

**TATA COMMUNICATIONS LIMITED**  
**FINANCIALS OF SUBSIDIARIES AND ASSOCIATES FOR FY 2021-22**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Communications Transformation Services Limited

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

#### Opinion

We have audited the accompanying standalone financial statements of Tata Communications Transformation Services Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, 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 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 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, 2022, its loss 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 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 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.

#### 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 and the Management 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 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 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.



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- ▶ 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 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 based on our audit, 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 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 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) 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;



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- (g) According to the information and explanation given by the management, we report that remuneration of the Managing Director for the year ended March 31, 2022 is in excess of the limits applicable under Section 197 of the Act, read with Schedule V thereto, by Rs 282.13 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.
- (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, 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 37 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 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 that were 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.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**ATIN** Digitally signed  
**BHARGAVA** by ATIN  
**BHARGAVA**



**per Atin Bhargava**  
**Partner**

Membership Number: 504777

UDIN: 22504777AHLAEY2407

Place of Signature: Mumbai

Date: April 20, 2022

**Tata Communications Transformation Services Limited**

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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 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 equipments.
- (a)(B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All property, plant and equipments were physically verified by the management in the previous 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.
- (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, 2022
- (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 rupees 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 and stood guarantee to companies, firms, Limited Liability Partnerships or any other parties as follows:

	Loans (Rs in lakhs)
Aggregate amount granted during the year	
- Subsidiaries	130.37
Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	5,439.12

\*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) During the year, the terms and conditions of all the loans granted to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the interest of the Company. 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 during the year 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 of 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 Companies Act, 2013 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 Companies Act, 2013, for the products/services of the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, 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) There are no dues of provident fund, employees' state insurance, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute. According to the records of the Company, details of income tax dues and goods and service tax which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs Lakhs)	Period to which amount relates AY	Forum where disputes pending
The Income tax Act, 1961	Income Tax	2.67	2009-10	The Commissioner of Income Tax (Appeals), Mumbai
The Income tax Act, 1961	Income Tax	182.34	2016-17	The Commissioner of Income Tax (Appeals), Mumbai
The Income tax Act, 1961	TDS	258.39	2018-19	The Commissioner of Income Tax (Appeals), Mumbai
Taxation policies in Saudi Arabia	Income Tax	61.51	2018-19	Department of Zakat and Income Tax (DZIT)
Jharkhand Goods and Service Tax Act, 2017	GST	23.22	2018-19	Joint Commissioner (Appeals), Jharkhand

- (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) Term loans were applied for the purpose for which the loans were obtained.
- (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) On an overall examination of the 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, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. 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 Companies Act, 2013 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 Companies Act, 2013. 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 Companies Act, 2013 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.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) The Company is not a Core Investment Company 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) The Group has six Core Investment Company as part of the Group.
- (xvii) The Company has not incurred cash losses in the current financial 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 43 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





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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 Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 26 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 26 to the financial statements.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**ATIN** Digitally signed  
by ATIN  
**BHARGAVA** BHARGAVA

**per Atin Bhargava**  
**Partner**

Membership No: 504777

UDIN: 22504777AHLAEY2407

Place of Signature: Mumbai

Date: April 20, 2022



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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 Transformation Services Limited (the "Company") as of March 31, 2022 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 Act.

**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, 2022, 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

ATIN  
BHARGAVA Digitally signed  
by ATIN  
BHARGAVA



per Atin Bhargava  
Partner

Membership Number: 504777

UDIN: 22504777AHLAEY2407

Place of Signature: Mumbai

Date: April 20, 2022

Tata Communications Transformation Services Limited				
Standalone Balance Sheet as at 31 March 2022				
	Particulars	Notes	As at 31 March 2022 ₹ in Lakhs	As at 31 March 2021 ₹ in Lakhs
<b>A</b>	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
(a)	Property, plant and equipment	3	4,370.69	4,676.16
(b)	Capital work-in-progress	4	11.25	-
(c)	Right of use Asset	5	4,877.37	6,226.28
(d)	Intangible assets	6	583.27	281.52
(e)	Intangible assets under development	7	20.65	3.12
(f)	Financial assets			
	(i) Investments	8	110.66	110.66
	(ii) Loans	9	5,439.12	5,117.70
	(ii) Other financial assets	10A	1,099.92	989.97
(g)	Deferred tax assets (net)	11	-	3,819.94
(h)	Income tax assets (net)	12	6,718.05	19,478.67
(i)	Other assets	13A	178.72	26.38
	<b>Total non-current assets</b>		<b>23,409.70</b>	<b>40,730.40</b>
(2)	<b>Current assets</b>			
(a)	Financial assets			
	(i) Trade receivables	14	54,059.28	53,587.98
	(ii) Cash and cash equivalents	15	8,591.96	3,569.24
	(iii) Bank balances other than (ii) above	16	-	2.34
	(iv) Other financial assets	10B	138.17	122.18
(b)	Other assets	13B	5,214.48	4,639.77
	<b>Total current assets</b>		<b>68,003.89</b>	<b>61,921.51</b>
	<b>Total assets</b>		<b>91,413.59</b>	<b>1,02,651.91</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>I</b>	<b>Equity</b>			
(a)	Equity share capital	17	50.00	50.00
(b)	Other equity	18	27,583.43	32,314.19
	<b>Total equity</b>		<b>27,633.43</b>	<b>32,364.19</b>
<b>II</b>	<b>Liabilities</b>			
(1)	<b>Non-current liabilities</b>			
(a)	Financial Liabilities			
	(i) Borrowings	19A	7,945.77	-
	(ii) Lease liabilities	20A	4,124.38	5,522.64
(b)	Provisions	22A	1,968.93	835.62
(c)	Other liabilities	23A	362.51	218.57
	<b>Total non-current liabilities</b>		<b>14,401.59</b>	<b>6,576.83</b>
(2)	<b>Current liabilities</b>			
(a)	Financial Liabilities			
	(i) Borrowings	19B	10,386.60	5,783.07
	(ii) Lease liabilities	20B	1,658.80	1,492.06
	(iii) Trade and other payables			
	1. Total outstanding dues of micro enterprises and small enterprises	24A	2,244.82	1,747.07
	2. Total outstanding dues of creditors other than micro enterprises and small enterprises	24B	25,339.40	43,669.12
	(iv) Other financial liabilities	21	523.23	316.33
(b)	Provisions	22B	946.87	847.17
(c)	Other liabilities	23B	8,278.85	9,856.07
	<b>Total current liabilities</b>		<b>49,378.57</b>	<b>63,710.89</b>
	<b>Total equity and liabilities</b>		<b>91,413.59</b>	<b>1,02,651.91</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: 101048W/E300004

ATIN Digitally signed

by ATIN

BHARGAVA BHARGAVA

Atin Bhargava

Partner

Membership Number: 504777



Place : Mumbai

Dated: 20 April 2022

For and on behalf of the Board of Directors

ADESH Digitally signed by  
GOYAL ADESH GOYAL

Natarajan Digitally signed by  
Sivasamban Sivasamban

Sivasamban Natarajan  
Managing Director

SANJAY Digitally signed by  
AGARWA SANJAY AGARWAL

Sanjay Agarwal  
Chief Financial Officer

Place : Pune

Dated: 20 April 2022

ADESH Digitally signed by  
GOYAL ADESH GOYAL

Aadesh Goyal  
Director



**Tata Communications Transformation Services Limited**  
**Standalone Statement of Profit and Loss for the year ended 31 March 2022**

Particulars	Notes	Year ended	
		31 March 2022 ₹ in Lakhs	31 March 2021 ₹ in Lakhs
I Revenue from operations		1,31,376.14	1,30,288.79
II Other Income	25	1,31,376.14	1,30,288.79
III Total Income (I + II)		3,193.93	1,398.13
IV Expenses:		1,34,570.07	1,31,686.92
Operating and other expense	26	80,411.88	78,631.63
Employee benefits expense	27	50,518.37	47,745.39
Finance costs	28	1,562.60	1,111.04
Depreciation and amortisation expense	29	3,174.70	3,354.00
Total Expenses		1,35,667.55	1,30,842.06
V Profit/(Loss) before exceptional items and tax (III - IV)		(1,097.48)	844.86
VI Exceptional gain/(loss)	30	1,326.47	(2,351.70)
VII Profit/(Loss) before tax (V + VI)		228.99	(1,506.84)
VIII Tax expense :			
(a) Current tax	31	208.72	13.81
(b) Deferred tax		3,678.82	(337.61)
IX Profit/(Loss) for the year (VII - VIII)		(3,658.55)	(1,183.04)
X Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		(931.09)	560.73
(ii) Tax on above		141.12	141.12
Other comprehensive income/(loss) for the year, net of tax		(1,072.21)	419.61
XI Total comprehensive income/(loss) for the year, net of tax (IX + X)		(4,730.76)	(763.43)
Basic/Diluted Earnings per share (of ₹ 10 each)	33	(731.71)	(236.61)

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

ATIN Digitally signed  
by ATIN  
BHARGAVA BHARGAVA

Atin Bhargava

Partner

Membership Number: 504777



Place : Mumbai

Dated: 20 April 2022

For and on behalf of the Board of Directors

Natarajan Digitally signed  
by Natarajan  
Sivasamban Sivasamban  
Sivasamban Natarajan  
Managing Director

ADESH Digitally signed by  
GOYAL ADESH GOYAL  
Aadesh Goyal  
Director

SANJAY Digitally signed  
by SANJAY  
AGARWAL AGARWAL  
Sanjay Agarwal  
Chief Financial Officer



Place : Pune

Dated: 20 April 2022

**Tata Communications Transformation Services Limited**  
**Standalone Cash Flow Statement for the year ended 31 March 2022**

Particulars	Year Ended	
	31 March 2022 ₹ in Lakhs	31 March 2021 ₹ in Lakhs
<b>Cash flows from operating activities</b>		
Profit/(Loss) before tax	228.99	(1,506.84)
Adjustments for :		
Depreciation and amortisation expense	3,174.70	3,354.00
Finance costs	1,562.60	1,111.04
Loss on sale of/write off assets	(0.60)	-
Exchange fluctuation on foreign exchange	(28.21)	118.69
Interest income on financial asset carried at amortised cost	(312.85)	(185.62)
Interest on income tax refund	(1,832.13)	(469.85)
Allowance for doubtful advances	0.19	0.04
Allowance of doubtful trade receivables	720.28	1,507.79
<b>Operating profit before working capital changes</b>	<b>3,512.97</b>	<b>3,929.25</b>
<b>Changes in working capital</b>		
<b>Adjustment for (increase) / decrease in operating assets:</b>		
Trade receivables	(1,191.58)	12,938.74
Other assets	(812.22)	(493.43)
<b>Adjustment for increase / (decrease) in operating liabilities:</b>		
Trade and other payables	(17,831.97)	(2,710.04)
Provisions	264.30	(519.74)
Other liabilities	(1,443.32)	1,576.01
<b>Cash generated from operations</b>	<b>(17,501.82)</b>	<b>14,720.79</b>
Income tax paid (net)	14,384.03	(5,342.54)
<b>Net cash flow generated from operating activities</b>	<b>(3,117.79)</b>	<b>9,378.25</b>
<b>Cash flow from investing activities</b>		
Payments for purchase of property, plant & equipment and intangibles	(1,389.32)	(952.68)
Proceeds from disposal of property, plant and equipment and intangibles	0.79	-
Interest received	-	44.39
Loan given to subsidiary	(321.42)	(5,117.70)
<b>Net cash used in investing activities</b>	<b>(1,709.95)</b>	<b>(6,025.99)</b>
<b>Cash flow from financing activities</b>		
Repayment of current borrowings	(1,31,055.37)	(18,490.32)
Proceeds from long-term borrowings	7,945.77	-
Repayment from current borrowings	1,35,999.96	19,976.72
Interest paid	(1,010.32)	(317.84)
Payment for acquiring right of use assets	(2,031.92)	(1,750.97)
<b>Net cash flow generated used in financing activities</b>	<b>9,848.12</b>	<b>(582.41)</b>
<b>Net increase in cash and cash equivalents</b>	<b>5,020.38</b>	<b>2,769.85</b>
Cash and cash equivalents as at beginning of the year	3,571.58	801.73
<b>Cash and cash equivalents as at end of the year</b>	<b>8,591.96</b>	<b>3,571.58</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

**ATIN** Digitally signed  
**BHARGAVA** by ATIN  
**BHARGAVA**

Atin Bhargava

Partner

Membership Number: 504777

For and on Behalf of the Board of Directors

Natarajan Digitally signed  
Sivasamban by Natarajan  
Sivasamban

**Sivasamban Natarajan**  
Managing Director

ADESH Digitally  
GOYAL signed by  
ADESH GOYAL

**Aadesh Goyal**  
Director

SANJAY Digitally signed by  
AGARWAL

**Sanjay Agarwal**  
Chief Financial Officer



Place : Mumbai

Dated: 20 April 2022

Place : Pune

Dated: 20 April 2022

# Tata Communications Transformation Services Limited

## Standalone Statement of changes in equity for the year ended 31 March 2022

### Equity share capital

(₹ in Lakhs)

	No. of Shares	Amount
Balance as at 1 April 2020	5,00,000	50.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2021	5,00,000	50.00
Changes in equity share capital during the year	-	-
Balance as at 31 March 2022	5,00,000	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 2020	1,381.97	31,845.46	(149.81)	33,077.62
Net profit for the year	-	(1,183.04)	-	(1,183.04)
Other comprehensive income/(loss) for the year	-	-	560.73	560.73
Tax impact in other comprehensive income/(loss) for the year	-	-	(141.12)	(141.12)
IND AS 116 Impact	-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>	-	<b>(1,183.04)</b>	<b>419.61</b>	<b>(763.43)</b>
Balance as at 31 March 2021	1,381.97	30,662.42	269.80	32,314.19
Net profit for the year	-	(3,658.55)	-	(3,658.55)
Other comprehensive income/(loss) for the year	-	-	(931.09)	(931.09)
Tax impact in other comprehensive income/(loss) for the year	-	-	(141.12)	(141.12)
<b>Total comprehensive income/(loss) for the year</b>	-	<b>(3,658.55)</b>	<b>(1,072.21)</b>	<b>(4,730.76)</b>
Balance as at 31 March 2022	1,381.97	27,003.87	(802.41)	27,583.43

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: 101049W/E300004

ATIN  
BHARGAVA

Digitally signed  
by ATIN  
BHARGAVA

Atin Bhargava  
Partner  
Membership Number: 504777



Place : Mumbai  
Dated: 20 April 2022

For and on behalf of the Board of Directors

Natarajan  
Sivasamban

Sivasamban Natarajan  
Managing Director

SANJAY  
AGARWAL

Sanjay Agarwal  
Chief Financial Officer

Place : Pune  
Dated: 20 April 2022

ADESH  
GOYAL

Aadesh Goyal  
Director





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 1. Corporate Information

**TATA Communications Transformation Services Limited** (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. Significant 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).

#### 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 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 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.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### Useful life of assets

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

### 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.

### 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:



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

- 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.

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.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

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.
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.

### 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.

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.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

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.

#### **Lessee**

The Company's lease asset classes primarily consist of leases for Land, buildings and colocations 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.

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.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 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.

### j. **Employee benefits**

Employee benefits include contributions to provident fund, employee state insurance corporation (ESIC), gratuity fund, compensated absences, performance incentives 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 2022

### 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.

### *m. Taxation*

#### **1. 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.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

- 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
  - 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.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

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.

### *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.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 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.

#### 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

- 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.

#### iv. 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



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

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.

#### 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 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 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 2022

### r. **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. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022, as below:

#### **Ind AS 103 – Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

#### **Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

#### **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

#### **Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 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 2020	4,032.47	21.78	5,117.72	966.93	1,034.84	4,901.00	16,074.74
Additions	43.08	-	126.50	16.74	14.45	616.04	816.81
Disposals	-	-	-	-	-	(2.17)	(2.17)
Balance as at 31 March 2021	<b>4,075.55</b>	<b>21.78</b>	<b>5,244.22</b>	<b>983.67</b>	<b>1,049.29</b>	<b>5,514.87</b>	<b>16,889.38</b>
Additions	-	-	196.28	-	5.88	920.36	1,122.52
Disposals	-	-	(3.89)	-	-	-	(3.89)
Balance as at 31 March 2022	<b>4,075.55</b>	<b>21.78</b>	<b>5,436.61</b>	<b>983.67</b>	<b>1,055.17</b>	<b>6,435.23</b>	<b>18,008.01</b>
<b>Accumulated Depreciation</b>							
Balance as at 1 April 2020	3,392.36	21.59	1,969.31	548.97	758.08	3,949.62	10,639.93
Depreciation	287.62	0.19	541.93	78.69	99.07	567.96	1,575.46
Disposals	-	-	-	-	-	(2.17)	(2.17)
Balance as at 31 March 2021	<b>3,679.98</b>	<b>21.78</b>	<b>2,511.24</b>	<b>627.66</b>	<b>857.15</b>	<b>4,515.41</b>	<b>12,213.22</b>
Depreciation	164.60	-	460.62	64.55	71.25	666.79	1,427.81
Disposals	-	-	(3.71)	-	-	-	(3.71)
Balance as at 31 March 2022	<b>3,844.58</b>	<b>21.78</b>	<b>2,968.15</b>	<b>692.21</b>	<b>928.40</b>	<b>5,182.20</b>	<b>13,637.32</b>
<b>Carrying amount</b>							
Balance as at 31 March 2021	395.57	-	2,732.98	356.01	192.14	999.46	4,676.16
Balance as at 31 March 2022	<b>230.97</b>	<b>-</b>	<b>2,468.46</b>	<b>291.46</b>	<b>126.77</b>	<b>1,253.03</b>	<b>4,370.69</b>

### 4. Capital work-in-progress

#### CWIP Ageing Schedule as on 31<sup>st</sup> March 2022

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	11.25	-	-	-	<b>11.25</b>
Projects temporarily suspended	-	-	-	-	-

#### CWIP Completion Schedule (for projects whose completion is overdue or whose cost has exceeded its cost compared to its original plan) as on 31<sup>st</sup> March 2022

(₹ in lakhs)

CWIP	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	4.59	-	-	-	<b>4.59</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 5. Right of use Assets

(₹ in lakhs)

Particulars	Amount
<b>Cost</b>	
Balance as at 1 April 2020	6,080.83
Additions	2,693.37
Termination	(19.49)
Balance as at 31 March 2021	8,734.71
Additions	286.25
Termination	(0.82)
<b>Balance as at 31 March 2022</b>	<b>9,020.14</b>
<b>Accumulated Depreciation</b>	
Balance as at 1 April 2020	813.24
Depreciation	1,703.31
Termination	(8.12)
Balance as at 31 March 2021	2,508.43
Depreciation	1,634.56
Termination	(0.22)
<b>Balance as at 31 March 2022</b>	<b>4,142.77</b>
<b>Carrying amount</b>	
Balance as at 31 March 2021	6,226.28
<b>Balance as at 31 March 2022</b>	<b>4,877.37</b>

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

### 6. Intangible assets

(₹ in lakhs)

	<b>Computer (Software and Application)</b>
<b>Cost</b>	
Balance as at 1 April 2020	3,596.47
Additions	122.72
Balance as at 31 March 2021	3,719.19
Additions	414.08
<b>Balance as at 31 March 2022</b>	<b>4,133.27</b>
<b>Accumulated amortization</b>	
Balance as at 1 April 2020	3,362.44
Amortisation Expense	75.23
Balance as at 31 March 2021	3,437.67
Amortisation Expense	112.33
<b>Balance as at 31 March 2022</b>	<b>3,550.00</b>
<b>Carrying amount</b>	
Balance as at 31 March 2021	281.52
<b>Balance as at 31 March 2022</b>	<b>583.27</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

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

ITUD Ageing Schedule as on 31 March 2022

(₹ in lakhs)

ITUD	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	20.65	-	-	-	20.65
Projects temporarily suspended	-	-	-	-	-

ITUD Completion Schedule (for projects whose completion is overdue or whose cost has exceeded its cost compared to its original plan) as on 31<sup>st</sup> March 2022

(₹ in lakhs)

ITUD	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	9.73	-	-	-	9.73

ITUD Ageing Schedule as on 31<sup>st</sup> March 2021

(₹ in lakhs)

CWIP	Amount in ITUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	3.12	-	-	-	3.12
Projects temporarily suspended	-	-	-	-	-

ITUD Completion Schedule (for projects whose completion is overdue or whose cost has exceeded its cost compared to its original plan) as on 31<sup>st</sup> March 2021

(₹ in lakhs)

CWIP	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	1.00	-	-	-	1.00



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 8. Investments

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Quantity (Shares/units)	Amount	Quantity (Shares/units)	Amount
<b><u>Non-current</u></b>				
<b>Investment at cost</b>				
<b>In subsidiary fully paid equity shares –</b>				
<b>Unquoted</b>				
Tata Communications Transformation Services Pte. Limited	170,000	110.66	170,000	110.66
<b>Total</b>	<b>170,000</b>	<b>110.66</b>	<b>170,000</b>	<b>110.66</b>

The market value of the current investments is equal to the carrying value.

### 9. Loans

	As at 31 March 2022	As at 31 March 2021
<b>A. <u>Non-current</u></b>		
Loan to related parties		
Tata Communications Transformation Services Pte. Limited	5,439.12	5,117.70
<b>Total (A)</b>	<b>5,439.12</b>	<b>5,117.70</b>

### 10. Other financial assets

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>A. <u>Non-current</u></b>		
Security deposits – unsecured, considered good	963.65	848.53
Interest on loan to subsidiaries	136.27	141.44
<b>Total (A)</b>	<b>1,099.92</b>	<b>989.97</b>
<b>B. <u>Current</u></b>		
a. Deposits to vendors - unsecured, considered good	92.04	114.64
b. Fair value of foreign currency forward contracts	38.59	-
c. Others	7.54	7.54
<b>Total (B)</b>	<b>138.17</b>	<b>122.18</b>
<b>(A+B)</b>	<b>1,238.09</b>	<b>1,112.15</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 11. Deferred tax assets (net)

Major components of deferred tax asset and liability consist of the following

(₹ in lakhs)

	As at 1 April 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2022
<b>Deferred tax assets in relation to:</b>				
Difference between accounting and tax depreciation / amortization	771.94	(771.94)	-	-
Provision for doubtful trade receivables	502.43	(502.43)	-	-
Provision for Employee benefit obligations	855.08	(713.96)	(141.12)	-
Expenditure disallowed u/s. 40 (a) (ia)	156.74	(156.74)	-	-
Current year Net operating losses	1,303.53	(1,303.53)	-	-
Ind AS 116 impact	180.31	(180.31)	-	-
Others	49.91	(49.91)	-	-
<b>Deferred tax assets (net)</b>	<b>3,819.94</b>	<b>(3,678.82)</b>	<b>(141.12)</b>	<b>-</b>

(₹ in lakhs)

	As at 1 April 2020	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2021
<b>Deferred tax assets in relation to:</b>				
Difference between accounting and tax depreciation / amortization	824.63	(52.69)	-	771.94
Provision for doubtful trade receivables	122.95	379.48	-	502.43
Provision for Employee benefit obligations	609.99	386.21	(141.12)	855.08
Expenditure disallowed u/s. 40 (a) (ia)	1,198.43	(1,041.69)	-	156.74
Current year Net operating losses	800.36	503.17	-	1,303.53
Ind AS 116 impact	23.78	156.53	-	180.31
Others	43.31	6.60	-	49.91
<b>Deferred tax assets (net)</b>	<b>3,623.45</b>	<b>337.61</b>	<b>(141.12)</b>	<b>3,819.94</b>

### 12. Income tax assets (Net)

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Advance tax (net of provision for taxes) (refer (i) below)	6,718.05	19,478.67
<b>Total</b>	<b>6,718.05</b>	<b>19,478.67</b>

i. Advance tax includes amount paid under dispute of ₹ 335 lakhs (2021: ₹ 335 lakhs).





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 13. Other assets

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>A. <u>Non-current</u></b>		
a. Capital advances – unsecured, considered good	44.59	3.63
b. Prepaid expenses - unsecured, considered good	134.13	22.75
<b>Total (A)</b>	<b>178.72</b>	<b>26.38</b>
<b>B. <u>Current</u></b>		
a. Advances to employees		
Unsecured, considered good	4.88	15.35
Unsecured, considered doubtful	3.25	3.25
	8.13	18.60
Less: allowance for doubtful advances	(3.25)	(3.25)
	4.88	15.35
b. Indirect tax recoverable – considered good	2,029.31	2,949.11
c. Advances to vendors		
Unsecured, considered good	2,373.72	683.94
Unsecured, considered doubtful	10.11	9.92
	2,383.83	693.86
Less: allowance for doubtful advances	(10.11)	(9.92)
	2,373.72	683.94
d. Prepaid expenses - unsecured, considered good	806.57	943.25
e. Others (refer note 34)	-	48.12
<b>Total (B)</b>	<b>5,214.48</b>	<b>4,639.77</b>
<b>(A+B)</b>	<b>5,393.20</b>	<b>4,666.15</b>

### 14. Trade receivables

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Unsecured</b> (including unbilled receivables)		
a. Considered good	54,059.28	53,587.98
b. Considered doubtful	2,716.60	1,996.32
	<b>56,775.88</b>	<b>55,584.30</b>
Less: Allowance for doubtful debt (Refer note 42 (c))	(2,716.60)	(1,996.32)
<b>Total</b>	<b>54,059.28</b>	<b>53,587.98</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### Trade receivable ageing as on 31 March 2022

(₹ 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	12,480.94	17,759.48	21,325.69	1,439.97	1,333.89	81.16	13.30	54,434.43
B	Undisputed trade receivables – which have significant increase in credit risk	-	-	-	57.04	95.94	1,822.88	365.59	2,341.45
C	Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
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>12,480.94</b>	<b>17,759.48</b>	<b>21,325.69</b>	<b>1,497.01</b>	<b>1,429.83</b>	<b>1,904.04</b>	<b>378.89</b>	<b>56,775.88</b>
Allowance for doubtful receivables									(2,716.60)
<b>Total</b>		<b>12,480.94</b>	<b>17,759.48</b>	<b>21,325.69</b>	<b>1,497.01</b>	<b>1,429.83</b>	<b>1,904.04</b>	<b>378.89</b>	<b>54,059.28</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### Trade receivable ageing as on 31 March 2021

(₹ 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	8,270.21	13,139.65	26,751.54	5,911.08	248.29	62.25	72.51	54,455.53
B	Undisputed trade receivables – which have significant increase in credit risk	-	-	2.76	1.32	800.59	158.67	165.43	1,128.77
C	Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
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>8,270.21</b>	<b>13,139.65</b>	<b>26,754.30</b>	<b>5,912.40</b>	<b>1,048.88</b>	<b>220.92</b>	<b>237.94</b>	<b>55,584.30</b>
Allowance for doubtful receivables									(1,996.32)
<b>Total</b>		<b>8,270.21</b>	<b>13,139.65</b>	<b>26,754.30</b>	<b>5,912.40</b>	<b>1,048.88</b>	<b>220.92</b>	<b>237.94</b>	<b>53,587.98</b>

### 15. Cash and cash equivalents

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Current accounts with banks	8,591.96	3,569.24
<b>Total</b>	<b>8,591.96</b>	<b>3,569.24</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 16. Bank balances (other than note 15 above)

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Other bank balances:</b>		
Restricted bank deposits (Refer Note i below)	-	2.34
<b>Total</b>	<b>-</b>	<b>2.34</b>

- i. Nil (2021: ₹ 2.34 lakhs) represents the time deposit booked against Bid Bond issued towards a Request for Proposal.

### 17. Equity share capital

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>a. Authorised:</b>		
1,000,000 (2021: 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 (2021: 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 2022		As at 31 March 2021	
	No of shares	Percentage	No of shares	Percentage
Tata Communications Limited (Parent 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

### 18. Other equity

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
a. General reserve (Refer Note i below)	1,381.97	1,381.94
b. Retained earnings	27,003.87	30,662.46
c. Other comprehensive income (Refer Note ii below)	(802.41)	269.79
<b>Total</b>	<b>27,583.43</b>	<b>32,314.19</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

i. **General reserve**

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

ii. **Other comprehensive income**

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

19. **Borrowings**

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>A. <u>Non-current</u></b>		
Intercompany Loans (refer not 35)	7,945.77	-
<b>Total (A)</b>	<b>7,945.77</b>	<b>-</b>
<b>B. <u>Current</u></b>		
<b>Unsecured</b>		
Loans repayable on demand (from banks)		
Cash credit facility	10,386.60	5,783.07
(Rate of Interest per annum: 1.58% to 7.50%; 2021: 1.58% to 6.90%;)		
<b>Total (B)</b>	<b>10,386.60</b>	<b>5,783.07</b>
<b>(A+B)</b>	<b>18,332.37</b>	<b>5,783.07</b>

20. **Lease liabilities**

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>A. <u>Non-current</u></b>		
Lease liabilities (refer note 36)	4,124.38	5,522.64
<b>Total (A)</b>	<b>4,124.38</b>	<b>5,522.64</b>
<b>B. <u>Current</u></b>		
Lease liabilities (refer note 36)	1,658.80	1,492.06
<b>Total (B)</b>	<b>1,658.80</b>	<b>1,492.06</b>
<b>(A+B)</b>	<b>5,783.18</b>	<b>7,014.70</b>

21. **Other financial liabilities**

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b><u>Current</u></b>		
a. Capital goods		
- Payable to related parties	29.85	29.85
- Others	478.00	260.92
b. Fair value of foreign currency forward contracts	0.48	7.98
c. Other payables	14.90	17.58
<b>Total</b>	<b>523.23</b>	<b>316.33</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 22. Provisions

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>A. <u>Non-current</u></b>		
Provision for employee benefits		
a. Provision for gratuity (refer note 34)	853.49	-
b. Provision for compensated absences (refer note 34)	1,104.94	824.86
c. Provision for ARO Liability	10.50	10.76
<b>Total (A)</b>	<b>1,968.93</b>	<b>835.62</b>
<b>B. <u>Current</u></b>		
a. Provision for compensated absences (refer i below)	236.73	847.17
b. Provision for others	710.14	-
<b>Total (B)</b>	<b>946.87</b>	<b>847.17</b>
<b>(A+B)</b>	<b>2,915.80</b>	<b>1,682.79</b>

- i. Provision for compensated absences includes the leave provision for branches.

### 23. Other liabilities

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>A. <u>Non-current</u></b>		
Accrued employee benefits	257.29	213.26
Deferred Revenue (Refer note i below)	105.22	5.31
<b>Total (A)</b>	<b>362.51</b>	<b>218.57</b>
<b>B. <u>Current</u></b>		
a. Deferred revenue (Refer note i below)	716.47	1,034.87
b. Accrued payroll	6,492.24	7,768.93
c. Statutory liabilities	1,070.12	1,052.27
d. Other payables	0.02	-
<b>Total (B)</b>	<b>8,278.85</b>	<b>9,856.07</b>
<b>(A+B)</b>	<b>8,641.36</b>	<b>10,074.64</b>

- i. Deferred revenue represents contract liabilities.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 24. Trade and other payables

(₹ in lakhs)

		As at 31 March 2022	As at 31 March 2021
A	Total outstanding dues of micro enterprises and small enterprises (Refer note 38)	2,244.82	1,747.07
	(I)	<b>2,244.82</b>	<b>1,747.07</b>
B	Total outstanding dues of creditors other than micro enterprises and small enterprises		
	i. Other creditors	19,983.02	24,313.39
	ii. Payable to related parties	5,356.38	19,355.73
	(II)	<b>25,339.40</b>	<b>43,669.12</b>
	<b>Total (I+II)</b>	<b>27,584.22</b>	<b>45,416.19</b>

### Trade payable ageing as as on 31 March 2022

(₹ 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	-	2,244.82	-	-	-	-	2,244.82
B	Total outstanding dues of creditors other than micro enterprises and small enterprises	19,728.81	1,475.61	2,892.96	125.53	269.91	846.58	25,339.40
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

### Trade payable ageing as as on 31 March 2021

(₹ 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	-	1,620.46	126.66	-	-	-	1,747.12
B	Total outstanding dues of creditors other than micro enterprises and small enterprises	21,447.40	1,698.67	10,716.96	6,888.65	2,563.17	354.22	43,669.07
C	Disputed dues of micro enterprises and small enterprises	-	0.64	-	-	-	-	0.64
D	Disputed dues of creditors other than micro enterprises and small enterprises	26.98	50.84	-	-	-	-	77.82





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 25. Other income

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Interest Income	312.85	185.62
b. Interest on income tax refund	1,832.13	469.85
c. Foreign exchange gain/(loss) (net)	183.52	102.76
d. Gain/(loss) on Right of use asset termination	-	(0.51)
e. Others	865.43	640.41
<b>Total</b>	<b>3,193.93</b>	<b>1,398.13</b>

### 26. Operating and other expense

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Light and power	404.94	420.18
b. Repairs and maintenance:		
i. Building	247.10	277.39
ii. Plant and machinery	3,717.54	3,162.55
iii. Others	130.99	249.75
c. Allowance for doubtful trade receivables	720.28	1,507.79
d. Allowance for doubtful advances	0.19	0.04
e. Rent	1,218.22	2,108.23
f. Network management and sub-contracting charges	51,567.16	45,629.54
g. Travelling expenses	571.52	340.85
h. Local conveyance	518.18	239.68
i. Telephone expenses	996.83	1,562.52
j. Printing, postage and stationery	77.38	72.60
k. Outsourced manpower cost	17,611.97	20,780.79
l. Legal and professional charges	912.52	1,191.69
m. Brand Equity and Business Promotion expenses	12.05	-
n. Advertising and publicity	107.76	47.58
o. Recruitment expenses	147.08	47.04
p. Security charges	183.18	224.18
q. Corporate social responsibility (Refer Note i)	6.74	96.82
r. Other expenses	1,260.25	672.41
<b>Total</b>	<b>80,411.88</b>	<b>78,631.63</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

- i. Disclosure in respect of Corporate Social Responsibility (CSR) expenditure:

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
1. Amount required to be spent by the company during the year	6.74	96.82
2. Amount spent on		
(i) Construction / acquisition of any asset	-	1.30
(ii) On purposes other than (i) above	6.74	95.52
3. Shortfall at the end of the year provided for	-	-
4. Total of previous years shortfall	-	-
5. Unspent amount in relation to ongoing project	-	-
6. Reason for shortfall	NA	NA
7. Nature of CSR activities	Mainly for sustainable livelihood	Mainly for sustainable livelihood
8. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

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

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>Auditors' remuneration and expenses</b>		
a. Audit fees	20.90	20.90
b. Tax audit fees	3.30	3.30
c. Other professional services	4.57	2.03

- iii. Operating and other expenses includes an adjustment on account of liabilities no longer required written back, pertaining to prior years.

### 27. Employee benefits expenses

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Salaries and related costs	44,984.68	42,732.70
b. Contributions to provident, gratuity and other funds (Refer note 34)	3,047.05	2,430.38
c. Staff welfare expenses	2,486.64	2,582.31
<b>Total</b>	<b>50,518.37</b>	<b>47,745.39</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements for the year ended 31 March 2022

### 28. Finance costs

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Interest on bank overdraft and loans	366.89	321.67
b. Interest on lease liability	514.52	668.68
c. Interest on loan from related parties	643.87	-
d. Other interest	37.32	120.69
<b>Total</b>	<b>1,562.60</b>	<b>1,111.04</b>

### 29. Depreciation and amortisation expense

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Depreciation for the year on property, plant and equipment (Refer note 3)	1,427.81	1,575.46
b. Depreciation for the year on right of use assets (Refer note 5)	1,634.56	1,703.31
c. Amortisation for the year on intangible assets (Refer note 6)	112.33	75.23
<b>Total</b>	<b>3,174.70</b>	<b>3,354.00</b>

### 30. Staff cost optimization

As part of Company's initiative to enhance the long-term efficiency of the business, the Company, in the previous year 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 ₹2,351.70 lacs. Based on the conditions and circumstances prevailing in the current year, the Company has reversed the costs amounting to ₹ 1,326.47 lacs (which were provided for in the previous year) as the Management believes that these costs would not be incurred in future.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 31. Income tax

#### a. Income tax recognised in statement of profit and loss

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b><u>Current tax</u></b>		
In respect of prior years	208.72	13.81
<b>Total current tax (a)</b>	<b>208.72</b>	<b>13.81</b>
<b><u>Deferred tax</u></b>		
In respect of the current year	-	(345.21)
In respect of prior years	3,678.82	7.60
<b>Total deferred tax (b)</b>	<b>3,678.82</b>	<b>(337.61)</b>
<b>Total income tax (a+b)</b>	<b>3,887.54</b>	<b>(323.80)</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 2022	Year ended 31 March 2021
<b>Profit before tax</b>	<b>228.99</b>	<b>(1,506.84)</b>
Income tax expense calculated at 25.168% tax rate (2021: 25.168% Tax rate)	57.63	(379.24)
Tax expense as per statement of profit and loss	3,887.54	(323.80)
<b>Difference</b>	<b>(3,829.90)</b>	<b>(55.44)</b>
<b>Adjustments:</b>		
Effect of expenses / adjustments that are not deductible in determining taxable profit	4.36	34.03
Effect of prior period adjustments	3,825.54	21.41
<b>Total</b>	<b>3,829.90</b>	<b>55.44</b>
<b>Income tax expense recognised in statement of profit and loss</b>	<b>3,887.54</b>	<b>(323.80)</b>

#### c. Income tax recognised in Other comprehensive income

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b><u>Deferred tax</u></b>		
Remeasurement of the defined benefit obligations	(141.12)	(141.12)
<b>Total deferred tax</b>	<b>(141.12)</b>	<b>(141.12)</b>
<b>Bifurcation of income taxes recognized in other comprehensive income into</b>		
Items that will not be reclassified to statement of profit and loss	(141.12)	(141.12)



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 32. 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.

#### 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 2022	Year ended 31 March 2021
India	91,014.38	92,585.18
United Kingdom	19,583.88	21,391.03
Canada	8,708.80	6,099.39
Luxemburg	5,051.02	4,679.68
Others	7,018.06	5,533.51
	<b>1,31,376.14</b>	<b>1,30,288.79</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 2022	% of total revenue	As at 31 March 2021	% of total revenue
Customer A	44,224.87	34%	43,693.04	34%
Customer B	24,488.47	19%	26,038.26	20%
Customer C	18,183.85	14%	21,323.56	16%
Customer D*	17,025.20	13%	14,747.73	11%

\*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 2022 and 31 March 2021.

### 33. Earnings per share

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Net Profit after tax attributable to the equity shareholders (A)	(3,658.55)	(1,183.04)
Number of equity shares outstanding at the end of the year	5,00,000	500,000
Weighted average number of shares outstanding during the year (B)	5,00,000	500,000
Basic and diluted earnings per share (₹ per equity share of ₹ 10 each) (A/B)	(731.71)	(236.61)



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 34. 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 ₹ 2,421.48 lakhs (2021: ₹ 1,837.80 lakhs) lakhs have been charged to the Statement of Profit and Loss, under contributions to provident, gratuity and other funds in note 27 "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 2022 by an accredited actuary.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

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

	As at 31 March 2022	As at 31 March 2021
<u>Principal actuarial assumptions</u>		
Discount rate	6.80%	6.40%
Salary escalation rate	6.00%	6.00%
<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.

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

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Expenses recognised in the statement of profit and loss		
a. Current service cost	498.07	501.40
b. Interest cost	(19.34)	30.36
<b>Components of defined benefit costs recognized in the statement of profit and loss</b>	<b>478.73</b>	<b>531.76</b>
Remeasurement on the net defined benefit liability		
a. Return on plan assets (excluding amounts included in net interest expense)	(62.27)	(172.30)
b. Actuarial (gains) / losses arising from DBO assumption changes	(158.23)	(225.11)
c. Actuarial (gains) / losses arising from experience adjustments	1,151.59	(163.32)
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>931.09</b>	<b>(560.73)</b>





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

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 2022 (Funded)	As at 31 March 2021 (Funded)
I. <b>Amount recognized in the balance sheet</b>		
Liability at the end of the year	(5,229.67)	(4,060.04)
Fair value of plan assets at the end of the period	4,376.18	4,108.16
<b>Net (liability)/ asset in the balance sheet</b>	<b>(853.49)</b>	<b>48.12</b>
Other current asset (Refer Note 13B)	(853.49)	48.12
Non-current provision (Refer note 22A)		
II. <b>Change in the Defined Benefit Obligation (DBO)</b>		
Liability at the beginning of the period	4,060.04	4,025.29
Current service cost	498.07	501.40
Interest cost	241.81	254.68
Transfer in/(out)	-	19.94
Actuarial (gain) / loss on financial assumption	(158.23)	(225.11)
Actuarial (gain) / loss on experience assumption	1,151.59	(163.32)
Benefits paid	(563.61)	(352.84)
<b>Liability at the end of the period</b>	<b>5,229.67</b>	<b>4,060.04</b>
III. <b>Change in fair value of assets</b>		
Opening fair value of plan assets	4,108.16	3,086.05
Transfer in/ (out)	-	19.94
Expected return on plan assets	261.15	224.32
Employer's contribution	-	956.78
Actuarial gain / (loss)	62.27	172.30
Benefits paid	(55.40)	(351.23)
<b>Closing fair value of plan assets</b>	<b>4,376.18</b>	<b>4,108.16</b>

### Major categories of plan assets are as follows

	As at 31 March 2022	As at 31 March 2021
a. Government of India securities (central and state)	37.94%	46.48%
b. High quality corporate bonds (including public sector bonds)	33.06%	33.03%
c. Equity shares of listed companies	14.33%	10.71%
d. Cash (including special deposits)	11.98%	7.44%
f. Other (including assets under schemes of insurance)	2.69%	2.34%
<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.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

A quantitative sensitivity analysis for significant assumptions as at 31 March 2022 and 31 March 2021 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 2022	As at 31 March 2021
Effect on DBO due to 1% increase	(361.31)	(278.33)
Effect on DBO due to 1% decrease	412.06	333.05

**b. Salary escalation rate**

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Effect on DBO due to 1% increase	353.43	302.65
Effect on DBO due to 1% decrease	(330.61)	(263.61)

**c. Withdrawal rate**

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Effect on DBO due to 5% increase	83.05	23.74
Effect on DBO due to 5% decrease	(178.84)	(50.01)

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 2022
a. March 31, 2023	641.80
b. March 31, 2024	532.62
c. March 31, 2025	553.76
d. March 31, 2026	667.69
e. March 31, 2027	677.52
f. March 31, 2028 to March 31, 2032	4,236.49

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 2022

### 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.

During the previous year, leave unavailed by eligible employees may be carried forward / encashed by them / their nominees in the event of death or permanent disablement or resignation was subject to a maximum leave of 60 days and 45 days for employees who have joined post 1 January 2020.

#### 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 ₹ 1,322.91 lakhs (2021: ₹ 1,616.26 lakhs) as shown under non-current provisions ₹ 1,104.94 lakhs (2021: ₹ 824.86 lakhs) and current provision ₹ 217.97 lakhs (2021: ₹ 791.40 lakhs). The amount charged to the Statement of Profit and Loss under Salaries and related costs in note 27 "Employee benefits expense" is ₹ 506.14 lakhs (2021: ₹ 165.24 lakhs).

### 35. 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 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 Conneqt Business Solutions Limited (formerly Tata Business Support Services Limited) Infiniti Retail Limited Tata Industries Limited
E	Subsidiary (Direct)	Tata Communications Transformation Services Pte Limited (Singapore)



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

Sr. No	Category of related parties	Names
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 (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
H	Associate of holding company	STT Global Data Centers India Private Limited
I	Key managerial Personnel	Madhusudhan M R (upto 31 December 2020) Sivasamban Natarajan (w.e.f 15 October 2020)
J	Others	Tata Communications Transformation Services Limited Employees Gratuity Trust

\*Where transactions have taken place / there are balances

\*\* On 16 and 17 March 2021, the Government of India had divested 16.12% of its stake in the Holding Company under the offer for sale mechanism of the stock exchanges to non-promoter shareholders. On 18 March 2021, Panatone Finvest Limited ('Panatone'), a subsidiary of Tata Sons Private Limited ('TSPL') purchased the balance stake of 10% from Government of India through an off-market inter-se transfer of shares between promoters. Consequently, the combined stake of TSPL in the Holding Company increased from 48.87% to 58.87% and Government of India ceased to hold any shares in the Holding Company.

# 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 2022

### 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	14,151.08 14,188.95	26,592.22 30,030.28	1,748.93 185.46	1,486.30 757.57	- -	- -	43,978.53 45,162.26
Other Income	501.38 518.85	- -	331.16 197.47	23.14 15.90	- -	- -	855.68 732.22
Rent	351.16 373.68	- 4.41	- -	- -	- -	- -	351.16 378.09
Interest on lease liabilities (forms a part of lease payout of ₹ 936.29 lacs (2021: 650.36 lacs))	272.28 359.96	- -	- -	- -	- -	- -	272.28 359.96
Interest on loan from related parties	643.87 -	- -	- -	- -	- -	- -	643.87 -
Telephone expenses	734.65 801.71	(37.81) 88.53	- -	2.96 7.36	- -	- -	699.80 897.60
Brand Equity and Business Promotion expenses	- -	12.05 -	- -	- -	- -	- -	12.05 -
Outsourced manpower cost	860.87 998.39	- 1.48	- -	842.34 2,809.95	- -	- -	1,703.21 3,809.82
Insurance	- -	6.76 8.14	- -	- -	- -	- -	6.76 8.14
Car Lease Rentals	- -	0.10 (3.62)	- -	- -	- -	- -	0.10 (3.62)
Repairs & Maintenance	- (0.32)	95.52 283.13	- -	- -	- -	- -	95.52 282.81
Others	- -	15.66 (6.82)	- -	- -	- -	- -	15.66 (6.82)
Assets – Transfer in / (Out)	- -	8.25 77.93	- -	- -	- -	- -	8.25 77.93
Additions to right of use assets	286.25 2,694.50	- -	- -	- -	- -	- -	286.25 2,694.50
Loan taken	12,500.00 -	- -	- -	- -	- -	- -	12,500.00 -
Repayment of loan taken	4,554.23 -	- -	- -	- -	- -	- -	4,554.23 -



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

Particulars	Holding company & its associates	Ultimate holding company and its affiliates	Subsidiaries (Direct and Indirect)	Fellow subsidiaries	Key management Personnel	Others	Total
Loan given	-	-	130.37	-	-	-	130.37
	-	-	-	-	-	-	-
Key Managerial remuneration	-	-	-	-	402.41 500.84	-	402.41 500.84
Contribution to Gratuity trust	-	-	-	-	-	-	-
	-	-	-	-	-	956.78	956.78

### 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	4,518.62	11,632.20	2,091.40	1,403.48	-	-	19,645.70
	8,182.22	7,665.46	474.33	548.16	-	-	16,870.17
Loan to	-	-	5,437.07	-	-	-	5,437.07
Subsidiaries	-	-	5,115.65	-	-	-	5,115.65
Other financial assets- Non-current	115.37	0.50	136.27	-	-	-	252.14
	-	0.50	141.44	-	-	-	141.94
Other assets- current	312.72	2.54	-	-	-	-	315.26
	314.58	27.29	-	-	-	-	341.87
Trade Payables	2,455.82	212.37	-	2,688.19	-	-	5,356.38
	3,237.11	198.80	0.53	15,919.29	-	-	19,355.73
Non-Current Borrowings	7,945.77	-	-	-	-	-	7,945.77
	-	-	-	-	-	-	-
Other current Liabilities	351.98	231.49	-	(0.51)	88.67	-	671.63
	463.26	470.37	-	(0.62)	202.39	-	1,135.40
Other financial Liabilities	-	29.85	-	-	-	-	29.85
	-	29.85	-	-	-	-	29.85
Other non-current Liabilities	-	-	-	-	126.61	-	126.61
	-	2.97	-	-	212.68	-	215.65
Lease liabilities – Current	698.24	-	-	-	-	-	698.24
	638.30	-	-	-	-	-	638.30
Lease liabilities Non-Current	2,445.08	-	-	-	-	-	2,445.08
	2,882.78	-	-	-	-	-	2,882.78

# Amount in italics denote previous year figures.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 36. 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 lakhs)	
Particulars	Amount
<b>Balance as at 1 April 2020</b>	<b>5,413.45</b>
Additions	2,694.50
Finance cost accrued during the year	668.68
Payment/Reversal of lease liabilities	(1,750.97)
Liabilities settled against leased assets terminated	(10.96)
<b>Balance as at 31 March 2021</b>	<b>7,014.70</b>
Additions	286.25
Finance cost accrued during the year	514.52
Payment/Reversal of lease liabilities	(2,032.29)
Liabilities settled against leased assets terminated	-
<b>Balance as at 31 March 2022</b>	<b>5,783.18</b>

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

(₹ in lakhs)		
Particulars	As at 31 March 2022	As at 31 March 2021
Current liability	1,658.80	1,492.06
Non-current liability	4,124.38	5,522.64
<b>Total liabilities</b>	<b>5,783.18</b>	<b>7,014.70</b>

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

(₹ in lakhs)		
	As at 31 March 2022	As at 31 March 2021
Due not later than one year	2,051.98	1,998.64
Due later than one year but not later than five years	4,270.71	5,357.30
Later than five years	521.31	1,180.95
	<b>6,844.00</b>	<b>8,536.89</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.





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 37. Contingent liabilities and commitments

#### I. Contingent liabilities

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Claims against the Company not acknowledged as debt		
- Claims for taxes on income* (Refer i)	504.90	528.12
- Claims for other taxes* (Refer i)	23.22	-
- Others (Refer ii)	592.00	592.00

\*In case the above cases are against the Company, then the Company may be liable for interest exposure of ₹ 129.01 lakhs (2021: ₹ 62.45 lakhs 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.
- ii. Other claims of ₹ 592.00 lakhs (2021: ₹ 592.00 lakhs) pertain 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 defenses against Service provider's claims, the amount has been disclosed as contingent liability.

#### II. Commitments

##### i. Capital commitments

Estimated amount of contracts remaining (net of advances) to be executed on capital account, not provided for ₹ 7.64 lakhs (2021: ₹ 106.01 lakhs).

##### ii. Other commitments

The Company has closed the corporate guarantee for credit facility arrangements in respect of one its subsidiary as on 31 March 2022 (2021: ₹ 7,677.00 lakhs (USD 10.50 mn)).



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

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

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
a. Principal amount remaining unpaid to any supplier as at the end of the accounting year	2,244.82	1,745.93
b. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	1.14
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	24,103.57	8,832.76
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	-	1.14
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	2,242.82	1,747.07

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.

