605.13)
Decrease by 1%	2,955.20	2,144.98	2,211.44	1,605.13

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 31. Financial risk management objectives and policies (Continued)

#### c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency)

The Company's objective is to try and protect the underlying values of the functional currency of respective Company's Balance Sheet exposures. All exposures in currency other than functional currency are treated as 'Forex Exposures' irrespective of the group Company from where the exposures originate. Exposures are broadly categorized into receivables and payable exposures.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rate shift of all the currencies by 5% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures of the Company as of the date of Balance Sheet, which would affect the statement of Profit and Loss and equity.

The following tables sets forth information relating to foreign currency exposure (net) as at 31 March 2024 and 31 March 2023.

(₹ in lakhs)				
Currency	As at 31 March 2024		As at 31 March 2023	
	Financial liabilities	Financial assets	Financial liabilities	Financial assets
USD	-	353.06	-	159.48
SGD	3.21	-	3.23	-
Others	455.86	40.78	22.66	48.19

#### Foreign currency sensitivity analysis:

	Profit before tax		Equity	
	For the year ended	For the year ended	As at 31	As at 31 March
	31 March 2024	31 March 2023	March 2024	2023
Increase by 5%	(3.26)	9.09	(2.44)	6.80
Decrease by 5%	3.26	(9.09)	2.44	(6.80)

#### d) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

In determining the allowances for doubtful trade and unbilled receivables, the Company has used a simplified approach by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 31. Financial risk management objectives and policies (Continued)

#### d) Credit risk (Continued)

##### Ageing of receivables (net of loss allowance)

(₹ in lakhs)

	As at 31 March 2024	As at 31 March 2023
Within credit period	10,401.22	7,387.47
0-180 days	426.11	312.68
181-365 days	-	38.45
Trade receivables – Billed	10,827.33	7,738.60
Unbilled receivables	5,839.56	6,398.37
Total Trade receivables	16,666.89	14,136.97

##### Movement in expected credit loss allowance (Refer note 9)

(₹ in lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance	850.22	1,909.62
Net re-measurement/(reversal) of loss allowance	150.90	(1059.40)
Balance at the end of the year	1,001.12	850.22

The Company determines allowance for credit based on historical loss experience adjusted to reflect current and estimated economic condition. Basis this assessment, the allowance for doubtful trade receivables and advances to supplier provided in books is considered adequate.

#### e) Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, finance leases and hire purchase contracts.

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in lakhs)

Year ended 31 March 2024	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Borrowings	-	24,806.00	167,469.00	103,245.00	295,520.00
Lease liabilities	-	21,838.01	91,312.50	457,829.57	570,980.08
Non-current financial liabilities	-	-	12,598.02	1,662.06	14,260.08
Current financial liabilities	18,528.78	34,738.18	-	-	53,266.96
Trade payables	4,181.58	16,538.07	-	-	20,719.65

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 31. Financial risk management objectives and policies (Continued)

#### e) Liquidity risk (Continued)

(₹ in lakhs)					
Year ended 31 March 2023	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Borrowings	-	18,978.00	111,330.00	84,190.00	214,498.00
Lease liabilities	-	21,715.61	89,870.16	249,171.37	360,757.14
Non-current financial liabilities	-	-	-	8,756.07	8,756.07
Current financial liabilities	13,581.15	15,643.39	-	-	29,224.54
Trade payables	3,815.89	16,310.66	-	-	20,126.55

The amounts disclosed in the maturity analysis does not exactly match with the carrying amounts in the Balance sheet because the amounts included in the liquidity analysis are undiscounted cash flows whereas the amount disclosed in the Balance sheet are at amortised cost, i.e. net off arrangement fees.