### 39. Struck off Companies

(₹ in lakhs)

Name of Struck off Company	Nature of Transaction with Struck- off Company	As at 31 March 2022	As at 31 March 2021
Manikanta Network Communication	Payables	8.54	8.49
Ravi And Singh Communication	Payables	3.06	3.18
Aditya Transport Company	Payables	0.03	NA
Sunrise Integrated Services Pvt Ltd	Payables	-	0.42
Thaxa Projects Pvt Ltd	Payables	-	0.36
Goclinic 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 22 and 31 March 21 respectively



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 40. 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 lakhs)

	As at 31 March 2022		As at 31 March 2021	
	(Amount in Foreign Currency)	(Amount in INR)	(Amount in Foreign Currency)	(Amount in INR)
i. Forward exchange contracts (Sell)				
CAD	9.64	582.31	16.98	978.90
GBP	13.13	1,325.54	10.00	1,015.78
EUR	4.67	395.08	-	-
USD	78.57	6,046.77	-	-
ii. Forward exchange contracts (Buy)				
USD	-	-	59.99	4,412.34

### 41. 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 2022 is as follows

(₹ in lakhs)

	Fair value through profit or loss	Derivatives instrument	Amortised cost	Total carrying value
<b>Financial Assets:</b>				
Other financial assets	-	-	1,238.09	1,238.09
Loans	-	-	5,439.12	5,439.12
Trade receivables	-	-	54,059.28	54,059.28
Cash and Cash equivalents	-	-	8,591.96	8,591.96
<b>Total</b>	-	-	<b>69,328.45</b>	<b>69,328.45</b>
<b>Financial Liabilities:</b>				
Borrowings	-	-	18,332.37	18,332.37
Lease liabilities	-	-	5,783.18	5,783.18
Other financial liabilities	-	0.48	522.75	523.23
Trade payables	-	-	27,584.22	27,584.22
<b>Total</b>	-	<b>0.48</b>	<b>52,222.52</b>	<b>52,223.00</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

The carrying value of financial instruments by categories as at 31 March 2021 is as follows

(₹ in lakhs)

	Fair value through profit or loss	Derivatives instrument	Amortised cost	Total carrying value
<b>Financial Assets:</b>				
Other financial assets	-	-	1,112.15	1,112.15
Loans	-	-	5,117.70	5,117.70
Trade receivables	-	-	53,587.98	53,587.98
Cash and Cash equivalents	-	-	3,569.24	3,569.24
Other bank balances	-	-	2.34	2.34
<b>Total</b>	-	-	<b>63,389.41</b>	<b>63,389.41</b>
<b>Financials Liabilities:</b>				
Borrowings	-	-	5,783.07	5,783.07
Lease liabilities	-	-	7,014.70	7,014.70
Other financial liabilities	-	7.98	308.35	316.33
Trade payables	-	-	45,416.19	45,416.19
<b>Total</b>	-	<b>7.98</b>	<b>58,522.31</b>	<b>59,530.29</b>

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payables as at 31 March 2022 and 31 March 2021 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 2022

- (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 2022	31 March 2021	
<b>Financial Assets</b>			
Foreign exchange forward contracts	38.59	-	Level 2
<b>Financial Liabilities</b>			
Foreign exchange forward contracts	0.48	7.98	Level 2

### 42. 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 and current investments 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. 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.



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 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 2022 and 31 March 2021.

(₹ in lakhs)

Currency	As at 31 March 2022		As at 31 March 2021	
	Financial liabilities	Financial Assets	Financial liabilities	Financial Assets
Omani Riyal	289.48	-	289.47	-
CAD	-	1,473.33	-	1,303.47
GBP	3,770.43	-	4,467.22	-
EUR	-	998.68	730.35	-
USD	-	1,716.18	1,819.68	-
AUD	-	46.22	10.63	-
Others	835.62	1.62	674.08	5.71

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 ₹ 32.98 lakhs and ₹ 334.11 lakhs for the year ended 31 March 2022 and 31 March 2021 respectively.

### c. 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.

(₹ in lakhs)

Ageing of receivables	As at	As at
	31 March 2022	31 March 2021
Within credit period	30,115.12	21,358.65
01-90 days	17,415.71	19,681.02
91-180 days	3,749.48	6,894.68
181-360 days	1,350.62	5,270.33
More than 360 days	1,428.35	383.30
<b>Total</b>	<b>54,059.28</b>	<b>53,587.98</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### Movement in the expected credit loss allowance

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Balance at beginning of the year	1,996.32	488.53
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net)	720.28	1,507.79
<b>Balance at the end of the year</b>	<b>2,716.60</b>	<b>1,996.32</b>

### d. 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 2022	On demand	0 to 12 months	1 to 2 years	2 to 5 years	>5 years	Total
Trade and other payables	2,197.09	25,402.51	-	-	-	27,599.60
Lease Liabilities	-	1,658.80	1,605.38	1,741.18	777.82	5,783.18
Borrowings	-	10,386.60	-	7,945.77	-	18,332.37
Capital creditors	416.26	91.59	-	-	-	507.85

(₹ in lakhs)

As at 31 March 2021	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Trade and other payables	30,139.13	15,302.62			45,441.75
Lease Liabilities	-	1,492.06	4,496.81	1,025.83	7,014.70
Borrowings	-	5,783.07	-	-	5,783.07
Capital creditors	15.98	274.79	-	-	290.77





# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

### 43. Ratios

Sr. No.	Particulars	31 March 2022	31 March 2021
1	<b>Net Profit Margin (%)</b> (Profit/(Loss) for the period/ Income from Operations) (refer note a)	(2.78) %	(0.91) %
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)	66.34%	17.87 %
3	<b>Debt service coverage ratio (no. of times)</b> Earning before exceptional items, interest, depreciation and amortization and tax (EBIDTA)/ (Finance costs + Short term borrowings (including Current maturities of long term borrowings)) (refer note c)	0.04	0.57
4	<b>Current Ratio (no. of times)</b> Total Current Assets/ Total Current Liabilities (refer note d)	1.38	0.97
5	<b>Trade Receivables turnover (no. of times)</b> Income from Operations/ Average Trade receivables	2.44	2.14
6	<b>Return on equity</b> Profit/ (Loss) for the year/ Average Equity (refer note e)	(12.20) %	(3.61) %
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 f)	2.18	1.65
8	<b>Net Capital turnover (no. of times)</b> Income from Operations/ Working Capital (Current Assets-Current Liabilities) (refer note g)	7.05	(72.81)
9	<b>Return on Capital Employed (no. of times)</b> Earnings before interest & tax/ Capital Employed (Net worth + Total Debt) (refer note h)	0.04	(0.01)

- Increase in cost has resulted in negative net profit margin
- Higher Debt has resulted in increase in ratio
- Higher Debt has resulted in improvement in ratio
- Decrease in current liabilities has resulted in improvement in ratio
- Increase in losses has resulted in lower return on equity
- Increase in cost and payables has resulted in increase in this ratio
- Decrease in current liabilities has resulted in improvement in this ratio
- Decrease in net worth has resulted in improvement in this ratio



# TATA Communications Transformation Services Limited

## Notes forming part of the standalone financial statements

for the year ended 31 March 2022

44. The Covid-19 pandemic has caused a fundamental shift in the operations and short-to-medium term strategies of telecom operators and CSPs (our customers) across the world. With increased restrictions on movement and with a majority of people working and studying from home, the demand for data has increased dramatically. This, combined with the heightened macro and micro-economic uncertainty, has resulted in CSPs focusing their efforts on increased network resilience and a re-look at planned capex spends (particularly on new technologies). The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors and has not identified any material impact on the carrying value of assets, liabilities or provisions. Keeping in mind that this is a rapidly evolving situation, the company shall continue to assess existing customer requirements as well as challenges faced by them to take appropriate actions accordingly.
45. The remuneration payable to the Managing Director for the year ended 31 March 2022 is in excess of the limits applicable under section 197 of the Companies Act 2013 (the 'Act'), read with Schedule V thereto, by ₹ 282.13 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.
46. **Going Concern**  
The Company continues to implement initiatives directed towards improving the profitability through operational efficiencies. The Company expects that these initiatives would result in sustainable cash flows. Based on the approved unutilized debt yet to be drawn, the Company is confident of meeting its operating and capital funding requirements for the financial year ending 31 March 2022. The Holding Company has issued a letter to the Company stating its intent to support as and when required over the next 12 months. Accordingly, the financial statements of the Company have been prepared on a going concern basis.
47. **Events after the reporting period**  
There are no subsequent events between the year ended 31 March 2022 and signing of financial statements as on 20 April 2022 which have material impact on the financials of the Company.
48. **Approval of financial statements**  
The financial statements were approved for issue by the Board of Directors on 20 April 2022.
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

ATIN BHARGAVA Digitally signed  
by ATIN BHARGAVA

Atin Bhargava

Partner

Membership Number: 504777



Place: Mumbai

Date: 20 April 2022

### For and on behalf of Board of Directors

Natarajan Sivasamban Digitally signed  
by Natarajan Sivasamban

Sivasamban Natarajan  
Managing Director

ADESH GOYAL Digitally signed  
by ADESH GOYAL

Aadesh Goyal  
Director

SANJAY AGARWAL Digitally signed  
by SANJAY AGARWAL

Sanjay Agarwal  
Chief Financial Officer



Place: Pune

Date: 20 April 2022

## INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Communication Transformation Services Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Tata Communication Transformation Services Limited (hereinafter referred to as the "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") comprising of the consolidated Balance sheet as at March 31, 2022, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant 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, 2022, their consolidated loss and their consolidated cash flows 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 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.

#### Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's and the Management 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, 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 and consolidated cash flows of the Group 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 Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 the Group 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 the Group.

### **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.



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- ▶ 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, 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. 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(xxi) of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have 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 account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;





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- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) 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, 2022 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, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) According to the information and explanation given by the management we report that remuneration of the Managing Director for the year ended March 31, 2022 is in excess of the limits applicable under Section 197 of the Act, read with Schedule V thereto, by Rs 282.13 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.

In our opinion, the provisions of Section 197 read with Schedule V of the Act are not applicable to the subsidiary companies;

- (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, 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, 2022;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, during the year ended March 31, 2022.
  - iv. a) The management of the Holding Company has 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 company or any of such subsidiaries to or in any other person or entities, 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



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- b) The managements of the Holding Company has represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries from any person or entities, 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; and
- c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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 misstatement.
- v) No dividend has been declared or paid during the year by the Holding company and subsidiary companies, incorporated in India.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

**ATIN** Digitally signed  
**BHARGAVA** by ATIN  
**BHARGAVA**

per Atin Bhargava  
Partner  
Membership Number: 504777  
UDIN: 22504777AHLAVW8461  
Place of Signature: Mumbai  
Date: April 20, 2022





Tata Communications Transformations Services Limited  
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Annexure 1:

List of subsidiaries considered for consolidation:

1. Tata Communications Transformation Services Pte Limited (Singapore)
2. Tata Communications Transformation Services South Africa (PTY) Ltd.
3. Tata Communications Transformation Services (US) Inc.
4. Tata Communications Transformation Services (Hungary) Kft
5. Tata Communications Transformation Services Senegal Limited



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Annexure 2 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) Companies (Auditors Report) Order (CARO) reporting is not applicable to the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

**ATIN** Digitally signed  
**BHARGAVA** by ATIN  
BHARGAVA



per Atin Bhargava  
Partner  
Membership Number: 504777  
UDIN: 22504777AHLAVW8461

Place of Signature: Mumbai  
Date: April 20, 2022

Tata Communications Transformations Services Limited  
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**ANNEXURE 3 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, 2022, 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").

**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 Company's internal financial controls over financial reporting 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.



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### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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

ATIN Digitally signed  
by ATIN  
BHARGAVA BHARGAVA

per Atin Bhargava  
Partner  
Membership Number: 504777  
UDIN: 22504777AHLAVW8461



Place of Signature: Mumbai  
Date: April 20, 2022

Tata Communications Transformation Services Limited				
Consolidated Balance Sheet as at 31 March 2022				
	Particulars	Notes	As at 31 March 2022 ₹ in Lakhs	As at 31 March 2021 ₹ in Lakhs
<b>A</b>	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
(a)	Property, plant and equipment	3	4,445.00	4,757.90
(b)	Capital work-in-progress	4	11.25	-
(c)	Right of use Asset	5	4,877.37	6,250.70
(d)	Intangible assets	6	583.27	281.52
(e)	Intangible assets under development	7	20.65	3.12
(f)	Financial assets			
	(i) Other financial assets	8A	963.65	848.53
(g)	Deferred tax assets (net)	9	-	7,516.86
(h)	Income tax assets (net)	10	6,781.44	19,311.64
(i)	Other assets	11A	178.72	1,429.48
	<b>Total non-current assets</b>		<b>17,861.35</b>	<b>40,399.75</b>
(2)	<b>Current assets</b>			
(a)	Financial assets			
	(i) Trade receivables	12	55,638.70	57,201.88
	(ii) Cash and cash equivalents	13	11,006.84	5,915.06
	(iii) Bank balances other than (ii) above	14	-	2.34
	(iv) Other financial assets	8B	104.91	159.22
(b)	Other assets	11B	5,643.64	5,536.99
	<b>Total current assets</b>		<b>72,394.09</b>	<b>68,815.49</b>
	<b>Total assets</b>		<b>90,255.44</b>	<b>1,09,215.24</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	9,658.89	24,999.54
	<b>Total equity</b>		<b>9,708.89</b>	<b>25,049.54</b>
<b>II</b>	<b>Liabilities</b>			
(1)	<b>Non-current liabilities</b>			
(a)	Financial Liabilities			
	(i) Borrowings	17A	7,945.77	-
	(ii) Lease liabilities	18A	4,124.38	5,522.64
(b)	Provisions	20A	2,125.82	835.62
(c)	Other liabilities	21A	362.51	218.57
	<b>Total non-current liabilities</b>		<b>14,558.48</b>	<b>6,576.83</b>
(2)	<b>Current liabilities</b>			
(a)	Financial Liabilities			
	(i) Borrowings	17B	22,550.42	12,804.32
	(ii) Lease liabilities	18B	1,658.80	1,518.45
	(iii) Trade and other payables	22	30,061.95	50,370.03
	(iv) Other financial liabilities	19	584.60	316.33
(b)	Provisions	20B	1,563.09	1,397.87
(c)	Other liabilities	21B	9,569.21	11,181.87
	<b>Total current liabilities</b>		<b>65,988.07</b>	<b>77,588.87</b>
	<b>Total equity and liabilities</b>		<b>90,255.44</b>	<b>1,09,215.24</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

ATIN BHARGAVA Digitally signed by ATIN BHARGAVA

Atin Bhargava  
Partner  
Membership Number: 504777



For and on behalf of the Board of Directors

Natarajan Sivasamban Digitally signed by Natarajan Sivasamban

Sivasamban Natarajan  
Managing Director

SANJAY AGARWAL Digitally signed by SANJAY AGARWAL  
Sanjay Agarwal  
Chief Financial Officer

ADESH GOYAL Digitally signed by ADESH GOYAL

Aadesh Goyal  
Director



Place : Mumbai  
Dated: 20 April 2022

Place : Pune  
Dated: 20 April 2022

**Tata Communications Transformation Services Limited**  
**Consolidated Statement of Profit and Loss for the year ended 31 March 2022**

Particulars	Notes	Year Ended	
		31 March 2022 ₹ in Lakhs	31 March 2021 ₹ in Lakhs
<b>I</b> Revenue from operations		1,41,172.13	1,41,136.24
<b>II</b> Other Income		1,41,172.13	1,41,136.24
<b>III</b> <b>Total Income (I + II)</b>	23	2,883.98	843.08
<b>IV</b> <b>Expenses:</b>			
Operating and other expense	24	87,775.90	83,192.60
Employee benefits expense	25	58,908.91	58,313.59
Finance costs	26	1,804.15	1,377.49
Depreciation and amortisation expense	27	3,221.50	3,417.80
<b>Total Expenses</b>		<b>1,51,710.46</b>	<b>1,46,301.48</b>
<b>V</b> <b>Profit/(Loss) before exceptional items and tax (III - IV)</b>		<b>(7,654.35)</b>	<b>(4,322.16)</b>
<b>VI</b> Exceptional gain/(loss)	28	1,520.40	(2,642.56)
<b>VII</b> <b>Profit/(Loss) before tax (V + VI)</b>		<b>(6,133.95)</b>	<b>(6,964.72)</b>
<b>VIII</b> <b>Tax expense</b>			
(a) Current tax	29	291.72	407.73
(b) Deferred tax		7,445.99	(2,706.44)
<b>IX</b> <b>Profit/(Loss) for the year (VII - VIII)</b>		<b>(13,871.66)</b>	<b>(4,666.01)</b>
<b>X</b> <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		(931.09)	560.73
(ii) Tax on above		(141.12)	(141.12)
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>(1,072.21)</b>	<b>419.61</b>
<b>XI</b> <b>Total comprehensive income for the year, net of tax (IX + X)</b>		<b>(14,943.87)</b>	<b>(4,246.40)</b>
<b>Basic/Diluted Earnings per share (of ₹ 10 each)</b>	32	(2,774.33)	(933.20)

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  
**ATIN** Digitally signed  
**BHARGAVA** by ATIN  
**BHARGAVA**  
**Atin Bhargava**  
Partner  
Membership Number: 504777



Place : **Mumbai**  
Dated: **20 April 2022**

For and on behalf of the Board of Directors

**Natarajan** Digitally signed by  
**Sivasamban** Natarajan  
**Sivasamban Natarajan**  
Managing Director

**SANJAY** Digitally signed by  
**AGARWAL** by SANJAY  
**Sanjay Agarwal**  
Chief Financial Officer

Place : **Pune**  
Dated: **20 April 2022**



**ADESH** Digitally signed by  
**GOYAL** ADESH  
**GOYAL**

**Tata Communications Transformation Services Limited**  
**Consolidated Cash Flow Statement for the year ended 31 March 2022**

Particulars	Year Ended	Year Ended
	31 March 2022 ₹ in Lakhs	31 March 2021 ₹ in Lakhs
<b>Cash Flows from operating activities</b>		
<b>Profit/(Loss) before tax</b>	(6,133.95)	(6,964.73)
Adjustments for :		
Depreciation and amortisation expense	3,221.50	3,417.80
Finance costs	1,804.15	1,377.49
Loss on sale of/write off assets	(5.75)	-
Exchange fluctuation on foreign exchange	(28.21)	118.69
Interest on income tax refund	(1,832.13)	(469.85)
Allowance for doubtful advances	0.19	0.04
Allowance of doubtful trade receivables	3,669.41	1,540.55
<b>Operating profit before working capital changes</b>	<b>695.21</b>	<b>(980.01)</b>
<b>Changes in working capital</b>		
<b>Adjustment for (increase) / decrease in operating assets:</b>		
Trade receivables	(2,106.23)	11,379.00
Other assets	1,124.06	306.87
<b>Adjustment for increase / (decrease) in operating liabilities:</b>		
Trade and other payables	(20,308.08)	(1,520.14)
Provisions	65.77	(151.44)
Other liabilities	(1,417.42)	2,963.44
<b>Cash generated from operations</b>	<b>(21,946.69)</b>	<b>11,997.72</b>
Income tax paid (net)	14,070.62	(5,607.40)
Deferred tax on true up impact	(70.25)	80.27
<b>Net cash flow generated from operating activities</b>	<b>(7,946.32)</b>	<b>6,470.59</b>
<b>Cash Flow from Investing activities</b>		
Payments for purchase of property, plant & equipment and intangibles	(1,408.96)	(1,046.24)
Proceeds from disposal of property, plant and equipment and intangibles	0.79	-
<b>Net cash used in investing activities</b>	<b>(1,408.17)</b>	<b>(1,046.24)</b>
<b>Cash flow from financing activities</b>		
Repayment from current borrowings	(1,31,055.37)	(18,059.55)
Proceeds from long-term borrowings	7,945.77	-
Proceeds from short-term borrowings	1,40,829.68	19,835.49
Interest paid	(1,227.54)	(583.58)
Payment for acquiring right of use assets	(2,048.61)	(1,779.55)
<b>Net cash flow generated used in financing activities</b>	<b>14,443.93</b>	<b>(587.19)</b>
<b>Net increase in cash and cash equivalents</b>	<b>5,089.44</b>	<b>4,837.16</b>
Cash and cash equivalents as at beginning of the year	5,917.40	1,080.24
<b>Cash and cash equivalents as at end of the year</b>	<b>11,006.84</b>	<b>5,917.40</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

**ATIN** Digitally signed  
**BHARGAVA** by ATIN  
**BHARGAVA**

Atin Bhargava

Partner

Membership Number: 504777



Place : Mumbai

Dated: 20 April 2022

For and on behalf of the Board of Directors

Natarajan Digitally signed  
 Sivasamban by Natarajan  
 Sivasamban

**Sivasamban Natarajan**  
 Managing Director

SANJAY Digitally signed  
 AGARWAL by SANJAY  
 AGARWAL

**Sanjay Agarwal**  
 Chief Financial Officer

Place : Pune

Dated: 20 April 2022

ADESH Digitally signed by  
 GOYAL ADESH  
 GOYAL

**Aadesh Goyal**  
 Director



**Tata Communications Transformation Services Limited**  
**Consolidated Statement of changes in equity for the year ended 31 March 2022**

**Equity share capital**

(₹ in Lakhs)

	No. of Shares	Amount
<b>Balance as at 1 April 2019</b>	5,00,000	50.00
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2020</b>	5,00,000	50.00
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2022</b>	<b>5,00,000</b>	<b>50.00</b>

**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	
<b>Balance as at 1 April 2020</b>	<b>1,381.97</b>	<b>28,072.19</b>	<b>(243.59)</b>	<b>(149.82)</b>	<b>29,060.75</b>
Net profit for the year	-	(4,666.01)	-	-	(4,666.01)
Other comprehensive income / (loss) for the year	-	-	-	560.73	560.73
Tax impact in other comprehensive income/(loss) for the year	-	-	-	(141.12)	(141.12)
Foreign exchange translation Reserve	-	-	185.19	-	185.19
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>(4,666.01)</b>	<b>185.19</b>	<b>419.61</b>	<b>(4,061.21)</b>
<b>Balance as at 31 March 2021</b>	<b>1,381.97</b>	<b>23,406.18</b>	<b>(58.40)</b>	<b>269.79</b>	<b>24,999.54</b>
Net profit for the year	-	(13,871.66)	-	-	(13,871.66)
Other comprehensive income/(loss) for the year	-	-	-	(931.09)	(931.09)
Tax impact in other comprehensive income/(loss) for the year	-	-	-	(141.12)	(141.12)
Foreign exchange translation Reserve	-	-	(396.78)	-	(396.78)
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>(13,871.66)</b>	<b>(396.78)</b>	<b>(1,072.21)</b>	<b>(15,340.65)</b>
<b>Balance as at 31 March 2022</b>	<b>1,381.97</b>	<b>9,534.52</b>	<b>(455.18)</b>	<b>(802.42)</b>	<b>9,658.89</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: 101049W/E3Q0004

**ATIN BHARGAVA** Digitally signed by ATIN BHARGAVA

Atin Bhargava

Partner

Membership Number: 504777



For and on behalf of the Board of Directors

Natarajan Sivasamban Digitally signed by Natarajan Sivasamban

**Sivasamban Natarajan**  
Managing Director

ADESH GOYAL Digitally signed by ADESH GOYAL

**Aadesh Goyal**  
Director

SANJAY AGARWAL Digitally signed by SANJAY AGARWAL  
**Sanjay Agarwal**  
Chief Financial Officer



Place : Mumbai

Dated: 20 April 2022

Place : Pune

Dated: 20 April 2022



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 1. Corporate Information

**TATA Communications Transformation Services Limited** (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") engages in the business of providing telecommunication network management and support services.

### 2. Significant 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 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.

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.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

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.

### **Useful life of assets**

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

### **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



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

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 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.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

**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.

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.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

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.

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 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:

- 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 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 discount rate that reflects current market assessments of the time value of money and the risks



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

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 colocations 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.

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.





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 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 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 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.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 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.

### l. 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.

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.





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### *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.

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:



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

- 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.

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.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 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 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.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 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.

### **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.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

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 standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

#### **Ind AS 103 – Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The group does not expect the amendment to have any significant impact in its financial statements.

#### **Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

#### **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the group does not expect the amendment to have any significant impact in its financial statements.

#### **Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The group does not expect the amendment to have any significant impact in its financial statements.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 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 2020	4,032.47	21.78	5,121.86	966.93	1,053.20	5,064.35	16,260.59
Additions	43.09	-	143.81	16.74	23.31	686.10	913.05
Disposals	-	-	-	-	-	(2.17)	(2.17)
Other Adjustments	-	-	(0.13)	-	(0.57)	(5.09)	(5.79)
<b>Balance as at 31 March 2021</b>	<b>4,075.56</b>	<b>21.78</b>	<b>5,265.54</b>	<b>983.67</b>	<b>1,075.94</b>	<b>5,743.19</b>	<b>17,165.68</b>
Additions	-	-	196.33	-	5.88	937.78	1,139.99
Disposals	-	-	(3.89)	-	-	-	(3.89)
Other Adjustments	-	-	0.78	-	0.98	7.75	9.51
<b>Balance as at 31 March 2022</b>	<b>4,075.56</b>	<b>21.78</b>	<b>5,458.76</b>	<b>983.67</b>	<b>1,082.80</b>	<b>6,688.72</b>	<b>18,311.29</b>
<b>Depreciation</b>							
Balance as at 1 April 2020	3,392.37	21.59	1,969.70	548.97	760.54	4,112.96	10,806.13
Depreciation	287.62	0.19	542.62	78.69	109.93	590.45	1,609.50
Disposals	-	-	-	-	-	(2.17)	(2.17)
Other Adjustments	-	-	(0.02)	-	(0.24)	(5.42)	(5.68)
<b>Balance as at 31 March 2021</b>	<b>3,679.99</b>	<b>21.78</b>	<b>2,512.30</b>	<b>627.66</b>	<b>870.23</b>	<b>4,695.82</b>	<b>12,407.78</b>
Depreciation	164.60	-	463.26	64.55	73.13	689.16	1,454.70
Disposals	-	-	(3.70)	-	-	-	(3.70)
Other Adjustments	-	-	0.17	-	0.51	6.83	7.51
<b>Balance as at 31 March 2022</b>	<b>3,844.59</b>	<b>21.78</b>	<b>2,972.03</b>	<b>692.21</b>	<b>943.87</b>	<b>5,391.81</b>	<b>13,866.29</b>
<b>Net Book Value</b>							
Balance as at 31 March 2021	395.57	-	2,753.24	356.01	205.71	1,047.37	4,757.90
<b>Balance as at 31 March 2022</b>	<b>230.97</b>	<b>-</b>	<b>2,486.73</b>	<b>291.46</b>	<b>138.93</b>	<b>1,296.91</b>	<b>4,445.00</b>

### 4. Capital work-in-progress

CWIP Ageing Schedule as on 31<sup>st</sup> March 2022

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	11.25	-	-	-	11.25
Projects temporarily suspended	-	-	-	-	-

CWIP Ageing Schedule (for projects whose completion is overdue or whose cost has exceeded its cost compared to its original plan) as on 31<sup>st</sup> March 2022

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	4.59	-	-	-	4.59





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 5. Right of use Assets

(₹ in lakhs)

Tangible assets	ROU Asset
Cost	Amount
Balance as at 1 April 2020	6,121.32
Additions	2,693.37
Disposal	-
Other Adjustments	(21.38)
Balance as at 31 March 2021	8,793.31
Additions	286.25
Disposal	(60.76)
Adjustments	1.33
<b>Balance as at 31 March 2022</b>	<b>9,020.13</b>
<b>Accumulated Depreciation</b>	
Balance as at 1 April 2020	818.28
Depreciation/ Amortisation	1,733.07
Other Adjustments	(8.74)
Balance as at 31 March 2021	2,542.62
Depreciation/ Amortisation	1,654.46
Disposals	(54.75)
Other Adjustments	0.43
<b>Balance as at 31 March 2022</b>	<b>4,142.76</b>
Carrying amount	
Balance as at 31 March 2021	6,250.70
<b>Balance as at 31 March 2022</b>	<b>4,877.37</b>

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

### 6. Intangible assets

(₹ in lakhs)

Intangible assets	Computer (Software and application)
<b>Cost</b>	
Balance as at 1 April 2020	3,596.47
Additions	122.72
Balance as at 31 March 2021	3,719.19
Additions	414.09
<b>Balance as at 31 March 2022</b>	<b>4,133.28</b>
<b>Accumulated amortization</b>	
Balance as at 1 April 2020	3,362.44
Amortisation Expense	75.23
Balance as at 31 March 2021	3,437.67
Amortisation Expense	112.34
<b>Balance as at 31 March 2022</b>	<b>3,550.01</b>
<b>Carrying amount</b>	
Balance as at 31 March 2021	281.52
<b>Balance as at 31 March 2022</b>	<b>583.27</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

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

ITUD Ageing Schedule as on 31<sup>st</sup> March 2022

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	20.65	-	-	-	20.65
Projects temporarily suspended	-	-	-	-	-

ITUD Completion Schedule (for projects whose completion is overdue or whose cost has exceeded its cost compared to its original plan) as on 31<sup>st</sup> March 2022

(₹ in lakhs)

CWIP	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	9.73	-	-	-	9.73

ITUD Ageing Schedule as on 31<sup>st</sup> March 2021

(₹ in lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	3.12	-	-	-	3.12
Projects temporarily suspended	-	-	-	-	-

ITUD Completion Schedule (for projects whose completion is overdue or whose cost has exceeded its cost compared to its original plan) as on 31<sup>st</sup> March 2021

(₹ in lakhs)

CWIP	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	1.00	-	-	-	1.00

### 8. Other financial assets

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>A. <u>Non-current</u></b>		
Security deposits – unsecured, considered good	963.65	848.53
<b>Total (A)</b>	<b>963.65</b>	<b>848.53</b>
<b>B. <u>Current</u></b>		
a. Deposits to contractors and vendors - unsecured, considered good	114.07	136.62
b. Others	(9.16)	22.60
<b>Total (B)</b>	<b>104.91</b>	<b>159.22</b>
<b>(A+B)</b>	<b>1,068.56</b>	<b>1,007.75</b>





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 9. Deferred tax assets (net)

Major components of deferred tax asset and liability consist of the following

(₹ in lakhs)

	As at 1 April 2021	Profit or Loss Gain/(Loss)	Other comprehensi ve income	Translation adjustment	As at 31 March 2022
<b>Deferred tax assets in relation to:</b>					
Difference between accounting and tax depreciation / amortization	771.94	(771.94)	-	-	-
Provision for doubtful trade receivables & Advances	506.60	(506.73)	-	0.13	-
Provision for employee benefit obligations	1,109.32	(978.17)	(141.12)	9.97	-
Expenditure disallowed u/s. 40 (a) (ia)	156.74	(156.74)	-	-	-
Carry forward net operating losses	4,644.42	(4,706.77)	-	62.35	-
Ind AS 116 Impact	180.22	(180.22)	-	-	-
Others	147.62	(145.42)	-	(2.20)	-
<b>Deferred tax assets (net)</b>	<b>7,516.86</b>	<b>(7,445.99)</b>	<b>(141.12)</b>	<b>70.25</b>	<b>-</b>

(₹ in lakhs)

	As at 1 April 2020	Profit or Loss Gain/(Loss)	Other comprehensi ve income	Translation adjustment	As at 31 March 2021
<b>Deferred tax assets in relation to:</b>					
Difference between accounting and tax depreciation / amortization	824.77	(52.83)	-	-	771.94
Provision for doubtful trade receivables	273.49	233.17	-	(0.06)	506.60
Provision for employee benefit obligations	423.62	830.81	(141.12)	(3.99)	1,109.32
Expenditure disallowed u/s. 40 (a) (ia)	1,198.43	(1,041.69)	-	-	156.74
Carry forward net operating losses	2,134.00	2,583.18	-	(72.76)	4,644.42
Ind AS 116 Impact	40.82	139.40	-	-	180.22
Others	136.68	14.41	-	(3.47)	147.62
<b>Deferred tax assets (net)</b>	<b>5,031.81</b>	<b>2,706.45</b>	<b>(141.12)</b>	<b>(80.28)</b>	<b>7,516.86</b>

### 10. Income tax assets (net)

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Advance tax (net of provision for taxes) (refer (i) below)	6,781.44	19,311.64
<b>Total</b>	<b>6,781.44</b>	<b>19,311.64</b>

i. Advance tax includes amount paid under dispute ₹ 335 lakhs (2021: ₹ 335 lakhs).



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 11. Other assets

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Unsecured</b>		
<b>A. Non-current</b>		
a. Capital advances – unsecured, considered good	44.59	3.63
b. Prepaid expenses – unsecured, considered good (Refer note i below)	134.13	1,425.85
<b>Total (A)</b>	<b>178.72</b>	<b>1,429.48</b>
<b>B. Current</b>		
a. Advances to employees		
Unsecured, considered good	33.58	17.30
Unsecured, considered doubtful	3.25	3.25
	36.83	20.55
Less: allowance for doubtful advances	(3.25)	(3.25)
	33.58	17.30
b. Indirect tax recoverable – considered good	2,421.05	3,250.33
c. Advances to vendors		
Unsecured, considered good	2,374.17	714.72
Unsecured, considered doubtful	10.11	9.92
	2,384.28	724.60
Less: allowance for doubtful advances	(10.11)	(9.92)
	2,374.17	714.72
d. Prepaid expenses – unsecured, considered good (Refer note i below)	814.84	1,506.52
e. Others (refer note 33)	-	48.12
<b>Total (B)</b>	<b>5,643.64</b>	<b>5,536.99</b>
<b>(A+B)</b>	<b>5,822.36</b>	<b>6,966.47</b>

- i. Prepaid expenses includes deferred project cost of Nil (2021: ₹ 1,403.11 lakhs) in non-current and Nil (2021: ₹ 526.16 lakhs) in current which is amortised in current year.

### 12. Trade receivables

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Unsecured (including unbilled receivables)</b>		
a. Considered good	55,638.70	57,201.88
b. Doubtful debts	5,704.01	2,034.60
	<b>61,342.71</b>	<b>59,236.48</b>
Less: Allowance for doubtful debt (Refer note 40 (c))	(5,704.01)	(2,034.60)
<b>Total</b>	<b>55,638.70</b>	<b>57,201.88</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### Trade receivable ageing as on 31 March 2022

(₹ 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	10,790.34	19,334.95	23,133.34	1,589.23	1,221.46	82.44	8.58	56,160.34
B	Undisputed trade receivables – which have significant increase in credit risk	-	-	402.87	1,873.28	717.74	1,822.89	365.59	5,182.37
C	Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
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>10,790.34</b>	<b>19,334.95</b>	<b>23,536.21</b>	<b>3,462.51</b>	<b>1,939.20</b>	<b>1,905.33</b>	<b>374.17</b>	<b>61,342.71</b>
Allowance for doubtful receivables									(5,704.01)
<b>Total</b>		<b>10,790.34</b>	<b>19,334.95</b>	<b>23,536.21</b>	<b>3,462.51</b>	<b>1,939.20</b>	<b>1,905.33</b>	<b>374.17</b>	<b>55,638.70</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### Trade receivable ageing as on 31 March 2021

(₹ 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	8,633.88	14,984.55	28,240.87	5,847.42	247.43	60.03	67.82	58,082.00
B	Undisputed trade receivables – which have significant increase in credit risk	-	-	2.76	1.32	826.30	158.67	165.43	1,154.48
C	Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
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>8,633.88</b>	<b>14,984.55</b>	<b>28,243.63</b>	<b>5,848.74</b>	<b>1,073.73</b>	<b>218.70</b>	<b>233.25</b>	<b>59,236.48</b>
Allowance for doubtful receivables									(2,034.60)
<b>Total</b>		<b>8,633.88</b>	<b>14,984.55</b>	<b>28,243.63</b>	<b>5,848.74</b>	<b>1,073.73</b>	<b>218.70</b>	<b>233.25</b>	<b>57,201.88</b>

### 13. Cash and cash equivalents

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Current accounts with banks	11,006.84	5,915.06
<b>Total</b>	<b>11,006.84</b>	<b>5,915.06</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 14. Bank balances (other than note 13 above)

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Other bank balances:</b>		
Restricted bank deposits (Refer Note i below)	-	2.34
<b>Total</b>	<b>-</b>	<b>2.34</b>

- i. Nil (2021: ₹2.34 lakhs) represents the time deposit booked against Bid Bond issued towards a Request for Proposal.

### 15. Equity share capital

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>a. Authorised:</b>		
1,000,000 (2021: 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 (2021: 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 2022		As at 31 March 2021	
	No of shares	Percentage	No of shares	Percentage
Tata Communications Limited (Parent 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

### 16. Other equity

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
a. General reserve (Refer Note i below)	1,381.97	1,381.97
b. Retained earnings	9,534.52	23,406.19
c. Other comprehensive income (Refer Note ii below)	(802.42)	269.79
d. Foreign currency translation reserve (Refer Note iii below)	(455.18)	(58.41)
<b>Total</b>	<b>9,658.89</b>	<b>24,999.54</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### i. General reserve

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

### 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 2022	As at 31 March 2021
<b>A. Non-current</b>		
Intercompany Loans (refer note 34)	7,945.77	-
<b>Total (A)</b>	<b>7,945.77</b>	<b>-</b>
<b>B. Current</b>		
<b>Unsecured</b>		
Loans repayable on demand (from banks)		
a. Cash credit facility	10,386.60	5,783.07
(Rate of Interest per annum: 1.58% to 7.50%; 2021: 1.58% to 6.90%)		
b. Bank overdraft	12,163.82	7,021.25
(Rate of Interest per annum in India: 7.20%; 2021: Nil)		
(Rate of Interest per annum in subsidiary: 2.60% to 3.00%; 2021: 3.00%)		
<b>Total (B)</b>	<b>22,550.42</b>	<b>12,804.32</b>
<b>(A+B)</b>	<b>30,496.19</b>	<b>12,804.32</b>

## 18. Lease liabilities

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>A. Non-current</b>		
Lease Liability (refer note 35)	4,124.38	5,522.64
<b>Total (A)</b>	<b>4,124.38</b>	<b>5,522.64</b>
<b>B. Current</b>		
Lease Liability (refer note 35)	1,658.80	1,518.45
<b>Total (B)</b>	<b>1,658.80</b>	<b>1,518.45</b>
<b>(A+B)</b>	<b>5,783.18</b>	<b>7,041.09</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 19. Other financial liabilities

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>Current</b>		
a. Capital goods		
- Payable to related parties	29.85	29.85
- Others	478.00	260.92
b. Fair value of foreign currency forward contracts	61.75	7.98
c. Other payables	15.00	17.58
<b>Total</b>	<b>584.60</b>	<b>316.33</b>

### 20. Provisions

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>A. Non-current</b>		
Provision for employee benefits		
a. Provision for gratuity (refer note 33)	853.49	-
b. Provision for compensated absences (refer note 33)	1,261.83	824.86
c. Provision for ARO Liability	10.50	10.76
<b>Total (A)</b>	<b>2,125.82</b>	<b>835.62</b>
<b>B. Current</b>		
a. Provision for compensated absences (refer i below)	852.95	1,397.87
b. Provision for others	710.14	-
<b>Total (B)</b>	<b>1,563.09</b>	<b>1,397.87</b>
<b>(A+B)</b>	<b>3,688.91</b>	<b>2,233.49</b>

i. Provision for compensated absences includes the leave provision for branches and subsidiaries.

### 21. Other liabilities

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
<b>A. Non-current</b>		
a. Accrued employee benefits	257.29	213.26
b. Deferred Revenue (Refer note i below)	105.22	5.31
<b>Total (A)</b>	<b>362.51</b>	<b>218.57</b>
<b>B. Current</b>		
a. Deferred revenue (Refer note i below)	1,153.75	1,193.55
b. Accrued payroll	6,699.31	8,372.42
c. Statutory liabilities	1,693.86	1,597.12
d. Other liabilities	22.29	18.78
<b>Total (B)</b>	<b>9,569.21</b>	<b>11,181.87</b>
<b>(A+B)</b>	<b>9,931.72</b>	<b>11,400.44</b>

i. Deferred revenue represents contract liabilities.





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 22. Trade and other payables

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
a. Trade payables	23,030.39	26,483.55
b. Payable to related parties	7,031.56	23,886.48
<b>Total</b>	<b>30,061.95</b>	<b>50,370.03</b>

#### Trade payable ageing as on 31 March 2022

(₹ 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	-	-	-	-	-	-	-
B	Total outstanding dues of creditors other than micro enterprises and small enterprises	21,600.93	3,719.04	3,479.53	142.86	265.81	853.78	30,061.95
C	Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
D	Disputed dues of creditors other than micro enterprises and small enterprises	1.42	50.90	-	-	-	-	52.32

#### Trade payable ageing as on 31 March 2021

(₹ 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	-	-	-	-	-	-	-
B	Total outstanding dues of creditors other than micro enterprises and small enterprises	22,415.30	3,319.12	12,822.63	8,889.73	2,561.84	361.41	50,370.03
C	Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
D	Disputed dues of creditors other than micro enterprises and small enterprises	26.98	51.48	-	-	-	-	78.46



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 23. Other income

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Interest Income	0.07	0.15
b. Interest on income tax refund	1,832.13	469.85
c. Foreign exchange gain/(loss) (net)	202.81	(295.34)
d. Gain on Right of use asset termination	-	0.51
e. Others	848.97	667.91
<b>Total</b>	<b>2,883.98</b>	<b>843.08</b>

### 24. Operating and other expense

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Light and power	406.57	421.14
b. Repairs and maintenance		
i. Building	247.25	277.39
ii. Plant and machinery	3,760.58	3,195.37
iii. Others	232.41	267.83
c. Allowance for doubtful trade receivables	3,617.71	1,541.24
d. Allowance for doubtful advances	0.19	0.04
e. Rent	1,388.52	2,230.04
f. Network management and sub-contracting charges	51,567.16	45,629.54
g. Travelling expenses	916.16	526.92
h. Local conveyance	523.83	246.24
i. Telephone expenses	1,050.26	1,588.68
j. Printing, postage and stationery	91.97	91.66
k. Outsourced manpower cost	20,683.26	24,436.96
l. Legal and professional charges	1,287.37	1,566.13
m. Brand equity and business promotion expenses	13.48	1.14
n. Advertising and publicity	121.51	47.55
o. Recruitment expenses	295.25	64.29
p. Security Charges	183.18	224.18
q. Corporate social responsibility (Refer Note i)	7.65	96.82
r. Other expenses	1,381.59	739.44
<b>Total</b>	<b>87,775.90</b>	<b>83,192.60</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

- i. Disclosure in respect of Corporate Social Responsibility (CSR) expenditure:

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
1. Amount required to be spent by the company during the year	6.74	96.82
2. Amount spent on		
(i) Construction / acquisition of any asset	-	1.30
(ii) On purposes other than (i) above	6.74	95.52
3. Shortfall at the end of the year provided for	-	-
4. Total of previous years shortfall	-	-
5. Unspent amount in relation to ongoing project	-	-
6. Reason for shortfall	NA	NA
7. Nature of CSR activities	Mainly for sustainable livelihood	Mainly for sustainable livelihood
8. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

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

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>Auditors' remuneration and expenses</b>		
a. Audit fees	20.90	20.90
b. Tax audit fees	3.30	3.30
c. Other professional services	4.57	2.03

- iii. Operating and other expenses includes an adjustment on account of liabilities no longer required written back, pertaining to prior years.

### 25. Employee benefits expense

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Salaries and related costs	53,266.53	53,247.62
b. Contributions to provident, gratuity and other funds (Refer note 33)	3,047.05	2,430.38
c. Staff welfare expenses	2,595.33	2,635.59
<b>Total</b>	<b>58,908.91</b>	<b>58,313.59</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2022

### 26. Finance costs

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Interest on bank overdraft and loans	584.11	580.49
b. Interest on lease liability	514.69	669.39
c. Interest on loan from related parties	643.87	-
d. Other interest	61.48	127.61
<b>Total</b>	<b>1,804.15</b>	<b>1,377.49</b>

### 27. Depreciation and amortisation expense

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Depreciation for the year on property, plant and equipment (Refer note 3)	1,454.70	1,609.50
b. Depreciation for the year on right of use assets (Refer note 5)	1,654.46	1,733.07
c. Amortisation for the year on intangible assets (Refer note 6)	112.34	75.23
<b>Total</b>	<b>3,221.50</b>	<b>3,417.80</b>

### 28. Staff cost optimisation

As part of Company's initiative to enhance the long-term efficiency of the business, the Company, in the previous year 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 ₹ 2,642.56 lacs. Based on the conditions and circumstances prevailing in the current year, the Company has reversed the costs amounting to ₹ 1,520.40 lacs (which were provided for in the previous year) as the Management believes that these costs would not be incurred in future.

### 29. Income tax

#### a. Income tax recognised in consolidated statement of profit and loss

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Current tax</b>		
In respect of current year	67.36	392.92
In respect of prior years	224.36	14.81
<b>Total current tax (a)</b>	<b>291.72</b>	<b>407.73</b>
<b>Deferred tax</b>		
In respect of the current year	-	(2,714.04)
In respect of the prior years	7,445.99	7.60
<b>Total deferred tax (b)</b>	<b>7,445.99</b>	<b>(2,706.44)</b>
<b>Total income tax (a+b)</b>	<b>7,737.71</b>	<b>(2,298.71)</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

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

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Profit before tax</b>	<b>(6,133.95)</b>	<b>(6,964.72)</b>
Income tax expense calculated at 25.168% Tax rate (2021: 25.168% Tax rate)	(1,543.79)	(1,752.88)
Tax expense as per consolidated statement of profit and loss	7,737.71	(2,298.71)
<b>Difference</b>	<b>9,281.50</b>	<b>(545.83)</b>
<b>Adjustments:</b>		
Effect of expenses / adjustments that are not deductible in determining taxable profit	4.37	(202.91)
Adjustment in respect of previous years	7,670.35	21.41
Differences arising from different tax rates	-	(407.16)
Losses and deductible difference against which no deferred tax assets recognised	1,606.78	55.21
Others	-	(12.38)
<b>Total</b>	<b>9,281.50</b>	<b>(545.83)</b>
<b>Income tax expense recognised in consolidated statement of profit and loss</b>	<b>7,737.71</b>	<b>(2,298.71)</b>

- c. Income tax recognised in Other comprehensive income

(₹ in lakhs)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<u>Deferred tax</u>		
Remeasurement of the defined benefit obligations	(141.12)	(141.12)
<b>Total deferred tax</b>	<b>(141.12)</b>	<b>(141.12)</b>
<b>Bifurcation of income taxes recognized in Other Comprehensive Income into</b>		
Items that will not be reclassified to Statement of profit and loss	(141.12)	(141.12)



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 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 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.

#### 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 2022	Year ended 31 March 2021
India	89,264.61	92,400.42
United Kingdom	19,583.88	21,391.03
Australia	9,323.15	7,607.45
Canada	8,708.80	6,084.28
Luxemburg	5,051.02	4,679.68
Ghana	2,119.44	2,369.29
Others	7,121.23	6,604.09
	<b>1,41,172.13</b>	<b>1,41,136.24</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 2022	% of total revenue	As at 31 March 2021	% of total revenue
Customer A	44,224.87	31%	43,693.04	31%
Customer B	24,488.47	17%	26,038.26	18%
Customer C	18,183.85	13%	21,323.56	15%
Customer D*	15,294.62	11%	14,562.27	10%

\*Customer D includes its subsidiaries

The Groups'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 2022 and 31 March 2021



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 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 2022	As at 31 March 2021
<b>a. 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 2022	As at 31 March 2021
Net Profit after tax attributable to the equity shareholders (A)	(13,871.66)	(4,666.01)
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)	(2,774.33)	(933.20)

### 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 ₹ 2,421.48 lakhs (2021: ₹ 1,837.80 lakhs) have been charged to the Statement of Profit and Loss, under contributions to provident, gratuity and other funds in note 2 "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





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

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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 2022 by an accredited actuary.

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

	As at 31 March 2022	As at 31 March 2021
<u>Principal actuarial assumptions</u>		
Discount rate	6.80%	6.40%
Salary Escalation Rate	6.00%	6.00%
<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

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

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Expenses recognised in the statement of profit and loss		
a. Current service cost	498.07	501.40
b. Interest cost	(19.34)	30.36
<b>Components of defined benefit costs recognized in the statement of profit and loss</b>	<b>478.73</b>	<b>531.76</b>
Remeasurement on the net defined benefit liability		
a. Return on plan assets (excluding amounts included in net interest expense)	(62.27)	(172.30)
b. Actuarial (gains) / losses arising from DBO assumption changes	(158.23)	(225.11)
c. Actuarial (gains) / losses arising from experience adjustments	1,151.59	(163.32)
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>931.09</b>	<b>(560.73)</b>

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 2022 (Funded)	As at 31 March 2021 (Funded)
<b>I. Amount recognized in the balance sheet</b>		
Liability at the end of the year	(5,229.67)	(4,060.04)
Fair value of plan assets at the end of the period	4,376.18	4,108.16
<b>Net (liability)/ asset in the balance sheet</b>	<b>(853.49)</b>	<b>48.12</b>
Other current asset (Refer Note 11B)	(853.49)	48.12
Non-current provision (Refer note 20A)		
<b>II. Change in the Defined Benefit Obligation (DBO)</b>		
Liability at the beginning of the period	4,060.04	4,025.29
Current service cost	498.07	501.40
Interest cost	241.81	254.68
Transfer in/(out)	-	19.94
Actuarial (gain) / loss on financial assumption	(158.23)	(225.11)
Actuarial (gain) / loss on experience assumption	1,151.59	(163.31)
Benefits paid	(563.61)	(352.84)
<b>Liability at the end of the period</b>	<b>5,229.67</b>	<b>4,060.04</b>
<b>III. Change in fair value of assets</b>		
Opening fair value of plan assets	4,108.16	3,086.05
Transfer in/ (out)		19.94
Expected return on plan assets	261.15	224.32
Employer's contribution		956.78



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## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

Actuarial gain / (loss)	62.27	172.30
Benefits paid	(55.40)	(351.23)
<b>Closing fair value of plan assets</b>	<b>4,376.18</b>	<b>4,108.16</b>

### Major categories of plan assets are as follows

	As at 31 March 2022	As at 31 March 2021
a. Government of India securities (central and state)	37.94%	46.48%
b. High quality corporate bonds (including public sector bonds)	33.06%	33.03%
c. Equity shares of listed companies	14.33%	10.71%
d. Cash (including special deposits)	11.98%	7.44%
f. Other (including assets under schemes of insurance)	2.69%	2.34%
<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 2022 and 31 March 2021 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 2022	As at 31 March 2021
Effect on DBO due to 1% increase	(361.31)	(278.33)
Effect on DBO due to 1% decrease	412.06	333.05

#### b. Salary escalation rate

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Effect on DBO due to 1% increase	353.43	302.65
Effect on DBO due to 1% decrease	(330.61)	(263.61)

#### c. Withdrawal rate

(₹ in lakhs)

Particulars	As at 31 March 2022	As at 31 March 2021
Effect on DBO due to 5% increase	83.05	23.74
Effect on DBO due to 5% decrease	(178.84)	(50.01)

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.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

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 2022
a. March 31, 2023	641.80
b. March 31, 2024	532.62
c. March 31, 2025	553.76
d. March 31, 2026	667.69
e. March 31, 2027	677.52
f. March 31, 2028 to March 31, 2032	4,236.49

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

### 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.

During the previous year, leave unavailed by eligible employees may be carried forward / encashed by them / their nominees in the event of death or permanent disablement or resignation was subject to a maximum leave of 60 days and 45 days for employees who have joined post 1 January 2020.

#### 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 ₹ 1,322.91 lakhs (2021: ₹ 1,616.26 lakhs) as shown under non-current provisions ₹ 1,104.94 lakhs (2021: ₹ 824.86 lakhs) and current provisions ₹ 217.97 lakhs (2021 ₹ 791.40 lakhs). The amount charged to the Statement of Profit and Loss under Salaries and related costs in note 25 "Employee benefits expense" is ₹ 1,015.73 lakhs (2021: ₹ 669.80 lakhs)



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 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")	<p>Tata Consultancy Services Limited</p> <p>Tata Teleservices Limited</p> <p>Tata Teleservices Maharashtra Limited</p> <p>Tata Sky Broadband Private Limited</p> <p>Tata projects Ltd</p> <p>Lokmanya Hospitals Private Limited</p> <p>Tata AIG General Insurance Company Limited</p> <p>Sir Dorabji Tata trust</p> <p>Tata Capital Financial Services Limited</p> <p>TVS Supply Chain Solutions Limited</p> <p>Tata Elxsi Limited</p> <p>The Indian Hotels Company Ltd</p> <p>Piem Hotels Limited</p> <p>Roots Corporation Limited</p> <p>Conneqt Business Solutions Limited (formerly Tata Business Support Services Limited)</p> <p>Infiniti Retail Limited</p> <p>Tata Industries Limited</p> <p>Tata Consulting Engineers Limited</p> <p>Tata International Unitech (Senegal) SARL (formerly Tata Africa (Senegal) S.A.R.L.)</p>
E	Fellow subsidiaries*	<p>Tata Communications International Pte Limited</p> <p>Tata Communications (Australia) Pty Limited</p> <p>Tata Communications (America) Inc.</p> <p>Tata Communications (Bermuda) Limited</p> <p>Tata Communications (Canada) Limited</p> <p>Tata Communications (Netherlands) B.V.</p> <p>Tata Communications (UK) Limited</p> <p>Tata Communications (Middle East) FZ-LLC</p> <p>Tata Communications (Ireland) Limited</p> <p>Tata Communications (Poland) SPZoo</p> <p>Tata Communications (Spain) SL</p> <p>Tata Communication (NZ) Ltd.</p> <p>Tata Communications Deutschland GmbH.</p> <p>Tata Communications (France) SAS</p> <p>Tata Communications Hongkong Limited</p> <p>Tata Communications (Malaysia) SDN.BHD</p> <p>Tata Communications Payments Solutions Limited</p> <p>Tata Communication Services International Pte Ltd</p> <p>Tata Communications Collaboration Services Private Limited</p>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

Sr. No	Category of related parties	Names
F	Associate of holding company	STT Global Data Centers India Private Limited
G	Key managerial Personnel	Madhusudhan M R (upto 31 December 2020) Sivasamban Natarajan (w.e.f 15 October 2020)
H	Others	Tata Communications Transformation Services Limited Employees Gratuity Trust

\*Where transactions have taken place / there are balances

\*\* On 16 and 17 March 2021, the Government of India had divested 16.12% of its stake in the Holding Company under the offer for sale mechanism of the stock exchanges to non-promoter shareholders. On 18 March 2021, Panatone Finvest Limited ('Panatone'), a subsidiary of Tata Sons Private Limited ('TSPL') purchased the balance stake of 10% from Government of India through an off-market inter-se transfer of shares between promoters. Consequently, the combined stake of TSPL in the Holding Company increased from 48.87% to 58.87% and Government of India ceased to hold any shares in the Holding Company.

# 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

(₹ in lakhs)

Particulars	Holding company & its associates	Ultimate holding company and its affiliates	Fellow subsidiaries	Key management Personnel	Others	Total
Revenue from operations	14,151.08 14,188.95	26,969.94 30,569.18	1,505.15 757.57	- -	- -	42,626.17 45,515.70
Other Income	501.38 518.85	- -	23.14 15.90	- -	- -	524.52 534.75
Rent	351.16 373.68	- 4.41	- -	- -	- -	351.16 378.09
Interest on lease liabilities (forms a part of lease payout of ₹ 936.29 lacs (2021: 650.36 lacs))	272.28 359.96	- -	- -	- -	- -	272.28 359.96
Interest on loan from related parties	643.87 -	- -	- 6.92	- -	- -	643.87 6.92
Telephone expenses	734.64 801.71	(35.28) 88.53	2.96 7.36	- -	- -	702.32 897.60
Brand Equity and Business Promotion expenses	- -	13.48 1.14	- -	- -	- -	13.48 1.14
Outsource manpower cost	897.12 1,030.72	- 1.48	2,199.77 3,850.73	- -	- -	3,096.89 4,882.93



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements for the year ended 31 March 2022

Particulars	Holding company & its associates	Ultimate holding company and its affiliates	Fellow subsidiaries	Key management Personnel	Others	Total
Insurance	-	6.76	-	-	-	6.76
	-	8.14	-	-	-	8.14
Car Lease Rentals	-	0.10	-	-	-	0.10
	-	(3.62)	-	-	-	(3.62)
Repairs & Maintenance	-	95.52	-	-	-	95.52
	(0.32)	290.00	-	-	-	289.68
Others	23.91	15.66	0.25	-	-	39.82
	-	1.08	3.67	-	-	4.74
Assets – Transfer in / (Out)	-	8.25	-	-	-	8.25
	-	77.93	-	-	-	77.93
Additions to right of use assets	286.25	-	-	-	-	286.25
	2,694.50	-	-	-	-	2,694.50
Loan taken	12,500.00	-	-	-	-	12,500.00
	-	-	-	-	-	-
Repayment of loan taken	4,554.23	-	-	-	-	4,554.23
	-	-	-	-	-	-
Key Managerial Remuneration	-	-	-	402.41	-	402.41
	-	-	-	500.84	-	500.84
Contribution to Gratuity trust	-	-	-	-	-	-
	-	-	-	-	956.78	956.78





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 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	<b>4,518.62</b>	<b>11,727.70</b>	<b>1,420.17</b>	-	-	<b>17,666.49</b>
	<i>8,182.22</i>	<i>7,758.70</i>	<i>553.59</i>	-	-	<i>16,494.51</i>
Other assets- current	<b>312.72</b>	<b>2.54</b>	-	-	-	<b>315.26</b>
	<i>314.58</i>	<i>27.29</i>	-	-	-	<i>341.87</i>
Other financial assets – non-current	<b>115.37</b>	<b>0.50</b>	-	-	-	<b>115.87</b>
	-	<i>0.50</i>	-	-	-	<i>0.50</i>
Trade Payables	<b>2,519.67</b>	<b>216.33</b>	<b>4,295.56</b>	-	-	<b>7,031.56</b>
	<i>3,280.62</i>	<i>199.94</i>	<i>20,405.92</i>	-	-	<i>23,886.48</i>
Non Current Borrowings	<b>7,945.77</b>	-	-	-	-	<b>7,945.77</b>
	-	-	-	-	-	-
Other current Liabilities	<b>351.98</b>	<b>231.49</b>	<b>(0.51)</b>	<b>88.67</b>	-	<b>671.63</b>
	<i>463.26</i>	<i>470.37</i>	<i>(0.62)</i>	<i>202.39</i>	-	<i>1,135.40</i>
Other financial liabilities	-	<b>29.85</b>	-	-	-	<b>29.85</b>
	-	<i>29.85</i>	-	-	-	<i>29.85</i>
Other non-current Liabilities	-	-	-	<b>126.61</b>	-	<b>126.61</b>
	-	<i>2.97</i>	-	<i>212.68</i>	-	<i>215.65</i>
Lease liabilities – Current	<b>698.24</b>	-	-	-	-	<b>698.24</b>
	<i>638.30</i>	-	-	-	-	<i>638.30</i>
Lease liabilities - Non-current	<b>2,445.08</b>	-	-	-	-	<b>2,445.08</b>
	<i>2,882.78</i>	-	-	-	-	<i>2,882.78</i>

# Amount in italics denote previous year figures.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

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### 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.

(₹ in lakhs)	
Particulars	Amount
<b>Balance as at 1 April 2020</b>	<b>5,468.98</b>
Additions	2,694.50
Finance cost accrued during the year	669.39
Payment/Reversal of lease liabilities	(1,779.55)
Liabilities settled against leased assets terminated	(12.67)
Translation Difference	0.44
<b>Balance as at 31 March 2021</b>	<b>7,041.09</b>
Additions	286.25
Finance cost accrued during the year	514.68
Payment/Reversal of lease liabilities	(2,052.35)
Liabilities settled against leased assets terminated	(5.15)
Translation Difference	(1.35)
<b>Balance as at 31 March 2022</b>	<b>5,783.18</b>

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

(₹ in lakhs)		
Particulars	As at 31 March 2022	As at 31 March 2021
Current liability	1,658.80	1,518.45
Non-current liability	4,124.38	5,522.64
<b>Total liabilities</b>	<b>5,783.18</b>	<b>7,041.09</b>

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

(₹ in lakhs)		
	As at 31 March 2022	As at 31 March 2021
Due not later than one year	2,051.98	2,023.49
Due later than one year but not later than five years	4,270.71	5,357.30
Later than five years	521.31	1,180.95
	<b>6,844.00</b>	<b>8,561.74</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.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 36. Contingent liabilities and commitments

#### I. Contingent liabilities

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Claims against the Company not acknowledged as debt		
- Claims for taxes on income* (Refer i)	504.90	528.12
- Claims for other taxes* (Refer i)	23.22	-
- Others (Refer ii)	592.00	592.00

\*In case the above cases are against the Company, then the Company may be liable for interest exposure of ₹ 129.01 lakhs (2021: ₹ 62.45 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.
- Other claims of ₹ 592.00 lakhs (2021: ₹ 592.00 lakhs) pertain 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 defenses against Service provider's claims, the amount has been disclosed as contingent liability.

#### II. Commitments

##### Capital commitments

Estimated amount of contracts remaining (net of advances) to be executed on capital account, not provided for ₹ 7.64 lakhs (2021: ₹ 106.01 lakhs).

### 37. Struck off Companies

(₹ in lakhs)

Name of Struck off Company	Nature of Transaction with Struck- off Company	As at 31 March 2022	As at 31 March 2021
Manikanta Network Communication	Payables	8.54	8.49
Ravi And Singh Communication	Payables	3.06	3.18
Aditya Transport Company	Payables	0.03	NA
Sunrise Integrated Services Pvt Ltd	Payables	-	0.42
Thaxa Projects Pvt Ltd	Payables	-	0.36
Goclinix Healthcare Private Limited	Receivables	12.50	12.50

- Amount receivable from customers is gross of provision for doubtful debts of ₹ 12.50 lakhs and ₹ 12.50 lakhs for 31 March 22 and 31 March 21 respectively



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 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 for a period of 1 to 3 months.

Outstanding derivatives instruments are as follows

(₹ in lakhs)

	As at 31 March 2022		As at 31 March 2021	
	(Amount in foreign currency)	(Amount in INR)	(Amount in foreign currency)	(Amount in INR)
i. Forward exchange contracts (Sell)				
CAD	9.64	582.31	16.98	978.90
GBP	13.13	1,325.54	10.00	1,015.78
AUD	45.00	2,458.92	-	-
EUR	4.67	395.08	-	-
USD	78.57	6,046.77	-	-
ii. Forward exchange contracts (Buy)				
USD	-	-	59.99	4,412.34

### 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 2022 is as follows

(₹ in lakhs)

	Fair value through profit or loss	Derivatives instrument	Amortised cost	Total carrying value
<b>Financial Assets:</b>				
Other financial assets	-	-	1,068.56	1,068.56
Trade receivables	-	-	55,638.70	55,638.70
Cash and Cash equivalents	-	-	11,006.84	11,006.84
<b>Total</b>	-	-	<b>67,714.10</b>	<b>67,714.10</b>
<b>Financials Liabilities:</b>				
Borrowings	-	-	30,496.19	30,496.19
Lease liabilities	-	-	5,783.18	5,783.18
Other financial liabilities	-	61.75	522.85	584.60
Trade payables	-	-	30,061.95	30,061.95
<b>Total</b>	-	<b>61.75</b>	<b>66,864.17</b>	<b>66,925.92</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

The carrying value of financial instruments by categories as at 31 March 2021 is as follows

(₹ in lakhs)

	Fair value through profit or loss	Derivatives instrument	Amortised cost	Total carrying value
<b>Financial Assets:</b>				
Other financial assets	-	-	1,007.75	1,007.75
Trade receivables	-	-	57,201.88	57,201.88
Cash and Cash equivalents	-	-	5,915.06	5,915.06
Other bank balances	-	-	2.34	2.34
<b>Total</b>	-	-	<b>64,127.03</b>	<b>64,127.03</b>
<b>Financials Liabilities:</b>				
Borrowings	-	-	12,804.32	12,804.32
Lease liabilities	-	-	7,041.09	7,041.09
Other financial liabilities	-	7.98	308.35	316.33
Trade payables	-	-	50,370.03	50,370.03
<b>Total</b>	-	<b>7.98</b>	<b>70,523.79</b>	<b>70,531.77</b>

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payables as at 31 March 2022 and 31 March 2021 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.

- (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 2022	31 March 2021	
<b>Financial Liabilities</b>			
Foreign exchange forward contracts	61.75	7.98	Level 2



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 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 and current investments 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. 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.



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

The following tables sets forth information relating to foreign currency exposure (net) as at 31 March 2022 and 31 March 2021.

(₹ in lakhs)

Currency	As at 31 March 2022		As at 31 March 2021	
	Financial liabilities	Financial Assets	Financial liabilities	Financial Assets
Omani Riyal	-	2,757.13	289.47	-
CAD	-	1,473.33	-	1,303.47
GBP	3,779.45	-	4,477.29	-
EUR	-	892.81	831.64	-
USD	16,048.31	-	6,947.36	-
AUD	705.41	-	9,217.49	-
Others	865.89	118.94	705.19	160.23

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 ₹ 807.84 lakhs and ₹ 1,050.24 lakhs for the year ended 31 March 2022 and 31 March 2021 respectively.

### c. 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 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.

(₹ in lakhs)

Ageing of receivables	As at	As at
	31 March 2022	31 March 2021
Within credit period	29,882.09	23,570.76
01-90 days	18,038.63	21,204.36
91-180 days	4,923.32	6,845.01
181-360 days	1,482.19	5,206.30
More than 360 days	1,312.47	375.45
<b>Total</b>	<b>55,638.70</b>	<b>57,201.88</b>

### Movement in the expected credit loss allowance

(₹ in lakhs)

	Year ended	Year ended
	31 March 2022	31 March 2021
Balance at beginning of the year	2,034.60	494.05
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	3,669.41	1,540.55
<b>Balance at the end of the year</b>	<b>5,704.01</b>	<b>2,034.60</b>





# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### d. 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 2022	On demand	0 to 12 months	1 to 2 years	2 to 5 years	>5 years	Total
Trade and other payables	3,245.65	26,893.05	-	-	-	30,138.70
Lease Liabilities	-	1,658.80	1,605.38	1,741.18	777.82	5,783.18
Borrowings	-	22,550.42	-	7,945.77	-	30,496.19
Capital creditors	416.26	91.59	-	-	-	507.85

(₹ in lakhs)

As at 31 March 2021	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Trade and other payables	20,842.77	29,552.82	-	-	50,395.59
Lease Liabilities	-	1,518.45	4,496.81	1,025.83	7,041.09
Borrowings	-	12,804.32	-	-	12,804.32
Capital creditors	15.98	274.79	-	-	290.77



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

### 41. Ratios

Sr. No.	Particulars	31 March 2022	31 March 2021
1	<b>Net Profit Margin (%)</b> (Profit/(Loss) for the period/ Income from Operations) (refer note a)	(9.83) %	(3.31) %
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)	314.11%	51.12 %
3	<b>Debt service coverage ratio (no. of times)</b> Earning before exceptional items, interest, depreciation and amortization and tax (EBIDTA)/ (Finance costs + Short term borrowings (including Current maturities of long term borrowings) (refer note c)	(0.23)	(0.03)
4	<b>Current Ratio (no. of times)</b> Total Current Assets/ Total Current Liabilities (refer note d)	1.10	0.89
5	<b>Trade Receivables turnover (no. of times)</b> Income from Operations/ Average Trade receivables	2.50	2.22
6	<b>Return on equity</b> Profit/ (Loss) for the year/ Average Equity (refer note e)	(79.82) %	(17.23) %
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 f)	2.09	1.60
8	<b>Net Capital turnover (no. of times)</b> Income from Operations/ Working Capital (Current Assets-Current Liabilities) (refer note g)	1.02	(16.09)
9	<b>Return on Capital Employed (no. of times)</b> Earnings before interest & tax/ Capital Employed (Net worth + Total Debt) (refer note h)	(0.11)	(0.15)

- Increase in cost has resulted in negative net profit margin
- Higher Debt has resulted in increase in ratio
- Higher Debt has resulted in increase in ratio
- Decrease in current liabilities has resulted in improvement in ratio
- Increase in losses has resulted in lower return on equity
- Increase in cost and payables has resulted in increase in this ratio
- Decrease in current liabilities has resulted in improvement in this ratio
- Decrease in net worth has resulted in improvement in this ratio



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

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	273.61	27,633.43	26.39	(3,658.55)	100.00	(1,072.21)	31.67	(4,730.76)
<b>Subsidiaries</b>								
<b>Foreign</b>								
Tata Communications Transformation Services (Hungary) Kf	0.09	9.58	0.17	(24.24)	-	-	0.17	(24.24)
Tata Communications Transformation Services Pte Limited	(164.79)	(16,643.63)	66.26	(9,187.20)	-	-	61.50	(9,187.20)
Tata Communications Transformation Services (US) Inc	0.42	42.83	0.06	(7.77)	-	-	0.05	(7.77)
Tata Communications Transformation Services South Africa (Pty) Ltd	(0.10)	(9.99)	0.10	(13.40)	-	-	0.09	(13.40)
TCTS Senegal Limited SUARL	(9.23)	(932.50)	7.02	(973.97)	-	-	6.52	(973.97)
<b>Total</b>	<b>100.00</b>	<b>10,099.72</b>	<b>100.00</b>	<b>(13,865.13)</b>	<b>100.00</b>	<b>(1,072.21)</b>	<b>100.00</b>	<b>(14,937.34)</b>
Adjustments on Consolidation		(390.83)		(6.53)		-		(6.53)
<b>Grand Total</b>		<b>9,708.89</b>		<b>(13,871.66)</b>		<b>(1,072.21)</b>		<b>(14,943.87)</b>



# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

43. The Covid-19 pandemic has caused a fundamental shift in the operations and short-to-medium term strategies of telecom operators and CSPs (our customers) across the world. With increased restrictions on movement and with a majority of people working and studying from home, the demand for data has increased dramatically. This, combined with the heightened macro and micro-economic uncertainty, has resulted in CSPs focusing their efforts on increased network resilience and a re-look at planned capex spends (particularly on new technologies). The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors and has not identified any material impact on the carrying value of assets, liabilities or provisions. Keeping in mind that this is a rapidly evolving situation, the company shall continue to assess existing customer requirements as well as challenges faced by them to take appropriate actions accordingly.
44. The remuneration payable to the Managing Director for the year ended 31 March 2022 is in excess of the limits applicable under section 197 of the Companies Act 2013 (the 'Act'), read with Schedule V thereto, by ₹ 282.13 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.
45. **Going Concern**  
The Group continues to implement initiatives directed towards improving the profitability through operational efficiencies. The Group expects that these initiatives would result in sustainable cash flows. Based on the approved unutilized debt yet to be drawn, the Group is confident of meeting its operating and capital funding requirements for the financial year ending 31 March 2022. The Holding Company has issued a letter to the Company stating its intent to support as and when required over the next 12 months. Accordingly, the financial statements of the Group have been prepared on a going concern basis.
46. **Events after the reporting period**  
There are no subsequent events between the year ended 31 March 2022 and signing of financial statements as on 20 April 2022 which have material impact on the consolidated financial statements of the Group.
47. **Approval of consolidated financial statements**  
The consolidated financial statements were approved for issue by the Board of Directors on 20 April 2022.
48. 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

ATIN  
BHARGAVA

Digitally signed  
by ATIN  
BHARGAVA

Atin Bhargava

Partner

Membership Number: 504777



Place: Mumbai

Date: 20 April 2022

### For and on behalf of Board of Directors

Natarajan  
Sivasamban

Digitally signed  
by Natarajan  
Sivasamban

Sivasamban Natarajan

Managing Director

ADESH  
GOYAL

Digitally signed by  
ADESH GOYAL

Aadesh Goyal

Director

SANJAY  
AGARWAL

Digitally signed by  
SANJAY  
AGARWAL

Sanjay Agarwal

Chief Financial Officer



Place: Pune

Date: 20 April 2022

# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

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# TATA Communications Transformation Services Limited

## Notes forming part of the consolidated financial statements

for the year ended 31 March 2022

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### In terms of our report attached

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

ATIN  
BHARGAVA

Digitally signed  
by ATIN  
BHARGAVA

Atin Bhargava

Partner

Membership Number: 504777



Place: Mumbai

Date: 20 April 2022

### For and on behalf of Board of Directors

Natarajan  
Sivasamban

Digitally signed  
by Natarajan  
Sivasamban

Sivasamban Natarajan

Managing Director

ADESH  
GOYAL

Digitally signed by  
ADESH GOYAL

Aadesh Goyal

Director

SANJAY  
AGARWAL

Digitally signed by  
SANJAY  
AGARWAL

Sanjay Agarwal

Chief Financial Officer



Place: Pune

Date: 20 April 2022

**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, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Loss, 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 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 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, 2022, its loss 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 and the Management 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.





Tata Communications Payment Solutions Limited  
Independent Auditor's report - March 31, 2022  
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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 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.





Tata Communications Payment Solutions Limited  
Independent Auditor's report - March 31, 2022  
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- ▶ 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 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 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) 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;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022;



Tata Communications Payment Solutions Limited  
Independent Auditor's report - March 31, 2022  
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- (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, 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 35 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 that were 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.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

*Atin Bhargava*

per Atin Bhargava

Partner

Membership Number: 504777

UDIN: 22504777AHGNMV3409

Place of Signature: Mumbai

Date: April 18, 2022



Tata Communications Payment Solutions Limited  
Independent Auditor's report - March 31, 2022  
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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 intangibles assets.

(b) All property, plant and equipment were physically verified by the management in the previous 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.

(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 3 to the financial statements 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, 2022:

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	386	Various vendors	No	0 - 3 years	The Company is in the process of executing these 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, 2022.

(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 Rupees 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.



Tata Communications Payment Solutions Limited  
Independent Auditor's report - March 31, 2022  
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- (iii) (a) During the year, the Company has not provided any advance in the nature of loan, or security to any company, firm, Limited Liability Partnership or any other party.
- (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) 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 regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, sales tax, value added tax, service 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, duty of customs and duty of excise are not applicable to the Company.



Tata Communications Payment Solutions Limited

Independent Auditor's report - March 31, 2022

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(b) According to the records of the Company, the dues outstanding of income tax, sales tax, service tax, value added tax and other statutory dues on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. In Lakhs) *	Period to which the amount relates	Forum where the dispute is pending
Bihar Value Added Tax, 2005	VAT demand	121.23	2014-15	Deputy Commissioner of Commercial Taxes, Central Circle, Patna
UP Value Added Tax, 2008	VAT demand	45.18	2015-16	Sales Tax Officer - Lucknow
Income Tax Act, 1961	TDS demand	37.75	2017-18	Commissioner of Income Tax (Appeals)
Goods and Services Tax Act, 2017	GST demand	25.49	2018-19	Joint Commissioner (Appeals)
Goods and Services Tax Act, 2017	GST demand	8.32	2019-20	Joint Commissioner (Appeals)
Goods and Services Tax Act, 2017	GST demand	83.47	2019-20	Joint Commissioner (Appeals)

\*The Company has paid Rs. 9.52 lakhs under protest towards GST demand raised.

(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)(e) 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 / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has complied with provisions of sections 42 and 62 of the Act in respect of the preferential allotment during the year. The Company has not issued any optionally convertible debentures. The funds raised, have been used for the purposes for which the funds were raised.





Tata Communications Payment Solutions Limited  
Independent Auditor's report - March 31, 2022  
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- (xi) (a) No material fraud on/by 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 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 has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company 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) The Group has six Core Investment Companies as part of the Group.
- (xvii) The Company has incurred cash losses amounting to Rs. 4,473 lakhs in the current year and amounting to Rs. 7,613 lakhs in the immediately preceding financial year respectively.
- (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.



Tata Communications Payment Solutions Limited

Independent Auditor's report - March 31, 2022

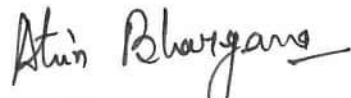
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- (xix) On the basis of the financial ratios disclosed in note 41 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) Section 135 of the Companies Act, 2013 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) Section 135 of the Companies Act, 2013 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 **Atin Bhargava**  
Partner

Membership Number: 504777

UDIN: 22504777AHGNMV3409

Place of Signature: Mumbai

Date: April 18, 2022





Tata Communications Payment Solutions Limited  
Independent Auditor's report - March 31, 2022  
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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, 2022 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 Act.

**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.



Tata Communications Payment Solutions Limited  
Independent Auditor's report - March 31, 2022  
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**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, 2022, 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

*Atin Bhargava*

per Atin Bhargava  
Partner

Membership Number: 504777

UDIN: 22504777AHGNMV3409

Place of Signature: Mumbai

Date: April 18, 2022



**Tata Communications Payment Solutions Limited**  
**Balance Sheet as at 31 March 2022**

	Notes	As at 31 March 2022 ₹ in Lacs	As at 31 March 2021 ₹ in Lacs
<b>A ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	9,084.48	12,368.82
(b) Right of Use Asset	4	10,296.03	11,754.15
(c) Capital work-in-progress	5	378.31	23.48
(d) Intangible assets	6	3.72	15.69
(e) Financial Assets			
(i) Other financial assets	7A	375.98	588.45
(f) Income tax assets (net)	8	176.36	146.46
(g) Other assets	9A	5.25	14.43
<b>Total non-current assets</b>		<b>20,320.13</b>	<b>24,911.48</b>
<b>(2) Current assets</b>			
(a) Financial Assets			
(i) Trade receivables	10	342.93	485.34
(ii) Cash and cash equivalents	11	41,348.29	43,023.64
(iii) Bank balances other than (ii) above	12	22.80	17.00
(iv) Other financial assets	7B	2,238.14	2,180.24
(b) Other assets	9B	3,400.47	3,294.05
(c) Assets classified as held for sale	13	-	322.85
<b>Total current assets</b>		<b>47,352.63</b>	<b>49,323.12</b>
<b>Total assets</b>		<b>67,672.76</b>	<b>74,234.60</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
(a) Equity share capital	14	1,16,709.18	1,05,709.18
(b) Other equity	15	(1,04,882.77)	(96,668.46)
<b>Total equity</b>		<b>11,826.41</b>	<b>9,040.72</b>
<b>II Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Lease liabilities	16A	8,775.11	10,488.15
(ii) Other financial liabilities	21A	4,381.59	70.00
(b) Provisions	17A	308.99	275.58
(c) Other liabilities	18A	484.35	-
<b>Total non-current liabilities</b>		<b>13,950.04</b>	<b>10,833.73</b>
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	28,686.90	39,513.95
(ii) Lease liabilities	16B	2,938.30	2,528.28
(iii) Trade and other payables			
1. Total outstanding dues of micro enterprises and small enterprises	20A	35.14	225.02
2. Total outstanding dues of creditors other than micro enterprises and small enterprises	20B	7,889.00	9,858.11
(iv) Other financial liabilities	21B	1,065.62	855.78
(b) Provisions	17B	64.52	55.41
(c) Other liabilities	18B	1,216.83	1,323.60
<b>Total current liabilities</b>		<b>41,896.31</b>	<b>54,360.15</b>
<b>Total equity and liabilities</b>		<b>67,672.76</b>	<b>74,234.60</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: 101049W/E300004

*Atin Bhargava*  
Atin Bhargava  
Partner  
Membership Number: 504777



*Ridhi Sood*  
Ridhi Sood  
Company Secretary

Place : Mumbai  
Dated: 18 April 2022

Place : Mumbai  
Dated: 18 April 2022

For and on behalf of the board of Directors

*Aadesh Goyal*  
Aadesh Goyal  
Director

*Sumeet Walia*  
Sumeet Walia  
Director

*Sanjeev Patel*  
Sanjeev Patel  
Chief Executive Officer

*Abhay Lahoth*  
Abhay Lahoth  
Chief Financial Officer



**Tata Communications Payment Solutions Limited**  
**Statement of Profit and Loss for the year ended 31 March 2022**


		Notes	Year ended 31 March 2022 ₹ in Lacs	Year ended 31 March 2021 ₹ in Lacs
I	Revenue from operations		16,459.72	21,536.68
II	Other Income	22	649.93	635.32
III	<b>Total Income (I + II)</b>		<b>17,109.65</b>	<b>22,172.00</b>
IV	<b>Expenses:</b>			
	Operating and other expenses	23	13,466.52	18,966.28
	Employee benefit expense	24	2,163.07	2,730.92
	Finance costs	25	2,671.24	3,522.35
	Depreciation and amortisation expense	26	7,061.86	10,617.21
	<b>Total Expenses</b>		<b>25,362.69</b>	<b>35,836.76</b>
V	<b>Loss before exceptional items and tax (III - IV)</b>		<b>(8,253.04)</b>	<b>(13,664.76)</b>
VI	Exceptional Items	27	(81.67)	280.00
VII	<b>Loss before tax (V - VI)</b>		<b>(8,171.37)</b>	<b>(13,944.76)</b>
VIII	Tax expense		-	-
IX	<b>Loss for the year (VII - VIII)</b>		<b>(8,171.37)</b>	<b>(13,944.76)</b>
X	<b>Other comprehensive income/(loss)</b>			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurements of the defined benefit plans		(42.94)	13.89
	<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>(42.94)</b>	<b>13.89</b>
XI	<b>Total comprehensive loss for the year, net of tax (IX + X)</b>		<b>(8,214.31)</b>	<b>(13,930.87)</b>
	<b>Basic/ Diluted Earnings per share (of ₹ 10 each)</b>	31	<b>(0.73)</b>	<b>(1.39)</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: 101049W/E300004

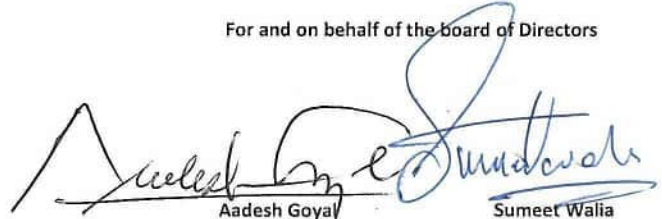
  
Atin Bhargava  
Partner  
Membership Number: 504777



  
Ridhi Sood  
Company Secretary

Place : Mumbai  
Dated: 18 April 2022

For and on behalf of the board of Directors

  
Aadesh Goyal  
Director

  
Sumeet Wallia  
Director

  
Sanjeev Patel  
Chief Executive Officer

  
Abhay Lahothy  
Chief Financial Officer






**Tata Communications Payment Solutions Limited**  
**Cash Flow Statement for the year ended 31 March 2022**

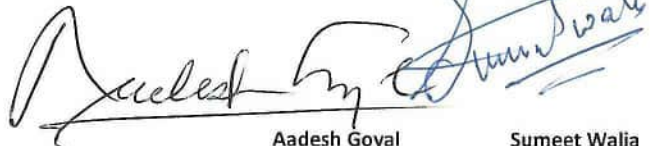
	Year Ended 31 March 2022 ₹ in Lacs	Year Ended 31 March 2021 ₹ in Lacs
<b>Cash Flows from operating activities</b>		
Loss before tax	(8,171.37)	(13,944.76)
Adjustments for :		
Depreciation and amortisation expense	7,061.86	10,617.21
Finance cost	2,671.24	3,522.35
Loss/(Gain) on sale of property, plant and equipment and intangible assets (net)	(119.33)	(445.24)
Write off of property, plant and equipment and intangible assets	10.25	24.51
Allowance for doubtful advances	(58.27)	(87.54)
Allowance for trade receivables	(458.77)	(74.37)
Bad debts	186.87	18.84
<b>Operating profit before working capital changes</b>	<b>1,122.48</b>	<b>(369.00)</b>
<b>Adjustment for (increase) / decrease in operating assets:</b>		
Trade receivable	414.30	2,143.60
Other assets	115.61	(700.31)
<b>Adjustment for increase / (decrease) in operating liabilities:</b>		
Trade and other payables	(1,815.03)	(286.43)
Provisions	(15.94)	(74.56)
Other Liabilities	5,137.58	(416.35)
<b>Cash generated from operations</b>	<b>4,959.00</b>	<b>296.95</b>
Income tax (paid)/refund received (net)	(29.90)	1,127.86
<b>Net cash flow (Used in) or generated from operating activities</b>	<b>4,929.10</b>	<b>1,424.81</b>
<b>Cash flow from investing activities</b>		
Payments for purchase of property, plant and equipment and intangible assets	(1,547.02)	(1,373.17)
Proceeds from disposal of property, plant and equipment	93.91	349.67
Fixed deposit placed	(5.80)	-
<b>Net cash (used in) investing activities</b>	<b>(1,458.91)</b>	<b>(1,023.50)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity share capital	11,000.00	7,000.00
(Repayment) / Proceeds from current borrowings	(10,827.03)	7,507.68
Interest paid	(1,562.66)	(2,153.61)
Payment for acquiring right of use assets	(3,755.85)	(5,197.28)
<b>Net cash flow (used in) or generated from financing activities</b>	<b>(5,145.54)</b>	<b>7,156.79</b>
<b>Net Increase/(Decrease) an cash and cash equivalents</b>	<b>(1,675.35)</b>	<b>7,558.10</b>
Cash and cash equivalents as at beginning of the year	43,023.64	35,465.54
<b>Cash and cash equivalents as at end of the year</b>	<b>41,348.29</b>	<b>43,023.64</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

  
Atin Bhargava  
Partner  
Membership Number: 504777



For and on Behalf of the Board of Directors

  
Aadesh Goyal  
Director

Sumeet Walia  
Director

  
Ridhi Sood  
Company Secretary

  
Sanjeev Patel  
Chief Executive Officer

  
Abhay Lahothy  
Chief Financial Officer

Place: Mumbai  
Dated: 18 April 2022

Place: Mumbai  
Dated: 18 April 2022  
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**Tata Communications Payment Solutions Limited**  
Statement of changes in equity for the year ended 31 March 2022

**A. Equity Share Capital**

(₹ in Lacs)

	No. of Shares	Amount
Balance as at 1 April 2020	1,05,70,91,784	1,05,709.18
Issue of share Capital	-	-
Balance as at 31 March 2021	1,05,70,91,784	1,05,709.18
Issue of share Capital	11,00,00,000	11,000.00
Balance as at 31 March 2022	1,16,70,91,784	1,16,709.18

**B. Other Equity**

(₹ in Lacs)

	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 2020	45,490.81	5,496.42	(1,33,749.51)	24.69	(82,737.59)
Loss for the year	-	-	(13,944.76)	-	(13,944.76)
Other comprehensive income for the year	-	-	-	13.89	13.89
Total comprehensive income/(loss) for the year	-	-	(13,944.76)	13.89	(13,930.87)
Balance as at 31 March 2021	45,490.81	5,496.42	(1,47,694.27)	38.58	(96,668.46)
Loss for the year	-	-	(8,171.37)	-	(8,171.37)
Other comprehensive income for the year	-	-	-	(42.94)	(42.94)
Total comprehensive income/(loss) for the year	-	-	(8,171.37)	(42.94)	(8,214.31)
Balance as at 31 March 2022	45,490.81	5,496.42	(1,55,865.64)	(4.36)	(1,04,882.77)

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

*Atin Bhargava*  
Atin Bhargava  
Partner  
Membership Number: 504777



For and on behalf of the Board of Directors

*Aadesh Goyal*  
Aadesh Goyal  
Director

*Sumeet Walia*  
Sumeet Walia  
Director

*Ridhi Sood*  
Ridhi Sood  
Company Secretary

*Sanjeev Patel*  
Sanjeev Patel  
Chief Executive Officer

*Abhay Lahothy*  
Abhay Lahothy  
Chief Financial Officer

Place: Mumbai  
Dated: 18 April 2022

Place: Mumbai  
Dated: 18 April 2022



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### 1. Corporate information

**TATA Communications Payment Solutions Limited** (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 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 carries out the business of end-to-end POS enablement, dealing 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 (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. Significant 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)

#### 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.

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 arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### 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 life of Property, Plant and equipment and Intangible assets

The Company reviews the useful life 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.

### 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.

### 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



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

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 (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. Bank overdrafts do not form an integral part of the Company's cash management and so the same is not considered as component of cash and cash equivalents.

f. **Property, plant and equipment**

Property, plant and equipment are carried at cost less accumulated depreciation / amortisation 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 derecognises the replaced part, and recognises 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.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

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 whichever is lower
c. Furniture*	10 years
d. Office equipment*	5 years
e. Computers & IT Servers*	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 life of the assets has 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.
2. 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.
3. Assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets classified as held for sale are presented separately in the balance sheet and are not depreciated post such classification.

### 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 amortisation period and the amortisation 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 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 and Application	3 to 6 years
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An intangible asset is de-recognised 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 recognised in the Statement of Profit and Loss when the asset is derecognised.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### 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.

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.

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 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.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

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.

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.

### 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 recognised 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 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



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

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 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 recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

### 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 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 consideration due to the Company is based on number of transaction in the ATMs and interchange rate fixed by Reserve Bank of India (RBI) for White Label ATM Business and number of transactions / rate per transaction as per contract or a fixed monthly price for services to certain brown label ATMs. POS enablement, hosted core banking 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:

#### l. 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 amortised 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 tax expense is determined in accordance with the provisions of the Income Tax Act, 1961.

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 2022

### 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 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

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

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

The fair value of 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, 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.





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

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.

### 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 amortised 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.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 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. 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

- 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.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 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.

### 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 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 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 Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### r. 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. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022, as below:

#### Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

#### Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

#### Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

#### Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### 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 1 April 2020	46,922.94	48.63	1,097.51	15.66	13,394.31	61,479.05
Additions	1,373.12	0.20	5.80	-	(22.60)	1,356.52
Disposals	(2,687.81)	-	-	-	-	(2,687.81)
Assets written off	(1,461.83)	(0.50)	(3.95)	(4.22)	(7,018.13)	(8,488.63)
Reclassified as held for sale	(6,786.73)	-	-	-	-	(6,786.73)
Balance as at 31 March 2021	37,359.69	48.33	1,099.36	11.44	6,353.58	44,872.40
Additions	687.70	-	58.67	-	68.21	814.58
Disposals	(2,217.33)	-	-	-	-	(2,217.33)
Assets written off	(399.47)	-	-	-	(172.11)	(571.58)
Balance as at 31 March 2022	35,430.59	48.33	1,158.03	11.44	6,249.68	42,898.07
<b>Accumulated amortization</b>						
Balance as at 1 April 2020	31,036.90	47.23	924.69	14.72	11,336.03	43,359.57
Depreciation	4,922.81	0.82	82.44	0.18	1,340.64	6,346.89
Disposals	(2,598.63)	-	-	-	-	(2,598.63)
Assets written off	(1,437.93)	(0.50)	(3.95)	(3.61)	(7,018.13)	(8,464.12)
Reclassified as held for sale	(6,140.13)	-	-	-	-	(6,140.13)
Balance as at 31 March 2021	25,783.02	47.55	1,003.18	11.29	5,658.54	32,503.58
Depreciation	3,672.22	0.62	67.61	0.04	337.19	4,077.68
Disposals	(2,202.22)	-	-	-	-	(2,202.22)
Assets written off	(393.37)	-	-	-	(172.08)	(565.45)
Balance as at 31 March 2021	26,859.65	48.17	1,070.79	11.33	5,823.65	33,813.59
<b>Carrying amount</b>						
Balance as at 31 March 2021	11,576.67	0.78	96.18	0.15	695.04	12,368.82
Balance as at 31 March 2022	8,570.94	0.16	87.24	0.11	426.03	9,084.48

#### a. Title deeds of Immovable Property not held in the name of the Company

Description of item of property	Gross book value 31 March 22	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 (Refer note 4)	386	Various parties	No	Various lease agreements	Lease agreements execution is in process



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### 4. Right of use Assets

(₹ in lacs)

Particulars	Amount
<b>Cost</b>	
Balance as at 1 April 2020	15,044.84
Additions	7,219.78
Asset written off	(5,701.99)
<b>Balance as at 31 March 2021</b>	<b>16,562.63</b>
Additions	1,765.03
Asset written off	(412.82)
<b>Balance as at 31 March 2022</b>	<b>17,914.84</b>
<b>Accumulated amortization</b>	
Balance as at 1 April 2020	3,731.18
Depreciation	4,242.36
Asset written off	(3,165.06)
<b>Balance as at 31 March 2021</b>	<b>4,808.48</b>
Depreciation	2,972.21
Asset written off	(161.88)
<b>Balance as at 31 March 2022</b>	<b>7,618.81</b>
<b>Carrying amount</b>	
Balance as at 31 March 2021	11,754.15
<b>Balance as at 31 March 2022</b>	<b>10,296.03</b>

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

### 5. Capital Work in-progress (CWIP)

#### I. CWIP Ageing Schedule as at 31 March 2022

(₹ 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	
Projects in Progress	378.31	-	-	-	378.31
<b>Total</b>	<b>378.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>378.31</b>

#### II. CWIP Completion Schedule (for projects whose completion is overdue or whose cost has exceeded its cost compared to its original plan) as at 31 March 2022

(₹ in lacs)

CWIP	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	378.31	-	-	-	378.31
<b>Total</b>	<b>378.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>378.31</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### III. CWIP Ageing Schedule as at 31 March 2021

(₹ 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	
Projects in Progress	23.48	-	-	-	23.48
<b>Total</b>	<b>23.48</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23.48</b>

### IV. CWIP Completion Schedule (for projects whose completion is overdue or whose cost has exceeded its cost compared to its original plan) as at 31 March 2021

(₹ 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	
Project 1	23.48	-	-	-	23.48
<b>Total</b>	<b>23.48</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23.48</b>

### 6. Intangible assets

(₹ in lacs)

	Computer Software
<b>Cost</b>	
Balance as at 1 April 2020	501.35
Adjustments	(0.89)
Balance as at 31 March 2021	500.46
Adjustments	-
<b>Balance as at 31 March 2022</b>	<b>500.46</b>
<b>Accumulated amortization</b>	
Balance as at 1 April 2020	457.70
Amortisation Expense	27.96
Adjustments	(0.89)
Balance as at 31 March 2021	484.77
Amortisation Expense	11.97
Adjustments	-
<b>Balance as at 31 March 2022</b>	<b>496.74</b>
<b>Carrying amount</b>	
Balance as at 31 March 2021	15.69
<b>Balance as at 31 March 2022</b>	<b>3.72</b>





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### 7. Other financial assets

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
<b>A. Non-Current</b>		
Security deposits		
Unsecured, considered good	375.98	588.45
Unsecured, considered doubtful	113.43	112.65
	489.41	701.10
Less: Allowance for doubtful security deposits	(113.43)	(112.65)
<b>Total (A)</b>	<b>375.98</b>	<b>588.45</b>
<b>B. Current</b>		
Advance to vendors and contractors		
Unsecured, considered good	2,238.14	2,180.24
Unsecured, considered doubtful	397.36	457.63
	2,635.50	2,637.87
Less: Allowance for doubtful advances	(397.36)	(457.63)
<b>Total (B)</b>	<b>2,238.14</b>	<b>2,180.24</b>
<b>(A+B)</b>	<b>2,614.12</b>	<b>2,768.69</b>

### 8. Income tax assets (net)

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
Advance tax (net of provision for taxes)	176.36	146.46
<b>Total</b>	<b>176.36</b>	<b>146.46</b>

### 9. Other assets

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
<b>A. Non-current</b>		
a. Prepaid expenses – Unsecured, Considered good	5.25	14.43
<b>Total (A)</b>	<b>5.25</b>	<b>14.43</b>
<b>B. Current</b>		
a. Taxes recoverable (net) – Considered good	1,887.51	2,084.07
b. Advance to Vendors		
Unsecured, considered good	1,150.53	1,069.03
Unsecured, considered doubtful	163.59	162.36
	1,314.12	1,231.39
Less: Allowance for doubtful advances	(163.59)	(162.36)
	1,150.53	1,069.03
c. Prepaid expenses – Unsecured, Considered good	357.41	135.03
d. Other receivables – Unsecured, Considered good	1.97	-
e. Interest Receivable – Unsecured, Considered good	-	4.78
f. Advances to Employees – Unsecured, Considered good	3.05	1.14
<b>Total (B)</b>	<b>3,400.47</b>	<b>3,294.05</b>
<b>(A+B)</b>	<b>3,405.72</b>	<b>3,308.48</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### 10. Trade receivables

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
<b>Unsecured (including unbilled receivables)</b>		
a. Considered good	342.93	485.34
b. Considered doubtful	2,063.89	2,522.66
	<b>2,406.82</b>	<b>3,008.00</b>
Less: Allowance for doubtful debts (Refer note 40 (c))	(2,063.89)	(2,522.66)
<b>Total</b>	<b>342.93</b>	<b>485.34</b>

### Trade Receivables ageing schedule as at 31 March 2022

(₹ 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	89.30	70.53	93.98	-	-	30.99	8.97	293.77
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	0.31	-	-	6.50	588.31	595.12
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	49.16	49.16
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	57.62	1,411.15	1,468.77
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>89.30</b>	<b>70.53</b>	<b>94.29</b>	<b>-</b>	<b>-</b>	<b>95.11</b>	<b>2,057.59</b>	<b>2,406.82</b>
Allowance for doubtful receivables								(2,063.89)
<b>Net Total</b>								<b>342.93</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### Trade Receivables ageing schedule as at 31 March 2021

(₹ 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	8.84	22.05	111.63	-	-	12.00	255.59	410.11
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	109.62	672.52	782.14
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	75.23	-	75.23
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	25.95	-	-	62.46	1,652.10	1,740.51
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>8.84</b>	<b>22.05</b>	<b>137.58</b>	<b>-</b>	<b>-</b>	<b>259.31</b>	<b>2,580.21</b>	<b>3,007.99</b>
Allowance for doubtful receivables								(2,522.65)
<b>Net Total</b>								<b>485.34</b>

### 11. Cash and cash equivalents

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
a. Balances at ATM	32,352.86	33,794.98
b. Remittance in transit	1,324.25	2,859.21
c. Cash in vault	3,147.31	4,283.98
d. Balances with banks	4,523.87	2,085.47
<b>Total</b>	<b>41,348.29</b>	<b>43,023.64</b>

### 12. Bank balances (other than note 11 above)

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
<b>Other bank balances:</b>		
Restricted bank deposits (Refer Note i below)	22.80	17.00
<b>Total</b>	<b>22.80</b>	<b>17.00</b>

i. ₹ 22.80 lacs (2021: ₹ 17.00 lacs) represents the amount withheld towards legal matters.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 13. Asset Classified as held for sale

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
Assets held for sale	-	322.85
<b>Total</b>	<b>-</b>	<b>322.85</b>

### 14. Equity share capital

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
<b>a. Authorised:</b>		
1,200,000,000 (2021: 1,000,000,000) Equity Shares of ₹ 10 each (Note a and b)	120,000.00	120,000.00
1,100,000,000 (2021: 1,100,000,000) 12% Convertible Preference Shares of face value ₹ 10/- each	110,000.00	110,000.00
	<b>230,000.00</b>	<b>230,000.00</b>
<b>b. Issued, Subscribed and Paid up:</b>		
1,167,091,784 (2021: 1,057,091,784) Equity Shares of ₹ 10 each, fully paid up	116,709.18	105,709.18
<b>Total</b>	<b>116,709.18</b>	<b>105,709.18</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 2022		As at 31 March 2021	
Equity shares	No of shares	Percentage	No of shares	Percentage
	1,167,091,784	100%	1,057,091,784	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 to the 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 2022

### 15. Other equity

	(₹ in lacs)	
	As at 31 March 2022	As at 31 March 2021
a. Retained earnings	(1,55,865.64)	(1,47,694.27)
b. Other comprehensive income (Refer note i)	(4.36)	38.58
c. Securities premium (Refer note ii)	45,490.81	45,490.81
d. Contribution from parent company (Refer note iii)	5,496.42	5,496.42
<b>Total</b>	<b>(1,04,882.77)</b>	<b>(96,668.46)</b>

#### i. Other Comprehensive Income

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

#### ii. Securities premium

It is the additional amount which shareholder are paid for issued shares 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 parent company

The interest on the debt component of the preference shares is disclosed as contribution from parent company on conversion to equity shares.