### 32. Capital management:

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, loans and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

The capital structure is as follows:

(₹ in lakhs)		
Particulars	As at 31 March 2024	As at 31 March 2023
Total equity attributable to the equity shareholders of the Company	312,043.94	198,528.11
As percentage of total capital	51.43%	48.17%
Current loans and borrowings	24,701.58	18,873.58
Non-current loans and borrowings	270,039.18	194,740.47
Total loans and borrowings	294,740.76	213,614.05
As a percentage of total capital	48.57%	51.83%
Total capital (loans and borrowings and equity)	606,784.70	412,142.16

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 33. Related party transactions

#### i. Names of related parties and nature of relationship

Sr No	Category of related parties	Names
A	Holding Company	STT India DC Pte. Ltd.
B	Investing Company, its subsidiaries and joint ventures	Tata Communications Limited Tata Communications (America) Inc. Tata Communications (Canada) Limited Tata Communications International Pte Limited Tata Communications Services International Pte Limited Tata Communications Payment Solutions Limited Tata Communications Transformation Services Limited Tata Communications Collaboration Services Ltd Tata Communications (UK) Limited Tata Communications (Ireland) Limited Tata Communications (Middle East) FZ – LLC Tata Communications (France) SAS Smart ICT Services Private Limited
C	Holding Company, its subsidiaries and Joint ventures	STT GDC Pte. Ltd. STT Communications Ltd O2 Renewable Energy IV Private limited
D	Key Managerial Personnel	Mr. Sumit Mukhija - Executive Director (From 18 September 2023) & CEO Mr. Ah Doo Lim – Director (Till 30 November 2023). Mr. Bruno Lopez - Director Mr. Tat Hiang Sio - Director Mr. Tri Luu Pham - Director Mr. Stephen Geoffrey Miller - Director Mr. Kabir Ahmed Shakir – Director



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements *(Continued)*

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 33. Related party transactions *(Continued)*

#### ii. Summary of transactions and balances with related parties

(₹ in lakhs)

Particulars	Holding Company, its subsidiaries and joint ventures **	Investing Company, its subsidiaries and joint ventures**	Key Management Personnel*	Total
<b><u>Transactions</u></b>				
<b>Revenue from operations</b>	-	10,623.89	-	10,623.89
	-	9,458.55	-	9,458.55
<b>Outsource services</b>	-	1,961.42	-	1,961.42
	-	1,909.02	-	1,909.02
<b>Rent</b>	-	221.57	-	221.57
	-	230.03	-	230.03
<b>Network and cable charges</b>	-	247.73	-	247.73
	-	364.16	-	364.16
<b>Rights issue of shares</b>	76,051.36	26,720.75	-	102,772.11
	25,761.07	9,051.18	-	34,812.25
<b>Salaries and related costs</b>	-	-	1,112.61	1,112.61
	-	-	847.72	847.72
<b>Directors remuneration</b>	-	-	240.06	240.06
	-	-	574.29	574.29
<b>Lease payment</b>	-	18,136.57	-	18,136.57
	-	15,721.77	-	15,721.77
<b>Capital Work in progress</b>	-	-	-	-
	-	468.83	-	468.83
<b>Power and fuel</b>	340.84	-	-	340.84
	-	-	-	-
<b>Initial lease expense</b>	-	340.00	-	340.00
	-	340.00	-	340.00

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 33. Related party transactions (*Continued*)

#### ii. Summary of transactions and balances with related parties (*Continued*)

(₹ in lakhs)

Particulars	Holding Company, its subsidiaries and joint ventures **	Investing Company, its subsidiaries and joint ventures**	Key Management Personnel*	Total
<b>Balances</b>				
<b>Receivables</b>	-	50.39	-	50.39
	-	<i>108.69</i>	-	<i>108.69</i>
<b>Payables (Incl. Capital creditors)</b>	41.31	3,542.20	3,549.37	7,132.88
	-	<i>5,635.53</i>	<i>2,956.11</i>	<i>8,591.64</i>
<b>Other current liability</b>	-	69.57	-	69.57
	-	<i>1,285.94</i>	-	<i>1,285.94</i>
<b>Other Non current liability</b>	-	279.79	-	279.79
	-	<i>308.75</i>	-	<i>308.75</i>
<b>Deposits #</b>	-	2,871.35	-	2,871.35
	-	<i>2,851.55</i>	-	<i>2,851.55</i>
<b>Other non current assets – capital advance and prepaid</b>	-	1,395.54	-	1,395.54
	-	<i>16,557.50</i>	-	<i>16,557.50</i>
<b>Investments</b>	432.17	-	-	432.17
	<i>291.55</i>	-	-	<i>291.55</i>
<b>Lease liabilities</b>	-	150,651.58	-	150,651.58
	-	<i>156,337.04</i>	-	<i>156,337.04</i>
<b>Initial lease expense liability</b>	-	-	-	-
	-	<i>340.00</i>	-	<i>340.00</i>

Note: Previous year's figures are in italics

\*Remuneration does not include charge for gratuity and leave encashment as employee-wise break up is not available.