### 16. Lease liabilities

	(₹ in lacs)	
	As at 31 March 2022	As at 31 March 2021
A. <b>Non-current</b>		
Lease liability	8,775.11	10,488.15
<b>Total (A)</b>	<b>8,775.11</b>	<b>10,488.15</b>
B. <b>Current</b>		
Lease liability	2,938.30	2,528.28
<b>Total (B)</b>	<b>2,938.30</b>	<b>2,528.28</b>
<b>(A+B)</b>	<b>11,713.41</b>	<b>13,016.43</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### 17. Provisions

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
<b>A. <u>Non-current</u></b>		
Provision for employee benefits		
a. Provision for gratuity (refer note 32 (ii))	252.55	224.44
b. Provision for compensated absences (refer note 32 (iii))	56.44	51.14
<b>Total (A)</b>	<b>308.99</b>	<b>275.58</b>
<b>B. <u>Current</u></b>		
a. Provision for compensated absences (refer note 32 (iii))	7.22	55.41
b. Provision for Others	57.30	-
<b>Total (B)</b>	<b>64.52</b>	<b>55.41</b>
<b>(A+B)</b>	<b>373.51</b>	<b>330.99</b>

### 18. Other liabilities

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
<b>A. <u>Non-current</u></b>		
Deferred Interest Cost	452.40	-
Accrued employee benefits	31.95	-
<b>Total (A)</b>	<b>484.35</b>	<b>-</b>
<b>B. <u>Current</u></b>		
a. Accrued payroll	366.60	804.87
b. Statutory liabilities	272.82	247.14
c. Deferred Interest Cost	307.90	-
d. Other liabilities	269.51	271.59
<b>Total (B)</b>	<b>1,216.83</b>	<b>1,323.60</b>
<b>(A+B)</b>	<b>1,701.18</b>	<b>1,323.60</b>

### 19. Borrowings

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
<b><u>Current</u></b>		
Loans repayable on demand (from banks)		
a. Bank overdraft (Rate of interest per annum: 7.50% to 7.70%; 2021: 7.55% to 8.90%)	8,086.90	6,113.95
b. Working capital demand loan (Rate of interest: 6.80% to 7.90%; 2021: 7.10% to 8.60%)	20,600.00	33,400.00
<b>Total</b>	<b>28,686.90</b>	<b>39,513.95</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### 20. Trade and other payables

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
A Total outstanding dues of micro enterprises and small enterprises (Refer note 36)	35.14	225.02
(I)	35.14	225.02
B Total outstanding dues of creditors other than micro enterprises and small enterprises		
i. Trade payables	7,384.72	8,736.93
ii. Payable to related parties	504.28	1,121.18
(II)	7,889.00	9,858.11
Total (I+II)	7,924.14	10,083.13

### Trade Payable ageing Schedule as on 31 March 2022

(₹ 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 small and medium enterprises	-	34.40	0.74	-	-	-	35.14
(ii) Total Outstanding due to Creditors other than Micro small and medium enterprises	6,990.69	184.44	439.25	11.63	17.52	245.47	7,889.00
(iii) Disputed dues to Micro small and medium enterprises	-	-	-	-	-	-	-
(iv) Disputed dues to Creditors other than Micro small and medium enterprises	435.92	-	-	-	-	-	435.92

### Trade Payable ageing Schedule as on 31 March 2021

(₹ 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 small and medium enterprises	-	225.02	-	-	-	-	225.02
(ii) Total Outstanding due to Creditors other than Micro small and medium enterprises	7,716.21	949.29	820.99	146.99	196.37	28.26	9,858.11
(iii) Disputed dues to Micro small and medium enterprises	-	-	-	-	-	-	-
(iv) Disputed dues to Creditors other than Micro small and medium enterprises	584.12	-	-	-	-	-	584.12





# TATĀ Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 21. Other financial liabilities

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
<b>A. <u>Non-Current</u></b>		
a. Vendor deposit	4,381.59	70.00
<b>Total (A)</b>	<b>4,381.59</b>	<b>70.00</b>
<b>B. <u>Current</u></b>		
a. Capital goods		
i. Other	370.81	782.38
ii. Payable to related parties	52.10	18.08
b. Customer deposit	1.80	1.80
c. Accrued interest	34.57	53.44
d. Fair value of Foreign currency forward contracts	0.01	0.04
e. Vendor deposits	606.28	-
f. Other payables	0.05	0.04
<b>Total (B)</b>	<b>1,065.62</b>	<b>855.78</b>
<b>(A+B)</b>	<b>5,447.21</b>	<b>925.78</b>

### 22. Other income

(₹ in lacs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Interest on income tax refund	-	109.41
b. Provision/Liabilities no longer required written back	422.34	71.68
c. Profit on sale of Property, Plant and equipment (net)	82.93	260.47
d. Gain on ROU	15.63	181.80
e. Others (refer note i)	129.02	11.96
<b>Total</b>	<b>649.93</b>	<b>635.32</b>

i. Others include Interest income on fair valuation of Franchisee deposits of ₹ 165.38 lacs.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### 23. Operating and other expense

(₹ in lacs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Network cost	751.49	1,002.75
b. Cash management fees	4,208.84	6,102.77
c. Caretaker charges	178.51	548.94
d. Lease rental		
i. Site rent charges	156.95	314.04
ii. Rent for hired building	110.72	180.57
e. Revenue Share to Franchisees	642.99	-
f. Electricity expenses	707.57	1,353.67
g. Consumables	22.56	101.64
h. Cash handling loss	(91.21)	778.47
i. Repairs and maintenance	4,254.24	5,266.49
j. Legal and professional fees	463.08	526.12
k. Services rendered by agencies	1,034.85	1,710.59
l. Rates and taxes (refer note ii below)	287.86	11.94
m. Travelling expenses	292.26	313.64
n. Advertising and publicity	68.23	65.79
o. Insurance	25.27	69.69
p. Write off or sale of property, plant and equipment and intangible assets	10.25	24.51
q. Bad debts	186.87	18.84
r. Allowance for doubtful trade receivables	(458.77)	(74.37)
s. Allowance for doubtful advances	(58.27)	(87.54)
t. Telephone expenses	16.10	22.58
u. Printing, postage and stationery	1.19	12.43
v. Management fees WLA	6.59	5.45
w. Other expenses (refer note i below)	648.35	697.27
<b>Total</b>	<b>13,466.52</b>	<b>18,966.28</b>

i. Other expenses include auditor's remuneration as follows:

(₹ in lacs)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>Auditor's remuneration and expenses</b> (excluding goods and service tax)		
a. Audit fees	16.50	16.50
b. Tax Audit fees	3.30	3.30
c. Other professional services	0.09	1.58



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

- ii. Rates and taxes include ₹ 300.00 lacs penalty imposed by RBI towards
  - a. Speaking Order issued by Reserve Bank of India Vide - CO.DPSS.OVRST.No. 425/06-07-011/2021-2022 August 13, 2021, towards shortfall in deployment of 15000 ATMs as per original Certificate of Authorization (CoA) to set-up, own and operate WLAs on issued on 03 May 2013, for ₹ 100 lacs under Section 30 of the Payment of Settlement System Act 2007.
  - b. Speaking Order Issued by Reserve Bank of India Vide - CO.DPSS.OVRST.No.S815/06-08-019/2021-2022 October 21, 2021, towards
    - i. White Label ATM Guidelines dated June 20,2012 to be read along with DPSS.CO.OD.No.1163/06.07011/2019-20 dated 18 December 2019 (Revised Guidelines), non-achievement of incremental deployment of 1000 WLA's for the calendar year 2020 for ₹ 100.00 lacs and
    - ii. Non-adherence to maintenance of minimum Net-worth of ₹ 10,000.00 lacs for some time during the Financial Year 2020-21, ₹ 100.00 lacs under Section 30 of the Payment of Settlement System Act 2007
- iii. Operating and other expenses includes an adjustment on account of liabilities no longer required written back, pertaining to prior years.

### 24. Employee benefit expense

(₹ in lacs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Salaries and related costs	1,958.28	2,513.08
b. Contributions to provident and other funds (Refer note 32)	137.07	134.44
c. Staff welfare expenses	67.72	83.40
<b>Total</b>	<b>2,163.07</b>	<b>2,730.92</b>

### 25. Finance costs

(₹ in lacs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Interest on bank overdraft	39.94	212.90
b. Interest on Working capital demand loan	1,503.80	1,989.23
c. Interest on lease liability	954.06	1,305.43
d. Others	173.44	14.79
<b>Total</b>	<b>2,671.24</b>	<b>3,522.35</b>

### 26. Depreciation and amortisation expense

(₹ in lacs)

	Year ended 31 March 2022	Year ended 31 March 2021
a. Depreciation for the year on property, plant and equipment (Refer note 3)	4,077.68	6,346.89
b. Depreciation for the year on right-to-use assets (Refer note 4)	2,972.21	4,242.36
c. Amortisation for the year on intangible assets (Refer note 6)	11.97	27.96
<b>Total</b>	<b>7,061.86</b>	<b>10,617.21</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 27. Staff cost optimisation

As part of Company's initiative to enhance the long-term efficiency of the business, the Company, in the previous year 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 ₹ 280.00 lacs. Based on the conditions and circumstances prevailing in the current year, the Company has reversed the costs amounting to ₹ 81.67 lacs (which were provided for in the previous year) as the Management believes that these costs would not be incurred in future.

### 28. 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 conditions prescribed by Ind AS are not met.

### 29. Unrecognised deductible temporary differences, unused tax losses and unused tax credits

	(₹ in lacs)	
	As at 31 March 2022	As at 31 March 2021
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	32,230.92	37,851.04
b. Unabsorbed depreciation	65,105.19	59,933.83
<b>Total</b>	<b>97,336.11</b>	<b>97,784.87</b>

The carried forward losses will expire as below

Particulars	Expiration of losses
a. Business losses	Between FY 2023 to 2030
b. Unabsorbed depreciation	Unlimited

### 30. 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.

### 31. Earnings per share

	(₹ in lacs)	
	As at 31 March 2022	As at 31 March 2021
Net Loss after tax used attributable to the equity shareholders (A)	(8,171.37)	(13,944.76)
Number of equity shares outstanding at the end of the year	1,167,091,784	1,05,70,91,784
Weighted average number of shares outstanding during the year (B)	1,112,872,606	1,00,62,69,866
Basic and diluted earnings per share (₹ per equity share of ₹ 10 each) (A/B)	<b>(0.73)</b>	<b>(1.39)</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 32. 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. Having regard to the contribution made and return on the same, the Company does not expect any deficiency in the foreseeable future. There has also been no such deficiency since the inception of the Fund.

Provident fund contributions amounting to ₹ 102.04 lacs (2021: ₹ 99.63 lacs) have been charged to the Statement of Profit and Loss under contributions to provident and other funds (Refer note 24)

#### 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 were carried out as at 31 March 2022 by an accredited actuary.

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

	As at 31 March 2022	As at 31 March 2021
<u>Principal Actuarial assumptions</u>		
Discount rate	6.80%	6.40%
Salary Escalation Rate	6.00%	6.00%
<u>Withdrawal rate</u>		
Less than 5 years	15%	15%
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.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

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 2022	As at 31 March 2021
<b>Expenses recognised in the statement of profit and loss</b>		
a. Current service cost	29.85	32.26
b. Interest cost	12.55	14.06
<b>Components of defined benefit costs recognized in the Statement of Profit and Loss</b>	<b>42.40</b>	<b>46.32</b>
<b>Remeasurement on the net defined benefit liability</b>		
a. Actuarial (gains) / losses arising from Defined benefit obligation assumption changes	(7.56)	(13.38)
b. Actuarial (gains) / losses arising from the changes in experience adjustments	50.50	(0.51)
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>42.94</b>	<b>(13.89)</b>

The details in respect of the unfunded amounts recognised in the balance sheet for these defined benefit schemes are as under

(₹ in lacs)		
	As at 31 March 2022 (Unfunded)	As at 31 March 2021 (Unfunded)
<b>I. Amount recognized in the balance sheet</b>		
Liability at the end of the year	(252.55)	224.44
<b>Net liability in the balance sheet</b>	<b>(252.55)</b>	<b>224.44</b>
Non-current provision (Refer note 17A)		
<b>II. Change in the Defined Benefit Obligation (DBO)</b>		
<b>Present value of DBO at the beginning of the year</b>	<b>(224.44)</b>	<b>234.18</b>
Current service cost	(29.85)	32.26
Interest cost	(12.55)	14.06
Liability transfer in/(out) from/to other Company	-	(14.66)
Amount recognized in Other Comprehensive income	(42.54)	(13.89)
Benefits paid	56.83	(27.51)
<b>Present value of DBO at the end of the year</b>	<b>(252.55)</b>	<b>224.44</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

A quantitative sensitivity analysis for significant assumptions as at 31 March 2022 and 31 March 2021 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.

### 1. Discount rate

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
Effect on DBO due to 1% increase	(17.38)	(16.49)
Effect on DBO due to 1% decrease	19.63	18.76

### 2. Salary escalation rate

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
Effect on DBO due to 1% increase	17.66	17.84
Effect on DBO due to 1% decrease	(16.67)	(16.51)

### 3. Withdrawal rate

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
Effect on DBO due to 5% increase	3.98	0.99
Effect on DBO due to 5% decrease	(7.02)	(2.32)

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.





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### Maturity profile of defined benefit plan

	(₹ in lacs)
	As at
	31 March 2022
a. 31 March 2023	25.61
b. 31 March 2024	25.31
c. 31 March 2025	27.84
d. 31 March 2026	29.80
e. 31 March 2027	37.34
f. 31 March 2028 to 31 March 2032	218.13

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

### 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 ₹ 63.66 lacs (2021: ₹ 106.55 lacs) as shown under non-current provisions ₹ 56.44 lacs (2021: ₹ 51.14 lacs) and current provisions ₹ 7.22 lacs (2021: ₹ 55.41 lacs). Compensated absences expenses amounting to ₹ 26.33 lacs (2021: ₹ (9.06) lacs) have been charged to the Statement of Profit and Loss under salaries and related costs in note 24 "Employee Benefit Expenses".



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 33. 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 Communication (Ireland) Limited Tata Communication (UK) Limited Tata Communications (Canada) Limited Tata Communications (America) Inc. Tata Communications (Netherlands) B.V. Tata Communications (Middle East) FZ-LLC Tata Communications International Pte Limited
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 Tatanet Services Limited (Merged with Nelco Limited w.e.f. 09.06.21) Nelco Network Products Limited The Indian Hotels Company Limited Voltas Limited The Tata Power Company Limited Tata Capital Housing Finance Limited Tata Capital Financial Services Limited Tata Motors Limited Tata AIA Life Insurance Company Limited Tata AIG General Insurance Company Limited Conneqt Business Solutions Limited (formerly Tata Business Support Services Limited)

\*Where transactions have taken place / there are balances

\*\* On 16 and 17 March 2021, the Government of India had divested 16.12% of its stake in the Holding Company under the offer for sale mechanism of the stock exchanges to non-promoter shareholders. On 18 March 2021, Panatone Finvest Limited ('Panatone'), a subsidiary of Tata Sons Private Limited ('TSPL') purchased the balance stake of 10% from Government of India through an off-market inter-se transfer of shares between promoters. Consequently, the combined stake of TSPL in the Holding Company increased from 48.87% to 58.87% and Government of India ceased to hold any shares in the Holding Company.

# 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 Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### ii. Summary of transactions with related parties

(₹ in lacs)

Particulars	Holding company & its associates	Fellow subsidiaries	Affiliates	Total
Revenue from operations	-	-	1.20	1.20
	-	-	1.35	1.35
Operating and other expenses				
Network cost	485.25	-	124.29	609.54
	533.45	-	194.60	728.05
Rent on hired building	108.43	-	-	108.43
	176.96	-	(0.81)	176.15
Interest on lease liabilities (forms a part of lease payout of ₹ 241.61 lacs 2021: ₹ 34.74 lacs))	114.83	-	0.04	114.87
	304.71	-	-	304.71
Services rendered by agencies	186.99	21.42	-	208.41
	186.44	15.90	-	202.34
Site rent charges	-	-	0.83	0.83
	-	-	1.75	1.75
Telephone expenses	-	-	1.72	1.72
	-	-	1.19	1.19
Other expenses	-	-	2.54	2.54
	-	-	(8.77)	(8.77)
AMCs and Repairs & Maintenance	-	-	159.07	159.07
	-	-	166.79	166.79
Capital Contribution	11,000.00	-	-	11,000.00
	7,000.00	-	-	7,000.00
Assets - Transfer in / (Out)	-	-	24.06	24.06
	-	-	12.44	12.44
Additions to right of use assets	1,049.60	-	-	1,049.60
	2,187.72	-	-	2,187.72



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### iii. Balances with related parties as at 31 March 2022

(₹ in lacs)

Particulars	Holding company & its associates	Fellow subsidiaries	Affiliates	Total
Trade and other payables	372.08	20.36	111.84	504.28
	<i>955.48</i>	<i>32.10</i>	<i>133.60</i>	<i>1,121.18</i>
Other financial liabilities	-	-	52.10	52.10
	-	-	<i>18.08</i>	<i>18.08</i>
Trade Receivables	-	0.10	0.09	0.19
	<i>0.02</i>	<i>0.57</i>	<i>0.30</i>	<i>0.89</i>
Lease liabilities				
Current	192.10	-	-	192.10
	<i>192.10</i>	-	-	<i>192.10</i>
Lease liabilities –	1,113.05	-	-	1,113.05
Non-current	<i>2,289.42</i>	-	-	<i>2,289.42</i>
Other current assets	-	-	12.70	12.70
	-	-	<i>3.41</i>	<i>3.41</i>

#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 2022

### 34. 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
Balance as at 1 April 2020	12,410.15
Additions	7,219.78
Finance cost accrued during the year	1,305.43
Payment/Reversal of lease liabilities	(5,197.28)
Liabilities settled against leased assets terminated	(2,721.65)
<b>Balance as at 31 March 2021</b>	<b>13,016.43</b>
Additions	1,765.03
Finance cost accrued during the year	954.06
Payment/Reversal of lease liabilities	(3,755.50)
Liabilities settled against leased assets terminated	(266.61)
<b>Balance as at 31 March 2022</b>	<b>11,713.41</b>

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

(₹ in lacs)		
Particulars	Amount	Amount
	31 March 2022	31 March 2021
Current liability	2,938.30	2,528.28
Non-current liability	8,775.11	10,488.15
<b>Total liabilities</b>	<b>11,713.41</b>	<b>13,016.43</b>

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

(₹ in lacs)		
	As at	As at
	31 March 2022	31 March 2021
Due not later than one year	3,737.48	3,444.42
Due later than one year but not later than five years	8,965.48	9,886.45
Later than five years	1,139.40	2,670.00
	<b>13,842.36</b>	<b>16,000.87</b>

The Company is confident that it shall meet the lease liabilities obligation as and when they fall due.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 35. Contingent liabilities and commitments

#### I. Contingent liabilities

	(₹ in lacs)	
	As at 31 March 2022	As at 31 March 2021
a. Claims for taxes on income* (Refer Note i & ii)	47.25	487.98
b. Claims for other taxes * (refer note ii)	306.45	190.04

\* In case the above cases are against the Company, then the Company may be liable for interest exposure of ₹ 189.67 lacs on final settlement of the claims.

The Company has contested the claims with the relevant authorities and preferred appeals which are pending. The Company believes these claims are not probable and would not result in outflow:

- i. The Company had during FY 19-20 received Order u/s 201/201(A) of the Income Tax Act, 1961 dated 20 February 2020 for FY 2017-18 (AY 2018-19) raising demand of ₹ 486.81 lacs on account of alleged non-deduction of taxes on year-end provisions. The Company has during the year received rectification order u/s 154 of the Act wherein demand now stands reduced to ₹ 47.19 lacs.
- 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. a. The Company has filed a statement of claim against one of its customer claiming ₹ 1,094.49 lacs - excluding interest on account of wrongful withholding/deduction of payment due towards penalties, delay in delivery, cash shortage etc. under managed service agreement. The Customer in turn filed a Statement of Defense and also a counter claim of approximately ₹ 3,703.61 lacs (includes Interest ₹ 650.06 lacs and damages ₹ 2,000.00 lacs) against the Company. An Arbitrator had been appointed mutually by the parties to resolve the dispute between the parties.  
  
b. Also, the Company has filed a statement of claim against one of its customer claiming ₹ 723.49 lacs excluding interest on account of wrongful withholding/deduction of payment due towards services, penalties, cash shortage etc. The Customer in turn filed a Statement of Defense and a counter claim of approximately ₹ 11,384.86 lacs (includes interest ₹ 6,521.40 lacs) against the Company. An Arbitrator had been appointed mutually by the parties to resolve the dispute between the parties.

#### II. Commitments

##### Capital commitments

Estimated amount of contracts remaining (net of advances) to be executed on capital account not provided for ₹ 266.42 lacs (2021: ₹ 106.94 lacs).



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

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

(₹ in lacs)

	As at 31 March 2022	As at 31 March 2021
a. Principal amount remaining unpaid to any supplier as at the end of the accounting year	35.14	225.02
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	247.63	243.19
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	35.14	225.02

@ Indicates amounts below ₹1,000

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.

### 37. Relationship with Struck off Companies

(₹ in lacs)

Name of Struck off Company	Nature of Transaction with Struck-off Company	As on 31 March 22	As on 31 March 21
Paramount Infra Services Private Limited	Trade Payable	0.20	0.22
Shri Yash Towers Pvt. Ltd.	Trade Receivable	1.93	1.93

- i. Amount receivable from customers is gross of provision for doubtful debts of ₹ 1.93 lakhs and ₹ 1.93 lakhs for 31 March 22 and 31 March 21 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 for a period of 1 to 3 months. Outstanding derivatives instruments are as follows

(₹ in lacs)

	As at 31 March 2022		As at 31 March 2021	
	(Amount in foreign currency)	(Amount in INR)	(Amount in foreign currency)	(Amount in INR)
i. Forward exchange contracts (Buy)				
CAD	@	@	@	@
USD	0.10	7.47	0.11	8.30

@ represents amount less than ₹1,000





# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### 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(q) to the financial statements.

#### Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2022 is as follows

			(₹ in lacs)
	Derivatives instrument	Amortised cost	Total carrying value
<b>Financial Assets:</b>			
Other financial assets	-	2,614.12	2,614.12
Trade receivables	-	342.93	342.93
Cash and Cash equivalents	-	41,348.29	41,348.29
Other bank balances	-	22.80	22.80
<b>Total</b>	-	<b>44,328.14</b>	<b>44,328.14</b>
<b>Financials Liabilities:</b>			
Lease Liabilities	-	11,713.41	11,713.41
Borrowings	-	28,686.90	28,686.90
Other financial liabilities	0.01	5,447.20	5,447.21
Trade payables	-	7,924.14	7,924.14
<b>Total</b>	<b>0.01</b>	<b>53,771.65</b>	<b>53,771.66</b>

The carrying value of financial instruments by categories as at 31 March 2021 is as follows

			(₹ in lacs)
	Derivatives instrument	Amortised cost	Total carrying value
<b>Financial Assets:</b>			
Other financial assets	-	2,768.69	2,768.69
Trade receivables	-	485.34	485.34
Cash and Cash equivalents	-	43,023.64	43,023.64
Other bank balances	-	17.00	17.00
<b>Total</b>	-	<b>46,294.67</b>	<b>46,294.67</b>
<b>Financials Liabilities:</b>			
Lease Liabilities	-	13,016.43	13,016.43
Borrowings	-	39,513.95	39,513.95
Other financial liabilities	0.04	925.74	925.78
Trade payables	-	10,083.13	10,083.13
<b>Total</b>	<b>0.04</b>	<b>63,539.25</b>	<b>63,539.29</b>

Carrying amounts of cash and cash equivalents, trade receivables, borrowings and trade payables as at 31 March 2022 and 31 March 2021 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.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

### 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.

- (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 lacs*)

Financial assets/liabilities	Fair value as at		Fair value hierarchy
	31 March 2022	31 March 2021	
<b>Financial Liabilities</b>			
Foreign exchange forward contracts	0.01	0.04	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 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, FVTPL investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

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 2022 and 31 March 2021.

### 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 on variable rates are classified as short term.

### c. 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 has used a 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 receivables as mentioned below:

(₹ in lacs)

Ageing of receivables net of provisions	As at	As at
	31 March 2022	31 March 2021
Within credit period	159.93	31.48
1-90 days	93.97	111.62
91-180 days	-	-
181-360 days	-	-
More than 360 days	89.03	342.24
<b>Total</b>	<b>342.93</b>	<b>485.34</b>

### Movement in the expected credit loss allowance

(₹ in lacs)

	Year ended	Year ended
	31 March 2022	31 March 2021
Balance at beginning of the year	2,522.66	2,597.03
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net)	(271.90)	(55.53)
Less: Bad debts	(186.87)	(18.84)
<b>Balance at the end of the year</b>	<b>2,063.89</b>	<b>2,522.66</b>



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 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.

(₹ in lacs)

As at 31 March 2022	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Trade and other payables	47.37	7,876.77	-	-	7,924.14
Lease liabilities	-	2,938.30	7,659.35	1,115.76	11,713.41
Other Financial Liabilities	34.59	424.75	4,987.87	-	5,447.21
Current borrowings	8,086.90	20,600.00	-	-	28,686.90

(₹ in lacs)

As at 31 March 2021	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Trade and other payables	378.68	9,704.45	-	-	10,083.13
Lease liabilities	-	2,528.28	8,085.14	2,403.01	13,016.43
Other Financial Liabilities	55.28	800.50	70.00	-	925.78
Current borrowings	6,113.95	33,400.00	-	-	39,513.95



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 41. Ratio analysis and its elements

Sr. No.	Particulars	31 March 2022	31 March 2021
1	<b>Net Profit Margin (%)</b> (Profit/(Loss) for the period/ Income from Operations)	(49.64%)	(64.75%)
2	<b>Debt Equity ratio</b> (Total Debt (Long term borrowings + Short term borrowings (including Current maturities of long term borrowings)) / Equity) (refer note i)	2.43	4.37
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)	0.03	-
4	<b>Current Ratio (no. of times)</b> (Total Current Assets/ Total Current Liabilities)	1.13	0.91
5	<b>Trade Receivables turnover (no. of times)</b> (Income from Operations/ Average Trade receivables) (refer note iii)	39.74	14.08
6	<b>Return on equity (refer note iv)</b> (Profit/ (Loss) for the year/ Average Equity)	(78.32%)	(111.50%)
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	1.53	1.84
8	<b>Net Capital turnover (no. of times)</b> (Income from Operations/ Working Capital (Current Assets- Current Liabilities)) (refer note v)	3.02	(4.28)
9	<b>Return on Capital Employed (no. of times)</b> (Earnings before interest & tax/ Capital Employed (Net worth + Total Debt)) (refer note vi)	(0.14)	(0.21)

- Repayment of borrowings has resulted in improvement in the ratio.
- Savings in costs has resulted in improvement in the ratio.
- Higher collection has resulted in improvement in the ratio.
- Improvement in this ratio is due to equity infusion and lower losses
- Higher efficiency on working capital improvement has resulted in an improvement in the ratio.
- Savings in costs and increase in Capital has resulted in improvement in the ratio.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements for the year ended 31 March 2022

42. During the current year the COVID 19 pandemic has continued to adversely impact the operations of the Company. The second wave of the pandemic has severely impacted the semi urban and rural economy of the country where the company has its majority of the ATMS (approx 80%). Further the third wave of pandemic started in December 2021 has further delayed the revival of the economy and business. Due to this, the footfall and the transactions at the Company's ATM drastically reduced resulting into major reduction into the revenue as the same being variable with the transactions at the ATM's. The Company has incurred a loss of ₹ 8,214.31 lacs during the year (2021: ₹ 13,930.87 lacs) and has accumulated losses of ₹ 1,55,865.64 lacs (2021: of ₹ 1,47,694.27). The Company has balance with banks of ₹ 4,523.87 lacs which is available for working capital use. Further, the Company has unutilized sanctioned fund-based facilities of ₹ 27,213.10 lacs that is available for use in its WLA ATM's. The Company has exited its unprofitable portfolio of Managed services and is now fully White Label ATM operator (WLAO). It has undertaken a plan to remodel and expand its operations through Franchisee model to improve operational efficiency, reach and profitability. The Company's Franchise model is capex lite, shared cost model (variable in proportion to actual transaction), with reduced fixed cost dependencies e.g. CRA & Landlord rental cost etc. and is transaction accretive due to association of a local partner. The Company plans to expand its operations through the franchise model by new deployment and conversion of existing Company owned and operated (coco) ATM's.

Tata Communications Limited, the Holding Company, has further infused ₹ 11,000.00 lacs capital in the Company during the year and has committed to continue supporting the operational and capital requirements of the Company in the coming year.

During the year, RBI has accepted the long pending demands of WLAO's for increase in the interchange fees and accordingly the interchange fee has been revised upward from ₹ 15 to ₹ 17 for per successful Financial Transaction and from ₹ 5 to ₹ 6 for per successful Non-Financial Transaction from 1 August 2021.

With the easing of the pandemic related restrictions and opening of the offices and commercial establishments and resurgence of economic activities in the semi urban and rural areas where it has its majority of the ATM's, TCPSL has started recovering and is confident of the revival of the transactions to the pre covid level gradually. Based on the level of vaccination and reduction in daily infection numbers, the Company believes in return to normalcy in near future with the level of economic activities and transactions at pre covid level. However, the currently prevailing pandemic situation is quite fluid and volatile and accordingly predicting timelines for the return of normalcy is difficult and there exists uncertainty relating to timing and growth in the demand for TCPSL's services and the achievement of the plans. The Company is monitoring the situation closely and shall take actions as appropriate based on any material changes to future economic conditions.

Basis the above mitigating factors and support from its Holding company, these financial statements are prepared on going concern basis.

43. The outbreak of Coronavirus (Covid-19) pandemic globally and in India has caused significant disturbance and slowdown of economic activity. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors and has not identified any material impact on the carrying value of assets, liabilities or provisions. However, The currently prevailing pandemic situation is quite fluid and volatile and accordingly predicting timelines for the return of normalcy is difficult. The Company is monitoring the situation closely and shall take actions as appropriate based on any material changes to future economic conditions.



# TATA Communications Payment Solutions Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 44. Events after reporting period


There are no subsequent events between the year ended 31 March 2022 and signing of financial statements as on 18 April 2022 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 18 April 2022.

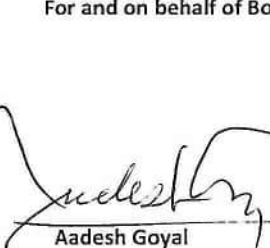
### 46. Previous year's figures have been regrouped/ re-arranged where necessary to confirm to current year's classification / disclosure.

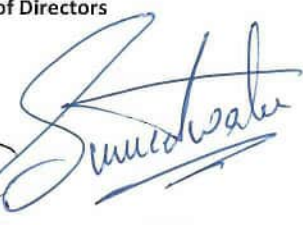
As per our report attached  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

  
Atin Bhargava  
Partner  
Membership Number: 504777




For and on behalf of Board of Directors

  
Aadesh Goyal  
Director

  
Sumeet Walia  
Director

  
Sanjeev Patel  
Chief Executive Officer

  
Abhay Lahothy  
Chief Financial Officer

  
Ridhi Sood  
Company Secretary

Place: Mumbai  
Date: 18 April 2022

Place: Mumbai  
Date: 18 April 2022



**INDEPENDENT AUDITOR'S REPORT**

To the Members of Tata Communications Collaboration Services Private Limited

**Report on the Audit of the Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of Tata Communications Collaboration Services Private Limited (the "Company"), which comprise the Balance sheet as at March 31 2022, 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 Ind AS financial statements, including a summary of 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 Ind AS 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, 2022, its profit 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 Ind AS 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 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 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 Ind AS 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 and the Management 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 will 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 identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Ind AS 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.



### **Responsibilities of Management for the Ind AS 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 Ind AS 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 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.

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

### **Auditor's Responsibilities 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 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 IND AS 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 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.

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, 2016 (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 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 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 Ind AS 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the provision of section 197 read with Schedule V to the Act in relation to managerial remuneration is not applicable to the Company;



- (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, 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 Ind AS financial statements – Refer Note 30 to the Ind AS 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.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

HORMUZ  
ERUCH  
MASTER

Digitally signed by HORMUZ  
ERUCH MASTER  
DN: cn=HORMUZ ERUCH  
MASTER, c=IN, o=Personal,  
email=hormuz.master@srb.in



**Per Hormuz Master**

Partner

Membership Number: 110797

UDIN: 22110797AHKWSU6064

Place of Signature: Mumbai

Date: 20 April 2022

**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 fixed assets were physically verified by the management during the year in accordance with a planned programme of verifying them once in three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are 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, 2022.
- (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 involve inventories and, accordingly, the requirement under paragraph 3(ii) 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) 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) 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 regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, income-tax, duty of customs, 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 provident fund, employees' state insurance, sales tax, service tax, value added tax 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 services tax, sales tax, service tax, value added tax and other statutory dues on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs. In Lakhs)	Period to which the amount relates (AY)	Forum where the dispute is pending
The Income tax Act, 1961	Income Tax – TDS	119.92	2018-19	The Commissioner of Income Tax (Appeals), Mumbai
The Income tax Act, 1961	Income Tax	1.44	2018-19	The Commissioner of Income Tax (Appeals), Mumbai
The Income tax Act, 1961	Income Tax	1,162.41	2020-21	Assessing Officer-Intimation U/s 143(1)

- (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) 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 / further public offer (including debt instruments) 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) In our opinion, 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) According to the information and explanation given by the management, 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 IND AS financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- (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 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 five CICs which are registered with the Reserve Bank of India and one CIC which is not required to be registered with the Reserve Bank of India.
- (xvii) The Company has not incurred cash losses in the current financial 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 34 to the IND AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the IND AS 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 Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 20 (i) to the IND AS financial statements.
- (b) All amounts that are unspent under section (5) of section 135 of the Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 20(i) to the IND AS financial statements.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**HORMUZ**

**ERUCH**

**MASTER**

Digitally signed by HORMUZ  
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email=hormuz.master@srb.in



**Per Hormuz Master**

Partner

Membership Number: 110797

UDIN: 22110797AHKWSU6064

Place of Signature: Mumbai

Date: 20 April 2022

**Annexure 2 referred to in Paragraph 2 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”)**

**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 over financial reporting of **Tata Communications Collaboration Services Private Limited** (the “Company”) as of March 31, 2022 in conjunction with our audit of the IND AS 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 over financial reporting with reference to these IND AS 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 Companies Act, 2013, 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 over financial reporting with reference to these IND AS 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 over financial reporting with reference to these IND AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these IND AS 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 IND AS 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 over financial reporting with reference to these IND AS financial statements.





### **Meaning of Internal Financial Controls Over Financial Reporting With Reference to these IND AS Financial Statements**

A Company's internal financial control over financial reporting with reference to these IND AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of IND AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these IND AS 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 IND AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations 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 IND AS financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these IND AS Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these IND AS 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 over financial reporting with reference to these IND AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these IND AS 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 over financial reporting with reference to these IND AS financial statements and such internal financial controls over financial reporting with reference to these IND AS financial statements were operating effectively as at March 31, 2022, 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.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**HORMUZ  
ERUCH  
MASTER**

Digitally signed by HORMUZ  
ERUCH MASTER  
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MASTER, c=IN, o=Personal,  
email=hormuz.master@srb.in



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**Per Hormuz Master**

Partner

Membership Number: 110797

UDIN: 22110797AHKWSU6064

Place of Signature: Mumbai

Date: 20 April 2022

**TATA COMMUNICATIONS COLLABORATION SERVICES PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2022**

₹ in lakhs

		Note No.	As at 31-Mar-22	As at 31-Mar-21
<b>I</b>	<b>ASSETS</b>			
	<b>1 Non-current assets</b>			
	(a) Property, plant and equipment	3	376.03	473.75
	(b) Other Intangible assets	4	105.97	19.12
	(c) Capital work-in-progress	5	33.99	-
	(d) Right of Use assets	6	1.93	-
	(e) Intangible assets under development	7	229.27	-
	(f) Deferred tax assets (net)	8	80.70	70.04
	(g) Advance tax (net)		137.56	87.78
	<b>Total non-current assets</b>		<b>965.45</b>	<b>650.69</b>
	<b>2 Current assets</b>			
	<b>(a) Financial assets</b>			
	(i) Investments	9	1,297.58	12,357.99
	(ii) Trade receivables	10	669.23	3,603.61
	(iii) Cash and cash equivalents	11	32.66	79.96
	(iv) Other financial assets	12	3.90	0.10
	<b>(b) Other assets</b>	13	4,961.00	3,633.42
	<b>Total current assets</b>		<b>6,964.37</b>	<b>19,675.08</b>
	<b>Total assets</b>		<b>7,929.82</b>	<b>20,325.77</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>1 Equity</b>			
	(a) Share capital	14	2.00	2.00
	(b) Other equity	15	5,483.82	14,936.83
			<b>5,485.82</b>	<b>14,938.83</b>
	<b>2 Non-current liabilities</b>			
	<b>(a) Financial Liabilities</b>			
	(i) Lease Liabilities	27	1.58	-
	<b>Total non-current liabilities</b>		<b>1.58</b>	<b>-</b>
	<b>2 Current liabilities</b>			
	<b>(a) Financial liabilities</b>			
	(i) Lease Liabilities	27	0.35	-
	(i) Trade payables	16		
	(A) Total outstanding dues of micro enterprises and small enterprises		0.15	-
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,790.26	4,824.97
	(ii) Other financial liabilities	17	287.80	0.10
	(b) Provisions		130.34	-
	(c) Current tax liability (net)		132.14	413.56
	(d) Other liabilities	18	101.38	148.31
	<b>Total current liabilities</b>		<b>2,442.42</b>	<b>5,386.94</b>
	<b>Total equity and liabilities</b>		<b>7,929.82</b>	<b>20,325.77</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. 101049W/E300004  
**HORMUZ**  
**ERUCH**  
**MASTER**  
Hormuz Master  
Partner  
Membership No. 110797

Digitally signed by HORMUZ  
ERUCH MASTER  
DN: cn=HORMUZ ERUCH  
MASTER, c=IN, o=Personal,  
email=hormuz.master@srb.in



For and on behalf of the Board of Directors

KABIR  
AHMED  
SHAKIR  
Digitally signed  
by KABIR  
AHMED SHAKIR  
Kabir Ahmed Shakir  
Director

ADESH  
GOYAL  
Digitally signed  
by ADESH  
GOYAL  
Adesh Goyal  
Director

Mumbai  
Date: 20 April 2022

Mumbai  
Date: 20 April 2022

Mumbai

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

₹ in lakhs

	Note No.	For the year ended	
		31-Mar-22	31-Mar-21
<b>INCOME</b>			
I Revenue from operations		7,913.85	31,779.18
II Other Income	19	124.59	541.49
<b>III Total income (I + II)</b>		<b>8,038.44</b>	<b>32,320.67</b>
<b>EXPENSES</b>			
Operating and other expenses	20	5,685.21	16,367.75
Finance costs		0.05	-
Depreciation and amortisation	21	146.86	150.80
<b>Total expenses</b>		<b>5,832.12</b>	<b>16,518.55</b>
<b>V Profit before tax (III-IV)</b>		<b>2,206.32</b>	<b>15,802.12</b>
<b>VI Tax expense</b>	22		
(a) Current tax expense		669.99	4,049.82
(b) Deferred tax - (credit)/ charge		-10.66	6.99
<b>VII Profit for the year (V - VI)</b>		<b>1,546.99</b>	<b>11,745.31</b>
<b>Earnings per equity share</b>			
Basic and diluted (of ` 10 each)		<b>7,734.95</b>	<b>58,726.55</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. 101049W/E300004

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MASTER**

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email=hormuz.master@srb.in

Hormuz Master  
Partner  
Membership No. 110797

Mumbai  
Date: 20 April 2022



For and on behalf of the Board of Directors

KABIR  
AHMED  
SHAKIR

Kabir Ahmed Shakir  
Director

Mumbai  
Date: 20 April 2022

ADESH  
GOYAL

Aadesh Goyal  
Director

Mumbai

**TATA COMMUNICATIONS COLLABORATION SERVICES PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2022**

**A. Equity share capital**

₹ in lakhs

Particulars	No. of shares	Amount
Balance as at 01 April 2020	20,000	2.00
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2021</b>	<b>20,000</b>	<b>2.00</b>

₹ in lakhs

Particulars	No. of shares	Amount
Balance as at 01 April 2021	20,000	2.00
Changes in equity share capital during the year	-	-
<b>Balance as at 31 March 2022</b>	<b>20,000</b>	<b>2.00</b>

**B. Other equity**

₹ in lakhs

Particulars	Retained earnings
Balance as at 01 April 2020	12,191.52
Profit for the year	11,745.31
Dividend paid	-9,000.00
<b>Balance as at 31 March 2021</b>	<b>14,936.83</b>

₹ in lakhs

Particulars	Retained earnings
Balance as at 01 April 2021	14,936.83
Profit for the year	1,546.99
Dividend paid	-11,000.00
<b>Balance as at 31 March 2022</b>	<b>5,483.82</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. 101049W/E300004

**HORMUZ**  
**ERUCH**  
**MASTER**  
Hormuz Master  
Partner  
Membership No. 110797

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Mumbai  
Date: 20 April 2022

For and on behalf of the Board of Directors

**KABIR AHMED**  
**SHAKIR**  
Digitally signed by KABIR  
AHMED SHAKIR  
Kabir Ahmed Shakir  
Director

Mumbai  
Date: 20 April 2022

**ADESH**  
**GOYAL**  
Digitally signed by  
ADESH  
GOYAL  
Aadesh Goyal  
Director

Mumbai



**TATA COMMUNICATIONS COLLABORATION SERVICES PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022**

₹ in lakhs

	Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>1</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	<b>PROFIT BEFORE TAX</b>	<b>2,206.32</b>	<b>15,802.12</b>
	<b>Adjustments for:</b>		
	Depreciation and amortisation expense	146.86	150.80
	Finance cost	0.05	-
	MTM gain on investments carried at fair value through profit and loss (net)	(184.42)	(523.54)
	Allowance for doubtful trade receivables	(21.13)	32.97
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>2,147.68</b>	<b>15,462.35</b>
	<b>Changes in working capital</b>		
	<i>Adjustment for (increase)/decrease in operating assets</i>		
	Trade receivables	2,955.51	3,582.98
	Other current assets	(1,327.58)	(2,134.95)
	Other financial assets	(3.80)	(0.10)
	<i>Adjustment for increase/ (decrease) in operating liabilities</i>		
	Trade payables, other liabilities and provisions	(3,034.56)	(1,996.75)
	Other Current liabilities	(46.92)	63.77
	Short term provisions	130.34	-
	Other Financial liabilities	11.10	(0.24)
	<b>Cash generated from operations before tax</b>	<b>831.77</b>	<b>14,977.05</b>
	Income tax paid	(1,001.20)	(3,869.97)
	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(169.43)</b>	<b>11,107.08</b>
<b>2</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	Purchase of property, plant and equipment and intangible assets	(122.61)	-
	Purchase of current investments	(12,551.77)	(51,285.58)
	Proceeds from sale of current investments	23,796.59	49,152.07
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>11,122.21</b>	<b>(2,133.51)</b>
<b>3</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	Dividend	(11,000.00)	(9,000.00)
	Payment for acquiring right of use assets	(0.04)	-
	Interest paid	(0.04)	-
	<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(11,000.08)</b>	<b>(9,000.00)</b>
	<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(47.30)</b>	<b>(26.43)</b>
	<b>CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR (Refer Note 11 Cash and Cash Equivalents)</b>	<b>79.96</b>	<b>106.39</b>
	<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>	<b>32.66</b>	<b>79.96</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

**HORMUZ**  
**ERUCH**  
**MASTER**  
Hormuz Master  
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Mumbai  
Date: 20 April 2022

For and on behalf of the Board of Directors

KABIR  
AHMED  
SHAKIR  
Kabir Ahmed Shakir  
Director

Digitally signed  
by KABIR  
AHMED SHAKIR

ADESH  
GOYAL  
Adesh Goyal  
Director

Mumbai  
Date: 20 April 2022

Mumbai



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 1. Corporate Information

Tata Communications Collaboration Services Private Limited ('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 licenses from the Department of Telecommunications for providing voice mail / audiotex services in Mumbai, New Delhi, Bangalore and Chennai SDCAs. The shareholders of the Company, vide a special resolution passed at the Extraordinary General Meeting held on 25 November 2021, altered the Objects Clause of the Memorandum of Association of the Company to *inter alia* include carrying 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.

### 2. Significant 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 read with section 133 of the Companies Act 2013.

#### 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(q)),

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 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 year in which the estimate are revised and future years are affected.

Key sources of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### 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.

#### Useful lives of 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.



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 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

- i. 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.
- 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 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)	
- Network equipment	3 to 8 years
ii. Computers and IT servers	3 to 6 years

1. 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.

### 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 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.

Intangible assets are amortised as follows:

Intangible asset	Useful economic lives
Software and Application	3 to 6 years

An intangible assets 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



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

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. 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.

### **h. 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 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.

Types of products and services and their revenue recognition criterion are as follows:

- 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.

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



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

non-recurring charges recognized over the contract/ service period. Contract liabilities have been disclosed as deferred revenue in the financial statements.

### 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 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 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(g) 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.

### j. 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.

### k. 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.



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

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.

### 1. 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:

- 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.





# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

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.

### **m. 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.

### **n. 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.

### **o. 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.

### **p. 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.

### **q. 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.

#### **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



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

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 2022

### r. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

The Company has made necessary disclosure in the respective schedules as applicable

#### Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

#### Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency, if any.

On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022, as below:

- Ind AS 103 – Reference to Conceptual Framework:

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

- Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

- Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

*for the year ended 31 March 2022*

amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

- Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements. The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The amendments are extensive and the Company will give effect to them as required by law.

### 3. Property, plant and equipment

Particulars	Amount in ₹ lakhs		
	Plant and Machinery	Computers	Total
<b>Cost</b>			
Balance as at 1 April 2020	954.30	0.57	954.87
Additions	-	-	-
Disposals/ adjustments	-	-	-
<b>Balance as at 31 March 2021</b>	<b>954.30</b>	<b>0.57</b>	<b>954.87</b>
Additions	34.11	-	34.11
Disposals/ adjustments	-	-	-
<b>Balance as at 31 March 2022</b>	<b>988.41</b>	<b>0.57</b>	<b>988.98</b>
<b>Accumulated depreciation</b>			
Balance as at 1 April 2020	335.78	0.57	336.35
Depreciation	144.77	-	144.77
Disposals/ adjustments	-	-	-
<b>Balance at 31 March 2021</b>	<b>480.55</b>	<b>0.57</b>	<b>481.12</b>
Depreciation	131.83	-	131.83
Disposals/ adjustments	-	-	-
<b>Balance as at 31 March 2022</b>	<b>612.38</b>	<b>0.57</b>	<b>612.95</b>
<b>Carrying amount</b>			
Balance as at 31 March 2021	473.75	-	473.75
Balance as at 31 March 2022	376.03	-	376.03



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2022*

**4. Intangible assets**

Amount in ₹ lakhs	
Particulars	Software (Total)
<b>Cost</b>	
Balance as at 1 April 2020	35.19
Additions	-
Disposals/ adjustments	-
<b>Balance as at 31 March 2021</b>	<b>35.19</b>
Additions	101.85
Disposals/ adjustments	-
<b>Balance as at 31 March 2022</b>	<b>137.04</b>
<b>Accumulated depreciation</b>	
Balance as at 1 April 2020	10.04
Depreciation	6.03
Disposals/ adjustments	-
<b>Balance as at 31 March 2021</b>	<b>16.07</b>
Depreciation	15.00
Disposals/ adjustments	-
<b>Balance as at 31 March 2022</b>	<b>31.07</b>
<b>Carrying amount</b>	
Balance as at 31 March 2021	19.12
<b>Balance as at 31 March 2022</b>	<b>105.97</b>

**5. Capital work-in-progress (CWIP)**

**CWIP Ageing Schedule:**

Particulars					Amount in ₹ lakhs
					Total
Ageing					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in Progress</b>					
As on 31 March 2022	33.99	-	-	-	33.99
As on 31 March 2021	-	-	-	-	-

There are no projects whose completion is overdue or which are temporarily suspended or whose cost has exceeded its cost compared to its original plan as at 31 March 2022 and 31 March 2021, respectively.

**6. Right of Use assets**

Amount in ₹ lakhs	
Particulars	Amount
Balance as at 1 April 2020	-
Additions	-
Termination	-
Depreciation	-
<b>Balance as at 31 March 2021</b>	<b>-</b>
Additions	1.96
Termination	-
Depreciation	(0.03)
<b>Balance as at 31 March 2022</b>	<b>1.93</b>

- a. The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense 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 2022*

**7. Intangibles 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 2022	229.27	-	-	-	229.27
As on 31 March 2021	-	-	-	-	-

**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 2022</b>					
Project 1	2.99	-	-	-	-
<b>As on 31 March 2021</b>	-	-	-	-	-

There are no projects which are temporarily suspended or whose cost has exceeded its cost compared to its original plan as at 31 March 2022 and 31 March 2021 respectively.

**8. Deferred tax asset (net)**

Amount in ₹ lakhs

Major components of deferred tax asset and liability consist of the following:

	As at 1 April 2021	Recognised in profit or loss	As at 31 March 2022
<b>Deferred tax asset arising out of timing differences on:</b>			
Provision for doubtful debts	25.69	(5.32)	20.37
Expenditure disallowed under section 40 (a) (ia)	16.40	(15.94)	0.46
Difference between accounting and tax depreciation/ amortisation	18.27	6.92	25.19
Interest received on provisional income-tax assessment	10.67	0.32	10.99
Accrued expenditure	-	32.81	32.81
<b>Deferred tax liability arising out of timing differences on:</b>			
MTM gain on Mutual Funds	0.99	8.13	9.12
<b>Total Deferred tax (liabilities)/ assets</b>	<b>70.04</b>	<b>10.66</b>	<b>80.70</b>



**Tata Communications Collaboration Services Private Limited**  
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*for the year ended 31 March 2022*

Major components of deferred tax asset and liability consist of the following:

Amount in ₹ lakhs

	As at 1 April 2020	Recognised in profit or loss	As at 31 March 2021
<b>Deferred tax asset arising out of timing differences on:</b>			
Provision for doubtful debts	17.39	8.30	25.69
Expenditure disallowed under section 40 (a) (ia)	53.12	(36.72)	16.40
Difference between accounting and tax depreciation/ amortisation	6.52	11.75	18.27
Interest received on provisional income-tax assessment	-	10.67	10.67
<b>Deferred tax liability arising out of timing differences on:</b>			
MTM gain on Mutual Funds	-	0.99	0.99
<b>Total Deferred tax (liabilities)/ assets</b>	<b>77.03</b>	<b>(6.99)</b>	<b>70.04</b>

**9. Investments**

Amount in ₹ lakhs

	As at 31 March 2022	As at 31 March 2021
<b>Current</b>		
Investments at FVTPL (Mutual Funds)	1,297.58	12,357.99
<b>Total</b>	<b>1,297.58</b>	<b>12,357.99</b>

**10. Trade Receivables**

Amount in ₹ lakhs

	As at 31 March 2022	As at 31 March 2021
<b>Unsecured</b>		
Considered good *	669.23	3,603.61
Considered doubtful	80.94	102.07
	<b>750.17</b>	3,705.68
Less: allowances for doubtful debts	(80.94)	(102.07)
<b>Total</b>	<b>669.23</b>	<b>3,603.61</b>

\* Includes Trade Receivables from Related Parties (refer note 26)



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2022*

**Trade receivable ageing schedule**

**As at 31 March 2022**

Amount in ₹ lakhs								
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	274.59	115.34	234.61	33.71	8.07	1.96	0.85	669.13
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	28.83	28.72	23.39	80.94
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.08	-	-	0.02	0.10
(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>274.59</b>	<b>115.34</b>	<b>234.61</b>	<b>33.79</b>	<b>36.90</b>	<b>30.68</b>	<b>24.26</b>	<b>750.17</b>
Less: allowances for doubtful debts								(80.94)
<b>Total</b>								<b>669.23</b>

**As at 31 March 2021**

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	467.25	1,641.67	1,421.65	69.83	-	-	3.19	3,603.59
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	55.59	20.02	26.43	102.04
(iii) Undisputed Trade Receivables – credit impaired	0.02	0.01	-	-	-	-	0.02	0.05
(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>467.27</b>	<b>1,641.68</b>	<b>1,421.65</b>	<b>69.83</b>	<b>55.59</b>	<b>20.02</b>	<b>29.64</b>	<b>3,705.68</b>
Less: allowances for doubtful debts								(102.07)
<b>Total</b>								<b>3,603.61</b>



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2022*

**11. Cash and cash equivalents**

	Amount in ₹ lakhs	
	As at 31 March 2022	As at 31 March 2021
Current accounts with scheduled banks	32.66	79.96
<b>Total</b>	<b>32.66</b>	<b>79.96</b>

**12. Other financial assets**

	Amount in ₹ lakhs	
	As at 31 March 2022	As at 31 March 2021
a. Advances to contractors and vendors	3.90	0.10
<b>Total</b>	<b>3.90</b>	<b>0.10</b>

**13. Other assets**

	Amount in ₹ lakhs	
	As at 31 March 2022	As at 31 March 2021
<b>Current</b>		
<b>Unsecured – considered good</b>		
a. Goods and Service tax receivable	4,496.62	3,633.26
b. <u>Prepaid expenses</u>		
Related parties	462.94	0.16
Others	1.44	-
<b>Total</b>	<b>4,961.00</b>	<b>3,633.42</b>

**14. Equity share capital**

	Amount in ₹ lakhs	
	As at 31 March 2022	As at 31 March 2021
a. <b>Authorised:</b>		
150,000 (31 March 2021: 150,000) Equity shares of ₹ 10 each	15.00	15.00
b. <b>Issued, subscribed and paid up:</b>		
20,000 (31 March 2021: 20,000) Equity shares of ₹ 10 each fully paid up	2.00	2.00

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

There is no change in the issued, subscribed and paid up share capital of the Company during the current year.