\*\* Reimbursement made of expenses incurred by related party for business purpose of the Company, or reimbursement received for expenses incurred by the Company on behalf of a related party shall not be deemed related party transactions.

# Actual amount paid as deposits.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 33. Related party transactions (Continued)

#### iii. Statement of significant transaction

(₹ in lakhs)

Name of the Company	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Holding Company, its subsidiaries and joint ventures</b>		
STT India DC Pte. Ltd.		
Rights issue of shares	76,051.36	25,761.07
O2 Renewable Energy IV Private limited		
Power and fuel	340.84	-
Investments	432.17	291.55
Trade Payable	41.31	-
<b>Investing Company, its subsidiaries and joint ventures</b>		
Tata Communication Limited		
Revenue from operations	9,814.20	8,692.86
Rent	221.57	230.03
Outsource services	1,860.97	1,810.38
Network and cable charges	136.20	121.24
Lease Payment	18,136.57	15,721.77
Capital work in progress	-	468.83
Payables (Incl. Capital creditors)	3,522.54	5,605.62
Rights issue of shares	26,720.75	9,051.18
Security Deposit	2,871.35	2,851.55
Capital Advances incl. Prepaid expenses	1,395.54	16,460.28
Other current liability	39.17	1,243.29
Other non-current liability	279.79	308.75
Lease Liabilities	150,651.58	1,56,337.04
Tata Communications Transformation Services Limited		
Revenue from operations	-	40.74
Outsource services including network cable charges	211.98	341.48
Initial Lease Expense	340.00	340.00
Other current assets – Prepaid expenses	-	97.22
Trade Receivable	1.02	17.13
Trade Payable	19.66	29.91
Other current liability	-	1.86
Initial Lease Expense Liability	-	340.00



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements *(Continued)*

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 33. Related party transactions *(Continued)*

#### iii. Statement of significant transaction *(Continued)*

(₹ in lakhs)

Name of the Company	For the year ended 31 March 2024	For the year ended 31 March 2023
Tata Communications (America) Inc.		
Revenue from operations	186.21	193.70
Trade receivable	5.40	10.64
Other current liability	-	4.78
Tata Communications (UK) Limited		
Revenue from operations	465.36	367.03
Trade receivable	37.54	43.27
Other current liability	-	1.25
Tata Communications Payment Solutions Limited		
Revenue from operations	74.60	106.99
Trade receivable	-	24.85
Other current liability	18.83	23.16
Tata Communications International Pte. Ltd		
Revenue from operations	47.08	50.70
Trade receivable	4.54	10.82
Tata Communications (Canada) Ltd.		
Revenue from operations	36.44	17.57
Trade receivable	1.89	1.98
Smart ICT Services Private Limited		
Other current liability	11.57	11.61

#### iv. Key management personnel compensation

(₹ in lakhs)

	Year Ended 31 March 2024	Year Ended 31 March 2023
Short-term employee benefits	639.02	563.95
Post- employment benefit	25.84	22.47
Long term incentive plan – cash settled incentive	447.75	261.30
	<b>1,112.61</b>	<b>847.72</b>

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 34. Leases

#### a. As lessee:

'Property, plant and equipment' comprises owned and leased assets that do not meet the definition of investment property.

#### i) Right-of-use assets

(₹ in lakhs)	
<b>As at 31 March 2024</b>	
Balance as at 1 April 2023 (A)	203,978.16
Depreciation charge for the year (B) #	13,957.70
Additions to right-of-use assets (C)	15,737.26
Balance as at 31 March 2024 (A+B+C)	205,757.72

(₹ in lakhs)	
<b>As at 31 March 2023</b>	
Balance as at 1 April 2022 (A)	144,515.91
Depreciation charge for the year (B) #	11,216.90
Additions to right-of-use assets (C)	70,679.15
Balance as at 31 March 2023 (A+B+C)	203,978.16

Right-of-use assets are mainly data centre premises taken on lease.