**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





# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

c. The Board of Directors have recommended a dividend of ₹ Nil per share (2020 - 2021 ₹ 55,000) per share.

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

	As at 31 March 2022		As at 31 March 2021	
	No of shares	Percentage	No of shares	Percentage
Tata Communications Limited (Holding Company)	20,000	100%	20,000	100%

### 15. Other equity

	Amount in ₹ lakhs	
	As at 31 March 2022	As at 31 March 2021
a. Retained earnings	5,483.82	14,936.83
<b>Total</b>	<b>5,483.82</b>	<b>14,936.84</b>

### 16. Trade payables

	Amount in ₹ lakhs	
	As at 31 March 2022	As at 31 March 2021
A. Total outstanding dues of micro enterprises and small enterprises (refer note 32)	0.15	-
<b>Sub-total (A)</b>	<b>0.15</b>	<b>-</b>
B. Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Payable to related parties	1,419.80	4,729.61
- Other creditors	370.46	95.36
<b>Sub-total (B)</b>	<b>1,790.26</b>	<b>4,824.97</b>
<b>Total</b>	<b>1,790.41</b>	<b>4,824.97</b>



**Tata Communications Collaboration Services Private Limited**  
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**Trade payable ageing schedule**

**As at 31 March 2022**

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	-	0.15	-	-	-	-	0.15
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,164.28	359.28	125.83	72.79	13.64	54.44	1,790.26
(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>1,164.28</b>	<b>359.43</b>	<b>125.83</b>	<b>72.79</b>	<b>13.64</b>	<b>54.44</b>	<b>1,790.41</b>

**As at 31 March 2021**

**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	-	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,560.49	27.10	3,098.39	32.83	76.33	29.83	4,824.97
(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>1,560.49</b>	<b>27.10</b>	<b>3,098.39</b>	<b>32.83</b>	<b>76.33</b>	<b>29.83</b>	<b>4,824.97</b>



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2022*

**17. Other financial liabilities**

Amount in ₹ lakhs

	As at 31 March 2022	As at 31 March 2021
<b>Current</b>		
a. Deposits from customers and contractors	0.10	0.10
b. Capital creditors		
- Related parties	260.27	-
- Others	16.33	-
c. Other liabilities	11.10	-
<b>Total</b>	<b>287.80</b>	<b>0.10</b>

**18. Other current liabilities**

Amount in ₹ lakhs

	As at 31 March 2022	As at 31 March 2021
<b>Current</b>		
a. Statutory dues payable	91.94	139.09
b. Deferred revenue	9.44	9.22
<b>Total</b>	<b>101.38</b>	<b>148.31</b>

**19. Other income**

Amount in ₹ lakhs

	For the year ended 31 March 2022	For the year ended 31 March 2021
a. Gain on investments carried at fair value through profit and loss	184.42	523.54
b. Foreign exchange (loss)/ gain (net)	(63.81)	17.95
c. Others	3.98	-
<b>Total</b>	<b>124.59</b>	<b>541.49</b>

**20. Operating and other expenses**

Amount in ₹ lakhs

	For the year ended 31 March 2022	For the year ended 31 March 2021
a. Network and transmission expense	4,807.69	14,008.74
b. Services rendered by related parties	418.78	2,122.35
c. Provision for doubtful trade receivables	(21.13)	32.97
d. Legal and professional fees	16.53	12.41
e. Corporate social responsibility expenditure (Refer i below)	237.44	165.72
f. Other expenses (Refer note 23)	225.90	25.56
<b>Total</b>	<b>5,685.21</b>	<b>16,367.75</b>



**Tata Communications Collaboration Services Private Limited**  
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i. Disclosure in respect of Corporate social responsibility (CSR) expenditure:

		<b>Amount in ₹ lakhs</b>	
		<b>For the year ended 31 March 2022</b>	<b>For the year ended 31 March 2021</b>
1	Amount required to be spent by the Company during the year	237.44	164.14
2	Amount of expenditure incurred on		
	(i) Construction / acquisition of any asset	61.12	93.45
	(ii) On purposes other than (i) above	36.60	72.27
3	Shortfall at the end of the year	139.72	-
4	Total of previous years shortfall	-	-
5	Unspent amount in relation to ongoing project	139.72	-
6	Reason for shortfall	Pertains to ongoing projects	NA
7	Nature of CSR activities	Mainly for sustainable livelihoods and environmental sustainability	Mainly for Entrepreneurship training to women coming from difficult socio-economic background, environmental education, providing food security and improving overall quality of life of tribals, COVID 19 relief
8	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

As required by the relevant rules, the Company has deposited the unspent amount in a specified bank account subsequent to the year end.

**21. Depreciation and amortisation**

		<b>Amount in ₹ lakhs</b>	
	<b>Particulars</b>	<b>For the year ended 31 March 2022</b>	<b>For the year ended 31 March 2021</b>
	Depreciation on property, plant and equipment (note 3)	131.83	144.77
	Amortisation of intangible assets (note 4)	15.00	6.03
	Depreciation on Right of use assets (note 6)	0.03	-
	<b>Total</b>	<b>146.86</b>	<b>150.80</b>



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
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**22. Income tax**

i. Income tax recognised in Statement of Profit and Loss

Amount in ₹ lakhs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<u>Current tax</u>		
In respect of current year	670.09	4,048.51
In respect of earlier year	(0.10)	1.31
<b>Total Current tax (a)</b>	<b>669.99</b>	<b>4,049.82</b>
<u>Deferred tax</u>		
In respect of the current year	(55.05)	(29.73)
In respect of the earlier year	44.39	36.72
<b>Total deferred tax (b)</b>	<b>(10.66)</b>	<b>6.99</b>
<b>Total Income tax (a + b)</b>	<b>659.33</b>	<b>4,056.81</b>

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 2022	For the year ended 31 March 2021
Profit before tax	2,206.32	15,802.12
Income tax expense calculated at 25.168% tax rate (2020 - 2021: 25.168% tax rate)	555.29	3,977.08
<b>Reasoning</b>		
Effect of expenses /adjustments that are not deductible in determining taxable profit	59.75	41.70
Tax pertaining to prior years	44.29	38.03
Total	104.04	79.73
<b>Income tax expense recognised in Profit or Loss</b>	<b>659.33</b>	<b>4,056.81</b>

**23. Auditor's remuneration:**

(Included in Other expenses under operating and other expenses – Refer note 20)

Amount in ₹ lakhs

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>a. Payment to statutory auditors</b>		
i. Audit fees	8.25	8.25
ii. Others	4.38	2.05
<b>b. Payment to cost auditor</b>		
i. For cost audit services	0.04	-

*Above amount excludes GST/ Service tax*



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 24. Earnings per share

	Amount in ₹ lakhs	
	As at 31 March 2022	As at 31 March 2021
Net profit after tax attributable to the equity shareholders (A)	1,546.99	11,745.31
Number of equity shares outstanding at the end of the year	20,000	20,000
Weighted average number of shares outstanding during the year (B)	20,000	20,000
Basic and diluted earnings per share (₹ per equity share of ₹ 10 each) (A/B)	7,734.95	58,726.55

### 25. Segment reporting

The Company is engaged in telecommunication services in the form of voice mail / audiotex licenses for Mumbai, New Delhi, Bangalore and Chennai SDCAs granted by the Department of Telecommunications.

The Company geographical segment is as per the table below:

	Amount in ₹ lakhs	
Country	For the year ended 31 March 2022	For the year ended 31 March 2021
India	4,718.18	8,297.61
United States of America	3,074.43	18,717.78
United Kingdom	78.74	4,151.42
Others	42.50	612.37
<b>Total</b>	<b>7,913.85</b>	<b>31,779.18</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 customers:

	Amount in ₹ lakhs	
Name	For the year ended 31 March 2022	For the year ended 31 March 2021
Customer C	3,074.43	18,717.78
Customer E	2,963.40	1,348.71
Customer B	974.62	1,271.22
Customer A	78.74	4,151.42
Customer D	(0.82)	2,689.21



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### 26. 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*	<p>Tata Sons Private Limited**</p> <p>Tata Teleservices Limited</p> <p>Tata Consultancy Services Limited</p> <p>Tata AIG General Insurance Company Limited</p> <p>AirAsia (India) Limited</p> <p>Automotive Stampings and Assemblies Limited</p> <p>Ecofirst Services Limited</p> <p>Infiniti Retail Limited</p> <p>TASEC Limited (formerly TAS-AGT Systems Limited)</p> <p>Tata Advanced Materials Limited (merged with Tata Advanced Systems Limited)</p> <p>Tata Advanced Systems Limited</p> <p>Tata AutoComp GY Batteries Private Limited (formerly Tata AutoComp GY Batteries Limited)</p> <p>Tata AIA Life Insurance Company Limited</p> <p>Tata Autocomp Hendrickson Suspensions Private Limited (formerly Taco Hendrickson Suspensions Private Limited)</p> <p>Tata Autocomp Katcon Exhaust Systems Private Limited (formerly Katcon India Private Limited)</p> <p>Tata Autocomp Systems Limited</p> <p>Tata Boeing Aerospace Limited (formerly Tata Aerospace Limited)</p> <p>Tata Capital Financial Services Limited</p> <p>Tata Consulting Engineers Limited</p> <p>Tata Housing Development Company Limited</p> <p>Tata International Limited</p> <p>Tata SIA Airlines Limited</p> <p>Tata Sikorsky Aerospace Limited (formerly Tata Aerospace Systems Limited)</p> <p>Tata Play Broadband Private Limited (formerly Tata Sky Broadband Private Limited)</p> <p>Tata Play Limited</p> <p>Tata Toyo Radiator Limited</p> <p>Tata Technologies Limited</p>





**Tata Communications Collaboration Services Private Limited**  
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Sr No	Category of related parties	Names
		Tata Asset Management Limited
		TML Business Services Limited (formerly Concorde Motors (India) Limited)
		Conneqt Business Solutions Limited (formerly Tata Business Support Services Limited) (ceased w.e.f. 16.04.2021)
		Tata Chemicals Limited
		Tata Coffee Ltd.
		Tata Elxsi Limited
		Tata Metaliks Ltd.
		Tata Power Solar Systems Limited
		Tata Projects Limited
		Tata AIG General Insurance Company Limited
		Tata Steel Limited
		Tata Steel Downstream Products Limited (formerly Tata Steel Processing and Distribution Limited)
		Tata Teleservices (Maharashtra) Limited
		The Indian Hotels Company Limited
		The Tinsplate Company of India Limited
		Titan Company Limited
		Indian Steel & Wire Products Ltd.
		Allsec Technologies Limited (ceased w.e.f. 16.04.2021)
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. Zoo
		Tata Communications (Switzerland) GmbH
		Tata Communications (France) SAS
		Tata Communications (Sweden) AB



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
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Sr No	Category of related parties	Names
		Tata Communications Lanka Limited
		Tata Communications Comunicações E Multimídia (Brazil) Limitada
		Oasis Smart SIM Europe SAS (w.e.f. 23.12.2020)
		Tata Communications (Belgium) Srl (Formerly Tata Communications (Belgium) S.P.R.L.)
		Tata Communications (Italy) SRL
D	Associates of holding company *	STT Global Data Centres India Private Limited (formerly Tata Communications Data Centers Private Limited)
E	Others *	Go Digit Infoworks 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.

\*\* On 16 and 17 March 2021, the Government of India had divested 16.12% of its stake in Tata Communications Limited under the offer for sale mechanism of the stock exchanges to non-promoter shareholders. On 18 March 2021, Panatone Finvest Limited ('Panatone'), a subsidiary of Tata Sons Private Limited ('TSPL') purchased the balance stake of 10% from Government of India through an off-market inter-se transfer of shares between promoters. Consequently, the combined stake of TSPL in Tata Communications Limited increased from 48.87% to 58.87% and Government of India ceased to hold any shares in Tata Communications Limited.

**ii. Summary of transactions and balances with related parties**

Particulars	Holding company	Ultimate Holding Company/ Controlling party and its Affiliates	Fellow subsidiaries	Amount in ₹ lakhs		Total
				Associates of holding company	Others	
<u>Transactions during the year</u>						
Revenue from operations	(0.82)	44.18	3,198.62	0.12	0.06	3,242.16
	2,689.21	295.05	23,488.93	4.07	10.60	26,487.86
Operating and other expenses (including services rendered by related parties)	213.07	2,113.82	2,672.29	-	-	4,999.19
	772.93	4,776.60	3,110.87	-	-	8,660.40
Purchase of Mutual Funds	-	364.98	-	-	-	364.98
	-	9,219.75	-	-	-	9,219.75
Redemption of Mutual Funds	-	212.69	-	-	-	212.69
	-	8,785.93	-	-	-	8,785.93
Dividend paid	11,000.00	-	-	-	-	11,000.00
	9,000.00	-	-	-	-	9,000.00
Purchase of PPE and Intangible assets (incl CWIP and ITUD)	1.96	73.97	260.27	-	-	336.20
	-	-	-	-	-	-



**Tata Communications Collaboration Services Private Limited**  
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Particulars	Holding company	Ultimate Holding Company/ Controlling party and its Affiliates	Fellow subsidiaries	Associates of holding company	Others	Total
<b><u>Closing balances</u></b>						
Trade receivables	32.45	12.50	192.25	-	-	237.20
	<i>61.42</i>	<i>77.74</i>	<i>2,360.17</i>	<i>10.82</i>	<i>(0.05)</i>	<i>2,510.10</i>
Current investments	-	704.44	-	-	-	704.44
	-	<i>528.29</i>	-	-	-	<i>528.29</i>
Other assets (current)	-	0.15	462.79	-	-	462.94
	-	<i>0.16</i>	-	-	-	<i>0.16</i>
Trade payables (including capital creditors)	228.90	403.10	1,048.07	-	-	1,680.07
	<i>2,313.19</i>	<i>566.59</i>	<i>1,849.83</i>	-	-	<i>4,729.61</i>
Other non current liabilities	1.58	-	-	-	-	1.58
	-	-	-	-	-	-
Other current liabilities	0.35	-	-	-	-	0.35
	-	-	-	-	-	-

*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 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2021: ₹ Nil).

**27. 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.

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

Particulars	Amount in ₹ lakhs	
	As at 31 March 2022	As at 31 March 2021
Current liability	0.35	-
Non current liability	1.58	-
<b>Balances</b>	<b>1.93</b>	<b>-</b>



# Tata Communications Collaboration Services Private Limited

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for the year ended 31 March 2022

The following is the movement in lease liabilities during the year ended 31 March 2022 and 31 March 2021

Amount in ₹ lakhs	
Particulars	Amount
<b>Balance as at 31 March 2021</b>	-
Additions	1.96
Finance cost accrued during the year	0.01
Payment/ Reversal of lease liabilities	(0.04)
<b>Balance as at 31 March 2022</b>	<b>1.93</b>

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2022 and 31 March 2021 on an undiscounted basis:

Amount in ₹ lakhs		
	As at	As at
	31 March 2022	31 March 2021
Due not later than one year	0.47	-
Due later than one year but not later than five years	1.79	-
Later than five years	-	-
	<b>2.26</b>	<b>-</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.

### 28. 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 2022 and 31 March 2021 are as follows:

Amount in ₹ lakhs						
	As at 31 March 2022			As at 31 March 2021		
	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	1,297.58	-	1,297.58	12,357.99	-	12,357.99
Trade receivables	-	669.23	669.23	-	3,603.61	3,603.61
Other financial assets	-	3.90	3.90	-	0.10	0.10
Cash and cash equivalents	-	32.66	32.66	-	79.96	79.96
<b>Total</b>	<b>1,297.58</b>	<b>705.79</b>	<b>2,003.37</b>	<b>12,357.99</b>	<b>3,683.67</b>	<b>16,041.66</b>



**Tata Communications Collaboration Services Private Limited**  
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Amount in ₹ lakhs

	As at 31 March 2022			As at 31 March 2021		
	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	1.93	-	1.93	-	-	-
Trade payables	-	1,790.41	1,790.41	-	4,824.97	4,824.97
Other financial liabilities	-	287.80	287.80	-	0.10	0.10
<b>Total</b>	<b>1.93</b>	<b>2,078.21</b>	<b>2,080.14</b>	<b>-</b>	<b>4,825.07</b>	<b>4,825.07</b>

Carrying amounts of cash and cash equivalents, trade receivables and trade payables as at 31 March 2022 and 31 March 2021 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 2022**

Amount in ₹ lakhs

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
i. Investment in mutual funds	1,297.58	-	-	1,297.58
<b>Total</b>	<b>1,297.58</b>	<b>-</b>	<b>-</b>	<b>1,297.58</b>

**As at 31 March 2021**

Amount in ₹ lakhs

	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
i. Investment in mutual funds	12,357.99	-	-	12,357.99
<b>Total</b>	<b>12,357.99</b>	<b>-</b>	<b>-</b>	<b>12,357.99</b>

**29. 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



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

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 2022 and 31 March 2021.

Amount in ₹ lakhs		
Currency	USD	GBP
<b>As at 31 March 2022</b>		
Financial assets	-	-
Financial Liabilities	930.65	-
<b>As at 31 March 2021</b>		
Financial assets	503.74	-
Financial Liabilities	-	4.53

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 ₹ 46.53 lakhs (2020 - 2021: ₹ 24.96 lakhs) for the year ended 31 March 2022.

### c. 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



# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

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 as mentioned below:

Amount in ₹ lakhs		
Ageing of receivables	As at 31 March 2022	As at 31 March 2021
Within credit period	389.93	2,108.95
1-90 days	212.71	1,389.14
91-180 days	21.90	32.51
181-360 days	33.79	69.82
More than 360 days	10.90	3.19
<b>Total</b>	<b>669.23</b>	<b>3,603.61</b>

### d. Liquidity risk

The Company monitors its risk of 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 summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Amount in ₹ lakhs				
As at 31 March 2022	On demand	0 to 12 months	1 to 5 years	Total
Other financials liabilities	16.43	271.37	-	287.80
Trade Payables	340.84	1,449.57	-	1,790.41

Amount in ₹ lakhs				
As at 31 March 2021	On demand	0 to 12 months	1 to 5 years	Total
Other financials liabilities	0.10	-	-	0.10
Trade Payables	880.91	3,944.06	-	4,824.97

### 30. Contingent liabilities and commitments:

#### a. Contingent liabilities

Amount in ₹ lakhs		
Particulars	As at 31 March 2022	As at 31 March 2021
Income Tax* (refer note 31)	121.49	121.49

\* In case the above cases are against the Company, then the Company may be liable for interest exposure of ₹ 22.40 lakhs on final settlement of the claims.





# Tata Communications Collaboration Services Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

### b. Commitments

#### i. Capital commitments

Estimated amount of contracts remaining to be executed on capital account, not provided for amount to ₹ 301.28 lakhs (31 March 2021: ₹ Nil) (net of capital advances).

31. During the earlier years, the Company has received Order u/s 201/201(A) of the Income Tax Act, 1961 for FY 2017-18 (AY 2018-19) raising demand of ₹ 120.05 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 favourable outcome of the appeal filed thereagainst.

#### 32. 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 2022	As at 31 March 2021
a. Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.15	-
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	8.36	-
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	0.15	-

#### 33. Struck off Companies:

As at 31 March 2022

Amount in ₹ lakhs

Name of struck off Company	Nature of transactions with struck-off Company	As at 31 March 22	As at 31 March 21
Transworld Rugby (India) Private Limited	Trade Receivables	0.08	0.03
Ashcroft India Private Limited	Trade Receivables	0.01	0.01
JRP Software Solutions India Private Limited	Trade Receivables	0.01	0.01

Amount receivable from customers is gross of provision for doubtful debts of ₹ 0.04 lakhs and ₹ 0.04 lakhs for 31 March 22 and 31 March 21 respectively.



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
for the year ended 31 March 2022

**34. Ratios:**

<b>Ratios</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>Current ratio (no of times)</b> <i>Total Current Assets/ Total Current Liabilities</i>	2.85	3.65
<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>	15.15%	86.58%
<b>Inventory turnover ratio</b>	NA	NA
<b>Trade receivables turnover ratio (no of times) (refer b below)</b> <i>Income from Operations/ Average Trade receivables</i>	3.70	5.87
<b>Trade payables turnover ratio (no of times) (refer c 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>	1.70	2.81
<b>Net capital turnover ratio (no of times)</b> <i>Income from Operations/ Working Capital (Current Assets- Current Liabilities)</i>	1.75	2.22
<b>Net profit ratio (%) (refer d below)</b> <i>Profit/(Loss) for the period/ Income from Operations</i>	19.55%	36.96%
<b>Return on capital employed (no of times) (refer e below)</b> <i>Earnings before interest &amp; tax/ Capital Employed (Net worth + Total Debt)</i>	0.40	1.06
<b>Return on investment (%) (refer f below)</b> <i>Profit/ (Loss) for the year/ Average Equity</i>	15.15%	86.58%

- Reduction in profit and average equity has resulted in a decrease in the ratio.
- Reduction in income from operations and average trade receivables has resulted in a decrease in the ratio.
- Reduction in operating and other expenses and average trade payables has resulted in improvement in the ratio.
- Reduction in income from operations and profit has resulted in decrease in the ratio.
- Reduction in earnings before interest and tax and net worth has resulted in a decrease in the ratio
- Reduction in profit and average equity has resulted in a decrease in the ratio.

**35. Events after the reporting period**

There are no subsequent events between the year ended 31 March 2022 and signing of financial statements as on 20 April 2022 which have material impact on the financials of the Company.

**36. Approval of financial statements**

The financial statements were approved for issue by the board of directors on 20 April 2022.



**Tata Communications Collaboration Services Private Limited**  
**Notes forming part of the financial statements**  
*for the year ended 31 March 2022*

37. Previous year's figures have been regrouped/rearranged where necessary to confirm to current year's classification/disclosure.

**For S.R. Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration No. 101049W/ E300004

**For and on behalf of the Board of Directors**

**HORMUZ  
ERUCH  
MASTER**  
Digitally signed by HORMUZ  
ERUCH MASTER  
DN: cn=HORMUZ ERUCH  
MASTER, c=IN, o=Personal,  
email=hormuz.master@srb.in

**KABIR  
AHMED  
SHAKIR**  
Digitally  
signed by  
KABIR AHMED  
SHAKIR

**ADESH  
GOYAL**  
Digitally  
signed by  
ADESH  
GOYAL

**Hormuz Master**

**Kabir Ahmed Shakir**

**Aadesh Goyal**

Partner

Director

Director

Membership No. 110797



**MUMBAI**

**MUMBAI**

**MUMBAI**

DATE: 20 April 2022

DATE: 20 April 2022

Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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:

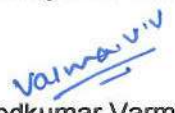
- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	28,379,739	2,150,900,418	33,837,126	2,473,832,281
Capital work-in-progress		1,282,134	97,172,936	1,614,128	118,008,898
Right-of-use assets		22,040,086	1,670,418,118	26,183,298	1,914,260,917
Other Intangible assets	2	16,872,777	1,278,787,769	16,689,661	1,220,181,116
Intangible assets under development		57,426	4,352,317	749,510	54,796,676
Investments in subsidiaries & associates	3	156,552	11,865,076	156,552	11,445,517
Financial assets					
(i) Other financial assets	4	495,539	37,556,901	520,253	38,035,697
Other Non-current assets	5	1,569,906	118,983,176	2,160,358	157,943,773
		70,854,159	5,370,036,711	81,910,886	5,988,504,875
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	6	28,988,873	2,197,066,685	31,463,492	2,300,295,900
(ii) Cash and cash equivalents	7	221,828	16,812,344	817,357	59,756,970
(iii) Other financial assets	8	82,381	6,243,656	156,613	11,449,976
Other Current assets	9	8,749,436	663,119,754	9,056,221	662,100,317
		38,042,518	2,883,242,439	41,493,683	3,033,603,163
<b>TOTAL ASSETS</b>		108,896,677	8,253,279,150	123,404,569	9,022,108,038
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	10	13,542,142	1,026,358,942	13,542,142	990,066,002
Other equity	11	(69,563,025)	(5,272,181,664)	(79,023,943)	(5,777,440,476)
<b>Total Equity</b>		(56,020,883)	(4,245,822,722)	(65,481,801)	(4,787,374,474)
<b>(2) Non-current liabilities</b>					
Financial liabilities					
(i) Lease liabilities		19,380,888	1,468,877,502	25,639,309	1,874,489,881
Provisions	12	8,196,151	621,186,284	7,214,043	527,418,684
Other non current liabilities (Deferred revenue)		40,527,912	3,071,610,450	48,335,635	3,533,818,275
		68,104,951	5,161,674,236	81,188,987	5,935,726,840
<b>(3) Current liabilities</b>					
Financial liabilities					
(i) Borrowings	13	25,957,257	1,967,300,508	42,071,332	3,075,835,083
(ia) Lease liabilities		6,485,733	491,553,704	6,588,770	481,704,975
(ii) Trade payables	14	46,385,875	3,515,585,467	41,145,668	3,008,159,787
(iii) Other financial liabilities	15	576,212	43,671,107	451,529	33,011,285
Other current liabilities	16	16,820,661	1,274,837,897	16,658,186	1,217,879,979
Provisions	17	586,871	44,478,953	781,898	57,164,563
		96,812,609	7,337,427,636	107,697,383	7,873,755,672
<b>TOTAL EQUITY AND LIABILITIES</b>		108,896,677	8,253,279,150	123,404,569	9,022,108,038

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	18	240,813,242	18,251,235,611	223,461,480	16,337,268,803
ii	Other Income		2,017,635	152,916,556	5,802,463	424,218,070
iii	<b>Total income (i + ii)</b>		<b>242,830,877</b>	<b>18,404,152,167</b>	<b>229,263,943</b>	<b>16,761,486,873</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	19	157,215,682	11,915,376,539	144,503,953	10,564,684,004
	Employee benefits expenses	20	29,695,563	2,250,626,719	32,798,568	2,397,903,306
	Finance costs	21	1,804,733	136,780,714	1,667,292	121,895,718
	Depreciation and amortisation expenses	22	11,802,945	894,545,202	12,091,893	884,038,297
	Operating and other expenses		33,064,007	2,505,921,089	31,712,301	2,318,486,330
	<b>Total expenses</b>		<b>233,582,930</b>	<b>17,703,250,263</b>	<b>222,774,007</b>	<b>16,287,007,655</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>9,247,947</b>	<b>700,901,904</b>	<b>6,489,936</b>	<b>474,479,218</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		212,971	16,141,072	(1,253,949)	(91,676,211)
vii	<b>Profit before taxes (v - vi)</b>		<b>9,460,918</b>	<b>717,042,976</b>	<b>5,235,987</b>	<b>382,803,007</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	166,998	12,209,224
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>	<b>166,998</b>	<b>12,209,224</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>9,460,918</b>	<b>717,042,976</b>	<b>5,068,989</b>	<b>370,593,783</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	524,909	39,782,853	524,909	38,376,097
Building	1,865,475	141,384,350	1,865,475	136,384,877
Lease hold improvement	9,393,562	711,938,064	8,631,164	631,024,400
Cables	21,501,975	1,629,634,685	21,303,682	1,557,512,191
Plant and machinery	102,461,339	7,765,544,883	109,497,420	8,005,356,376
Furniture and fixtures	1,800,623	136,469,217	1,800,623	131,643,548
Computers	5,238,203	397,003,405	5,356,719	391,629,726
Office equipment	805,694	61,063,548	805,694	58,904,288
(a)	143,591,780	10,882,821,005	149,785,686	10,950,831,503
<b>Accumulated depreciation:</b>				
Building	1,238,334	93,853,334	1,161,709	84,932,545
Lease hold improvement	7,054,980	534,696,934	6,445,990	471,266,329
Cables	15,191,808	1,151,387,128	14,041,747	1,026,592,123
Plant and machinery	85,368,410	6,470,071,794	88,127,226	6,442,981,493
Furniture and fixtures	1,029,489	78,024,971	896,884	65,571,189
Computers	4,764,072	361,069,017	4,784,214	349,773,886
Office equipment	564,948	42,817,409	490,790	35,881,657
(b)	115,212,041	8,731,920,587	115,948,560	8,476,999,222
<b>Net block (a) - (b)</b>	<b>28,379,739</b>	<b>2,150,900,418</b>	<b>33,837,126</b>	<b>2,473,832,281</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	7,721,829	585,237,420	14,613,607	1,068,400,808
Indefeasible right to use assets	28,944,442	2,193,699,259	28,653,487	2,094,856,435
(a)	36,666,271	2,778,936,679	43,267,094	3,163,257,243
<b>Accumulated amortisation:</b>				
Computer software	5,420,324	410,806,356	13,859,108	1,013,239,386
Indefeasible right to use assets	14,373,170	1,089,342,554	12,718,325	929,836,741
(b)	19,793,494	1,500,148,910	26,577,433	1,943,076,127
<b>Net block (a) - (b)</b>	<b>16,872,777</b>	<b>1,278,787,769</b>	<b>16,689,661</b>	<b>1,220,181,116</b>

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments in subsidiaries	156,552	11,865,076	156,552	11,445,517
<b>Total</b>	<b>156,552</b>	<b>11,865,076</b>	<b>156,552</b>	<b>11,445,517</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	495,539	37,556,901	520,253	38,035,697
<b>Total</b>	<b>495,539</b>	<b>37,556,901</b>	<b>520,253</b>	<b>38,035,697</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	1,569,906	118,983,176	2,160,358	157,943,773
<b>Total</b>	<b>1,569,906</b>	<b>118,983,176</b>	<b>2,160,358</b>	<b>157,943,773</b>

## 6 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	31,729,552	2,404,782,746	33,170,819	2,425,118,577
Intercompany receivables (Net)	-	-	1,417,534	103,635,911
Provision for doubtful debts	(2,740,679)	(207,716,061)	(3,124,861)	(228,458,588)
<b>Total</b>	<b>28,988,873</b>	<b>2,197,066,685</b>	<b>31,463,492</b>	<b>2,300,295,900</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	221,828	16,812,344	817,357	59,756,970
<b>Total</b>	<b>221,828</b>	<b>16,812,344</b>	<b>817,357</b>	<b>59,756,970</b>

## 8 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	25,151	1,906,194	26,095	1,907,805
Interest Receivable on Inter Co. Loan (Net)	-	-	44,327	3,240,747
Others	57,230	4,337,462	86,191	6,301,424
<b>Total</b>	<b>82,381</b>	<b>6,243,656</b>	<b>156,613</b>	<b>11,449,976</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 9 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	372,373	28,222,150	85,149	6,225,243
Advances to employees	149,476	11,328,786	44,615	3,261,803
Prepaid expenses	7,444,256	564,200,162	7,648,873	559,209,105
Others	783,331	59,368,656	1,277,584	93,404,166
<b>Total</b>	<b>8,749,436</b>	<b>663,119,754</b>	<b>9,056,221</b>	<b>662,100,317</b>

## 10 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	13,542,142	1,026,358,942	13,542,142	990,066,002
<b>Total</b>	<b>13,542,142</b>	<b>1,026,358,942</b>	<b>13,542,142</b>	<b>990,066,002</b>

## 11 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(90,931,943)	(6,891,731,960)	(96,000,932)	(7,018,628,139)
Profit / (loss) for the year	9,460,918	717,042,976	5,068,989	370,593,783
<b>Closing balance</b>	<b>(81,471,025)</b>	<b>(6,174,688,984)</b>	<b>(90,931,943)</b>	<b>(6,648,034,356)</b>
Share premium	11,908,000	902,507,320	11,908,000	870,593,880
<b>Total</b>	<b>(69,563,025)</b>	<b>(5,272,181,664)</b>	<b>(79,023,943)</b>	<b>(5,777,440,476)</b>

## 12 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	7,942,417	601,955,784	7,124,445	520,868,174
Retention liability	253,734	19,230,500	89,598	6,550,510
<b>Total</b>	<b>8,196,151</b>	<b>621,186,284</b>	<b>7,214,043</b>	<b>527,418,684</b>

## 13 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	25,957,257	1,967,300,508	42,071,332	3,075,835,083
<b>Total</b>	<b>25,957,257</b>	<b>1,967,300,508</b>	<b>42,071,332</b>	<b>3,075,835,083</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 14 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	41,798,579	3,167,914,303	41,145,668	3,008,159,787
Inter Company - Payables (Net)	4,587,296	347,671,164	-	-
<b>Total</b>	<b>46,385,875</b>	<b>3,515,585,467</b>	<b>41,145,668</b>	<b>3,008,159,787</b>

## 15 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	442,767	33,557,311	451,529	33,011,285
Interest accrued but not due on Inter Co. loan (Net)	85,561	6,484,668	-	-
Others	47,884	3,629,128	-	-
<b>Total</b>	<b>576,212</b>	<b>43,671,107</b>	<b>451,529</b>	<b>33,011,285</b>

## 16 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	10,514,296	796,878,494	10,524,525	769,448,023
Other Employee dues	4,566,714	346,111,254	5,940,333	434,297,746
Other Statutory dues	1,739,651	131,848,149	193,328	14,134,210
<b>Total</b>	<b>16,820,661</b>	<b>1,274,837,897</b>	<b>16,658,186</b>	<b>1,217,879,979</b>

## 17 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	586,871	44,478,953	781,898	57,164,563
<b>Total</b>	<b>586,871</b>	<b>44,478,953</b>	<b>781,898</b>	<b>57,164,563</b>

## 18 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	22,408	1,698,302	27,935	2,042,328
Profit on sale of fixed assets	12	909	4,702,552	343,803,577
Exchange gain -Net	1,442,748	109,345,871	-	-
Miscellaneous income	552,467	41,871,474	1,071,976	78,372,165
<b>Total</b>	<b>2,017,635</b>	<b>152,916,556</b>	<b>5,802,463</b>	<b>424,218,070</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 19 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	157,945,005	11,970,651,929	144,668,911	10,576,744,083
Rent of satellite channels	(729,323)	(55,275,390)	(164,958)	(12,060,079)
<b>Total</b>	<b>157,215,682</b>	<b>11,915,376,539</b>	<b>144,503,953</b>	<b>10,564,684,004</b>

## 20 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	28,140,047	2,132,734,162	31,038,904	2,269,254,271
Contribution to provident and other funds	1,347,294	102,111,412	1,584,871	115,869,919
Staff welfare expenses	208,222	15,781,145	174,793	12,779,116
<b>Total</b>	<b>29,695,563</b>	<b>2,250,626,719</b>	<b>32,798,568</b>	<b>2,397,903,306</b>

## 21 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	199,632	15,130,109	236,334	17,278,379
Interest on inter companies loan	1,250,319	94,761,677	1,293,493	94,567,273
Guarantee fees	354,782	26,888,928	137,465	10,050,066
<b>Total</b>	<b>1,804,733</b>	<b>136,780,714</b>	<b>1,667,292</b>	<b>121,895,718</b>

## 22 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	4,465,279	338,423,495	3,139,148	229,503,110
Auditors remuneration	223,132	16,911,174	258,812	18,921,745
Communication expenses	476,332	36,101,202	479,297	35,041,404
Donations	(3,507)	(265,796)	9,421	688,769
Electricity	3,698,983	280,345,922	3,577,278	261,534,795
Entertainment expenses	15,615	1,183,461	4,562	333,528
Exchange loss -Net	-	-	3,424,362	250,355,106
Insurance expenses	99,095	7,510,410	114,503	8,371,314
IT consumables	18,922	1,434,098	14,278	1,043,865
Legal and professional fees	1,907,475	144,567,530	1,994,166	145,793,476
Miscellaneous expenses	1,355,548	102,736,983	808,932	59,141,023
Printing and stationery	102,647	7,779,616	80,236	5,866,054
Provision for doubtful debts	(384,182)	(29,117,154)	(407,844)	(29,817,475)
Rates and Taxes	2,562,725	194,228,928	2,510,339	183,530,884
Recruitment expenses	726,962	55,096,450	219,322	16,034,631
Relocation Expense	242,742	18,397,416	187,179	13,684,657
Rent	3,456,585	261,974,577	3,307,662	241,823,169
Repairs and Maintenance Plant & Machinery	5,534,995	419,497,271	5,889,262	430,563,945
Repairs and Maintenance -Building	238,286	18,059,696	307,872	22,508,522
Security charges	525,020	39,791,266	487,172	35,617,145
Seminars, trainings and conferences	58,430	4,428,410	52,059	3,806,033
Services rendered by agencies	6,512,305	493,567,596	4,212,391	307,967,906
Bad debts written off	146,146	11,076,405	675,257	49,368,039
Travelling and conveyance expenses	1,084,472	82,192,133	366,635	26,804,685
<b>Total</b>	<b>33,064,007</b>	<b>2,505,921,089</b>	<b>31,712,301</b>	<b>2,318,486,330</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

*Va*  
(Vinodkumar Varma)

PARTNER

Membership No. 105545



Place Mumbai

Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	21,075,846	1,597,338,367	22,649,009	1,655,869,047
	Capital work-in-progress		602,665	45,675,980	1,063,069	77,720,975
	Other Intangible assets	2	4,183,993	317,104,830	7,618,582	556,994,531
	Intangible assets under development		722,728	54,775,555	313,552	22,923,787
	Financial assets					
	(i) Investments -others	3	805	61,011	-	-
	(ii) Other financial assets	4	344	26,072	528	38,602
	Advance tax (net)		1,271,328	96,353,949	1,182,472	86,450,528
	Other Non-current assets	5	25,369,799	1,922,777,066	18,856,013	1,378,563,110
			53,227,508	4,034,112,830	51,683,225	3,778,560,580
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	6	22,807,364	1,728,570,118	22,496,655	1,644,730,447
	(ii) Cash and cash equivalents	7	188,477	14,284,672	1,645,490	120,301,774
	(iii) Other financial assets	8	283,755	21,505,791	138,099	10,096,418
	Other Current assets	9	1,898,306	143,872,613	1,078,494	78,848,696
			25,177,902	1,908,233,194	25,358,738	1,853,977,335
	TOTAL ASSETS		78,405,410	5,942,346,024	77,041,963	5,632,537,915
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	10	73,520,000	5,572,080,800	73,520,000	5,375,047,200
	Other equity	11	(297,682,145)	(22,561,329,768)	(311,974,081)	(22,808,425,061)
	Total Equity		(224,162,145)	(16,989,248,968)	(238,454,081)	(17,433,377,861)
(2)	Non-current liabilities					
	Financial liabilities					
	(i) Borrowings	12	150,000,000	11,368,500,000	150,000,000	10,966,500,000
	Provisions	13	221,516	16,788,697	308,304	22,540,105
	Other non current liabilities (Deferred revenue)		52,915	4,010,428	150,725	11,019,505
			150,274,431	11,389,299,125	150,459,029	11,000,059,610
(3)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	14	97,887,540	7,418,896,657	93,488,493	6,834,943,723
	(ii) Trade payables	15	48,936,982	3,708,933,865	65,306,611	4,774,566,330
	(iii) Other financial liabilities	16	3,189,523	241,733,948	1,870,661	136,764,026
	Other current liabilities	17	1,781,382	135,010,941	3,772,468	275,805,135
	Provisions	18	497,697	37,720,456	598,782	43,776,952
			152,293,124	11,542,295,867	165,037,015	12,065,856,166
	TOTAL EQUITY AND LIABILITIES		78,405,410	5,942,346,024	77,041,963	5,632,537,915

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	19	181,326,344	13,742,723,612	193,377,479	14,137,827,490
ii	Other Income		1,797,284	136,216,153	1,359,280	99,376,961
iii	<b>Total income (i + ii)</b>		<b>183,123,628</b>	<b>13,878,939,765</b>	<b>194,736,759</b>	<b>14,237,204,451</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	20	136,237,747	10,325,458,845	135,994,285	9,942,542,176
	Employee benefits expenses	21	11,466,856	869,073,017	15,760,411	1,152,243,648
	Finance costs	22	8,146,870	617,451,276	7,505,626	548,736,317
	Depreciation and amortisation expenses	23	7,805,218	591,557,472	8,756,622	640,196,634
	Operating and other expenses		11,444,707	867,394,342	22,739,370	1,662,475,342
	<b>Total expenses</b>		<b>175,101,398</b>	<b>13,270,934,952</b>	<b>190,756,314</b>	<b>13,946,194,117</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>8,022,230</b>	<b>608,004,813</b>	<b>3,980,445</b>	<b>291,010,334</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		(283,565)	(21,491,391)	(2,303,813)	(168,431,768)
vii	<b>Profit before taxes (v - vi)</b>		<b>7,738,665</b>	<b>586,513,422</b>	<b>1,676,632</b>	<b>122,578,566</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		75	5,684	(291,812)	(21,334,375)
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>75</b>	<b>5,684</b>	<b>(291,812)</b>	<b>(21,334,375)</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>7,738,590</b>	<b>586,507,738</b>	<b>1,968,444</b>	<b>143,912,941</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	7,380,000	559,330,200	7,380,000	539,551,800
Building	7,140,286	541,162,276	6,810,796	497,937,296
Lease hold improvement	86,908	6,586,757	86,908	6,353,844
Cables	50,291	3,811,555	50,291	3,676,775
Plant and machinery	43,630,486	3,306,754,534	69,871,995	5,108,341,554
Furniture and fixtures	3,434,580	260,306,818	3,433,464	251,020,553
Computers	10,628,951	805,568,196	10,652,639	778,814,437
Office equipment	990,714	75,086,214	987,056	72,163,664
(a)	73,342,216	5,558,606,550	99,273,149	7,257,859,923
<b>Accumulated depreciation:</b>				
Building	3,945,768	299,049,757	3,652,641	267,044,584
Lease hold improvement	73,209	5,548,510	55,827	4,081,512
Cables	38,980	2,954,294	37,344	2,730,220
Plant and machinery	34,145,896	2,587,917,458	59,094,987	4,320,434,500
Furniture and fixtures	2,711,216	205,483,061	2,582,949	188,839,401
Computers	10,521,914	797,455,862	10,466,810	765,228,479
Office equipment	829,387	62,859,241	733,582	53,632,180
(b)	52,266,370	3,961,268,183	76,624,140	5,601,990,876
<b>Net block (a) - (b)</b>	<b>21,075,846</b>	<b>1,597,338,367</b>	<b>22,649,009</b>	<b>1,655,869,047</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	77,917,707	5,905,383,014	88,978,360	6,505,207,900
Indefeasible right to use assets	35,861	2,717,905	35,861	2,621,798
(a)	77,953,568	5,908,100,919	89,014,221	6,507,829,698
<b>Accumulated amortisation:</b>				
Computer software	73,733,786	5,588,283,641	81,361,581	5,948,345,187
Indefeasible right to use assets	35,789	2,712,448	34,058	2,489,980
(b)	73,769,575	5,590,996,089	81,395,639	5,950,835,167
<b>Net block (a) - (b)</b>	<b>4,183,993</b>	<b>317,104,830</b>	<b>7,618,582</b>	<b>556,994,531</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 3 Financial asset - Investment others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments - others	805	61,011	-	-
<b>Total</b>	<b>805</b>	<b>61,011</b>	<b>-</b>	<b>-</b>

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	344	26,072	528	38,602
<b>Total</b>	<b>344</b>	<b>26,072</b>	<b>528</b>	<b>38,602</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	1,650,612	125,099,883	2,026,492	148,156,830
Prepaid pension asset	23,719,187	1,797,677,183	16,829,521	1,230,406,280
<b>Total</b>	<b>25,369,799</b>	<b>1,922,777,066</b>	<b>18,856,013</b>	<b>1,378,563,110</b>

## 6 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	17,415,657	1,319,932,644	20,192,443	1,476,269,508
Intercompany receivables (Net)	9,445,101	715,844,205	6,942,046	507,532,983
Provision for doubtful debts	(4,053,394)	(307,206,731)	(4,637,834)	(339,072,044)
<b>Total</b>	<b>22,807,364</b>	<b>1,728,570,118</b>	<b>22,496,655</b>	<b>1,644,730,447</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	188,477	14,284,672	1,645,490	120,301,774
<b>Total</b>	<b>188,477</b>	<b>14,284,672</b>	<b>1,645,490</b>	<b>120,301,774</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 8 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	9,179	695,676	9,179	671,077
Others	274,576	20,810,115	128,920	9,425,341
<b>Total</b>	<b>283,755</b>	<b>21,505,791</b>	<b>138,099</b>	<b>10,096,418</b>

## 9 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	5,852	443,523	5,030	367,743
Advances to employees	773	58,586	2,597	189,867
Prepaid expenses	1,764,635	133,741,687	1,070,867	78,291,086
Indirect tax receivable	49,901	3,781,997	-	-
Others	77,145	5,846,820	-	-
<b>Total</b>	<b>1,898,306</b>	<b>143,872,613</b>	<b>1,078,494</b>	<b>78,848,696</b>

## 10 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	73,520,000	5,572,080,800	73,520,000	5,375,047,200
<b>Total</b>	<b>73,520,000</b>	<b>5,572,080,800</b>	<b>73,520,000</b>	<b>5,375,047,200</b>

## 11 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(289,990,069)	(21,978,347,330)	(291,958,513)	(21,345,086,885)
Profit / (loss) for the year	7,738,590	586,507,738	1,968,444	143,912,941
<b>Closing balance</b>	<b>(282,251,479)</b>	<b>(21,391,839,592)</b>	<b>(289,990,069)</b>	<b>(21,201,173,944)</b>
OCI Reserves Employee Benefit Plan	(15,430,666)	(1,169,490,176)	(21,984,012)	(1,607,251,117)
<b>Total</b>	<b>(297,682,145)</b>	<b>(22,561,329,768)</b>	<b>(311,974,081)</b>	<b>(22,808,425,061)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 12 Non-current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Loan from banks	150,000,000	11,368,500,000	150,000,000	10,966,500,000
<b>Total</b>	<b>150,000,000</b>	<b>11,368,500,000</b>	<b>150,000,000</b>	<b>10,966,500,000</b>

## 13 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	50,000	3,789,500	50,000	3,655,500
Pension liability	48,303	3,660,884	150,429	10,997,864
Retention liability	123,213	9,338,313	107,875	7,886,741
<b>Total</b>	<b>221,516</b>	<b>16,788,697</b>	<b>308,304</b>	<b>22,540,105</b>

## 14 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	97,887,540	7,418,896,657	93,488,493	6,834,943,723
<b>Total</b>	<b>97,887,540</b>	<b>7,418,896,657</b>	<b>93,488,493</b>	<b>6,834,943,723</b>

## 15 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	48,936,982	3,708,933,865	65,306,611	4,774,566,330
<b>Total</b>	<b>48,936,982</b>	<b>3,708,933,865</b>	<b>65,306,611</b>	<b>4,774,566,330</b>

## 16 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	651,198	49,354,296	661,020	48,327,172
Interest accrued but not due on Inter Co. loan (Net)	2,031,767	153,987,621	590,627	43,180,740
Interest accrued but not due -others	434,400	32,923,176	619,014	45,256,114
Others	72,158	5,468,855	-	-
<b>Total</b>	<b>3,189,523</b>	<b>241,733,948</b>	<b>1,870,661</b>	<b>136,764,026</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 17 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	253,298	19,197,455	765,403	55,958,613
Other Employee dues	1,528,084	115,813,486	2,995,394	218,993,255
Other Statutory dues	-	-	11,662	852,609
Others	-	-	9	658
<b>Total</b>	<b>1,781,382</b>	<b>135,010,941</b>	<b>3,772,468</b>	<b>275,805,135</b>

## 18 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	497,697	37,720,456	598,782	43,776,952
<b>Total</b>	<b>497,697</b>	<b>37,720,456</b>	<b>598,782</b>	<b>43,776,952</b>

## 19 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest income - others	218	16,522	782	57,172
Interest on loan to subsidiaries	-	-	204,378	14,942,076
Profit on sale of fixed assets	12	909	11	804
Exchange gain -Net	794,136	60,187,567	-	-
Miscellaneous income	1,002,918	76,011,155	1,154,109	84,376,909
<b>Total</b>	<b>1,797,284</b>	<b>136,216,153</b>	<b>1,359,280</b>	<b>99,376,961</b>

## 20 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	136,237,747	10,325,458,845	135,994,285	9,942,542,176
<b>Total</b>	<b>136,237,747</b>	<b>10,325,458,845</b>	<b>135,994,285</b>	<b>9,942,542,176</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 21 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	11,312,025	857,338,375	14,558,437	1,064,367,329
Contribution to provident and other funds	71,986	5,455,819	1,152,828	84,283,255
Staff welfare expenses	82,845	6,278,823	49,146	3,593,064
<b>Total</b>	<b>11,466,856</b>	<b>869,073,017</b>	<b>15,760,411</b>	<b>1,152,243,648</b>

## 22 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	3,086,936	233,958,879	3,022,230	220,955,235
Interest on inter companies loan	4,043,598	306,464,292	3,961,455	289,621,975
Guarantee fees	1,016,336	77,028,105	521,941	38,159,107
<b>Total</b>	<b>8,146,870</b>	<b>617,451,276</b>	<b>7,505,626</b>	<b>548,736,317</b>

## 23 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	(1)	(76)	(26,637)	(1,947,431)
Auditors remuneration	18,308	1,387,563	28,370	2,074,131
Communication expenses	93,847	7,112,664	134,893	9,862,027
Donations	-	-	13,499	986,912
Electricity	1,096,996	83,141,327	1,075,573	78,635,142
Entertainment expenses	(367)	(27,815)	453	33,119
Exchange loss -Net	-	-	9,326,214	681,839,506
Insurance expenses	191,956	14,548,345	181,388	13,261,277
IT consumables	5,158	390,925	1,535	112,224
Legal and professional fees	2,010,367	152,365,715	1,657,106	121,151,020
Miscellaneous expenses	1,062,802	80,549,764	507,032	37,069,111
Printing and stationery	31,750	2,406,333	32,130	2,349,024
Provision for doubtful debts	(584,440)	(44,294,708)	1,362,040	99,578,744
Rates and Taxes	434,575	32,936,439	723,773	52,915,044
Recruitment expenses	20,251	1,534,823	401	29,317
Relocation Expense	6,485	491,498	6,153	449,846
Rent	25,546	1,936,131	1,265,049	92,487,732
Repairs and Maintenance Plant & Machinery	4,213,058	319,307,666	4,916,400	359,438,004
Repairs and Maintenance -Building	546,036	41,384,068	310,768	22,720,248
Security charges	250,741	19,003,660	246,955	18,054,880
Seminars, trainings and conferences	18,254	1,383,471	(96)	(7,019)
Services rendered by agencies	1,790,437	135,697,220	960,991	70,258,052
Bad debts written off	188,377	14,277,093	-	-
Travelling and conveyance expenses	24,571	1,862,236	15,380	1,124,432
<b>Total</b>	<b>11,444,707</b>	<b>867,394,342</b>	<b>22,739,370</b>	<b>1,662,475,342</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com | www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	12,119,534	918,539,482	12,476,049	912,123,942
Capital work-in-progress		634,220	48,067,534	544,718	39,824,333
Right-of-use assets		2,864,246	217,081,204	3,343,626	244,452,497
Other Intangible assets	2	6,647,522	503,815,692	7,495,185	547,972,975
Intangible assets under development		3,621	274,436	-	-
Financial assets					
(i) Loans	3	27,904,721	2,114,898,805	32,731,649	2,393,010,858
(ii) Other financial assets	4	431,034	32,668,067	455,129	33,274,481
Other Non-current assets	5	265,763	20,142,178	378,472	27,670,088
		50,870,661	3,855,487,398	57,424,828	4,198,329,174
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	6	4,212,054	319,231,573	5,226,984	382,144,800
(ii) Cash and cash equivalents	7	82,126	6,224,330	1	73
(iii) Other financial assets	8	591,903	44,860,328	464,021	33,924,575
Other Current assets	9	1,720,321	130,383,129	2,056,939	150,382,810
		6,606,404	500,699,360	7,747,945	566,452,258
<b>TOTAL ASSETS</b>		57,477,065	4,356,186,758	65,172,773	4,764,781,432
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	10	20,391,358	1,545,461,023	20,391,358	1,490,812,183
Other equity	11	(8,125,448)	(615,827,700)	(12,747,947)	(932,002,406)
<b>Total Equity</b>		12,265,910	929,633,323	7,643,411	558,809,777
<b>(2) Non-current liabilities</b>					
Financial liabilities					
(i) Lease liabilities		2,221,386	168,358,845	2,932,507	214,395,587
Provisions	12	775,224	58,754,227	688,504	50,336,527
Other non current liabilities (Deferred revenue)		21,446,795	1,625,452,593	27,268,422	1,993,594,332
		24,443,405	1,852,565,665	30,889,433	2,258,326,446
<b>(3) Current liabilities</b>					
Financial liabilities					
(i) Lease liabilities		554,893	42,055,340	569,988	41,671,823
(ii) Trade payables	13	10,860,936	823,150,337	10,850,658	793,291,606
(iii) Other financial liabilities	14	72,832	5,519,937	89,778	6,563,669
Other current liabilities	15	8,610,342	652,577,821	14,710,809	1,075,507,246
Provisions	16	399,486	30,277,044	418,696	30,610,865
Current tax liability (Net)		269,261	20,407,291	-	-
		20,767,750	1,573,987,770	26,639,929	1,947,645,209
<b>TOTAL EQUITY AND LIABILITIES</b>		57,477,065	4,356,186,758	65,172,773	4,764,781,432

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	17	46,021,539	3,487,972,441	48,551,348	3,549,589,052
ii	Other Income		1,606,482	121,755,271	3,920,091	286,597,853
iii	<b>Total income (i + ii)</b>		<b>47,628,021</b>	<b>3,609,727,712</b>	<b>52,471,439</b>	<b>3,836,186,905</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	18	27,204,542	2,061,832,238	25,853,579	1,890,155,161
	Employee benefits expenses	19	4,329,552	328,136,746	7,172,382	524,372,848
	Finance costs	20	48,239	3,656,033	50,662	3,703,899
	Depreciation and amortisation expenses	21	4,933,238	373,890,108	5,240,396	383,125,352
	Operating and other expenses		7,511,327	569,283,471	6,147,307	449,429,614
	<b>Total expenses</b>		<b>44,026,898</b>	<b>3,336,798,596</b>	<b>44,464,326</b>	<b>3,250,786,874</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>3,601,123</b>	<b>272,929,116</b>	<b>8,007,113</b>	<b>585,400,031</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		2,258,314	171,157,618	(2,895,207)	(211,668,584)
vii	<b>Profit before taxes (v - vi)</b>		<b>5,859,437</b>	<b>444,086,734</b>	<b>5,111,906</b>	<b>373,731,447</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		1,236,938	93,747,531	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>1,236,938</b>	<b>93,747,531</b>	<b>-</b>	<b>-</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>4,622,499</b>	<b>350,339,203</b>	<b>5,111,906</b>	<b>373,731,447</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	404,287	30,640,912	355,545	25,993,895
Cables	13,772,547	1,043,821,337	11,966,923	874,901,741
Plant and machinery	36,901,501	2,796,764,761	38,124,113	2,787,253,901
Furniture and fixtures	24,345	1,845,108	24,345	1,779,863
Computers	74,214	5,624,679	74,214	5,425,786
Office equipment	54,447	4,126,538	54,447	3,980,620
(a)	51,231,341	3,882,823,335	50,599,587	3,699,335,806
<b>Accumulated depreciation:</b>				
Lease hold improvement	283,785	21,508,065	240,301	17,568,406
Cables	6,375,394	483,191,111	5,162,889	377,458,815
Plant and machinery	32,319,140	2,449,467,621	32,601,214	2,383,474,756
Furniture and fixtures	24,345	1,845,108	20,541	1,501,753
Computers	68,765	5,211,699	66,509	4,862,473
Office equipment	40,378	3,060,249	32,084	2,345,661
(b)	39,111,807	2,964,283,853	38,123,538	2,787,211,864
<b>Net block (a) - (b)</b>	12,119,534	918,539,482	12,476,049	912,123,942

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	1,310,404	99,315,519	2,320,974	169,686,409
Indefeasible right to use assets	26,481,148	2,007,006,207	25,599,566	1,871,584,270
(a)	27,791,552	2,106,321,726	27,920,540	2,041,270,679
<b>Accumulated amortisation:</b>				
Computer software	1,102,024	83,522,399	2,056,919	150,381,348
Indefeasible right to use assets	20,042,006	1,518,983,635	18,368,436	1,342,916,356
(i) Lease liabilities	21,144,030	1,602,506,034	20,425,355	1,493,297,704
<b>Net block (a) - (b)</b>	6,647,522	503,815,692	7,495,185	547,972,975



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	27,904,721	2,114,898,805	32,731,649	2,393,010,858
<b>Total</b>	<b>27,904,721</b>	<b>2,114,898,805</b>	<b>32,731,649</b>	<b>2,393,010,858</b>

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	431,034	32,668,067	455,129	33,274,481
<b>Total</b>	<b>431,034</b>	<b>32,668,067</b>	<b>455,129</b>	<b>33,274,481</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	265,763	20,142,178	378,472	27,670,088
<b>Total</b>	<b>265,763</b>	<b>20,142,178</b>	<b>378,472</b>	<b>27,670,088</b>

## 6 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	5,201,876	394,250,182	5,793,331	423,550,429
Provision for doubtful debts	(989,822)	(75,018,609)	(566,347)	(41,405,629)
<b>Total</b>	<b>4,212,054</b>	<b>319,231,573</b>	<b>5,226,984</b>	<b>382,144,800</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	82,126	6,224,330	1	73
<b>Total</b>	<b>82,126</b>	<b>6,224,330</b>	<b>1</b>	<b>73</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 8 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	14,745	1,117,524	148	10,820
Interest Receivable on Inter Co. Loan (Net)	532,341	40,346,124	463,873	33,913,755
Others	44,817	3,396,680	-	-
<b>Total</b>	<b>591,903</b>	<b>44,860,328</b>	<b>464,021</b>	<b>33,924,575</b>

## 9 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	357,701	27,110,159	1,694	123,848
Advances to employees	7,436	563,574	1,435	104,913
Prepaid expenses	1,050,637	79,627,778	1,889,392	138,133,449
Indirect tax receivable	72,883	5,523,803	-	-
Others	231,664	17,557,815	164,418	12,020,600
<b>Total</b>	<b>1,720,321</b>	<b>130,383,129</b>	<b>2,056,939</b>	<b>150,382,810</b>

## 10 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	20,391,358	1,545,461,023	20,391,358	1,490,812,183
<b>Total</b>	<b>20,391,358</b>	<b>1,545,461,023</b>	<b>20,391,358</b>	<b>1,490,812,183</b>

## 11 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(12,747,947)	(966,166,903)	(17,859,853)	(1,305,733,853)
Profit / (loss) for the year	4,622,499	350,339,203	5,111,906	373,731,447
<b>Total</b>	<b>(8,125,448)</b>	<b>(615,827,700)</b>	<b>(12,747,947)</b>	<b>(932,002,406)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 12 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	775,224	58,754,227	688,504	50,336,527
<b>Total</b>	<b>775,224</b>	<b>58,754,227</b>	<b>688,504</b>	<b>50,336,527</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	7,947,396	602,333,140	8,586,859	627,785,261
Inter Company - Payables (Net)	2,913,540	220,817,197	2,263,799	165,506,345
<b>Total</b>	<b>10,860,936</b>	<b>823,150,337</b>	<b>10,850,658</b>	<b>793,291,606</b>

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	72,609	5,503,036	75,347	5,508,619
Others	223	16,901	14,431	1,055,050
<b>Total</b>	<b>72,832</b>	<b>5,519,937</b>	<b>89,778</b>	<b>6,563,669</b>

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	7,024,207	532,364,649	9,694,392	708,756,999
Other Employee dues	1,586,135	120,213,172	4,939,478	361,125,237
Other Statutory dues	-	-	74,267	5,429,660
Others	-	-	2,672	195,350
<b>Total</b>	<b>8,610,342</b>	<b>652,577,821</b>	<b>14,710,809</b>	<b>1,075,507,246</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 16 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	399,486	30,277,044	418,696	30,610,865
<b>Total</b>	<b>399,486</b>	<b>30,277,044</b>	<b>418,696</b>	<b>30,610,865</b>

## 17 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	1,095,143	83,000,888	927,989	67,845,276
Profit on sale of fixed assets	3	227	47,200	3,450,792
Exchange gain -Net	486,864	36,899,423	646,262	47,248,215
Miscellaneous income	24,472	1,854,733	2,298,640	168,053,570
<b>Total</b>	<b>1,606,482</b>	<b>121,755,271</b>	<b>3,920,091</b>	<b>286,597,853</b>

## 18 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	27,260,744	2,066,091,788	25,902,610	1,893,739,817
Rent of satellite channels	(56,202)	(4,259,550)	(49,031)	(3,584,656)
<b>Total</b>	<b>27,204,542</b>	<b>2,061,832,238</b>	<b>25,853,579</b>	<b>1,890,155,161</b>

## 19 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	4,301,980	326,047,064	7,145,695	522,421,761
Staff welfare expenses	27,572	2,089,682	26,687	1,951,087
<b>Total</b>	<b>4,329,552</b>	<b>328,136,746</b>	<b>7,172,382</b>	<b>524,372,848</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 20 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	41,412	3,138,615	50,609	3,700,024
Interest on inter companies loan	-	-	53	3,875
Guarantee fees	6,827	517,418	-	-
<b>Total</b>	<b>48,239</b>	<b>3,656,033</b>	<b>50,662</b>	<b>3,703,899</b>

## 21 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	17,008	1,289,036	-	-
Auditors remuneration	43,500	3,296,865	43,500	3,180,285
Communication expenses	28,749	2,178,887	31,291	2,287,685
Donations	-	-	537	39,260
Electricity	770,364	58,385,888	500,697	36,605,958
Entertainment expenses	2,099	159,083	239	17,473
Insurance expenses	35,029	2,654,848	29,345	2,145,413
IT consumables	522	39,562	2,200	160,842
Legal and professional fees	711,431	53,919,355	824,792	60,300,543
Miscellaneous expenses	1,162,031	88,070,329	330,545	24,166,145
Printing and stationery	8,425	638,531	1,136	83,053
Provision for doubtful debts	423,475	32,095,170	247,637	18,104,741
Rates and Taxes	151,463	11,479,381	258,895	18,927,813
Recruitment expenses	103,286	7,828,046	868	63,459
Rent	143,393	10,867,755	293,405	21,450,840
Repairs and Maintenance Plant & Machinery	3,466,399	262,718,380	3,177,485	232,305,928
Seminars, trainings and conferences	1,238	93,828	(4,061)	(296,900)
Services rendered by agencies	354,209	26,845,500	352,324	25,758,408
Bad debts written off	32,260	2,444,985	-	-
Travelling and conveyance expenses	56,446	4,278,042	56,472	4,128,668
<b>Total</b>	<b>7,511,327</b>	<b>569,283,471</b>	<b>6,147,307</b>	<b>449,429,614</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar

229, Nariman Point

Mumbai - 400 021, India

T +91 (22) 2287 5770

email@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Vojma. V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Investments in subsidiaries & associates	1	1,128,038	85,494,000	1,128,038	82,470,858
			1,128,038	85,494,000	1,128,038	82,470,858
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Cash and cash equivalents	2	79,013	5,988,395	277,415	20,281,811
	Other Current assets	3	125	9,474	-	-
			79,138	5,997,869	277,415	20,281,811
	<b>TOTAL ASSETS</b>		<b>1,207,176</b>	<b>91,491,869</b>	<b>1,405,453</b>	<b>102,752,669</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	4	1,449,493	109,857,074	1,449,493	105,972,433
	Other equity	5	(242,872)	(18,407,268)	(234,622)	(17,153,214)
	<b>Total Equity</b>		<b>1,206,621</b>	<b>91,449,806</b>	<b>1,214,871</b>	<b>88,819,219</b>
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	6	555	42,063	190,255	13,909,543
	Other current liabilities	7	-	-	327	23,907
			555	42,063	190,582	13,933,450
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,207,176</b>	<b>91,491,869</b>	<b>1,405,453</b>	<b>102,752,669</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	8	-	-	-	-
ii	Other Income		15,893	1,204,531	271	19,813
iii	Total income (i + ii)		15,893	1,204,531	271	19,813
iv	Expenses:	9				
	Operating and other expenses		24,143	1,829,798	11,514	841,788
	Total expenses		24,143	1,829,798	11,514	841,788
v	Profit before taxes (iii - iv)		(8,250)	(625,267)	(11,243)	(821,975)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		(8,250)	(625,267)	(11,243)	(821,975)

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments in subsidiaries	1,128,038	85,494,000	1,128,038	82,470,858
<b>Total</b>	<b>1,128,038</b>	<b>85,494,000</b>	<b>1,128,038</b>	<b>82,470,858</b>

## 2 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	79,013	5,988,395	277,415	20,281,811
<b>Total</b>	<b>79,013</b>	<b>5,988,395</b>	<b>277,415</b>	<b>20,281,811</b>

## 3 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Indirect tax receivable	125	9,474	-	-
<b>Total</b>	<b>125</b>	<b>9,474</b>	<b>-</b>	<b>-</b>

## 4 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	1,449,493	109,857,074	1,449,493	105,972,433
<b>Total</b>	<b>1,449,493</b>	<b>109,857,074</b>	<b>1,449,493</b>	<b>105,972,433</b>

## 5 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(234,622)	(17,782,001)	(223,379)	(16,331,239)
Profit / (loss) for the year	(8,250)	(625,267)	(11,243)	(821,975)
<b>Total</b>	<b>(242,872)</b>	<b>(18,407,268)</b>	<b>(234,622)</b>	<b>(17,153,214)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 6 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	555	42,063	680	49,715
Inter Company - Payables (Net)	-	-	189,575	13,859,828
<b>Total</b>	<b>555</b>	<b>42,063</b>	<b>190,255</b>	<b>13,909,543</b>

## 7 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Other Statutory dues	-	-	327	23,907
<b>Total</b>	<b>-</b>	<b>-</b>	<b>327</b>	<b>23,907</b>

## 8 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest income - others	691	52,371	271	19,813
Exchange gain -Net	15,202	1,152,160	-	-
<b>Total</b>	<b>15,893</b>	<b>1,204,531</b>	<b>271</b>	<b>19,813</b>

## 9 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Exchange loss -Net	-	-	19,997	1,461,981
Legal and professional fees	24,072	1,824,417	(7,637)	(558,341)
Miscellaneous expenses	58	4,396	175	12,793
Rates and Taxes	13	985	(1,021)	(74,645)
<b>Total</b>	<b>24,143</b>	<b>1,829,798</b>	<b>11,514</b>	<b>841,788</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar

229, Nariman Point

Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**APPENDIX - 5**

**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 Comunicações E Multimídia (Brazil) Limitada ("the subsidiary") registered in Brazil as at 31 March 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)

PARTNER

Membership No. 105545



Place Mumbai

Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	766,194	58,069,843	869,157	63,544,068
	Capital work-in-progress		124,954	9,470,264	75,452	5,516,296
	Advance tax (net)		138,779	10,518,060	5,195	379,806
	Other Non-current assets	2	22,961	1,740,214	47,271	3,455,983
			1,052,888	79,798,381	997,075	72,896,153
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	3	528,518	40,056,380	659,901	48,245,362
	(ii) Cash and cash equivalents	4	445,561	33,769,068	215,618	15,763,832
	(iii) Other financial assets	5	232,888	17,650,582	181,118	13,241,537
	Other Current assets	6	50,773	3,848,086	50,769	3,711,722
			1,257,740	95,324,116	1,107,406	80,962,453
	TOTAL ASSETS		2,310,628	175,122,497	2,104,481	153,858,606
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	7	1,253,787	95,024,517	1,253,787	91,664,368
	Other equity	8	(86,441)	(6,551,366)	(128,559)	(9,398,948)
	Total Equity		1,167,346	88,473,151	1,125,228	82,265,420
(2)	Current liabilities					
	Financial liabilities					
	(i) Trade payables	9	541,618	41,049,232	570,331	41,696,899
	Other current liabilities	10	601,664	45,600,114	408,922	29,896,287
			1,143,282	86,649,346	979,253	71,593,186
	TOTAL EQUITY AND LIABILITIES		2,310,628	175,122,497	2,104,481	153,858,606

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	11	1,584,688	120,103,504	1,533,442	112,109,945
ii	Other Income		66,738	5,058,073	245	17,912
iii	Total income (i + ii)		1,651,426	125,161,577	1,533,687	112,127,857
iv	Expenses:					
	Network and transmission expenses	12	551,002	41,760,442	382,718	27,980,513
	Employee benefits expenses	13	-	-	45,522	3,328,114
	Depreciation and amortisation expenses	14	209,172	15,853,146	167,285	12,230,206
	Operating and other expenses		849,134	64,355,868	889,909	65,061,246
	Total expenses		1,609,308	121,969,456	1,485,434	108,600,079
v	Profit before taxes (iii - iv)		42,118	3,192,121	48,253	3,527,778
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	164,607	12,034,418
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	164,607	12,034,418
vii	Profit / (loss) for the year (v-vi)		42,118	3,192,121	(116,354)	(8,506,640)

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	1,324,027	100,348,006	1,217,818	89,034,674
(a)	1,324,027	100,348,006	1,217,818	89,034,674
<b>Accumulated depreciation:</b>				
Plant and machinery	557,833	42,278,163	348,661	25,490,606
(b)	557,833	42,278,163	348,661	25,490,606
<b>Net block (a) - (b)</b>	<b>766,194</b>	<b>58,069,843</b>	<b>869,157</b>	<b>63,544,068</b>

## 2 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	22,961	1,740,214	47,271	3,455,983
<b>Total</b>	<b>22,961</b>	<b>1,740,214</b>	<b>47,271</b>	<b>3,455,983</b>

## 3 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	422,439	32,016,652	209,352	15,305,725
Intercompany receivables (Net)	106,282	8,055,113	450,646	32,946,729
Provision for doubtful debts	(203)	(15,385)	(97)	(7,092)
<b>Total</b>	<b>528,518</b>	<b>40,056,380</b>	<b>659,901</b>	<b>48,245,362</b>

## 4 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	445,561	33,769,068	215,618	15,763,832
<b>Total</b>	<b>445,561</b>	<b>33,769,068</b>	<b>215,618</b>	<b>15,763,832</b>

## 5 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Others	232,888	17,650,582	181,118	13,241,537
<b>Total</b>	<b>232,888</b>	<b>17,650,582</b>	<b>181,118</b>	<b>13,241,537</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 6 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	37,324	2,828,786	50,769	3,711,722
Others	13,449	1,019,300	-	-
<b>Total</b>	<b>50,773</b>	<b>3,848,086</b>	<b>50,769</b>	<b>3,711,722</b>

## 7 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	1,253,787	95,024,517	1,253,787	91,664,368
<b>Total</b>	<b>1,253,787</b>	<b>95,024,517</b>	<b>1,253,787</b>	<b>91,664,368</b>

## 8 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(128,559)	(9,743,487)	(12,205)	(892,308)
Profit / (loss) for the year	42,118	3,192,121	(116,354)	(8,506,640)
<b>Total</b>	<b>(86,441)</b>	<b>(6,551,366)</b>	<b>(128,559)</b>	<b>(9,398,948)</b>

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	541,618	41,049,232	570,331	41,696,899
<b>Total</b>	<b>541,618</b>	<b>41,049,232</b>	<b>570,331</b>	<b>41,696,899</b>

## 10 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Other Employee dues	30,398	2,303,864	15,802	1,155,284
Other Statutory dues	571,266	43,296,250	393,120	28,741,003
<b>Total</b>	<b>601,664</b>	<b>45,600,114</b>	<b>408,922</b>	<b>29,896,287</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 11 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest income - others	1,058	80,186	245	17,912
Exchange gain -Net	64,212	4,866,627	-	-
Miscellaneous income	1,468	111,260	-	-
<b>Total</b>	<b>66,738</b>	<b>5,058,073</b>	<b>245</b>	<b>17,912</b>

## 12 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	551,002	41,760,442	382,718	27,980,513
<b>Total</b>	<b>551,002</b>	<b>41,760,442</b>	<b>382,718</b>	<b>27,980,513</b>

## 13 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	-	-	45,471	3,324,385
Staff welfare expenses	-	-	51	3,729
<b>Total</b>	<b>-</b>	<b>-</b>	<b>45,522</b>	<b>3,328,114</b>

## 14 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	5,804	439,885	-	-
Communication expenses	153	11,596	221	16,157
Directors fees	19,225	1,457,063	-	-
Electricity	105,207	7,973,639	57,731	4,220,713
Exchange loss -Net	-	-	62,311	4,555,557
Insurance expenses	10,896	825,808	8,592	628,161
Legal and professional fees	289,771	21,961,744	405,559	29,650,418
Miscellaneous expenses	62,449	4,733,010	52,063	3,806,327
Provision for doubtful debts	106	8,034	38	2,778
Rates and Taxes	209,654	15,889,677	107,599	7,866,563
Rent	9,867	747,820	7,885	576,472
Repairs and Maintenance Plant & Machinery	53,178	4,030,361	104,157	7,614,918
Services rendered by agencies	82,824	6,277,231	83,496	6,104,393
Travelling and conveyance expenses	-	-	257	18,789
<b>Total</b>	<b>849,134</b>	<b>64,355,868</b>	<b>889,909</b>	<b>65,061,246</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar

229, Nariman Point

Mumbai - 400 021 India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 21 April 2022





\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	18	274,145,983	20,777,524,052	333,992,212	24,418,170,619
ii	Other Income		8,221,196	623,084,445	17,637,148	1,289,451,890
iii	<b>Total income (i + ii)</b>		<b>282,367,179</b>	<b>21,400,608,497</b>	<b>351,629,360</b>	<b>25,707,622,509</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	19	125,795,801	9,534,063,758	178,280,301	13,034,072,806
	Employee benefits expenses	20	54,602,632	4,138,333,479	62,929,548	4,600,779,255
	Finance costs	21	1,000,928	75,860,333	1,335,145	97,612,451
	Depreciation and amortisation expenses	22	26,920,143	2,040,277,638	27,966,162	2,044,606,104
	Operating and other expenses		54,586,213	4,137,089,082	58,626,641	4,286,193,722
	<b>Total expenses</b>		<b>262,905,717</b>	<b>19,925,624,290</b>	<b>329,137,797</b>	<b>24,063,264,338</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>19,461,462</b>	<b>1,474,984,207</b>	<b>22,491,563</b>	<b>1,644,358,171</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		760,459	57,635,188	(4,238,145)	(309,850,781)
vii	<b>Profit before taxes (v - vi)</b>		<b>20,221,921</b>	<b>1,532,619,395</b>	<b>18,253,418</b>	<b>1,334,507,390</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		(109,968)	(8,334,475)	366,637	26,804,831
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>(109,968)</b>	<b>(8,334,475)</b>	<b>366,637</b>	<b>26,804,831</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>20,331,889</b>	<b>1,540,953,870</b>	<b>17,886,781</b>	<b>1,307,702,559</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	1,498,991	113,608,528	1,498,991	109,591,232
Leasehold land	33,027	2,503,116	33,027	2,414,604
Building	5,137,839	389,396,818	5,609,046	410,077,353
Lease hold improvement	13,192,591	999,866,472	9,173,282	670,658,647
Cables	123,687,267	9,374,257,966	121,595,109	8,889,818,419
Plant and machinery	276,516,560	20,957,190,082	322,554,819	23,581,982,817
Furniture and fixtures	1,884,532	142,828,680	2,016,155	147,401,092
Computers	17,050,846	1,292,283,618	16,976,171	1,241,127,862
Office equipment	1,274,284	96,577,984	1,318,201	96,373,675
Vehicles	28,208	2,137,884	28,208	2,062,287
(a)	440,304,145	33,370,651,148	480,803,009	35,151,507,988
<b>Accumulated depreciation:</b>				
Leasehold land	15,243	1,155,267	13,066	955,255
Building	3,439,211	260,657,802	3,606,740	263,688,761
Lease hold improvement	7,812,053	592,075,497	7,196,694	526,150,298
Cables	98,008,961	7,428,099,154	92,063,062	6,730,730,463
Plant and machinery	236,549,541	17,928,089,712	272,286,705	19,906,881,003
Furniture and fixtures	1,135,266	86,041,810	995,509	72,781,663
Computers	16,341,139	1,238,494,925	16,220,654	1,185,892,014
Office equipment	909,589	68,937,750	833,950	60,970,085
Vehicles	28,208	2,137,884	28,208	2,062,287
(b)	364,239,211	27,605,689,801	393,244,588	28,750,111,829
<b>Net block</b>	<b>(a) - (b)</b>	<b>76,064,934</b>	<b>87,558,421</b>	<b>6,401,396,159</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	60,101,049	4,555,058,504	76,726,711	5,609,489,841
Indefeasible right to use assets	19,253,038	1,459,187,750	19,253,038	1,407,589,608
(a)	79,354,087	6,014,246,254	95,979,749	7,017,079,449
<b>Accumulated amortisation:</b>				
Computer software	54,974,160	4,166,491,586	70,346,300	5,143,017,993
Indefeasible right to use assets	17,619,598	1,335,389,332	17,213,831	1,258,503,184
(b)	72,593,758	5,501,880,918	87,560,131	6,401,521,177
<b>Net block</b>	<b>(a) - (b)</b>	<b>6,760,329</b>	<b>8,419,618</b>	<b>615,558,272</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 3 Financial asset - Investment others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments - others	35,120,002	2,661,744,952	31,221,737	2,282,621,192
<b>Total</b>	<b>35,120,002</b>	<b>2,661,744,952</b>	<b>31,221,737</b>	<b>2,282,621,192</b>

## 4 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	106,535,648	8,074,336,762	75,511,601	5,520,653,149
<b>Total</b>	<b>106,535,648</b>	<b>8,074,336,762</b>	<b>75,511,601</b>	<b>5,520,653,149</b>

## 5 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	1,008,239	76,414,434	1,077,829	78,800,078
<b>Total</b>	<b>1,008,239</b>	<b>76,414,434</b>	<b>1,077,829</b>	<b>78,800,078</b>

## 6 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	1,022,763	77,515,208	1,451,892	106,147,824
<b>Total</b>	<b>1,022,763</b>	<b>77,515,208</b>	<b>1,451,892</b>	<b>106,147,824</b>

## 7 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	37,733,106	2,859,792,104	44,078,166	3,222,554,716
Intercompany receivables (Net)	-	-	6,729,543	491,996,889
Provision for doubtful debts	(4,880,049)	(369,858,914)	(5,270,992)	(385,362,225)
<b>Total</b>	<b>32,853,057</b>	<b>2,489,933,190</b>	<b>45,536,717</b>	<b>3,329,189,380</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 8 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	25,987	1,969,555	28,223	2,063,384
<b>Total</b>	<b>25,987</b>	<b>1,969,555</b>	<b>28,223</b>	<b>2,063,384</b>

## 9 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	74,332	5,633,622	73,082	5,343,025
Interest Receivable on Inter Co. Loan (Net)	2,074,503	157,226,582	194,585	14,226,109
Others	198,635	15,054,547	770,568	56,336,226
<b>Total</b>	<b>2,347,470</b>	<b>177,914,751</b>	<b>1,038,235</b>	<b>75,905,360</b>

## 10 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	1,545,609	117,141,706	48,984	3,581,220
Advances to employees	24,112	1,827,448	52,349	3,827,235
Prepaid expenses	5,793,284	439,072,994	8,319,832	608,262,918
Others	242,258	18,360,734	251,950	18,420,065
<b>Total</b>	<b>7,605,263</b>	<b>576,402,882</b>	<b>8,673,115</b>	<b>634,091,438</b>

## 11 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	226,603,995	17,174,316,781	226,603,995	16,567,018,074
<b>Total</b>	<b>226,603,995</b>	<b>17,174,316,781</b>	<b>226,603,995</b>	<b>16,567,018,074</b>

## 12 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(73,384,718)	(5,561,827,777)	(91,271,499)	(6,672,859,292)
Profit / (loss) for the year	20,331,889	1,540,953,870	17,886,781	1,307,702,559
<b>Total</b>	<b>(53,052,829)</b>	<b>(4,020,873,907)</b>	<b>(73,384,718)</b>	<b>(5,365,156,733)</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 13 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	9,043,584	685,413,231	5,144,652	376,125,508
Retention liability	393,770	29,843,828	171,331	12,526,009
<b>Total</b>	<b>9,437,354</b>	<b>715,257,059</b>	<b>5,315,983</b>	<b>388,651,517</b>

## 14 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	40,378,779	3,060,307,659	42,382,431	3,098,579,530
Inter Company - Payables (Net)	1,176,935	89,199,904	-	-
<b>Total</b>	<b>41,555,714</b>	<b>3,149,507,563</b>	<b>42,382,431</b>	<b>3,098,579,530</b>

## 15 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	1,516,936	114,968,579	1,662,307	121,531,265
Others	212,951	16,139,556	108,925	7,963,507
<b>Total</b>	<b>1,729,887</b>	<b>131,108,135</b>	<b>1,771,232</b>	<b>129,494,772</b>

## 16 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	9,406,643	712,929,473	11,991,185	876,675,535
Other Employee dues	7,675,075	581,693,934	10,142,267	741,501,140
Other Statutory dues	241,853	18,330,039	544,461	39,805,544
Others	-	-	95,907	7,011,761
<b>Total</b>	<b>17,323,571</b>	<b>1,312,953,446</b>	<b>22,773,820</b>	<b>1,664,993,980</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 17 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	1,224,904	92,835,474	1,488,771	108,844,048
<b>Total</b>	<b>1,224,904</b>	<b>92,835,474</b>	<b>1,488,771</b>	<b>108,844,048</b>

## 18 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Dividend income	626	47,445	2,819,415	206,127,431
Interest income - others	-	-	7	512
Interest on loan to subsidiaries	4,613,420	349,651,102	4,219,955	308,520,910
Profit on sale of property, plant & equipment	18	1,364	11	804
Exchange gain -Net	892,062	67,609,379	7,025,921	513,665,084
Miscellaneous income	2,715,070	205,775,155	3,571,839	261,137,149
<b>Total</b>	<b>8,221,196</b>	<b>623,084,445</b>	<b>17,637,148</b>	<b>1,289,451,890</b>

## 19 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	125,795,801	9,534,063,758	178,250,894	13,031,922,860
Rent of satellite channels	-	-	29,407	2,149,946
<b>Total</b>	<b>125,795,801</b>	<b>9,534,063,758</b>	<b>178,280,301</b>	<b>13,034,072,806</b>

## 20 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	52,862,561	4,006,453,498	60,923,506	4,454,117,524
Contribution to provident and other funds	1,553,439	117,735,142	1,842,587	134,711,536
Staff welfare expenses	186,632	14,144,839	163,455	11,950,195
<b>Total</b>	<b>54,602,632</b>	<b>4,138,333,479</b>	<b>62,929,548</b>	<b>4,600,779,255</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 21 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	201,451	15,267,971	243,998	17,838,694
Interest on inter companies loan	799,477	60,592,362	1,091,147	79,773,757
<b>Total</b>	<b>1,000,928</b>	<b>75,860,333</b>	<b>1,335,145</b>	<b>97,612,451</b>

## 22 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	1,615,781	122,460,042	1,673,005	122,313,396
Auditors remuneration	26,274	1,991,306	(3,260)	(238,339)
Communication expenses	381,562	28,918,584	569,076	41,605,146
Donations	-	-	7,504	548,617
Electricity	9,036,757	684,895,813	8,692,733	635,525,710
Entertainment expenses	38,686	2,932,012	(13,595)	(993,930)
Insurance expenses	386,016	29,256,153	239,932	17,541,429
IT consumables	65,679	4,977,811	88,646	6,480,909
Legal and professional fees	3,348,834	253,808,129	3,852,512	281,657,152
Miscellaneous expenses	2,431,155	184,257,237	3,120,032	228,105,540
Printing and stationery	116,232	8,809,223	124,206	9,080,701
Provision for doubtful debts	(390,943)	(29,629,570)	(880,133)	(64,346,524)
Rates and Taxes	5,194,026	393,655,231	5,585,146	408,330,024
Recruitment expenses	916,964	69,496,702	391,927	28,653,783
Relocation Expense	54,453	4,126,993	373,213	27,285,602
Rent	10,988,279	832,801,665	12,031,349	879,611,925
Repairs and Maintenance Plant & Machinery	14,921,859	1,130,927,694	17,419,222	1,273,519,320
Repairs and Maintenance -Building	584,895	44,329,192	348,402	25,471,670
Security charges	192,260	14,571,385	179,127	13,095,975
Seminars, trainings and conferences	1,209,456	91,664,670	724,355	52,957,594
Services rendered by agencies	2,787,143	211,237,568	2,609,520	190,782,007
Bad debts written off	398,194	30,179,123	1,440,709	105,330,235
Travelling and conveyance expenses	282,651	21,422,119	53,013	3,875,780
<b>Total</b>	<b>54,586,213</b>	<b>4,137,089,082</b>	<b>58,626,641</b>	<b>4,286,193,722</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Va*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545

Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	8,150,238	617,706,538	9,435,825	689,853,166
Capital work-in-progress		550,613	41,730,959	519,353	37,969,898
Right-of-use assets		818,759	62,053,745	1,178,659	86,171,759
Other Intangible assets	2	14,135	1,071,292	43,348	3,169,173
Financial assets					
(i) Other financial assets	3	140,592	10,655,468	148,534	10,859,321
Other Non-current assets	4	540,522	40,966,162	976,350	71,380,949
		10,214,859	774,184,164	12,302,069	899,404,266
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	5	9,468,793	717,639,822	10,498,057	767,512,947
(ii) Cash and cash equivalents	6	2,107	159,690	388	28,367
(iii) Other financial assets	7	46,078	3,492,252	89,972	6,577,853
Other Current assets	8	3,177,624	240,832,122	3,497,948	255,734,978
		12,694,602	962,123,886	14,086,365	1,029,854,145
<b>TOTAL ASSETS</b>		<b>22,909,461</b>	<b>1,736,308,050</b>	<b>26,388,434</b>	<b>1,929,258,411</b>
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	9	33,795	2,561,323	33,795	2,470,752
Other equity	10	(44,178,017)	(3,348,251,913)	(46,485,592)	(3,398,561,632)
<b>Total Equity</b>		<b>(44,144,222)</b>	<b>(3,345,690,590)</b>	<b>(46,451,797)</b>	<b>(3,396,090,880)</b>
<b>(2) Non-current liabilities</b>					
Financial liabilities					
(i) Lease liabilities		413,070	31,306,575	859,951	62,871,018
Provisions	11	362,004	27,436,283	103,913	7,597,079
Other non current liabilities (Deferred revenue)		1,040,751	78,878,518	1,549,992	113,319,915
		1,815,825	137,621,376	2,513,856	183,788,012
<b>(3) Current liabilities</b>					
Financial liabilities					
(i) Borrowings	12	47,666,181	3,612,619,858	48,860,920	3,572,221,861
(ia) Lease liabilities		388,960	29,479,278	396,797	29,009,829
(ii) Trade payables	13	14,644,114	1,109,877,408	18,507,001	1,353,046,845
(iii) Other financial liabilities	14	241,054	18,269,482	106,975	7,820,942
Other current liabilities	15	2,185,153	165,612,745	2,338,277	170,951,432
Provisions	16	112,396	8,518,493	116,405	8,510,370
		65,237,858	4,944,377,264	70,326,375	5,141,561,279
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>22,909,461</b>	<b>1,736,308,050</b>	<b>26,388,434</b>	<b>1,929,258,411</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	17	71,988,246	5,455,989,164	74,171,356	5,422,667,837
ii	Other Income		358,766	27,190,874	65,235	4,769,330
iii	<b>Total income (i + ii)</b>		<b>72,347,012</b>	<b>5,483,180,038</b>	<b>74,236,591</b>	<b>5,427,437,167</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	18	56,261,866	4,264,086,824	59,700,470	4,364,701,362
	Employee benefits expenses	19	5,161,776	391,211,003	4,961,699	362,749,814
	Finance costs	20	2,240,444	169,803,251	2,167,142	158,439,752
	Depreciation and amortisation expenses		2,918,082	221,161,435	2,685,790	196,358,107
	Operating and other expenses	21	3,502,371	265,444,701	4,145,331	303,065,148
	<b>Total expenses</b>		<b>70,084,539</b>	<b>5,311,707,214</b>	<b>73,660,432</b>	<b>5,385,314,183</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>2,262,473</b>	<b>171,472,824</b>	<b>576,159</b>	<b>42,122,984</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		45,102	3,418,281	(307,319)	(22,468,092)
vii	<b>Profit before taxes (v - vi)</b>		<b>2,307,575</b>	<b>174,891,105</b>	<b>268,840</b>	<b>19,654,892</b>
viii	<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>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>2,307,575</b>	<b>174,891,105</b>	<b>268,840</b>	<b>19,654,892</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	254,165	19,263,165	403	29,463
Cables	2,789,045	211,381,721	2,654,708	194,085,702
Plant and machinery	32,253,034	2,444,457,447	32,846,305	2,401,393,359
Furniture and fixtures	288,905	21,896,110	288,905	21,121,845
Computers	265,252	20,103,449	265,993	19,446,748
Office equipment	7,004	530,833	7,004	512,062
(a)	35,857,405	2,717,632,725	36,063,318	2,636,589,179
<b>Accumulated depreciation:</b>				
Lease hold improvement	11,938	904,781	403	29,463
Cables	2,125,329	161,078,685	1,909,486	139,602,521
Plant and machinery	25,140,167	1,905,373,257	24,319,330	1,777,986,216
Furniture and fixtures	173,994	13,187,005	146,834	10,735,034
Computers	249,654	18,921,277	246,142	17,995,442
Office equipment	6,085	461,182	5,298	387,337
(b)	27,707,167	2,099,926,187	26,627,493	1,946,736,013
<b>Net block (a) - (b)</b>	<b>8,150,238</b>	<b>617,706,538</b>	<b>9,435,825</b>	<b>689,853,166</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	1,081,597	81,974,237	1,150,825	84,136,816
(a)	1,081,597	81,974,237	1,150,825	84,136,816
<b>Accumulated amortisation:</b>				
Computer software	1,067,462	80,902,945	1,107,477	80,967,643
(b)	1,067,462	80,902,945	1,107,477	80,967,643
<b>Net block (a) - (b)</b>	<b>14,135</b>	<b>1,071,292</b>	<b>43,348</b>	<b>3,169,173</b>

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	140,592	10,655,468	148,534	10,859,321
<b>Total</b>	<b>140,592</b>	<b>10,655,468</b>	<b>148,534</b>	<b>10,859,321</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 4 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	540,522	40,966,162	976,350	71,380,949
<b>Total</b>	<b>540,522</b>	<b>40,966,162</b>	<b>976,350</b>	<b>71,380,949</b>

## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	10,022,015	759,568,517	11,252,853	822,696,083
Provision for doubtful debts	(553,222)	(41,928,695)	(754,796)	(55,183,136)
<b>Total</b>	<b>9,468,793</b>	<b>717,639,822</b>	<b>10,498,057</b>	<b>767,512,947</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	2,107	159,690	388	28,367
<b>Total</b>	<b>2,107</b>	<b>159,690</b>	<b>388</b>	<b>28,367</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	-	-	89,972	6,577,853
Others	46,078	3,492,252	-	-
<b>Total</b>	<b>46,078</b>	<b>3,492,252</b>	<b>89,972</b>	<b>6,577,853</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	86,968	6,591,305	-	-
Advances to employees	43,141	3,269,656	7,202	526,538
Prepaid expenses	2,909,884	220,540,108	3,490,744	255,208,294
Others	137,631	10,431,053	2	146
<b>Total</b>	<b>3,177,624</b>	<b>240,832,122</b>	<b>3,497,948</b>	<b>255,734,978</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 9 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	33,795	2,561,323	33,795	2,470,752
<b>Total</b>	<b>33,795</b>	<b>2,561,323</b>	<b>33,795</b>	<b>2,470,752</b>

## 10 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(46,485,592)	(3,523,143,018)	(46,754,432)	(3,418,216,524)
Profit / (loss) for the year	2,307,575	174,891,105	268,840	19,654,892
<b>Total</b>	<b>(44,178,017)</b>	<b>(3,348,251,913)</b>	<b>(46,485,592)</b>	<b>(3,398,561,632)</b>

## 11 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	362,004	27,436,283	103,913	7,597,079
<b>Total</b>	<b>362,004</b>	<b>27,436,283</b>	<b>103,913</b>	<b>7,597,079</b>

## 12 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	47,666,181	3,612,619,858	48,860,920	3,572,221,861
<b>Total</b>	<b>47,666,181</b>	<b>3,612,619,858</b>	<b>48,860,920</b>	<b>3,572,221,861</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	10,601,594	803,494,817	10,002,725	731,299,227
Inter Company - Payables (Net)	4,042,520	306,382,591	8,504,276	621,747,618
<b>Total</b>	<b>14,644,114</b>	<b>1,109,877,408</b>	<b>18,507,001</b>	<b>1,353,046,845</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	85,889	6,509,527	99,328	7,261,870
Interest accrued but not due on Inter Co. loan (Net)	146,360	11,092,624	-	-
Others	8,805	667,331	7,647	559,072
<b>Total</b>	<b>241,054</b>	<b>18,269,482</b>	<b>106,975</b>	<b>7,820,942</b>

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	1,603,979	121,565,568	1,579,044	115,443,907
Other Employee dues	525,889	39,857,127	627,625	45,885,664
Other Statutory dues	55,285	4,190,050	131,608	9,621,861
<b>Total</b>	<b>2,185,153</b>	<b>165,612,745</b>	<b>2,338,277</b>	<b>170,951,432</b>

## 16 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	112,396	8,518,493	116,405	8,510,370
<b>Total</b>	<b>112,396</b>	<b>8,518,493</b>	<b>116,405</b>	<b>8,510,370</b>

## 17 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	97,441	7,385,053	53,177	3,887,770
Profit on sale of fixed assets	109	8,261	-	-
Exchange gain -Net	201,727	15,288,889	-	-
Miscellaneous income	59,489	4,508,671	12,058	881,560
<b>Total</b>	<b>358,766</b>	<b>27,190,874</b>	<b>65,235</b>	<b>4,769,330</b>

## 18 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	56,261,866	4,264,086,824	59,700,470	4,364,701,362
<b>Total</b>	<b>56,261,866</b>	<b>4,264,086,824</b>	<b>59,700,470</b>	<b>4,364,701,362</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 19 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	5,110,481	387,323,355	4,949,960	361,891,576
Staff welfare expenses	51,295	3,887,648	11,739	858,238
<b>Total</b>	<b>5,161,776</b>	<b>391,211,003</b>	<b>4,961,699</b>	<b>362,749,814</b>

## 20 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	4,330	328,171	3,314	242,287
Interest on inter companies loan	1,887,742	143,071,966	1,959,769	143,278,712
Guarantee fees	348,372	26,403,114	204,059	14,918,753
<b>Total</b>	<b>2,240,444</b>	<b>169,803,251</b>	<b>2,167,142</b>	<b>158,439,752</b>

## 21 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	143,572	10,881,322	157,505	11,515,191
Auditors remuneration	68,000	5,153,720	68,000	4,971,480
Communication expenses	36,768	2,786,647	45,762	3,345,660
Donations	-	-	789	57,684
Electricity	443,601	33,620,520	512,525	37,470,703
Entertainment expenses	378	28,649	493	36,043
Exchange loss -Net	-	-	97,639	7,138,387
Insurance expenses	10,873	824,065	(6,813)	(498,098)
IT consumables	208	15,764	(162)	(11,844)
Legal and professional fees	506,164	38,362,170	615,845	45,024,428
Miscellaneous expenses	181,276	13,738,908	91,076	6,658,565
Printing and stationery	7,963	603,516	4,801	351,001
Provision for doubtful debts	(201,574)	(15,277,293)	(2,935,957)	(214,647,816)
Rates and Taxes	1,125	85,264	195	14,256
Recruitment expenses	118,980	9,017,494	874	63,898
Relocation Expense	13,358	1,012,403	5,977	436,978
Rent	250,953	19,019,728	279,540	20,437,169
Repairs and Maintenance Plant & Machinery	1,501,454	113,795,199	1,617,832	118,279,698
Repairs and Maintenance -Building	(364)	(27,588)	2,751	201,126
Seminars, trainings and conferences	8,878	672,864	400	29,244
Services rendered by agencies	355,189	26,919,774	341,284	24,951,273
Bad debts written off	-	-	3,183,182	232,722,436
Travelling and conveyance expenses	55,569	4,211,575	61,793	4,517,686
<b>Total</b>	<b>3,502,371</b>	<b>265,444,701</b>	<b>4,145,331</b>	<b>303,065,148</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*V. Varma*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	ASSETS					
(1)	Non-current assets					
	Property, plant and equipment	1	530,609	40,214,857	626,487	45,802,465
	Capital work-in-progress		196,547	14,896,297	28,544	2,086,852
	Intangible assets under development		1,791	135,740	-	-
	Advance tax (net)		132,095	10,011,480	135,950	9,939,305
	Other Non-current assets	2	35,619	2,699,564	19,772	1,445,531
			896,661	67,957,938	810,753	59,274,153
(2)	Current assets					
	Financial assets					
	(i) Trade receivables	3	1,197,404	90,751,249	3,554,033	259,835,353
	(ii) Other financial assets	4	2,164	164,010	-	-
	Other Current assets	5	1,514,246	114,764,705	4,229,969	309,253,034
			2,713,814	205,679,964	7,784,002	569,088,387
	TOTAL ASSETS		3,610,475	273,637,902	8,594,755	628,362,540
(B)	EQUITY AND LIABILITIES					
(1)	Equity					
	Equity share capital	6	7,149,315	541,846,584	6,871,073	502,344,147
	Other equity	7	(6,865,813)	(520,359,966)	(6,746,432)	(493,231,645)
	Total Equity		283,502	21,486,618	124,641	9,112,502
(2)	Current liabilities					
	Financial liabilities					
	(i) Borrowings	8	1,860,518	141,008,659	5,518,429	403,452,344
	(ii) Trade payables	9	1,291,122	97,854,136	2,587,508	189,172,713
	(iii) Other financial liabilities	10	26,385	1,999,720	50,569	3,697,100
	Other current liabilities	11	118,928	9,013,553	234,400	17,136,984
	Provisions	12	30,020	2,275,216	79,208	5,790,897
			3,326,973	252,151,284	8,470,114	619,250,038
	TOTAL EQUITY AND LIABILITIES		3,610,475	273,637,902	8,594,755	628,362,540

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	13	9,531,078	722,360,402	11,274,001	824,242,213
ii	Other Income		67,124	5,087,328	52,755	3,856,918
iii	<b>Total income (i + ii)</b>		<b>9,598,202</b>	<b>727,447,730</b>	<b>11,326,756</b>	<b>828,099,131</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	14	8,325,808	631,012,988	9,083,552	664,098,486
	Employee benefits expenses	15	194,793	14,763,361	745,313	54,489,833
	Finance costs	16	248,312	18,819,566	191,344	13,989,161
	Depreciation and amortisation expenses	17	202,363	15,337,092	173,306	12,670,402
	Operating and other expenses		744,127	56,397,386	1,121,087	81,962,672
	<b>Total expenses</b>		<b>9,715,403</b>	<b>736,330,393</b>	<b>11,314,602</b>	<b>827,210,554</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>(117,201)</b>	<b>(8,882,663)</b>	<b>12,154</b>	<b>888,577</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		(2,180)	(165,222)	(78,413)	(5,732,774)
vii	<b>Profit before taxes (v - vi)</b>		<b>(119,381)</b>	<b>(9,047,885)</b>	<b>(66,259)</b>	<b>(4,844,197)</b>
viii	<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>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>(119,381)</b>	<b>(9,047,885)</b>	<b>(66,259)</b>	<b>(4,844,197)</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	1,917,525	145,329,220	2,341,756	171,205,781
Computers	4,053	307,177	4,053	296,315
(a)	1,921,578	145,636,397	2,345,809	171,502,096
<b>Accumulated depreciation:</b>				
Plant and machinery	1,388,566	105,239,417	1,717,519	125,567,814
Computers	2,403	182,123	1,803	131,817
(b)	1,390,969	105,421,540	1,719,322	125,699,631
<b>Net block (a) - (b)</b>	530,609	40,214,857	626,487	45,802,465

## 2 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	35,619	2,699,564	19,772	1,445,531
<b>Total</b>	35,619	2,699,564	19,772	1,445,531

## 3 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	166,261	12,600,921	158,389	11,579,820
Intercompany receivables (Net)	1,077,053	81,629,847	3,446,084	251,943,201
Provision for doubtful debts	(45,910)	(3,479,519)	(50,440)	(3,687,668)
<b>Total</b>	1,197,404	90,751,249	3,554,033	259,835,353

## 4 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Others	2,164	164,010	-	-
<b>Total</b>	2,164	164,010	-	-



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	238,821	18,100,244	241,862	17,682,531
Indirect tax receivable	1,275,425	96,664,461	3,988,107	291,570,503
<b>Total</b>	<b>1,514,246</b>	<b>114,764,705</b>	<b>4,229,969</b>	<b>309,253,034</b>

## 6 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	7,149,315	541,846,584	6,871,073	502,344,147
<b>Total</b>	<b>7,149,315</b>	<b>541,846,584</b>	<b>6,871,073</b>	<b>502,344,147</b>

## 7 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(6,746,432)	(511,312,081)	(6,680,173)	(488,387,448)
Profit / (loss) for the year	(119,381)	(9,047,885)	(66,259)	(4,844,197)
<b>Total</b>	<b>(6,865,813)</b>	<b>(520,359,966)</b>	<b>(6,746,432)</b>	<b>(493,231,645)</b>

## 8 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	1,860,518	141,008,659	5,518,429	403,452,344
<b>Total</b>	<b>1,860,518</b>	<b>141,008,659</b>	<b>5,518,429</b>	<b>403,452,344</b>