# Total depreciation charge for the year amounts to ₹ 13,957.70 lakhs (2023: ₹ 11,216.90 lakhs) of which, ₹ 1,087.60 lakhs (2023: ₹ 149.23 lakhs) depreciation charge is being capitalised. Therefore, the amount charged to Statement of Profit and Loss as depreciation on right-of-use assets is ₹ 12,870.10 lakhs (2023: ₹ 11,067.67 lakhs).

#### ii) Lease liabilities

##### Maturity analysis - contractual undiscounted cash flows

(₹ in lakhs)		
	As at 31 March 2024	As at 31 March 2023
Less than one year	21,838.01	21,715.61
One to five year	91,312.50	89,870.16
More than five years	457,829.57	249,171.37
Total undiscounted lease liabilities	570,980.08	360,757.14

##### Lease liabilities included in the statement of financial position

(₹ in lakhs)		
	As at 31 March 2024	As at 31 March 2023
Current	6,837.62	6,838.23
Non-current	171,461.50	176,015.77
Total	178,299.12	182,854.00

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 34. Leases (*Continued*)

#### a. As lessee: (*Continued*)

#### iii) Amount recognized in Statement of Profit and Loss

	Year Ended 31 March 2024	Year Ended 31 March 2023
Interest on lease liabilities (Refer note 24)	12,305.17	10,993.81
Depreciation on right-of-use assets	12,870.10	11,067.67

The Company incurred Nil (2023: Nil) for the year ended 31 March 2024 towards expenses relating to short-term lease.

#### iv) Amount recognized in Statement of Cash Flow

	Year Ended 31 March 2024	Year Ended 31 March 2023
Repayment of lease liabilities	7,739.09	6,517.73
Finance cost paid towards lease liabilities	13,446.60	10,494.00
<b>Total</b>	<b>21,185.69</b>	<b>17,011.73</b>

The lease payments have been classified as financing activities in the Statement of Cash Flow under Ind AS 116.

The cash outflow relating to short-term lease is Nil (2023: Nil) for the year ended 31 March 2024.

#### v) Extension options

The leases contracts of the Company contain a non-cancellable period after which the contract is auto renewed unless it is terminated by the Company. The extension options are exercisable only by the Company and not by the lessors. The Company includes in its lease term non-cancellable period plus extension options that the Company is reasonably certain to exercise. If the lease is extended beyond the renewal term, then the lease rentals will be mutually agreed between the parties based on the fair value of lease rent at the time of extension.

#### b. As lessor:

Lease income included in revenue, arising from data center building (part of right-of-use assets) for which the Company acts as a lessor is as below:

#### Operating lease

	Year Ended 31 March 2024	Year Ended 31 March 2023
Lease income	2,845.64	2,606.53

The above are classified as operating leases because they do not transfer substantially all the risks and rewards incidental to the ownership of the assets.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 34. Leases (*Continued*)

#### b. As lessor: (*Continued*)

The following table sets out maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting period.

	As at 31 March 2024	As at 31 March 2023
Due not later than one year	3,987.96	2,387.24
Due later than one year but not later than five years	15,754.32	9,697.10
Later than five years	19,948.06	16,591.30
	<u>39,690.34</u>	<u>28,675.64</u>

### 35. Contingent liabilities and commitments:

#### i. Contingent liabilities

- (a) The Hon'ble Supreme Court of India (SC) by their order dated 28 February 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal.

In view of the management, the liability from date of the SC order to 31 March 2019 including prior period is accounted assuming retrospective application of the Supreme Court's ruling. Further, pending decision on the subject review petition and directions from the EPFO, the impact with respect to certain former employees and whether interest and penalties may be assessed, if any, is not ascertainable and consequently no effect has been given in the accounts. Accordingly, this has been disclosed as a Contingent liability in the financial information.

- (b) As per the order dated 11.06.2022 from GST Authority (Gujarat), the AO has simply calculated the difference between ITC availed in GSTR3B and ITC appearing in GSTR2A and determined the demand. The company has filed an appeal against the Assessment order on 3rd August 2022. Based on the merits of the case management is of view that there is reasonable certainty of a favorable decision. As of now the appeal is pending for hearing. Accordingly, ₹ 52.89 lakhs have been disclosed as contingent liability.
- (c) As per the order dated 31.12.2023, from GST Authority (New Delhi), the AO for FY 2017-18, selected certain invoices of which ITC had been claimed by the company as ineligible ITC u/s 17(5) of CGST Act, & raised a demand of ₹ 35.06 lakhs as ineligible ITC and levied interest u/s 50 of CGST Act of equivalent amount (₹ 35.06 lakhs). Basis internal evaluation, the company has paid an amount of ₹ 7.48 lakhs along with applicable interest of ₹ 8.22 lakhs. For the remaining disputed amount, the management is of the view that there is reasonable certainty of a favorable decision accordingly ₹ 54.90 lakhs being disclosed as contingent liability. The company has filed an appeal against the said demand order.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 35. Contingent liabilities and commitments: (*Continued*)

- (d) As per the order dated 01.04.2024, from GST Authority (Maharashtra), the tax officer has for FY 2018-19, noted a discrepancy in liability reported in GSTR 1 vs GSTR 3B and raised a demand of ₹ 5.85 lakhs along with interest of ₹ 6.32 lakhs and penalty of ₹ 0.58 lakhs. Based on the merits of the case, management is of the view that there is reasonable certainty of a favorable outcome accordingly ₹ 12.76 lakhs being disclosed as contingent liability and the company is in the process of filing an appeal against the said demand order.
- (e) As per the order dated 29.02.2024, from GST Authority (Tamil Nadu), the tax officer has for FY 2018-19, noted a discrepancy in liability reported in GSTR 1 vs GSTR 3B and ITC not appearing in GSTR 2A as claimed in GSTR 3B and raised a demand aggregating to ₹ 13.16 lakhs along with interest of ₹ 13.51 lakhs and penalty of ₹ 4.14 lakhs. Based on the merits of the case, management is of the view that there is reasonable certainty of a favorable outcome accordingly ₹ 30.82 lakhs being disclosed as contingent liability and the company has filed an appeal against the said order.
- (f) As per the order dated 29.04.2024, from GST Authority (Delhi), the tax officer has for FY 2018-19, noted a discrepancy in liability reported in GSTR 1 vs GSTR 3B, ITC claimed in GSTR 3B over and above as appearing in GSTR 2A and categorized certain ITC as ineligible u/s 17(5) of the CGST Act and raised a demand of ₹ 441.80 lakhs along with interest of ₹ 411.56 lakhs and penalty of ₹ 44.18 lakhs. Based on the facts of the case, the company has already paid ₹. 54.55 lakhs along with applicable interest of ₹ 38.38 lakhs towards ineligible ITC u/s 17(5) of the CGST Act but the tax officer has without giving cognizance of facts & the tax payment made, has passed an order in eternity, and raised the said demand. Basis the merits of the case, the management is reasonably certain of a favorable outcome and accordingly ₹ 897.55 lakhs has been disclosed under contingent liability. The company is in the process of filing an appeal against the said demand order.

(g) Other non-current assets

In FY 2022-23, an investigation under GST law was conducted by Tax Authorities in the state of Maharashtra. The Tax authorities are of the view that Input Tax credit ('ITC') is not available on the leasehold rights over land as per section 17(5)(d) of the CGST Act, 2017. Based on the legal opinion received by the Company it is of the view that ITC is available on leasehold rights over land, hence it has reversed input tax credit of Rs.5,630.04 lakhs under protest on GSTN portal on suo moto basis and the same has been informed to Tax Authorities.

The tax officer has subsequently issued an order raising a demand of Rs 563.00 lakhs towards penalty [penalty equal to 10% of the disputed ITC has been imposed u/s 73(9) of the CGST Act.]. The Company has filed an appeal against the said demand, the final outcome of the legal proceedings is uncertain hence disclosed as contingent liability.