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	1,291,122	97,854,136	2,587,508	189,172,713
<b>Total</b>	<b>1,291,122</b>	<b>97,854,136</b>	<b>2,587,508</b>	<b>189,172,713</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	11,102	841,421	15,481	1,131,816
Interest accrued but not due on Inter Co. loan (Net)	15,283	1,158,299	9,625	703,684
Others	-	-	25,463	1,861,600
<b>Total</b>	<b>26,385</b>	<b>1,999,720</b>	<b>50,569</b>	<b>3,697,100</b>

## 11 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	-	-	720	52,639
Other Employee dues	118,890	9,010,673	233,483	17,069,942
Others	38	2,880	197	14,403
<b>Total</b>	<b>118,928</b>	<b>9,013,553</b>	<b>234,400</b>	<b>17,136,984</b>

## 12 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	30,020	2,275,216	79,208	5,790,897
<b>Total</b>	<b>30,020</b>	<b>2,275,216</b>	<b>79,208</b>	<b>5,790,897</b>

## 13 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	20,659	1,565,746	14,464	1,057,463
Profit on sale of fixed assets	3	227	-	-
Exchange gain -Net	43,958	3,331,577	-	-
Miscellaneous income	2,504	189,778	38,291	2,799,455
<b>Total</b>	<b>67,124</b>	<b>5,087,328</b>	<b>52,755</b>	<b>3,856,918</b>

## 14 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	8,185,781	620,400,342	8,970,775	655,853,360
Rent of satellite channels	140,027	10,612,646	112,777	8,245,126
<b>Total</b>	<b>8,325,808</b>	<b>631,012,988</b>	<b>9,083,552</b>	<b>664,098,486</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	190,974	14,473,919	741,719	54,227,076
Staff welfare expenses	3,819	289,442	3,594	262,757
<b>Total</b>	<b>194,793</b>	<b>14,763,361</b>	<b>745,313</b>	<b>54,489,833</b>

## 16 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	-	-	287	20,983
Interest on inter companies loan	167,223	12,673,831	176,797	12,925,629
Guarantee fees	81,089	6,145,735	14,260	1,042,549
<b>Total</b>	<b>248,312</b>	<b>18,819,566</b>	<b>191,344</b>	<b>13,989,161</b>

## 17 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	10,321	782,229	12,309	899,911
Auditors remuneration	40,000	3,031,600	40,000	2,924,400
Communication expenses	2,275	172,422	4,560	333,382
Electricity	31,733	2,405,044	31,941	2,335,207
Exchange loss -Net	-	-	161,398	11,799,808
Insurance expenses	7,630	578,278	7,266	531,217
IT consumables	-	-	215	15,719
Legal and professional fees	171,187	12,974,263	365,739	26,739,178
Miscellaneous expenses	2,767	209,711	25,525	1,866,133
Printing and stationery	(62)	(4,699)	747	54,613
Provision for doubtful debts	(4,531)	(343,404)	3,406	249,013
Rates and Taxes	198,917	15,075,919	198,536	14,514,967
Rent	3,066	232,372	-	-
Repairs and Maintenance Plant & Machinery	232,057	17,587,600	232,426	16,992,665
Services rendered by agencies	48,767	3,696,051	35,371	2,585,974
Travelling and conveyance expenses	-	-	1,648	120,485
<b>Total</b>	<b>744,127</b>	<b>56,397,386</b>	<b>1,121,087</b>	<b>81,962,672</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
<b>(A) ASSETS</b>						
<b>(1) Non-current assets</b>						
Property, plant and equipment	1		3,939,270	298,557,272	3,781,412	276,459,031
Capital work-in-progress			241,343	18,291,386	183,226	13,395,653
Right-of-use assets			214,442	16,252,559	306,995	22,444,404
Other Intangible assets	2		415,834	31,516,059	616,472	45,070,268
Financial assets						
(i) Loans	3		15,318,860	1,161,016,399	12,969,780	948,220,616
(ii) Other financial assets	4		19,327	1,464,793	20,415	1,492,541
Deferred tax assets (net)			135,606	10,277,579	-	-
Other Non-current assets	5		29,884	2,264,908	45,274	3,309,982
			<b>20,314,566</b>	<b>1,539,640,955</b>	<b>17,923,574</b>	<b>1,310,392,495</b>
<b>(2) Current assets</b>						
Financial assets						
(i) Trade receivables	6		2,719,434	206,105,904	5,295,683	387,167,384
(ii) Cash and cash equivalents	7		16,313	1,236,362	33,433	2,444,287
(iii) Other financial assets	8		205,217	15,553,396	147,343	10,772,247
Other Current assets	9		1,841,567	139,572,363	1,902,692	139,105,811
			<b>4,782,531</b>	<b>362,468,025</b>	<b>7,379,151</b>	<b>539,489,729</b>
<b>TOTAL ASSETS</b>			<b>25,097,097</b>	<b>1,902,108,980</b>	<b>25,302,725</b>	<b>1,849,882,224</b>
<b>(B) EQUITY AND LIABILITIES</b>						
<b>(1) Equity</b>						
Equity share capital	10		537,610	40,745,462	537,610	39,304,667
Other equity	11		19,959,284	1,512,714,133	19,007,215	1,389,617,487
<b>Total Equity</b>			<b>20,496,894</b>	<b>1,553,459,595</b>	<b>19,544,825</b>	<b>1,428,922,154</b>
<b>(2) Non-current liabilities</b>						
Financial liabilities						
(i) Lease liabilities	12		140,911	10,679,645	222,496	16,266,683
Provisions			726,627	55,071,060	726,627	53,123,700
Other non current liabilities (Deferred revenue)			112,818	8,550,476	107,568	7,864,296
			<b>980,356</b>	<b>74,301,181</b>	<b>1,056,691</b>	<b>77,254,679</b>
<b>(3) Current liabilities</b>						
Financial liabilities						
(i) Lease liabilities	13		69,727	5,284,609	97,372	7,118,867
(ii) Trade payables	14		2,816,360	213,451,924	3,699,789	270,491,574
(iii) Other financial liabilities	15		21,650	1,640,854	35,476	2,593,651
Other current liabilities	16		264,729	20,063,811	746,314	54,563,016
Provisions			34,643	2,625,593	44,215	3,232,559
Current tax liability (Net)			412,738	31,281,413	78,043	5,705,724
			<b>3,619,847</b>	<b>274,348,204</b>	<b>4,701,209</b>	<b>343,705,391</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>25,097,097</b>	<b>1,902,108,980</b>	<b>25,302,725</b>	<b>1,849,882,224</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	17	15,244,623	1,155,389,977	17,801,530	1,301,469,858
ii	Other Income		565,523	42,860,988	868,241	63,477,099
iii	Total income (i + ii)		15,810,146	1,198,250,965	18,669,771	1,364,946,957
iv	Expenses:					
	Network and transmission expenses	18	7,571,273	573,826,781	8,236,391	602,162,546
	Employee benefits expenses	19	2,086,261	158,117,721	2,681,235	196,025,091
	Finance costs	20	34,334	2,602,174	32,708	2,391,282
	Depreciation and amortisation expenses	21	1,149,416	87,114,239	1,221,923	89,334,791
	Operating and other expenses		3,290,787	249,408,747	4,042,849	295,572,691
	Total expenses		14,132,071	1,071,069,662	16,215,106	1,185,486,401
v	Profit before exceptional items and taxes (iii - iv)		1,678,075	127,181,303	2,454,665	179,460,556
vi	Exceptional items:					
	Staff cost optimisation		84,260	6,386,065	(506,088)	(37,000,094)
vii	Profit before taxes (v - vi)		1,762,335	133,567,368	1,948,577	142,460,462
viii	Tax expenses					
	(i) Current tax expense/(benefit)		945,872	71,687,639	21,228	1,551,979
	(ii) Deferred tax expense/(benefit)		(135,606)	(10,277,579)	-	-
	Net tax expenses		810,266	61,410,060	21,228	1,551,979
ix	Profit / (loss) for the year (vii-viii)		952,069	72,157,308	1,927,349	140,908,483

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	115,191	8,730,326	115,191	8,421,614
Building	701,401	53,159,182	701,401	51,279,427
Lease hold improvement	355,725	26,960,398	355,725	26,007,055
Cables	5,550,754	420,691,646	5,550,754	405,815,625
Plant and machinery	11,096,404	840,996,459	13,261,877	969,575,827
Furniture and fixtures	77,874	5,902,070	77,874	5,693,368
Computers	45,561	3,453,068	46,939	3,431,710
Office equipment	154,151	11,683,104	154,151	11,269,980
(a)	18,097,061	1,371,576,253	20,263,912	1,481,494,606
<b>Accumulated depreciation:</b>				
Building	555,943	42,134,920	523,711	38,288,511
Lease hold improvement	355,725	26,960,398	355,725	26,007,055
Cables	4,753,235	360,247,681	4,597,161	336,098,441
Plant and machinery	8,303,083	629,290,661	10,834,539	792,113,146
Furniture and fixtures	50,879	3,856,119	47,595	3,479,670
Computers	34,448	2,610,814	31,160	2,278,108
Office equipment	104,478	7,918,388	92,609	6,770,644
(b)	14,157,791	1,073,018,981	16,482,500	1,205,035,575
<b>Net block (a) - (b)</b>	<b>3,939,270</b>	<b>298,557,272</b>	<b>3,781,412</b>	<b>276,459,031</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	49,145	3,724,700	43,280	3,164,201
Indefeasible right to use assets	3,069,475	232,635,510	3,069,475	224,409,317
(a)	3,118,620	236,360,210	3,112,755	227,573,518
<b>Accumulated amortisation:</b>				
Computer software	42,251	3,202,203	40,218	2,940,338
Indefeasible right to use assets	2,660,535	201,641,948	2,456,065	179,562,912
(b)	2,702,786	204,844,151	2,496,283	182,503,250
<b>Net block (a) - (b)</b>	<b>415,834</b>	<b>31,516,059</b>	<b>616,472</b>	<b>45,070,268</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	15,318,860	1,161,016,399	12,969,780	948,220,616
<b>Total</b>	<b>15,318,860</b>	<b>1,161,016,399</b>	<b>12,969,780</b>	<b>948,220,616</b>

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	19,327	1,464,793	20,415	1,492,541
<b>Total</b>	<b>19,327</b>	<b>1,464,793</b>	<b>20,415</b>	<b>1,492,541</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	29,884	2,264,908	45,274	3,309,982
<b>Total</b>	<b>29,884</b>	<b>2,264,908</b>	<b>45,274</b>	<b>3,309,982</b>

## 6 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	1,818,859	137,851,324	3,071,327	224,544,717
Intercompany receivables (Net)	980,006	74,274,655	2,255,939	164,931,700
Provision for doubtful debts	(79,431)	(6,020,075)	(31,583)	(2,309,033)
<b>Total</b>	<b>2,719,434</b>	<b>206,105,904</b>	<b>5,295,683</b>	<b>387,167,384</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	16,313	1,236,362	33,433	2,444,287
<b>Total</b>	<b>16,313</b>	<b>1,236,362</b>	<b>33,433</b>	<b>2,444,287</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 8 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	180,919	13,711,851	147,343	10,772,247
Others	24,298	1,841,545	-	-
<b>Total</b>	<b>205,217</b>	<b>15,553,396</b>	<b>147,343</b>	<b>10,772,247</b>

## 9 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	128,197	9,716,051	115,682	8,457,511
Advances to employees	969	73,441	964	70,478
Prepaid expenses	262,317	19,881,005	385,511	28,184,709
Indirect tax receivable	1,445,766	109,574,605	1,399,468	102,315,105
Others	4,318	327,261	1,067	78,008
<b>Total</b>	<b>1,841,567</b>	<b>139,572,363</b>	<b>1,902,692</b>	<b>139,105,811</b>

## 10 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	537,610	40,745,462	537,610	39,304,667
<b>Total</b>	<b>537,610</b>	<b>40,745,462</b>	<b>537,610</b>	<b>39,304,667</b>

## 11 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	872,427	66,121,242	(1,054,922)	(77,125,347)
Profit / (loss) for the year	952,069	72,157,308	1,927,349	140,908,483
<b>Closing balance</b>	<b>1,824,496</b>	<b>138,278,550</b>	<b>872,427</b>	<b>63,783,136</b>
Share premium	18,134,788	1,374,435,583	18,134,788	1,325,834,351
<b>Total</b>	<b>19,959,284</b>	<b>1,512,714,133</b>	<b>19,007,215</b>	<b>1,389,617,487</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 12 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	726,627	55,071,060	726,627	53,123,700
<b>Total</b>	<b>726,627</b>	<b>55,071,060</b>	<b>726,627</b>	<b>53,123,700</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	2,816,360	213,451,924	3,699,789	270,491,574
<b>Total</b>	<b>2,816,360</b>	<b>213,451,924</b>	<b>3,699,789</b>	<b>270,491,574</b>

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	21,650	1,640,854	24,869	1,818,173
Others	-	-	10,607	775,478
<b>Total</b>	<b>21,650</b>	<b>1,640,854</b>	<b>35,476</b>	<b>2,593,651</b>

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	123,968	9,395,535	322,992	23,613,945
Other Employee dues	140,744	10,666,988	423,322	30,949,071
Others	17	1,288	-	-
<b>Total</b>	<b>264,729</b>	<b>20,063,811</b>	<b>746,314</b>	<b>54,563,016</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 16 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	34,643	2,625,593	44,215	3,232,559
<b>Total</b>	<b>34,643</b>	<b>2,625,593</b>	<b>44,215</b>	<b>3,232,559</b>

## 17 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	502,933	38,117,292	361,938	26,461,287
Profit on sale of Property, Plant & Equipment	1	76	-	-
Exchange gain -Net	5,281	400,247	57,517	4,205,068
Miscellaneous income	57,308	4,343,373	448,786	32,810,744
<b>Total</b>	<b>565,523</b>	<b>42,860,988</b>	<b>868,241</b>	<b>63,477,099</b>

## 18 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	7,571,273	573,826,781	8,236,391	602,162,546
<b>Total</b>	<b>7,571,273</b>	<b>573,826,781</b>	<b>8,236,391</b>	<b>602,162,546</b>

## 19 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	2,004,582	151,927,270	2,604,564	190,419,674
Staff welfare expenses	81,679	6,190,451	76,671	5,605,417
<b>Total</b>	<b>2,086,261</b>	<b>158,117,721</b>	<b>2,681,235</b>	<b>196,025,091</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 20 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	5	379	6,658	486,766
Interest on inter companies loan	10,918	827,475	23,461	1,715,234
Guarantee fees	23,411	1,774,320	2,589	189,282
<b>Total</b>	<b>34,334</b>	<b>2,602,174</b>	<b>32,708</b>	<b>2,391,282</b>

## 21 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	761,263	57,696,123	751,470	54,939,972
Auditors remuneration	53,000	4,016,870	53,000	3,874,830
Communication expenses	34,601	2,622,410	45,890	3,355,018
CSR expenses	(893)	(67,680)	893	65,287
Donations	899	68,135	-	-
Electricity	410,098	31,081,327	394,931	28,873,405
Entertainment expenses	3,170	240,254	-	-
Insurance expenses	27,997	2,121,893	27,514	2,011,549
IT consumables	906	68,666	465	33,996
Legal and professional fees	220,806	16,734,887	1,044,242	76,344,533
Miscellaneous expenses	330,662	25,060,873	475,301	34,749,256
Printing and stationery	3,847	291,564	4,132	302,091
Provision for doubtful debts	47,848	3,626,400	(66,755)	(4,880,458)
Rates and Taxes	97,599	7,397,028	104,445	7,635,974
Recruitment expenses	389	29,482	682	49,861
Relocation Expense	-	-	4,895	357,873
Rent	99,414	7,534,587	98,774	7,221,367
Repairs and Maintenance Plant & Machinery	296,634	22,481,891	266,561	19,488,275
Repairs and Maintenance -Building	54,818	4,154,656	87,265	6,379,944
Security charges	178	13,491	166	12,136
Seminars, trainings and conferences	(565)	(42,821)	13,547	990,421
Services rendered by agencies	815,179	61,782,416	681,997	49,860,801
Travelling and conveyance expenses	32,937	2,496,295	53,434	3,906,560
<b>Total</b>	<b>3,290,787</b>	<b>249,408,747</b>	<b>4,042,849</b>	<b>295,572,691</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	230,677	17,483,009	326,440	23,866,028
Capital work-in-progress		5,909	447,843	703	51,396
Right-of-use assets		41,716	3,161,656	24,511	1,791,999
Financial assets					
(i) Loans	2	576,975	43,728,935	2,207,435	161,385,573
(ii) Other financial assets	3	5,130	388,803	5,418	396,110
Deferred tax assets (net)		88,184	6,683,465	86,455	6,320,725
Other Non-current assets	4	9,962	755,020	26,071	1,906,051
		958,553	72,648,731	2,677,033	195,717,882
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	5	402,842	30,531,395	494,185	36,129,865
(ii) Cash and cash equivalents	6	51,004	3,865,593	53,044	3,878,047
(iii) Other financial assets	7	30,189	2,288,024	30,725	2,246,305
Other Current assets	8	690,102	52,302,831	261,644	19,128,792
		1,174,137	88,987,843	839,598	61,383,009
<b>TOTAL ASSETS</b>		2,132,690	161,636,574	3,516,631	257,100,891
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	9	16,708	1,266,299	16,708	1,221,522
Other equity	10	532,939	40,391,445	465,112	34,004,335
Total Equity		549,647	41,657,744	481,820	35,225,857
<b>(2) Non-current liabilities</b>					
Financial liabilities					
(i) Lease liabilities		8,538	647,095	-	-
Other non current liabilities (Deferred revenue)		13,230	1,002,702	165,326	12,086,984
		21,768	1,649,797	165,326	12,086,984
<b>(3) Current liabilities</b>					
Financial liabilities					
(i) Lease liabilities		33,180	2,514,712	13,915	1,017,326
(ii) Trade payables	11	1,293,348	98,022,846	2,280,771	166,747,168
(iii) Other financial liabilities	12	1,411	106,940	1,291	94,385
Other current liabilities	13	205,871	15,602,963	523,891	38,301,672
Provisions	14	27,465	2,081,572	49,617	3,627,499
		1,561,275	118,329,033	2,869,485	209,788,050
<b>TOTAL EQUITY AND LIABILITIES</b>		2,132,690	161,636,574	3,516,631	257,100,891

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	15	5,490,959	416,159,783	5,312,886	388,425,095
ii	Other Income		62,197	4,713,910	65,734	4,805,812
iii	Total income (i + ii)		5,553,156	420,873,693	5,378,620	393,230,907
iv	Expenses:					
	Network and transmission expenses	16	5,097,178	386,315,121	4,403,240	321,920,876
	Employee benefits expenses	17	188,380	14,277,320	386,504	28,257,308
	Finance costs	18	64	4,851	-	-
	Depreciation and amortisation expenses	19	87,061	6,598,353	77,212	5,644,969
	Operating and other expenses		231,880	17,574,186	203,625	14,887,025
	Total expenses		5,604,563	424,769,831	5,070,581	370,710,178
v	Profit before exceptional items and taxes (iii - iv)		(51,407)	(3,896,138)	308,039	22,520,729
vi	Exceptional items:					
	Staff cost optimisation		117,505	8,905,704	(228,796)	(16,727,276)
vii	Profit before taxes (v - vi)		66,098	5,009,566	79,243	5,793,453
viii	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		(1,729)	(131,041)	5,497	401,886
	Net tax expenses		(1,729)	(131,041)	5,497	401,886
ix	Profit / (loss) for the year (vii-viii)		67,827	5,140,607	73,746	5,391,567

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	600,736	45,529,781	648,803	47,433,987
(a)	600,736	45,529,781	648,803	47,433,987
<b>Accumulated depreciation:</b>				
Plant and machinery	370,059	28,046,772	322,363	23,567,959
(b)	370,059	28,046,772	322,363	23,567,959
<b>Net block (a) - (b)</b>	<b>230,677</b>	<b>17,483,009</b>	<b>326,440</b>	<b>23,866,028</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	576,975	43,728,935	2,207,435	161,385,573
<b>Total</b>	<b>576,975</b>	<b>43,728,935</b>	<b>2,207,435</b>	<b>161,385,573</b>

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	5,130	388,803	5,418	396,110
<b>Total</b>	<b>5,130</b>	<b>388,803</b>	<b>5,418</b>	<b>396,110</b>

## 4 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	9,962	755,020	26,071	1,906,051
<b>Total</b>	<b>9,962</b>	<b>755,020</b>	<b>26,071</b>	<b>1,906,051</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	407,639	30,894,960	498,126	36,417,992
Provision for doubtful debts	(4,797)	(363,565)	(3,941)	(288,127)
<b>Total</b>	<b>402,842</b>	<b>30,531,395</b>	<b>494,185</b>	<b>36,129,865</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	51,004	3,865,593	53,044	3,878,047
<b>Total</b>	<b>51,004</b>	<b>3,865,593</b>	<b>53,044</b>	<b>3,878,047</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	30,189	2,288,024	30,725	2,246,305
<b>Total</b>	<b>30,189</b>	<b>2,288,024</b>	<b>30,725</b>	<b>2,246,305</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	485,700	36,811,203	-	-
Prepaid expenses	204,345	15,487,308	100,504	7,347,847
Others	57	4,320	161,140	11,780,945
<b>Total</b>	<b>690,102</b>	<b>52,302,831</b>	<b>261,644</b>	<b>19,128,792</b>

## 9 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	16,708	1,266,299	16,708	1,221,522
<b>Total</b>	<b>16,708</b>	<b>1,266,299</b>	<b>16,708</b>	<b>1,221,522</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(678,735)	(51,441,326)	(752,481)	(55,013,886)
Profit / (loss) for the year	67,827	5,140,607	73,746	5,391,567
<b>Closing balance</b>	<b>(610,908)</b>	<b>(46,300,719)</b>	<b>(678,735)</b>	<b>(49,622,319)</b>
Share premium	1,143,847	86,692,164	1,143,847	83,626,654
<b>Total</b>	<b>532,939</b>	<b>40,391,445</b>	<b>465,112</b>	<b>34,004,335</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	234,121	17,744,032	371,242	27,141,503
Inter Company - Payables (Net)	1,059,227	80,278,814	1,909,529	139,605,665
<b>Total</b>	<b>1,293,348</b>	<b>98,022,846</b>	<b>2,280,771</b>	<b>166,747,168</b>

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Others	1,411	106,940	1,291	94,385
<b>Total</b>	<b>1,411</b>	<b>106,940</b>	<b>1,291</b>	<b>94,385</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	44,027	3,336,806	72,723	5,316,779
Other Employee dues	58,528	4,435,837	162,950	11,913,275
Other Statutory dues	103,316	7,830,320	288,218	21,071,618
<b>Total</b>	<b>205,871</b>	<b>15,602,963</b>	<b>523,891</b>	<b>38,301,672</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 14 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	27,465	2,081,572	49,617	3,627,499
<b>Total</b>	<b>27,465</b>	<b>2,081,572</b>	<b>49,617</b>	<b>3,627,499</b>

## 15 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	62,146	4,710,045	65,694	4,802,888
Miscellaneous income	51	3,865	40	2,924
<b>Total</b>	<b>62,197</b>	<b>4,713,910</b>	<b>65,734</b>	<b>4,805,812</b>

## 16 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	5,097,178	386,315,121	4,403,240	321,920,876
<b>Total</b>	<b>5,097,178</b>	<b>386,315,121</b>	<b>4,403,240</b>	<b>321,920,876</b>

## 17 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	188,261	14,268,301	385,817	28,207,081
Staff welfare expenses	119	9,019	687	50,227
<b>Total</b>	<b>188,380</b>	<b>14,277,320</b>	<b>386,504</b>	<b>28,257,308</b>

## 18 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Guarantee fees	64	4,851	-	-
<b>Total</b>	<b>64</b>	<b>4,851</b>	<b>-</b>	<b>-</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 19 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Auditors remuneration	38,750	2,936,863	38,750	2,833,013
Communication expenses	-	-	1,692	123,702
Exchange loss -Net	44,688	3,386,904	27,936	2,042,401
Insurance expenses	3,029	229,568	2,470	180,582
Legal and professional fees	67,160	5,090,056	56,395	4,123,038
Miscellaneous expenses	11,072	839,147	7,952	581,371
Provision for doubtful debts	856	64,876	-	-
Repairs and Maintenance Plant & Machinery	38,294	2,902,302	42,754	3,125,745
Services rendered by agencies	27,096	2,053,606	24,335	1,779,132
Travelling and conveyance expenses	935	70,864	1,341	98,041
<b>Total</b>	<b>231,880</b>	<b>17,574,186</b>	<b>203,625</b>	<b>14,887,025</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar

229, Nariman Point

Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	1,680,031	127,329,548	2,033,045	148,635,920
	Capital work-in-progress		125,496	9,511,342	169,716	12,407,937
	Right-of-use assets		111,272	8,433,305	312,446	22,842,927
	Other Intangible assets	2	36,373	2,756,709	114,881	8,398,950
	Financial assets					
	(i) Loans	3	2,449,617	185,656,472	1,140,381	83,373,255
	Deferred tax assets (net)		362,669	27,486,684	470,440	34,393,868
	Other Non-current assets	4	59,544	4,512,840	87,197	6,374,973
			4,825,002	365,686,900	4,328,106	316,427,830
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	1,754,145	132,946,650	2,936,051	214,654,688
	(ii) Cash and cash equivalents	6	293,373	22,234,740	679,419	49,672,323
	(iii) Other financial assets	7	-	-	8,380	612,662
	Other Current assets	8	216,269	16,391,027	239,182	17,486,596
			2,263,787	171,572,417	3,863,032	282,426,269
	<b>TOTAL ASSETS</b>		7,088,789	537,259,317	8,191,138	598,854,099
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	357,000	27,057,030	357,000	26,100,270
	Other equity	10	3,121,311	236,564,161	2,615,953	191,252,323
	<b>Total Equity</b>		3,478,311	263,621,191	2,972,953	217,352,593
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		6,085	461,182	138,307	10,111,625
	Provisions	11	36,446	2,762,243	25,434	1,859,480
	Other non current liabilities (Deferred revenue)		4,752	360,154	7,945	580,859
			47,283	3,583,579	171,686	12,551,964
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		125,740	9,529,835	229,317	16,765,366
	(ii) Trade payables	12	2,065,275	156,527,191	3,287,145	240,323,172
	(iii) Other financial liabilities	13	53,559	4,059,236	60,713	4,438,727
	Other current liabilities	14	574,896	43,571,367	752,651	55,026,314
	Provisions	15	373,954	28,341,974	417,163	30,498,787
	Current tax liability (Net)		369,771	28,024,944	299,510	21,897,176
			3,563,195	270,054,547	5,046,499	368,949,542
	<b>TOTAL EQUITY AND LIABILITIES</b>		7,088,789	537,259,317	8,191,138	598,854,099

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	16	18,770,923	1,422,648,254	26,258,954	1,919,792,127
ii	Other Income		1,176,324	89,153,596	1,447,091	105,796,823
iii	<b>Total income (i + ii)</b>		<b>19,947,247</b>	<b>1,511,801,850</b>	<b>27,706,045</b>	<b>2,025,588,950</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	17	13,558,060	1,027,565,367	20,071,964	1,467,461,289
	Employee benefits expenses	18	3,659,720	277,370,179	5,083,192	371,632,167
	Finance costs	19	44,243	3,353,177	32,171	2,352,021
	Depreciation and amortisation expenses	20	713,074	54,043,878	713,329	52,151,483
	Operating and other expenses		1,244,266	94,302,921	1,311,268	95,866,805
	<b>Total expenses</b>		<b>19,219,363</b>	<b>1,456,635,522</b>	<b>27,211,924</b>	<b>1,989,463,765</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>727,884</b>	<b>55,166,328</b>	<b>494,121</b>	<b>36,125,185</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		14,339	1,086,753	-	-
vii	<b>Profit before taxes (v - vi)</b>		<b>742,223</b>	<b>56,253,081</b>	<b>494,121</b>	<b>36,125,185</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		129,094	9,784,034	381,485	27,890,368
	(ii) Deferred tax expense/(benefit)		107,771	8,167,964	(132,814)	(9,710,032)
	<b>Net tax expenses</b>		<b>236,865</b>	<b>17,951,998</b>	<b>248,671</b>	<b>18,180,336</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>505,358</b>	<b>38,301,083</b>	<b>245,450</b>	<b>17,944,849</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	28,581	2,166,154	28,581	2,089,557
Cables	15,375	1,165,271	15,375	1,124,066
Plant and machinery	7,089,733	537,330,864	7,842,722	573,381,405
Furniture and fixtures	39,036	2,958,538	39,036	2,853,922
Computers	264,508	20,047,061	255,971	18,714,040
Office equipment	7,335	555,920	7,335	536,262
(a)	7,444,568	564,223,808	8,189,020	598,699,252
<b>Accumulated depreciation:</b>				
Lease hold improvement	22,580	1,711,338	13,241	968,050
Cables	6,534	495,212	4,997	365,331
Plant and machinery	5,444,798	412,661,240	5,852,512	427,877,152
Furniture and fixtures	28,202	2,137,430	25,095	1,834,695
Computers	255,088	19,333,120	252,795	18,481,842
Office equipment	7,335	555,920	7,335	536,262
(b)	5,764,537	436,894,260	6,155,975	450,063,332
<b>Net block (a) - (b)</b>	<b>1,680,031</b>	<b>127,329,548</b>	<b>2,033,045</b>	<b>148,635,920</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	297,699	22,562,607	297,699	21,764,774
Indefeasible right to use assets	365,083	27,669,641	365,083	26,691,218
(a)	662,782	50,232,248	662,782	48,455,992
<b>Accumulated amortisation:</b>				
Computer software	261,326	19,805,898	185,584	13,568,046
Indefeasible right to use assets	365,083	27,669,641	362,317	26,488,996
(b)	626,409	47,475,539	547,901	40,057,042
<b>Net block (a) - (b)</b>	<b>36,373</b>	<b>2,756,709</b>	<b>114,881</b>	<b>8,398,950</b>

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	2,449,617	185,656,472	1,140,381	83,373,255
<b>Total</b>	<b>2,449,617</b>	<b>185,656,472</b>	<b>1,140,381</b>	<b>83,373,255</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 4 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	59,544	4,512,840	87,197	6,374,973
<b>Total</b>	<b>59,544</b>	<b>4,512,840</b>	<b>87,197</b>	<b>6,374,973</b>

## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	1,869,421	141,683,418	3,085,647	225,591,652
Provision for doubtful debts	(115,276)	(8,736,768)	(149,596)	(10,936,964)
<b>Total</b>	<b>1,754,145</b>	<b>132,946,650</b>	<b>2,936,051</b>	<b>214,654,688</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	293,373	22,234,740	679,419	49,672,323
<b>Total</b>	<b>293,373</b>	<b>22,234,740</b>	<b>679,419</b>	<b>49,672,323</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	-	-	8,380	612,662
<b>Total</b>	<b>-</b>	<b>-</b>	<b>8,380</b>	<b>612,662</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	44,770	3,393,118	4,053	296,315
Advances to employees	531	40,244	11,617	849,319
Prepaid expenses	170,968	12,957,665	207,736	15,187,579
Others	-	-	15,776	1,153,383
<b>Total</b>	<b>216,269</b>	<b>16,391,027</b>	<b>239,182</b>	<b>17,486,596</b>





## 9 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	357,000	27,057,030	357,000	26,100,270
<b>Total</b>	<b>357,000</b>	<b>27,057,030</b>	<b>357,000</b>	<b>26,100,270</b>

## 10 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	2,615,953	198,263,078	2,370,503	173,307,474
Profit / (loss) for the year	505,358	38,301,083	245,450	17,944,849
<b>Total</b>	<b>3,121,311</b>	<b>236,564,161</b>	<b>2,615,953</b>	<b>191,252,323</b>

## 11 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	26,102	1,978,271	25,434	1,859,480
Retention liability	10,344	783,972	-	-
<b>Total</b>	<b>36,446</b>	<b>2,762,243</b>	<b>25,434</b>	<b>1,859,480</b>

## 12 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	1,950,446	147,824,301	2,898,216	211,888,573
Inter Company - Payables (Net)	114,829	8,702,890	388,929	28,434,599
<b>Total</b>	<b>2,065,275</b>	<b>156,527,191</b>	<b>3,287,145</b>	<b>240,323,172</b>

## 13 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	31,695	2,402,164	32,202	2,354,288
Interest accrued but not due on Inter Co. loan (Net)	16,036	1,215,368	-	-
Others	5,828	441,704	28,511	2,084,439
<b>Total</b>	<b>53,559</b>	<b>4,059,236</b>	<b>60,713</b>	<b>4,438,727</b>



## 14 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	15,518	1,176,109	71,193	5,204,920
Other Employee dues	473,818	35,910,666	622,966	45,545,044
Other Statutory dues	85,560	6,484,592	58,206	4,255,441
Others	-	-	286	20,909
<b>Total</b>	<b>574,896</b>	<b>43,571,367</b>	<b>752,651</b>	<b>55,026,314</b>

## 15 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	373,954	28,341,974	417,163	30,498,787
<b>Total</b>	<b>373,954</b>	<b>28,341,974</b>	<b>417,163</b>	<b>30,498,787</b>

## 16 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	11,424	865,825	34,434	2,517,470
Profit on sale of fixed assets	7	531	-	-
Exchange gain -Net	-	-	499,963	36,552,295
Miscellaneous income	1,164,893	88,287,240	912,694	66,727,058
<b>Total</b>	<b>1,176,324</b>	<b>89,153,596</b>	<b>1,447,091</b>	<b>105,796,823</b>

## 17 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	13,713,498	1,039,346,013	19,853,214	1,451,468,476
Rent of satellite channels	(155,438)	(11,780,646)	218,750	15,992,813
<b>Total</b>	<b>13,558,060</b>	<b>1,027,565,367</b>	<b>20,071,964</b>	<b>1,467,461,289</b>

## 18 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	3,641,750	276,008,233	5,058,982	369,862,174
Staff welfare expenses	17,970	1,361,946	24,210	1,769,993
<b>Total</b>	<b>3,659,720</b>	<b>277,370,179</b>	<b>5,083,192</b>	<b>371,632,167</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 19 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	719	54,493	612	44,743
Interest on inter companies loan	39,264	2,975,819	29,003	2,120,409
Guarantee fees	4,260	322,865	2,556	186,869
<b>Total</b>	<b>44,243</b>	<b>3,353,177</b>	<b>32,171</b>	<b>2,352,021</b>

## 20 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	29,995	2,273,321	31,942	2,335,280
Auditors remuneration	16,924	1,282,670	18,110	1,324,022
Communication expenses	16,835	1,275,925	35,323	2,582,465
CSR expenses	(19)	(1,440)	-	-
Directors fees	-	-	3,461	253,034
Donations	339	25,693	337	24,638
Electricity	274,135	20,776,692	264,615	19,346,003
Entertainment expenses	1,524	115,504	1,811	132,402
Exchange loss -Net	117,624	8,914,723	-	-
Insurance expenses	23,050	1,746,960	41,445	3,030,044
IT consumables	73	5,533	1,000	73,110
Legal and professional fees	58,552	4,437,656	102,580	7,499,624
Miscellaneous expenses	102,285	7,752,180	85,895	6,279,784
Printing and stationery	1,239	93,904	4,146	303,114
Provision for doubtful debts	(34,320)	(2,601,113)	76,806	5,615,287
Rates and Taxes	728	55,175	443	32,388
Recruitment expenses	15,054	1,140,943	(5,417)	(396,037)
Relocation Expense	-	-	(5,855)	(428,059)
Rent	241,478	18,301,618	246,742	18,039,308
Repairs and Maintenance Plant & Machinery	184,836	14,008,720	175,966	12,864,874
Repairs and Maintenance -Building	161	12,202	1,537	112,370
Seminars, trainings and conferences	99	7,503	375	27,416
Services rendered by agencies	190,509	14,438,677	222,267	16,249,940
Travelling and conveyance expenses	3,165	239,875	7,739	565,798
<b>Total</b>	<b>1,244,266</b>	<b>94,302,921</b>	<b>1,311,268</b>	<b>95,866,805</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)

PARTNER

Membership No. 105545



Place Mumbai

Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	293,517,057	22,245,657,750	327,888,176	23,971,904,546
	Capital work-in-progress		36,487,044	2,765,353,065	23,674,287	1,730,827,123
	Right-of-use assets		7,527	570,471	29,723	2,173,049
	Other Intangible assets	2	65,365,142	4,954,024,112	74,695,702	5,461,002,773
	Investments in subsidiaries & associates	3	11,498,336	871,458,885	11,914,998	871,105,504
	Other Non-current assets	4	1,788,033	135,515,021	2,161,871	158,054,389
			408,663,139	30,972,579,304	440,364,757	32,195,067,384
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	30,635,480	2,321,863,030	25,095,539	1,834,734,856
	(ii) Cash and cash equivalents	6	25,341	1,920,594	40,327	2,948,307
	(iii) Other financial assets	7	19,769	1,498,293	3,597	262,977
	Other Current assets	8	3,324,983	252,000,462	3,058,518	223,608,251
			34,005,573	2,577,282,379	28,197,981	2,061,554,391
	<b>TOTAL ASSETS</b>		442,668,712	33,549,861,683	468,562,738	34,256,621,775
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	13,061	989,893	13,061	954,890
	Other equity	10	(418,232,320)	(31,697,827,533)	(449,189,512)	(32,840,245,223)
	<b>Total Equity</b>		(418,219,259)	(31,696,837,640)	(449,176,451)	(32,839,290,333)
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		-	-	7,527	550,299
	Provisions	11	967,049	73,292,644	887,519	64,886,514
	Other non current liabilities (Deferred revenue)		126,260,200	9,569,260,558	146,499,951	10,710,611,418
			127,227,249	9,642,553,202	147,394,997	10,776,048,231
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Borrowings	12	682,769,346	51,747,088,733	720,042,446	52,642,303,227
	(ia) Lease liabilities		7,527	570,471	22,196	1,622,750
	(ii) Trade payables	13	15,476,394	1,172,955,903	14,281,317	1,044,107,085
	(iii) Other financial liabilities	14	13,051,660	989,185,311	13,910,361	1,016,986,493
	Other current liabilities	15	22,347,712	1,693,733,092	22,079,845	1,614,257,468
	Provisions	16	8,083	612,611	8,027	586,854
			733,660,722	55,604,146,121	770,344,192	56,319,863,877
	<b>TOTAL EQUITY AND LIABILITIES</b>		442,668,712	33,549,861,683	468,562,738	34,256,621,775

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	17	143,933,971	10,908,755,662	122,949,973	8,988,872,526
ii	Other Income		109,508	8,299,611	1,051,629	76,884,596
iii	<b>Total income (i + ii)</b>		<b>144,043,479</b>	<b>10,917,055,273</b>	<b>124,001,602</b>	<b>9,065,757,122</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	18	997,665	75,613,030	1,280,053	93,584,675
	Employee benefits expenses	19	483,450	36,640,675	482,946	35,308,182
	Finance costs	20	32,840,134	2,488,953,756	30,151,378	2,204,367,246
	Depreciation and amortisation expenses	21	46,570,591	3,529,585,092	47,711,286	3,488,172,119
	Operating and other expenses		32,194,447	2,440,017,139	34,137,040	2,495,758,994
	<b>Total expenses</b>		<b>113,086,287</b>	<b>8,570,809,692</b>	<b>113,762,703</b>	<b>8,317,191,216</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>30,957,192</b>	<b>2,346,245,581</b>	<b>10,238,899</b>	<b>748,565,906</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 (vi-vii)</b>		<b>30,957,192</b>	<b>2,346,245,581</b>	<b>10,238,899</b>	<b>748,565,906</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	9,323	706,590	9,323	681,605
Cables	734,647,815	55,678,957,899	731,788,504	53,501,057,527
Plant and machinery	36,003,150	2,728,678,739	47,729,903	3,489,533,208
Furniture and fixtures	2,000	151,580	2,000	146,220
Computers	1,631	123,613	1,631	119,242
(a)	770,663,919	58,408,618,421	779,531,361	56,991,537,802
<b>Accumulated depreciation:</b>				
Lease hold improvement	9,323	706,590	9,323	681,605
Cables	442,096,691	33,506,508,211	405,695,639	29,660,408,167
Plant and machinery	35,037,718	2,655,508,647	45,935,343	3,358,332,927
Furniture and fixtures	1,500	113,685	1,250	91,388
Computers	1,630	123,538	1,630	119,169
(b)	477,146,862	36,162,960,671	451,643,185	33,019,633,256
<b>Net block (a) - (b)</b>	<b>293,517,057</b>	<b>22,245,657,750</b>	<b>327,888,176</b>	<b>23,971,904,546</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Indefeasible right to use assets	169,408,966	12,839,505,533	169,408,966	12,385,489,504
(a)	169,408,966	12,839,505,533	169,408,966	12,385,489,504
<b>Accumulated amortisation:</b>				
Indefeasible right to use assets	104,043,824	7,885,481,421	94,713,264	6,924,486,731
(b)	104,043,824	7,885,481,421	94,713,264	6,924,486,731
<b>Net block (a) - (b)</b>	<b>65,365,142</b>	<b>4,954,024,112</b>	<b>74,695,702</b>	<b>5,461,002,773</b>

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments in subsidiaries	11,498,336	871,458,885	11,914,998	871,105,504
<b>Total</b>	<b>11,498,336</b>	<b>871,458,885</b>	<b>11,914,998</b>	<b>871,105,504</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 4 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	1,788,033	135,515,021	2,161,871	158,054,389
<b>Total</b>	<b>1,788,033</b>	<b>135,515,021</b>	<b>2,161,871</b>	<b>158,054,389</b>

## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	1,660,954	125,883,704	-	-
Intercompany receivables (Net)	29,255,977	2,217,310,497	25,095,539	1,834,734,856
Provision for doubtful debts	(281,451)	(21,331,171)	-	-
<b>Total</b>	<b>30,635,480</b>	<b>2,321,863,030</b>	<b>25,095,539</b>	<b>1,834,734,856</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	25,341	1,920,594	40,327	2,948,307
<b>Total</b>	<b>25,341</b>	<b>1,920,594</b>	<b>40,327</b>	<b>2,948,307</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Others	19,769	1,498,293	3,597	262,977
<b>Total</b>	<b>19,769</b>	<b>1,498,293</b>	<b>3,597</b>	<b>262,977</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to employees	8,016	607,533	-	-
Prepaid expenses	3,316,967	251,392,929	3,058,518	223,608,251
<b>Total</b>	<b>3,324,983</b>	<b>252,000,462</b>	<b>3,058,518</b>	<b>223,608,251</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 9 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	13,061	989,893	13,061	954,890
<b>Total</b>	<b>13,061</b>	<b>989,893</b>	<b>13,061</b>	<b>954,890</b>

## 10 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(459,799,451)	(34,848,200,391)	(470,038,350)	(34,364,503,769)
Profit / (loss) for the year	30,957,192	2,346,245,581	10,238,899	748,565,906
Closing balance	(428,842,259)	(32,501,954,810)	(459,799,451)	(33,615,937,863)
Share premium	10,609,939	804,127,277	10,609,939	775,692,640
<b>Total</b>	<b>(418,232,320)</b>	<b>(31,697,827,533)</b>	<b>(449,189,512)</b>	<b>(32,840,245,223)</b>

## 11 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	967,049	73,292,644	887,519	64,886,514
<b>Total</b>	<b>967,049</b>	<b>73,292,644</b>	<b>887,519</b>	<b>64,886,514</b>

## 12 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	682,769,346	51,747,088,733	720,042,446	52,642,303,227
<b>Total</b>	<b>682,769,346</b>	<b>51,747,088,733</b>	<b>720,042,446</b>	<b>52,642,303,227</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	15,476,394	1,172,955,903	14,281,317	1,044,107,085
<b>Total</b>	<b>15,476,394</b>	<b>1,172,955,903</b>	<b>14,281,317</b>	<b>1,044,107,085</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	13,051,660	989,185,311	13,910,361	1,016,986,493
<b>Total</b>	<b>13,051,660</b>	<b>989,185,311</b>	<b>13,910,361</b>	<b>1,016,986,493</b>

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	22,314,057	1,691,182,380	22,045,100	1,611,717,261
Other Employee dues	33,655	2,550,712	34,745	2,540,207
<b>Total</b>	<b>22,347,712</b>	<b>1,693,733,092</b>	<b>22,079,845</b>	<b>1,614,257,468</b>

## 16 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	8,083	612,611	8,027	586,854
<b>Total</b>	<b>8,083</b>	<b>612,611</b>	<b>8,027</b>	<b>586,854</b>

## 17 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest income - others	8	606	53	3,875
Profit on sale of fixed assets	-	-	942,076	68,875,176
Miscellaneous income	109,500	8,299,005	109,500	8,005,545
<b>Total</b>	<b>109,508</b>	<b>8,299,611</b>	<b>1,051,629</b>	<b>76,884,596</b>

## 18 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	997,665	75,613,030	1,280,053	93,584,675
<b>Total</b>	<b>997,665</b>	<b>75,613,030</b>	<b>1,280,053</b>	<b>93,584,675</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 19 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	482,980	36,605,054	482,946	35,308,182
Staff welfare expenses	470	35,621	-	-
<b>Total</b>	<b>483,450</b>	<b>36,640,675</b>	<b>482,946</b>	<b>35,308,182</b>

## 20 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	79,530	6,027,579	72,978	5,335,422
Interest on inter companies loan	27,138,860	2,056,854,199	27,286,899	1,994,945,186
Guarantee fees	5,621,744	426,071,978	2,791,501	204,086,638
<b>Total</b>	<b>32,840,134</b>	<b>2,488,953,756</b>	<b>30,151,378</b>	<b>2,204,367,246</b>

## 21 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Asset retirement expense	37,376	2,832,727	170,340	12,453,557
Auditors remuneration	7,544	571,760	7,866	575,083
Communication expenses	10,667	808,452	12,239	894,793
Entertainment expenses	415	31,453	-	-
Exchange loss -Net	28,771	2,180,554	91,705	6,704,553
Insurance expenses	23,681	1,794,783	22,480	1,643,513
IT consumables	650	49,264	258	18,862
Legal and professional fees	105,117	7,966,817	32,345	2,364,743
Miscellaneous expenses	219,872	16,664,099	157,061	11,482,730
Printing and stationery	4,339	328,853	1,832	133,938
Provision for doubtful debts	281,250	21,315,938	-	-
Rent	22,476	1,703,456	22,476	1,643,220
Repairs and Maintenance Plant & Machinery	31,274,920	2,370,326,187	33,457,737	2,446,095,152
Repairs and Maintenance -Building	3,520	266,781	2,866	209,533
Services rendered by agencies	165,517	12,544,533	157,835	11,539,317
Travelling and conveyance expenses	8,332	631,482	-	-
<b>Total</b>	<b>32,194,447</b>	<b>2,440,017,139</b>	<b>34,137,040</b>	<b>2,495,758,994</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar

229, Nariman Point

Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Va*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	11,277,086	854,690,349	14,107,836	1,031,423,889
	Capital work-in-progress		654,882	49,633,507	21,483	1,570,622
	Right-of-use assets		1,530,570	116,001,900	2,743,517	200,578,528
	Other Intangible assets	2	350,492	26,563,789	562,961	41,158,079
	Investments in subsidiaries & associates	3	3	227	3	219
	Financial assets					
	(i) Investments -others	4	65,633	4,974,325	65,633	4,798,429
	(ii) Other financial assets	5	244,658	18,542,630	323,389	23,642,970
	Advance tax (net)		73,213	5,548,813	73,207	5,352,164
	Other Non-current assets	6	19,581	1,484,044	69,078	5,050,293
			14,216,118	1,077,439,584	17,967,107	1,313,575,193
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	7	6,487,387	491,679,061	12,609,684	921,893,997
	(ii) Cash and cash equivalents	8	82,403	6,245,323	218,244	15,955,819
	(iii) Other financial assets	9	452,536	34,297,703	442,620	32,359,948
	Other Current assets	10	1,247,938	94,581,222	983,959	71,937,243
			8,270,264	626,803,309	14,254,507	1,042,147,007
	<b>TOTAL ASSETS</b>		22,486,382	1,704,242,893	32,221,614	2,355,722,200
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	11	8,022,064	607,992,231	8,022,064	586,493,099
	Other equity	12	(40,610,076)	(3,077,837,660)	(42,981,879)	(3,142,405,173)
	<b>Total Equity</b>		(32,588,012)	(2,469,845,429)	(34,959,815)	(2,555,912,074)
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		295,904	22,426,564	1,527,111	111,647,085
	Provisions	13	3,963,607	300,401,774	3,795,125	277,461,589
	Other non current liabilities (Deferred revenue)		5,218,544	395,513,450	4,683,818	342,433,934
			9,478,055	718,341,788	10,006,054	731,542,608
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Borrowings	14	34,669,377	2,627,592,083	42,998,915	3,143,650,676
	(ia) Lease liabilities		1,225,272	92,863,365	1,211,030	88,538,403
	(ii) Trade payables	15	5,336,251	404,434,463	8,862,255	647,919,463
	(iii) Other financial liabilities	16	891,578	67,572,697	524,179	38,322,726
	Other current liabilities	17	3,225,121	244,431,921	3,323,460	242,978,161
	Provisions	18	248,740	18,852,005	255,536	18,682,237
			45,596,339	3,455,746,534	57,175,375	4,180,091,666
	<b>TOTAL EQUITY AND LIABILITIES</b>		22,486,382	1,704,242,893	32,221,614	2,355,722,200

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	19	61,577,895	4,666,988,662	70,602,110	5,161,720,262
ii	Other Income		65,842	4,990,166	53,494	3,910,946
iii	Total income (i + ii)		61,643,737	4,671,978,828	70,655,604	5,165,631,208
iv	Expenses:					
	Network and transmission expenses	20	36,305,338	2,751,581,567	45,219,844	3,306,022,795
	Employee benefits expenses	21	8,587,442	650,842,229	8,092,542	591,645,745
	Finance costs	22	1,475,903	111,858,688	1,546,127	113,037,345
	Depreciation and amortisation expenses		3,326,868	252,143,326	3,276,113	239,516,621
	Operating and other expenses	23	9,576,383	725,794,069	11,236,030	821,466,154
	Total expenses		59,271,934	4,492,219,879	69,370,656	5,071,688,660
v	Profit before taxes (iii - iv)		2,371,803	179,758,949	1,284,948	93,942,548
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		2,371,803	179,758,949	1,284,948	93,942,548