There is no pre-requisite to deposit any tax or penalty before filing the said appeal because the ITC in question has already been reversed under protest and has been disclosed as Indirect taxes recoverable under non-current assets.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 35. Contingent liabilities and commitments: (Continued)

#### ii. Capital commitments:

Estimated amount of contracts remaining to be executed on capital account, not provided for amount to ₹ 113,179.12 lakhs (2023: ₹ 131,836.34 lakhs)

### 36. Micro and small enterprises

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management:

	As at 31 March 2024	As at 31 March 2023
a. Principal amount remaining unpaid to any supplier as at the end of the year	-	-
b. Interest due thereon remaining unpaid to any supplier as at the end of the year	-	-
c. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	14,923.43	13,305.01
d. The amount of interest due and payable for the year	6.70	14.17
e. The amount of interest accrued and remaining unpaid at the end of the year	-	-
f. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

### 37. Cash settled Restricted Share Units

Cash-settled RSU (Restricted Share Units) are granted to directors as 50% fees towards compensation with respect to their appointments and attendance for the board and committee meetings. Each grant is subject to the retention condition of the grant and is exercisable during the annual two-week exercise period. The retention condition requires 50% of the units of each grant to be retained by the Director up to the earlier of 4 years from the start date of each grant or one year after he ceases to be a Director.

For the period 19 October 2016 to 31 March 2018, the RSU granted were 77,210 units, for the period 1 April 2018 to 31 March 2019 the RSU granted are 64,520 units, for the period 1 April 2019 to 31 March 2020 the RSU granted are 88,290 units, for the period 1 April 2020 to 31 March 2021 the RSU granted are 88,290 units, for the period 1 April 2021 to 31 March 2022 the RSU granted are 88,290 units, for the period 1 April 2022 to 31 March 2023 the RSU granted are 88,290 units, for the period 1 April 2023 to 31 March 2024 the RSU granted are 88,290 units.

The units are granted from the 50% fees payable to the directors and the balance is to be settled in cash.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements *(Continued)*

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 37. Cash settled Restricted Share Units *(Continued)*

The initial price for each grant is set at ₹ 100 per RSUP unit. During each exercise period, a “final value” will be determined for each unit of the respective grant based on ₹ 100 adjusted by the compounded portfolio shareholders’ return relative to the initial unit price at the start date of each grant up to the valuation date. For any RSUP unit exercised, its “final value” will be payable in cash to the Directors.

The key assumptions applied in the estimate of fair values are as follows:

Year of Grant	Grant 2024	Grant 2023	Grant 2022	Grant 2021	Grant 2020	Grant 2019	Grant 2018
Fair value at 31 March 2024	138.32	200.21	278.66	379.58	484.05	574.88	682.81
Expected volatility	33.62%	33.62%	33.62%	33.62%	33.62%	33.62%	33.62%
Risk free return	7.07%	7.05%	7.06%	7.05%	7.03%	6.98%	6.98%
Expected remaining life	6 years	5 years	4 years	3 years	2 years	1 years	-

	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at beginning of the year	463,360	303.52	386,990	237.83
Granted during the year	88,290	138.32	88,290	143.26
Forfeited during the year	124,730	293.34	11,920	140.77
Exercised during the year	86,225	321.44	-	-
Outstanding at the end of the year	340,695	315.67	463,360	303.52

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 38. Title deeds of Immovable Property not held in the name of the Company

(₹ in lakhs)

As at 31 March 2024							
Sr. No.	Relevant Line Item in the Balance Sheet	Description of item of Property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative # of promoter*/director or employee of promoter/director	Property held since which date	Reasons for not being held in the name of the Company
1	Right-of-use assets	Building	1,585.38	Tata Communication Limited	Promoter	1 January 2024	Registered on 13 May 2024
		<b>Total</b>	<b>1,585.38</b>				

(₹ in lakhs)

As at 31 March 2023							
Sr. No.	Relevant Line Item in the Balance Sheet	Description of item of Property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative # of promoter*/director or employee of promoter/director	Property held since which date	Reasons for not being held in the name of the Company
1	Right-of-use assets	Land	25,360.20	Tata Communication Limited	Promoter	1 March 2023	Registered on 22 May 2023
2	Right-of-use assets	Building	24,857.46	Urvasi Infratech Private Limited	NA	28 March 2023	Agreement in progress
		<b>Total</b>	<b>50,217.66</b>				

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

### 39. Financial ratios

S. No.	Financial ratio	As at 31 March 2024	As at 31 March 2023	Variance	Reason for variance
1.	Current ratio	1.20	0.75	61%	Augmentation of Cash and Bank balances due to equity infusion
2.	Debt equity ratio	1.52	2.00	-24%	
3.	Debt service coverage ratio	1.35	1.58	-15%	
4.	Return on equity ratio	4.22%	9.48%	-56%	Increase in Shareholder's Equity
5.	Inventory turnover ratio	NA	NA	-	
6.	Trade receivables turnover ratio (in days)	28.14	28.51	-1%	
7.	Trade payables turnover ratio (in days)	78.71	84.79	-7%	
8.	Net capital turnover ratio	8.58	8.30	3%	
9.	Net profit ratio	5.39%	8.99%	-40%	Higher depreciation, amortisation and finance cost
10.	Return on capital employed	5.86%	8.21%	-29%	Increase in Shareholder's Equity
11.	Return on investment	NA	NA	-	

- Current ratio: Current assets / Current liabilities
- Debt equity ratio: (Total debt / Shareholders equity)
  - Total debt = Borrowings + Lease liabilities
- Debt service coverage ratio: (Earnings available for debt service) / Debt service
  - Earnings available for debt service = Profit / (Loss) for the year + Depreciation and amortisation expense + Finance cost
  - Debt service = Interest payment + Lease payment + Loan repayment
- Return on equity ratio: Profit / (Loss) for the year / Average shareholders equity \* 100
- Inventory turnover ratio: Cost of good sales or sales / Average inventory
  - Average inventory = (Opening + Closing balance) / 2
- Trade receivables turnover ratio: Revenue from operations / Average accounts receivable. Accounts receivable includes billed and unbilled receivables.
- Trade payables turnover ratio: Operating expense / Average accounts payable
  - Operating expenses = Operating and other expense + Employee benefit expense - Performance linked incentive - Cash settled incentive (AUP) - Impairment loss recognised/(reversed) under expected credit loss model
  - Accounts payable = Trade payables + Compensated absences and gratuity liability + RSUP liability
- Net capital turnover ratio: Revenue from operations / Working capital (-ve sign ignored)
  - Working capital = Current assets - Current liabilities
- Net profit ratio: Profit / (Loss) for the year / Revenue from operations \* 100
- Return on capital employed: EBIT / capital employed \* 100
  - EBIT = Profit / (Loss) before tax + Finance cost
  - Capital employed = Borrowings + Shareholders equity + Lease liabilities
- Return on investment:  $\{MV(T1) - MV(T0) - \text{Sum } [C(t)]\} / \{MV(T0) + \text{Sum } [W(t) * C(t)]\}$



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

*for the year ended 31 March 2024*

Currency in Indian Rupees in lakhs

- 40.** As per the Companies Act 2013, w.e.f. 1st April 2023 a new requirement for companies has been prescribed under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requiring companies, which use accounting software for maintaining their books of account, to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used SAP accounting software (SAP Hana) for the period 1st April 2023 to 30th June 2023 and migrated to SAP Hana Rise from 1st July 2023, and is now using the same. For the accounting software SAP Hana, the Audit trail (edit logs) are maintained except at the database level. For the SAP Hana Rise accounting software, the Audit trails (edit logs) are enabled for all transactions including data base level from 1st July 2023, as per certificate provided by SAP. The accounting software used is a cloud version managed by SAP and SAP maintains the database audit trail (edit logs) for 201 days in line with their internal policy which consistently applies to all the customers on the cloud version. Further it is pertinent to note that the Company has not raised any request for any change/modification in the database throughout the period of use. Additionally, the Company has raised a request with SAP to ensure that the logs are retained as per statutory requirement for record retention as per the Companies Act 2013 and rules thereunder. The Company is also evaluating alternate solutions to ensure compliance with the above-mentioned regulation.

- 41.** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the “Ultimate Beneficiaries”.

**42. Approval of financial statements**

The financial statements were approved for issue by the board of directors on 29 May 2024.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2024

Currency in Indian Rupees in lakhs

43. Previous year's figures have been regrouped/rearranged where necessary to confirm to current year's classification/ disclosure.

As per our report of even date attached.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors  
**STT Global Data Centres India Private Limited**

**JACLYN  
DESOUZA** Digitally signed by  
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**Jaclyn Desouza**

*Partner*

Membership No: 124629

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**Sumit Mukhija**

*Executive Director and Chief*

*Executive Officer*

DIN: 10287837

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*Director*

DIN: 07554875

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**Bimal Khandelwal**

*Chief Financial officer*

Dated: 29 May 2024

Dated: 29 May 2024