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Building	-	-	241,622	17,664,984
Lease hold improvement	1,019,618	77,276,848	777,996	56,879,288
Cables	21,209,863	1,607,495,517	21,280,804	1,555,839,580
Plant and machinery	19,991,904	1,515,186,404	20,795,700	1,520,373,627
Furniture and fixtures	34,989	2,651,816	34,989	2,558,046
Computers	405,801	30,755,658	379,203	27,723,531
Office equipment	70,259	5,324,930	70,259	5,136,635
(a)	42,732,434	3,238,691,173	43,580,573	3,186,175,691
<b>Accumulated depreciation:</b>				
Building	-	-	241,622	17,664,984
Lease hold improvement	990,904	75,100,614	727,747	53,205,583
Cables	13,354,028	1,012,101,782	11,964,663	874,736,512
Plant and machinery	16,656,171	1,262,371,200	16,097,327	1,176,875,577
Furniture and fixtures	34,989	2,651,816	34,723	2,538,599
Computers	381,452	28,910,247	374,461	27,376,844
Office equipment	37,804	2,865,165	32,194	2,353,703
(b)	31,455,348	2,384,000,824	29,472,737	2,154,751,802
<b>Net block (a) - (b)</b>	<b>11,277,086</b>	<b>854,690,349</b>	<b>14,107,836</b>	<b>1,031,423,889</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	226,919	17,198,191	242,565	17,733,927
Indefeasible right to use assets	2,809,530	212,934,279	2,809,530	205,404,738
(a)	3,036,449	230,132,470	3,052,095	223,138,665
<b>Accumulated amortisation:</b>				
Computer software	224,032	16,979,385	221,595	16,200,810
Indefeasible right to use assets	2,461,925	186,589,296	2,267,539	165,779,776
(b)	2,685,957	203,568,681	2,489,134	181,980,586
<b>Net block (a) - (b)</b>	<b>350,492</b>	<b>26,563,789</b>	<b>562,961</b>	<b>41,158,079</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments in subsidiaries	3	227	3	219
<b>Total</b>	<b>3</b>	<b>227</b>	<b>3</b>	<b>219</b>

## 4 Financial asset - Investment others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments - others	68,229	5,171,076	23,767,690	1,737,655,816
Impairment of investment - others	(2,596)	(196,751)	(23,702,057)	(1,732,857,387)
<b>Total</b>	<b>65,633</b>	<b>4,974,325</b>	<b>65,633</b>	<b>4,798,429</b>

## 5 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	244,658	18,542,630	323,389	23,642,970
<b>Total</b>	<b>244,658</b>	<b>18,542,630</b>	<b>323,389</b>	<b>23,642,970</b>

## 6 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	19,581	1,484,044	69,078	5,050,293
<b>Total</b>	<b>19,581</b>	<b>1,484,044</b>	<b>69,078</b>	<b>5,050,293</b>

## 7 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	5,833,916	442,152,494	6,619,110	483,923,132
Intercompany receivables (Net)	2,161,617	163,828,952	7,815,206	571,369,711
Provision for doubtful debts	(1,508,146)	(114,302,385)	(1,824,632)	(133,398,846)
<b>Total</b>	<b>6,487,387</b>	<b>491,679,061</b>	<b>12,609,684</b>	<b>921,893,997</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 8 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	82,403	6,245,323	218,244	15,955,819
<b>Total</b>	<b>82,403</b>	<b>6,245,323</b>	<b>218,244</b>	<b>15,955,819</b>

## 9 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	452,536	34,297,703	442,620	32,359,948
<b>Total</b>	<b>452,536</b>	<b>34,297,703</b>	<b>442,620</b>	<b>32,359,948</b>

## 10 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	629,021	47,673,502	5,500	402,105
Advances to employees	-	-	14,310	1,046,204
Prepaid expenses	618,891	46,905,749	964,084	70,484,181
Indirect tax receivable	-	-	14	1,024
Others	26	1,971	51	3,729
<b>Total</b>	<b>1,247,938</b>	<b>94,581,222</b>	<b>983,959</b>	<b>71,937,243</b>

## 11 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	8,022,064	607,992,231	8,022,064	586,493,099
<b>Total</b>	<b>8,022,064</b>	<b>607,992,231</b>	<b>8,022,064</b>	<b>586,493,099</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 12 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(42,981,879)	(3,257,596,609)	(44,266,831)	(3,236,348,014)
Profit / (loss) for the year	2,371,803	179,758,949	1,284,952	93,942,841
Total	(40,610,076)	(3,077,837,660)	(42,981,879)	(3,142,405,173)

## 13 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	3,607,837	273,437,966	3,455,450	252,627,950
Retention liability	355,770	26,963,808	339,675	24,833,639
Total	3,963,607	300,401,774	3,795,125	277,461,589

## 14 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Loan from bank	373,644	28,318,479	37,000,000	2,705,070,000
Inter company loans taken (Net)	34,295,733	2,599,273,604	5,998,915	438,580,676
Total	34,669,377	2,627,592,083	42,998,915	3,143,650,676

## 15 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	5,336,251	404,434,463	8,862,255	647,919,463
Total	5,336,251	404,434,463	8,862,255	647,919,463

## 16 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	178,001	13,490,696	330,566	24,167,680
Interest accrued but not due on Inter Co. loan (Net)	711,076	53,892,450	179,375	13,114,106
Interest accrued but not due -others	-	-	13,870	1,014,036
Others	2,501	189,551	368	26,904
Total	891,578	67,572,697	524,179	38,322,726





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 17 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	1,710,050	129,604,690	1,953,119	142,792,530
Other Employee dues	1,513,027	114,672,316	1,370,341	100,185,631
Other Statutory dues	2,044	154,915	-	-
<b>Total</b>	<b>3,225,121</b>	<b>244,431,921</b>	<b>3,323,460</b>	<b>242,978,161</b>

## 18 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	248,740	18,852,005	255,536	18,682,237
<b>Total</b>	<b>248,740</b>	<b>18,852,005</b>	<b>255,536</b>	<b>18,682,237</b>

## 19 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Profit on sale of Property, plant and equipment	2	152	-	-
Miscellaneous income	65,840	4,990,014	53,494	3,910,946
<b>Total</b>	<b>65,842</b>	<b>4,990,166</b>	<b>53,494</b>	<b>3,910,946</b>

## 20 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	36,305,338	2,751,581,567	45,219,844	3,306,022,795
<b>Total</b>	<b>36,305,338</b>	<b>2,751,581,567</b>	<b>45,219,844</b>	<b>3,306,022,795</b>

## 21 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	8,524,562	646,076,554	8,047,265	588,335,544
Contribution to provident and other funds	-	-	(6,245)	(456,572)
Staff welfare expenses	62,880	4,765,675	51,522	3,766,773
<b>Total</b>	<b>8,587,442</b>	<b>650,842,229</b>	<b>8,092,542</b>	<b>591,645,745</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 22 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	435,543	33,009,804	1,016,838	74,341,026
Interest on inter companies loan	787,674	59,697,812	325,825	23,821,066
Guarantee fees	252,686	19,151,072	203,464	14,875,253
<b>Total</b>	<b>1,475,903</b>	<b>111,858,688</b>	<b>1,546,127</b>	<b>113,037,345</b>

## 23 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Auditors remuneration	7,785	590,025	7,165	523,833
Communication expenses	54,495	4,130,176	58,873	4,304,205
Donations	-	-	2,307	168,665
Electricity	1,062,697	80,541,806	991,626	72,497,777
Entertainment expenses	16,138	1,223,099	13,308	972,948
Exchange loss -Net	26,768	2,028,747	48,223	3,525,584
Insurance expenses	18,982	1,438,646	20,392	1,490,859
IT consumables	863	65,407	1,344	98,260
Legal and professional fees	6,013,472	455,761,043	6,311,090	461,403,790
Miscellaneous expenses	132,588	10,048,845	93,758	6,854,647
Printing and stationery	7,628	578,126	6,485	474,118
Provision for doubtful debts	(316,486)	(23,986,474)	1,004,678	73,452,009
Rates and Taxes	206,325	15,637,372	227,951	16,665,498
Recruitment expenses	122,299	9,269,041	18,119	1,324,680
Relocation Expense	-	-	7,200	526,392
Rent	867,165	65,722,435	882,617	64,528,129
Repairs and Maintenance Plant & Machinery	603,224	45,718,347	1,059,257	77,442,279
Repairs and Maintenance -Building	453	34,333	32,083	2,345,588
Seminars, trainings and conferences	489	37,061	129	9,431
Services rendered by agencies	221,620	16,796,580	315,036	23,032,282
Bad debts written off	520,421	39,442,708	121,857	8,908,965
Travelling and conveyance expenses	9,457	716,746	12,532	916,215
<b>Total</b>	<b>9,576,383</b>	<b>725,794,069</b>	<b>11,236,030</b>	<b>821,466,154</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar

229, Nariman Point

Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	404,285	30,640,760	487,906	35,670,808
	Capital work-in-progress		25,477	1,930,902	26,934	1,969,145
	Financial assets					
	(i) Other financial assets	2	978	74,123	1,032	75,450
	Deferred tax assets (net)		45,700	3,463,603	43,417	3,174,217
	Advance tax (net)		183,724	13,924,442	186,413	13,628,654
	Other Non-current assets	3	24,062	1,823,659	30,020	2,194,762
			684,226	51,857,489	775,722	56,713,036
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	461,773	34,997,776	989,492	72,341,761
	(ii) Cash and cash equivalents	5	216,035	16,373,293	122,344	8,944,570
	(iii) Other financial assets	6	3,881	294,141	-	-
	Other Current assets	7	386,703	29,308,220	222,552	16,270,777
			1,068,392	80,973,430	1,334,388	97,557,108
	<b>TOTAL ASSETS</b>		1,752,618	132,830,919	2,110,110	154,270,144
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	728,437	55,208,240	728,437	53,256,029
	Other equity	9	(501,679)	(38,022,250)	(460,636)	(33,677,095)
	<b>Total Equity</b>		226,758	17,185,990	267,801	19,578,934
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	10	771,350	58,460,617	1,000,501	73,146,628
	(ii) Trade payables	11	714,674	54,165,141	769,588	56,264,579
	(iii) Other financial liabilities	12	31,430	2,382,080	38,904	2,844,271
	Other current liabilities	13	7,061	535,153	32,286	2,360,429
	Provisions	14	1,345	101,938	1,030	75,303
			1,525,860	115,644,929	1,842,309	134,691,210
	<b>TOTAL EQUITY AND LIABILITIES</b>		1,752,618	132,830,919	2,110,110	154,270,144

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	15	2,741,523	207,780,028	3,194,895	233,578,773
ii	Other Income		2,572	194,932	660	48,253
iii	<b>Total income (i + ii)</b>		<b>2,744,095</b>	<b>207,974,960</b>	<b>3,195,555</b>	<b>233,627,026</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	16	2,203,404	166,995,989	2,248,910	164,417,810
	Employee benefits expenses	17	52,828	4,003,834	206,115	15,069,067
	Finance costs	18	38,676	2,931,254	20,187	1,475,872
	Depreciation and amortisation expenses	19	151,270	11,464,753	156,724	11,458,092
	Operating and other expenses		320,652	24,302,215	351,902	25,727,552
	<b>Total expenses</b>		<b>2,766,830</b>	<b>209,698,045</b>	<b>2,983,838</b>	<b>218,148,393</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>(22,735)</b>	<b>(1,723,085)</b>	<b>211,717</b>	<b>15,478,633</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		14,017	1,062,348	(178,188)	(13,027,325)
vii	<b>Profit before taxes (v - vi)</b>		<b>(8,718)</b>	<b>(660,737)</b>	<b>33,529</b>	<b>2,451,308</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		34,608	2,622,940	148,149	10,831,173
	(ii) Deferred tax expense/(benefit)		(2,283)	(173,029)	1,928	140,956
	<b>Net tax expenses</b>		<b>32,325</b>	<b>2,449,911</b>	<b>150,077</b>	<b>10,972,129</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>(41,043)</b>	<b>(3,110,648)</b>	<b>(116,548)</b>	<b>(8,520,821)</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	1,469,933	111,406,222	1,417,425	103,627,942
(a)	1,469,933	111,406,222	1,417,425	103,627,942
<b>Accumulated depreciation:</b>				
Plant and machinery	1,065,648	80,765,462	929,519	67,957,134
(b)	1,065,648	80,765,462	929,519	67,957,134
<b>Net block (a) - (b)</b>	<b>404,285</b>	<b>30,640,760</b>	<b>487,906</b>	<b>35,670,808</b>

## 2 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	978	74,123	1,032	75,450
<b>Total</b>	<b>978</b>	<b>74,123</b>	<b>1,032</b>	<b>75,450</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	24,062	1,823,659	30,020	2,194,762
<b>Total</b>	<b>24,062</b>	<b>1,823,659</b>	<b>30,020</b>	<b>2,194,762</b>

## 4 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	364,392	27,617,270	315,645	23,076,806
Intercompany receivables (Net)	180,834	13,705,409	803,951	58,776,858
Provision for doubtful debts	(83,453)	(6,324,903)	(130,104)	(9,511,903)
<b>Total</b>	<b>461,773</b>	<b>34,997,776</b>	<b>989,492</b>	<b>72,341,761</b>

## 5 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	216,035	16,373,293	122,344	8,944,570
<b>Total</b>	<b>216,035</b>	<b>16,373,293</b>	<b>122,344</b>	<b>8,944,570</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 6 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Others	3,881	294,141	-	-
<b>Total</b>	<b>3,881</b>	<b>294,141</b>	<b>-</b>	<b>-</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	28,370	2,150,162	71,187	5,204,482
Indirect tax receivable	358,333	27,158,058	151,330	11,063,736
Others	-	-	35	2,559
<b>Total</b>	<b>386,703</b>	<b>29,308,220</b>	<b>222,552</b>	<b>16,270,777</b>

## 8 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	728,437	55,208,240	728,437	53,256,029
<b>Total</b>	<b>728,437</b>	<b>55,208,240</b>	<b>728,437</b>	<b>53,256,029</b>

## 9 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(460,636)	(34,911,602)	(344,088)	(25,156,274)
Profit / (loss) for the year	(41,043)	(3,110,648)	(116,548)	(8,520,821)
<b>Total</b>	<b>(501,679)</b>	<b>(38,022,250)</b>	<b>(460,636)</b>	<b>(33,677,095)</b>

## 10 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	771,350	58,460,617	1,000,501	73,146,628
<b>Total</b>	<b>771,350</b>	<b>58,460,617</b>	<b>1,000,501</b>	<b>73,146,628</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	714,674	54,165,141	769,588	56,264,579
<b>Total</b>	<b>714,674</b>	<b>54,165,141</b>	<b>769,588</b>	<b>56,264,579</b>

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	13,362	1,012,706	25,837	1,888,943
Interest accrued but not due on Inter Co. loan (Net)	18,068	1,369,374	9,837	719,183
Others	-	-	3,230	236,145
<b>Total</b>	<b>31,430</b>	<b>2,382,080</b>	<b>38,904</b>	<b>2,844,271</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	2,474	187,504	7,819	571,647
Other Employee dues	4,587	347,649	24,467	1,788,782
<b>Total</b>	<b>7,061</b>	<b>535,153</b>	<b>32,286</b>	<b>2,360,429</b>

## 14 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	1,345	101,938	1,030	75,303
<b>Total</b>	<b>1,345</b>	<b>101,938</b>	<b>1,030</b>	<b>75,303</b>

## 15 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Profit on sale of fixed assets	2	152	-	-
Miscellaneous income	2,570	194,780	660	48,253
<b>Total</b>	<b>2,572</b>	<b>194,932</b>	<b>660</b>	<b>48,253</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 16 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	2,203,404	166,995,989	2,248,910	164,417,810
<b>Total</b>	<b>2,203,404</b>	<b>166,995,989</b>	<b>2,248,910</b>	<b>164,417,810</b>

## 17 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	51,885	3,932,364	202,222	14,784,450
Staff welfare expenses	943	71,470	3,893	284,617
<b>Total</b>	<b>52,828</b>	<b>4,003,834</b>	<b>206,115</b>	<b>15,069,067</b>

## 18 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	141	10,686	-	-
Interest on inter companies loan	34,291	2,598,915	18,455	1,349,245
Guarantee fees	4,244	321,653	1,732	126,627
<b>Total</b>	<b>38,676</b>	<b>2,931,254</b>	<b>20,187</b>	<b>1,475,872</b>

## 19 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Auditors remuneration	32,500	2,463,175	32,500	2,376,075
Communication expenses	4,042	306,343	5,951	435,078
Electricity	793	60,101	1,944	142,126
Exchange loss -Net	4,906	371,826	24,158	1,766,191
Insurance expenses	2,432	184,321	2,780	203,246
Legal and professional fees	167,039	12,659,886	130,737	9,558,182
Miscellaneous expenses	9,141	692,796	14,734	1,077,200
Printing and stationery	45	3,411	-	-
Provision for doubtful debts	(46,652)	(3,535,755)	(19,699)	(1,440,194)
Rates and Taxes	1,705	129,222	5,134	375,347
Rent	12,343	935,476	15,935	1,165,008
Repairs and Maintenance Plant & Machinery	122,435	9,279,349	102,275	7,477,325
Repairs and Maintenance -Building	904	68,514	1,556	113,759
Security charges	175	13,263	959	70,112
Seminars, trainings and conferences	-	-	21,048	1,538,819
Services rendered by agencies	8,762	664,072	9,983	729,857
Bad debts written off	-	-	-	-
Travelling and conveyance expenses	82	6,215	1,907	139,421
<b>Total</b>	<b>320,652</b>	<b>24,302,215</b>	<b>351,902</b>	<b>25,727,552</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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.



Registered Office:

308-309, Technopolis Knowledge Park, Mahakali Caves Road  
Andheri (E), Mumbai - 400 093, India. T +91 (22) 6191 5555

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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

Vinodkumar Varma  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	1,785,500	135,323,044	2,392,660	174,927,372
Capital work-in-progress		168,228	12,750,000	98,376	7,192,269
Other Intangible assets	2	141,295	10,708,748	181,841	13,294,395
Financial assets					
(i) Loans	3	2,527,920	191,591,057	-	-
Other Non-current assets	4	160,067	12,131,478	187,428	13,702,861
		4,783,010	362,504,327	2,860,305	209,116,897
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	5	585,651	44,386,489	2,727,522	199,409,134
(ii) Cash and cash equivalents	6	9,508	720,611	18,797	1,374,249
(iii) Other financial assets	7	26,695	2,023,214	-	-
Other Current assets	8	165,364	12,532,938	180,480	13,194,892
		787,218	59,663,252	2,926,799	213,978,275
<b>TOTAL ASSETS</b>		<b>5,570,228</b>	<b>422,167,579</b>	<b>5,787,104</b>	<b>423,095,172</b>
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	9	344,869	26,137,622	344,869	25,213,373
Other equity	10	4,615,980	349,845,125	4,051,028	296,170,658
<b>Total Equity</b>		<b>4,960,849</b>	<b>375,982,747</b>	<b>4,395,897</b>	<b>321,384,031</b>
<b>(3) Current liabilities</b>					
Financial liabilities					
(i) Borrowings	11	-	-	725,897	53,070,330
(ii) Trade payables	12	335,454	25,424,056	342,002	25,003,763
(iii) Other financial liabilities	13	-	-	12,254	895,890
Other current liabilities	14	234,462	17,769,875	252,713	18,475,847
Current tax liability (Net)		39,463	2,990,901	58,341	4,265,311
		609,379	46,184,832	1,391,207	101,711,141
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,570,228</b>	<b>422,167,579</b>	<b>5,787,104</b>	<b>423,095,172</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	15	3,095,647	234,619,086	2,866,987	209,605,420
ii	Other Income		41,194	3,122,094	86,306	6,309,832
iii	<b>Total income (i + ii)</b>		<b>3,136,841</b>	<b>237,741,180</b>	<b>2,953,293</b>	<b>215,915,252</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	16	7,717	584,871	33,516	2,450,355
	Employee benefits expenses	17	-	-	(1,394)	(101,915)
	Finance costs	18	3,763	285,198	21,120	1,544,083
	Depreciation and amortisation expenses	19	928,723	70,387,916	911,609	66,647,734
	Operating and other expenses		1,454,895	110,266,492	1,207,721	88,296,482
	<b>Total expenses</b>		<b>2,395,098</b>	<b>181,524,477</b>	<b>2,172,572</b>	<b>158,836,739</b>
v	<b>Profit before taxes (iii - iv)</b>		<b>741,743</b>	<b>56,216,703</b>	<b>780,721</b>	<b>57,078,513</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		176,791	13,398,990	82,725	6,048,025
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>176,791</b>	<b>13,398,990</b>	<b>82,725</b>	<b>6,048,025</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>564,952</b>	<b>42,817,713</b>	<b>697,996</b>	<b>51,030,488</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	33,020	2,502,586	33,020	2,414,092
Plant and machinery	7,413,351	561,857,872	7,181,474	525,037,564
Computers	98,360	7,454,704	98,360	7,191,100
Office equipment	34,684	2,628,700	34,684	2,535,747
(a)	7,579,415	574,443,862	7,347,538	537,178,503
<b>Accumulated depreciation:</b>				
Lease hold improvement	33,020	2,502,586	33,020	2,414,092
Plant and machinery	5,644,619	427,805,674	4,811,970	351,803,127
Computers	98,360	7,454,704	98,360	7,191,100
Office equipment	17,916	1,357,854	11,528	842,812
(b)	5,793,915	439,120,818	4,954,878	362,251,131
<b>Net block (a) - (b)</b>	<b>1,785,500</b>	<b>135,323,044</b>	<b>2,392,660</b>	<b>174,927,372</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	222,238	16,843,418	222,238	16,247,820
(a)	222,238	16,843,418	222,238	16,247,820
<b>Accumulated amortisation:</b>				
Computer software	80,943	6,134,670	40,397	2,953,425
(b)	80,943	6,134,670	40,397	2,953,425
<b>Net block (a) - (b)</b>	<b>141,295</b>	<b>10,708,748</b>	<b>181,841</b>	<b>13,294,395</b>

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	2,527,920	191,591,057	-	-
<b>Total</b>	<b>2,527,920</b>	<b>191,591,057</b>	<b>-</b>	<b>-</b>

## 4 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	160,067	12,131,478	187,428	13,702,861
<b>Total</b>	<b>160,067</b>	<b>12,131,478</b>	<b>187,428</b>	<b>13,702,861</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	1,812	137,331	2,050	149,876
Intercompany receivables (Net)	583,839	44,249,158	2,725,472	199,259,258
<b>Total</b>	<b>585,651</b>	<b>44,386,489</b>	<b>2,727,522</b>	<b>199,409,134</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	9,508	720,611	18,797	1,374,249
<b>Total</b>	<b>9,508</b>	<b>720,611</b>	<b>18,797</b>	<b>1,374,249</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	26,695	2,023,214	-	-
<b>Total</b>	<b>26,695</b>	<b>2,023,214</b>	<b>-</b>	<b>-</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	165,364	12,532,938	180,068	13,164,771
Indirect tax receivable	-	-	412	30,121
<b>Total</b>	<b>165,364</b>	<b>12,532,938</b>	<b>180,480</b>	<b>13,194,892</b>

## 9 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	344,869	26,137,622	344,869	25,213,373
<b>Total</b>	<b>344,869</b>	<b>26,137,622</b>	<b>344,869</b>	<b>25,213,373</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	4,051,028	307,027,412	3,353,032	245,140,170
Profit / (loss) for the year	564,952	42,817,713	697,996	51,030,488
<b>Total</b>	<b>4,615,980</b>	<b>349,845,125</b>	<b>4,051,028</b>	<b>296,170,658</b>

## 11 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	-	-	725,897	53,070,330
<b>Total</b>	<b>-</b>	<b>-</b>	<b>725,897</b>	<b>53,070,330</b>

## 12 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	335,454	25,424,056	342,002	25,003,763
<b>Total</b>	<b>335,454</b>	<b>25,424,056</b>	<b>342,002</b>	<b>25,003,763</b>

## 13 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	-	-	12,254	895,890
<b>Total</b>	<b>-</b>	<b>-</b>	<b>12,254</b>	<b>895,890</b>

## 14 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	-	-	4,059	296,753
Other Employee dues	215,591	16,339,642	248,654	18,179,094
Other Statutory dues	18,871	1,430,233	-	-
<b>Total</b>	<b>234,462</b>	<b>17,769,875</b>	<b>252,713</b>	<b>18,475,847</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	40,910	3,100,569	-	-
Profit on sale of fixed assets	11	834	1	73
Exchange gain -Net	-	-	38,735	2,831,916
Miscellaneous income	273	20,691	47,570	3,477,843
<b>Total</b>	<b>41,194</b>	<b>3,122,094</b>	<b>86,306</b>	<b>6,309,832</b>

## 16 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	7,717	584,871	33,516	2,450,355
<b>Total</b>	<b>7,717</b>	<b>584,871</b>	<b>33,516</b>	<b>2,450,355</b>

## 17 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	-	-	(1,394)	(101,915)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>(1,394)</b>	<b>(101,915)</b>

## 18 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on inter companies loan	1,949	147,715	16,740	1,223,861
Guarantee fees	1,814	137,483	4,380	320,222
<b>Total</b>	<b>3,763</b>	<b>285,198</b>	<b>21,120</b>	<b>1,544,083</b>

## 19 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Auditors remuneration	4,054	307,253	3,915	286,226
Communication expenses	1,533	116,186	372	27,197
Exchange loss -Net	121,637	9,218,868	-	-
Legal and professional fees	105,479	7,994,253	89,812	6,566,155
Loss on sale of fixed asset	-	-	654	47,814
Miscellaneous expenses	263,938	20,003,861	281,421	20,574,689
Rates and Taxes	226	17,129	-	-
Rent	-	-	1,944	142,126
Repairs and Maintenance Plant & Machinery	268,244	20,330,213	228,456	16,702,418
Services rendered by agencies	689,784	52,278,729	593,592	43,397,511
Travelling and conveyance expenses	-	-	7,555	552,346
<b>Total</b>	<b>1,454,895</b>	<b>110,266,492</b>	<b>1,207,721</b>	<b>88,296,482</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar

229, Nariman Point

Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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.




Registered Office:

308-309, Technopolis Knowledge Park, Mahakali Caves Road  
Andheri (E), Mumbai - 400 093, India. T +91 (22) 6191 5555

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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	69,082	5,235,725	107,771	7,879,137
	Financial assets					
	(i) Loans	2	11,269,287	854,099,262	11,200,261	818,851,082
	Other Non-current assets	3	1,058	80,186	-	-
			11,339,427	859,415,173	11,308,032	826,730,219
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	227,886	17,271,480	27,940	2,042,694
	(ii) Other financial assets	5	192,837	14,615,116	190,283	13,911,590
	Other Current assets	6	6,828	517,494	6,115	447,068
			427,551	32,404,090	224,338	16,401,352
	<b>TOTAL ASSETS</b>		11,766,978	891,819,263	11,532,370	843,131,571
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	7	16,247	1,231,360	16,247	1,187,818
	Other equity	8	139,083	10,541,101	(660,246)	(48,270,585)
	<b>Total Equity</b>		155,330	11,772,461	(643,999)	(47,082,767)
(2)	<b>Non-current liabilities</b>					
	Other non current liabilities (Deferred revenue)		-	-	372	27,197
			-	-	372	27,197
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	9	11,482,089	870,227,525	11,898,751	869,917,686
	(ii) Trade payables	10	53,079	4,022,858	194,612	14,228,084
	Other current liabilities	11	372	28,194	6,668	487,497
	Current tax liability (Net)		76,108	5,768,225	75,966	5,553,874
			11,611,648	880,046,802	12,175,997	890,187,141
	<b>TOTAL EQUITY AND LIABILITIES</b>		11,766,978	891,819,263	11,532,370	843,131,571

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	178,556	13,532,759	210,303	15,375,252
(a)	178,556	13,532,759	210,303	15,375,252
<b>Accumulated depreciation:</b>				
Plant and machinery	109,474	8,297,034	102,532	7,496,115
(b)	109,474	8,297,034	102,532	7,496,115
<b>Net block (a) - (b)</b>	<b>69,082</b>	<b>5,235,725</b>	<b>107,771</b>	<b>7,879,137</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	11,269,287	854,099,262	11,200,261	818,851,082
<b>Total</b>	<b>11,269,287</b>	<b>854,099,262</b>	<b>11,200,261</b>	<b>818,851,082</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	1,058	80,186	-	-
<b>Total</b>	<b>1,058</b>	<b>80,186</b>	<b>-</b>	<b>-</b>

## 4 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	19,410	1,471,084	28,280	2,067,551
Intercompany receivables (Net)	208,476	15,800,396	-	-
Provision for doubtful debts	-	-	(340)	(24,857)
<b>Total</b>	<b>227,886</b>	<b>17,271,480</b>	<b>27,940</b>	<b>2,042,694</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	192,837	14,615,116	190,283	13,911,590
<b>Total</b>	<b>192,837</b>	<b>14,615,116</b>	<b>190,283</b>	<b>13,911,590</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	1,623	123,007	-	-
Indirect tax receivable	5,205	394,487	6,115	447,068
<b>Total</b>	<b>6,828</b>	<b>517,494</b>	<b>6,115</b>	<b>447,068</b>

## 7 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	16,247	1,231,360	16,247	1,187,818
<b>Total</b>	<b>16,247</b>	<b>1,231,360</b>	<b>16,247</b>	<b>1,187,818</b>

## 8 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(660,246)	(50,040,044)	(246,410)	(18,015,035)
Profit / (loss) for the year	799,329	60,581,145	(413,836)	(30,255,550)
<b>Total</b>	<b>139,083</b>	<b>10,541,101</b>	<b>(660,246)</b>	<b>(48,270,585)</b>

## 9 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	11,482,089	870,227,525	11,898,751	869,917,686
<b>Total</b>	<b>11,482,089</b>	<b>870,227,525</b>	<b>11,898,751</b>	<b>869,917,686</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	53,079	4,022,858	39,120	2,860,064
Inter Company - Payables (Net)	-	-	155,492	11,368,020
<b>Total</b>	<b>53,079</b>	<b>4,022,858</b>	<b>194,612</b>	<b>14,228,084</b>

## 11 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	372	28,194	6,668	487,497
<b>Total</b>	<b>372</b>	<b>28,194</b>	<b>6,668</b>	<b>487,497</b>

## 12 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	803,716	60,913,636	379,582	27,751,240
Exchange gain -Net	-	-	995,790	72,802,207
<b>Total</b>	<b>803,716</b>	<b>60,913,636</b>	<b>1,375,372</b>	<b>100,553,447</b>

## 13 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	750,689	56,894,719	1,222,315	89,363,450
<b>Total</b>	<b>750,689</b>	<b>56,894,719</b>	<b>1,222,315</b>	<b>89,363,450</b>

## 14 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on inter companies loan	-	-	726,231	53,094,748
<b>Total</b>	<b>-</b>	<b>-</b>	<b>726,231</b>	<b>53,094,748</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Auditors remuneration	344	26,072	343	25,077
Communication expenses	29	2,198	-	-
Electricity	8,788	666,043	8,837	646,073
Exchange loss -Net	173,632	13,159,569	-	-
Insurance expenses	839	63,588	-	-
Legal and professional fees	54,870	4,158,597	58,061	4,244,840
Miscellaneous expenses	675	51,158	813	59,438
Provision for doubtful debts	(340)	(25,769)	-	-
Rates and Taxes	744	56,388	411	30,048
Repairs and Maintenance Plant & Machinery	634	48,051	3,355	245,284
Services rendered by agencies	1,271	96,329	1,518	110,981
<b>Total</b>	<b>241,486</b>	<b>18,302,224</b>	<b>73,338</b>	<b>5,361,741</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

*Varma V.V*  
(Vinodkumar Varma)

PARTNER

Membership No. 105545



Place Mumbai

Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	2,580,979	195,612,399	3,082,516	225,362,745
	Capital work-in-progress		419,580	31,799,968	161,747	11,825,323
	Right-of-use assets		116,276	8,812,558	225,381	16,477,605
	Other Intangible assets	2	703,086	53,286,888	587,116	42,924,051
	Intangible assets under development		871,933	66,083,802	83,061	6,072,590
	Investments in subsidiaries & associates	3	329,856,181	24,999,799,958	329,637,433	24,099,792,727
	Financial assets					
	(i) Loans	4	508,433,162	38,534,149,348	722,494,525	52,821,574,723
	(ii) Other financial assets	5	453	34,333	479	35,020
	Deferred tax assets (net)		81,008	6,139,596	887,561	64,889,585
	Advance tax (net)		239,202	18,129,120	-	-
	Other Non-current assets	6	1,622,312	122,955,026	2,428,767	177,567,155
			844,924,172	64,036,802,996	1,059,588,586	77,466,521,524
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	7	3,088,247	234,058,240	2,945,745	215,363,417
	(ii) Cash and cash equivalents	8	1,045,427	79,232,912	4,785,775	349,888,010
	(iii) Other financial assets	9	9,796,624	742,486,132	11,962,999	874,614,857
	Other Current assets	10	1,523,095	115,435,370	1,925,056	140,740,845
			15,453,393	1,171,212,654	21,619,575	1,580,607,129
	<b>TOTAL ASSETS</b>		860,377,565	65,208,015,650	1,081,208,161	79,047,128,653
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	11	179,800,561	13,627,084,518	179,800,561	13,145,219,015
	Other equity	12	(66,219,715)	(5,018,792,198)	(71,532,354)	(5,229,730,404)
	<b>Total Equity</b>		113,580,846	8,608,292,320	108,268,207	7,915,488,611
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Borrowings	13	550,000,000	41,684,500,000	957,500,000	70,002,825,000
	(ia) Lease liabilities		88,353	6,696,274	122,942	8,988,290
	(ii) Other financial liabilities	14	-	-	521,117	38,098,864
	Provisions	15	44,462	3,369,775	-	-
	Other non current liabilities (Deferred revenue)		479,960	36,376,168	199,504	14,585,737
			550,612,775	41,730,942,217	958,343,563	70,064,497,891
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Borrowings	16	5,696,963	431,772,826	-	-
	(ia) Lease liabilities		26,980	2,044,814	112,277	8,208,571
	(ii) Trade payables	17	30,605,318	2,319,577,049	5,067,043	370,451,519
	(iii) Other financial liabilities	18	159,506,738	12,089,015,673	5,936,631	434,027,092
	Other current liabilities	19	318,104	24,109,102	396,617	28,996,669
	Provisions	20	29,841	2,261,649	26,707	1,952,549
	Current tax liability (Net)		-	-	3,057,116	223,505,751
			196,183,944	14,868,781,113	14,596,391	1,067,142,151
	<b>TOTAL EQUITY AND LIABILITIES</b>		860,377,565	65,208,015,650	1,081,208,161	79,047,128,653

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	21	247,945,273	18,791,772,241	242,654,022	17,740,435,548
ii	Other Income		30,837,394	2,337,166,092	30,988,716	2,265,585,026
iii	Total income (i + ii)		278,782,667	21,128,938,333	273,642,738	20,006,020,574
iv	Expenses:					
	Network and transmission expenses	22	231,193,388	17,522,146,877	226,137,064	16,532,880,749
	Employee benefits expenses	23	1,417,698	107,447,332	1,997,777	146,057,476
	Finance costs	24	30,349,757	2,300,208,083	28,968,688	2,117,900,780
	Depreciation and amortisation expenses		1,079,318	81,801,511	888,226	64,938,203
	Operating and other expenses	25	11,568,905	876,807,309	10,122,183	740,032,802
	Total expenses		275,609,066	20,888,411,112	268,113,938	19,601,810,010
v	Profit before exceptional items and taxes (iii - iv)		3,173,601	240,527,221	5,528,800	404,210,564
vi	Exceptional items:					
	Staff cost optimisation		29,787	2,257,557	(326,781)	(23,890,959)
	Impairment of investment		(59,495)	(4,509,126)	-	-
vii	Profit before taxes (v - vi)		3,143,893	238,275,652	5,202,019	380,319,605
viii	Tax expenses					
	(i) Current tax expense/(benefit)		1,175,721	89,107,895	4,035,310	295,021,514
	(ii) Deferred tax expense/(benefit)		(231,202)	(17,522,800)	-	-
	Net tax expenses		944,519	71,585,095	4,035,310	295,021,514
ix	Profit / (loss) for the year (vii-viii)		2,199,374	166,690,557	1,166,709	85,298,091

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	5,147	390,091	5,147	376,297
Cables	700,576	53,096,655	686,300	50,175,393
Plant and machinery	7,117,506	539,435,780	8,741,991	639,126,962
Furniture and fixtures	10,380	786,700	10,380	758,882
Computers	745,210	56,479,466	745,210	54,482,303
Office equipment	36,998	2,804,078	36,998	2,704,924
(a)	8,615,817	652,992,770	10,226,026	747,624,761
<b>Accumulated depreciation:</b>				
Lease hold improvement	5,147	390,091	5,147	376,297
Cables	322,545	24,445,686	252,167	18,435,929
Plant and machinery	5,141,993	389,711,649	6,411,670	468,757,194
Furniture and fixtures	10,380	786,700	10,380	758,882
Computers	522,484	39,599,062	436,416	31,906,374
Office equipment	32,289	2,447,183	27,730	2,027,340
(b)	6,034,838	457,380,371	7,143,510	522,262,016
<b>Net block (a) - (b)</b>	<b>2,580,979</b>	<b>195,612,399</b>	<b>3,082,516</b>	<b>225,362,745</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	1,955,261	148,189,231	1,631,806	119,301,337
(a)	1,955,261	148,189,231	1,631,806	119,301,337
<b>Accumulated amortisation:</b>				
Computer software	1,252,175	94,902,343	1,044,690	76,377,286
(b)	1,252,175	94,902,343	1,044,690	76,377,286
<b>Net block (a) - (b)</b>	<b>703,086</b>	<b>53,286,888</b>	<b>587,116</b>	<b>42,924,051</b>

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments in subsidiaries	334,566,420	25,356,788,972	334,288,178	24,439,808,694
Impairment of investment in subsidiaries	(4,710,239)	(356,989,014)	(4,650,745)	(340,015,967)
<b>Total</b>	<b>329,856,181</b>	<b>24,999,799,958</b>	<b>329,637,433</b>	<b>24,099,792,727</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 4 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	508,433,162	38,534,149,348	722,494,525	52,821,574,723
<b>Total</b>	<b>508,433,162</b>	<b>38,534,149,348</b>	<b>722,494,525</b>	<b>52,821,574,723</b>

## 5 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	453	34,333	479	35,020
<b>Total</b>	<b>453</b>	<b>34,333</b>	<b>479</b>	<b>35,020</b>

## 6 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	1,622,047	122,934,942	2,428,502	177,547,781
Others	265	20,084	265	19,374
<b>Total</b>	<b>1,622,312</b>	<b>122,955,026</b>	<b>2,428,767</b>	<b>177,567,155</b>

## 7 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	3,169,691	240,230,881	3,117,800	227,942,358
Provision for doubtful debts	(81,444)	(6,172,641)	(172,055)	(12,578,941)
<b>Total</b>	<b>3,088,247</b>	<b>234,058,240</b>	<b>2,945,745</b>	<b>215,363,417</b>

## 8 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	1,045,427	79,232,912	4,785,775	349,888,010
<b>Total</b>	<b>1,045,427</b>	<b>79,232,912</b>	<b>4,785,775</b>	<b>349,888,010</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 9 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	9,783,331	741,478,656	11,962,999	874,614,857
Others	13,293	1,007,476	-	-
<b>Total</b>	<b>9,796,624</b>	<b>742,486,132</b>	<b>11,962,999</b>	<b>874,614,857</b>

## 10 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	16,641	1,261,221	-	-
Advances to employees	8,553	648,232	-	-
Prepaid expenses	803,529	60,899,463	1,550,932	113,388,639
Indirect tax receivable	523,156	39,649,993	374,124	27,352,206
Others	171,216	12,976,461	-	-
<b>Total</b>	<b>1,523,095</b>	<b>115,435,370</b>	<b>1,925,056</b>	<b>140,740,845</b>

## 11 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	179,800,561	13,627,084,518	179,800,561	13,145,219,015
<b>Total</b>	<b>179,800,561</b>	<b>13,627,084,518</b>	<b>179,800,561</b>	<b>13,145,219,015</b>

## 12 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(68,246,293)	(5,172,386,546)	(69,413,002)	(5,074,784,576)
Profit / (loss) for the year	2,199,374	166,690,557	1,166,709	85,298,092
<b>Closing balance</b>	<b>(66,046,919)</b>	<b>(5,005,695,989)</b>	<b>(68,246,293)</b>	<b>(4,989,486,484)</b>
<b>OCI - Reserves derivatives</b>	<b>(172,796)</b>	<b>(13,096,209)</b>	<b>(3,286,061)</b>	<b>(240,243,920)</b>
<b>Total</b>	<b>(66,219,715)</b>	<b>(5,018,792,198)</b>	<b>(71,532,354)</b>	<b>(5,229,730,404)</b>





## 13 Non-current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Loan from banks	550,000,000	41,684,500,000	957,500,000	70,002,825,000
<b>Total</b>	<b>550,000,000</b>	<b>41,684,500,000</b>	<b>957,500,000</b>	<b>70,002,825,000</b>

## 14 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Derivative liabilities	-	-	521,117	38,098,864
<b>Total</b>	<b>-</b>	<b>-</b>	<b>521,117</b>	<b>38,098,864</b>

## 15 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Retention liability	44,462	3,369,775	-	-
<b>Total</b>	<b>44,462</b>	<b>3,369,775</b>	<b>-</b>	<b>-</b>

## 16 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Loan from bank	5,696,963	431,772,826	-	-
<b>Total</b>	<b>5,696,963</b>	<b>431,772,826</b>	<b>-</b>	<b>-</b>

## 17 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	4,829,203	366,005,293	4,994,179	365,124,432
Inter Company - Payables (Net)	25,776,115	1,953,571,756	72,864	5,327,087
<b>Total</b>	<b>30,605,318</b>	<b>2,319,577,049</b>	<b>5,067,043</b>	<b>370,451,519</b>



## 18 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Current portion of long term loans	157,500,000	11,936,925,000	-	-
Deposit from customers and contractors	151,284	11,465,814	140,116	10,243,881
Interest accrued but not due -others	1,541,473	116,828,239	1,847,330	135,058,296
Derivative liabilities	313,981	23,796,620	3,943,884	288,337,359
Others	-	-	5,301	387,556
<b>Total</b>	<b>159,506,738</b>	<b>12,089,015,673</b>	<b>5,936,631</b>	<b>434,027,092</b>

## 19 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	182,666	13,844,256	113,036	8,264,062
Other Employee dues	135,438	10,264,846	283,457	20,723,541
Others	-	-	124	9,066
<b>Total</b>	<b>318,104</b>	<b>24,109,102</b>	<b>396,617</b>	<b>28,996,669</b>

## 20 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	29,841	2,261,649	26,707	1,952,549
<b>Total</b>	<b>29,841</b>	<b>2,261,649</b>	<b>26,707</b>	<b>1,952,549</b>

## 21 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Dividend income	51,544	3,906,520	-	-
Interest income - others	4	303	-	-
Interest on loan to subsidiaries	30,239,264	2,291,833,819	30,926,591	2,261,043,068
Profit on sale of fixed assets	2	152	640	46,790
Miscellaneous income	546,580	41,425,298	61,485	4,495,168
<b>Total</b>	<b>30,837,394</b>	<b>2,337,166,092</b>	<b>30,988,716</b>	<b>2,265,585,026</b>

## 22 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	229,549,988	17,397,593,591	222,573,064	16,272,316,709
Rent of satellite channels	1,643,400	124,553,286	3,564,000	260,564,040
<b>Total</b>	<b>231,193,388</b>	<b>17,522,146,877</b>	<b>226,137,064</b>	<b>16,532,880,749</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 23 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	1,395,892	105,794,655	1,960,110	143,303,642
Staff welfare expenses	21,806	1,652,677	37,667	2,753,834
<b>Total</b>	<b>1,417,698</b>	<b>107,447,332</b>	<b>1,997,777</b>	<b>146,057,476</b>

## 24 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	22,943,477	1,738,886,122	24,776,051	1,811,377,089
Interest on inter companies loan	6,753,531	511,850,114	3,715,549	271,643,787
Guarantee fees	652,749	49,471,847	477,088	34,879,904
<b>Total</b>	<b>30,349,757</b>	<b>2,300,208,083</b>	<b>28,968,688</b>	<b>2,117,900,780</b>

## 25 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	8,983	680,822	-	-
Auditors remuneration	148,643	11,265,653	151,194	11,053,793
Communication expenses	18,703	1,417,500	10,396	760,052
Donations	-	-	24	1,755
Electricity	56,407	4,275,087	77,501	5,666,098
Entertainment expenses	13	985	-	-
Exchange loss -Net	2,455,327	186,089,233	640,214	46,806,046
Insurance expenses	13,606	1,031,199	10,381	758,955
IT consumables	206	15,613	316	23,103
Legal and professional fees	1,599,251	121,207,233	1,014,941	74,202,337
Miscellaneous expenses	94,951	7,196,336	670,081	48,989,622
Printing and stationery	4,104	311,042	730	53,370
Provision for doubtful debts	(90,612)	(6,867,483)	(221,397)	(16,186,335)
Rates and Taxes	32,903	2,493,718	41,637	3,044,081
Recruitment expenses	40,256	3,051,002	(3,412)	(249,451)
Relocation Expense	12,813	971,097	24,572	1,796,459
Rent	19,573	1,483,438	72,825	5,324,236
Repairs and Maintenance Plant & Machinery	1,230,052	93,225,641	1,988,371	145,369,804
Repairs and Maintenance -Building	-	-	8,542	624,506
Security charges	322	24,404	338	24,711
Services rendered by agencies	5,819,279	441,043,155	5,613,915	410,433,326
Bad debts written off	75,249	5,703,122	-	-
Travelling and conveyance expenses	28,876	2,188,512	21,014	1,536,334
<b>Total</b>	<b>11,568,905</b>	<b>876,807,309</b>	<b>10,122,183</b>	<b>740,032,802</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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.



Registered Office:

308-309, Technopolis Knowledge Park, Mahakali Caves Road  
Andheri (E), Mumbai - 400 093, India. T +91 (22) 6191 5555

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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Va*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Investments in subsidiaries & associates	1	-	-	-	-
Financial assets					
(i) Loans	2	-	-	-	-
<b>(2) Current assets</b>					
Financial assets					
(i) Cash and cash equivalents	3	4,786	362,731	3,525	257,713
Other Current assets	4	543	41,154	-	-
		5,329	403,885	3,525	257,713
<b>TOTAL ASSETS</b>		5,329	403,885	3,525	257,713
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	5	25,449,333	1,928,804,948	25,449,333	1,860,600,736
Other equity	6	(32,461,775)	(2,460,277,928)	(27,258,570)	(1,992,874,053)
<b>Total Equity</b>		(7,012,442)	(531,472,980)	(1,809,237)	(132,273,317)
<b>(2) Current liabilities</b>					
<b>Financial liabilities</b>					
(i) Borrowings	7	1,548,116	117,331,712	1,538,116	112,451,661
(ii) Trade payables	8	5,469,655	414,545,153	274,646	20,079,369
		7,017,771	531,876,865	1,812,762	132,531,030
<b>TOTAL EQUITY AND LIABILITIES</b>		5,329	403,885	3,525	257,713

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	9	-	-	-	-
ii	Other Income		-	-	1	73
iii	Total income (i + ii)		-	-	1	73
iv	Expenses:	10				
	Finance costs		372,564	28,236,626	22,411	1,638,468
	Operating and other expenses		13,902	1,053,633	162,960	11,914,006
	Total expenses	11	386,466	29,290,259	185,371	13,552,474
v	Profit before exceptional items and taxes (iii - iv)		(386,466)	(29,290,259)	(185,370)	(13,552,401)
vi	Exceptional items:					
	Impairment of investment		14,177	1,074,475	(55,339)	(4,045,834)
	Provision for litigation		(4,830,916)	(366,135,124)		
vii	Profit before taxes (v - vi)		(5,203,205)	(394,350,908)	(240,709)	(17,598,235)
viii	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
ix	Profit / (loss) for the year (vii-viii)		(5,203,205)	(394,350,908)	(240,709)	(17,598,235)

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments in subsidiaries	237,046,913	17,965,785,536	237,046,913	17,330,499,779
Impairment of investment in subsidiaries	(237,046,913)	(17,965,785,536)	(237,046,913)	(17,330,499,779)
<b>Total</b>	-	-	-	-

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	27,359,693	2,073,591,132	27,373,870	2,001,303,636
Allowances for loan receivables	(27,359,693)	(2,073,591,132)	(27,373,870)	(2,001,303,636)
<b>Total</b>	-	-	-	-

## 3 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	4,786	362,731	3,525	257,713
<b>Total</b>	4,786	362,731	3,525	257,713

## 4 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Indirect tax receivable	543	41,154	-	-
<b>Total</b>	543	41,154	-	-

## 5 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	25,449,333	1,928,804,948	25,449,333	1,860,600,736
<b>Total</b>	25,449,333	1,928,804,948	25,449,333	1,860,600,736

## 6 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(27,258,570)	(2,065,927,020)	(27,017,861)	(1,975,275,818)
Profit / (loss) for the year	(5,203,205)	(394,350,908)	(240,709)	(17,598,235)
<b>Total</b>	(32,461,775)	(2,460,277,928)	(27,258,570)	(1,992,874,053)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 7 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	1,548,116	117,331,712	1,538,116	112,451,661
<b>Total</b>	<b>1,548,116</b>	<b>117,331,712</b>	<b>1,538,116</b>	<b>112,451,661</b>

## 8 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	4,838,316	366,695,970	15,873	1,160,475
Inter Company - Payables (Net)	631,339	47,849,183	258,773	18,918,894
<b>Total</b>	<b>5,469,655</b>	<b>414,545,153</b>	<b>274,646</b>	<b>20,079,369</b>

## 9 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest income - others	-	-	1	73
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>73</b>

## 10 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Guarantee fees	372,564	28,236,626	22,411	1,638,468
<b>Total</b>	<b>372,564</b>	<b>28,236,626</b>	<b>22,411</b>	<b>1,638,468</b>

## 11 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Auditors remuneration	2,245	170,149	2,454	179,412
Exchange loss -Net	219	16,598	4,485	327,898
Legal and professional fees	10,606	803,829	154,894	11,324,300
Miscellaneous expenses	832	63,057	1,127	82,396
<b>Total</b>	<b>13,902</b>	<b>1,053,633</b>	<b>162,960</b>	<b>11,914,006</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar

229, Nariman Point

Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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.



Registered Office:

308-309, Technopolis Knowledge Park, Mahakali Caves Road  
Andheri (E), Mumbai - 400 093, India. T +91 (22) 6191 5555

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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Vinod V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545

Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	322,835	24,467,664	308,847	22,579,804
Capital work-in-progress		7,754	587,676	25,486	1,863,281
Deferred tax assets (net)		103,848	7,870,640	99,978	7,309,392
Other Non-current assets	2	33,165	2,513,575	84,178	6,154,254
		467,602	35,439,555	518,489	37,906,731
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	3	483,501	36,644,541	1,255,862	91,816,070
(ii) Cash and cash equivalents	4	85,985	6,516,803	139,372	10,189,487
(iii) Other financial assets	5	4,296	325,594	-	-
Other Current assets	6	111,500	8,450,585	161,036	11,773,342
		685,282	51,937,523	1,556,270	113,778,899
<b>TOTAL ASSETS</b>		1,152,884	87,377,078	2,074,759	151,685,630
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	7	364,779	27,646,600	364,779	26,668,993
Other equity	8	(164,899)	(12,497,695)	(131,038)	(9,580,190)
<b>Total Equity</b>		199,880	15,148,905	233,741	17,088,803
<b>(2) Non-current liabilities</b>					
Other non current liabilities (Deferred revenue)		-	-	9,840	719,402
		-	-	9,840	719,402
<b>(3) Current liabilities</b>					
Financial liabilities					
(i) Borrowings	9	336,862	25,530,771	1,061,636	77,616,208
(ii) Trade payables	10	590,345	44,742,247	732,484	53,551,907
(iii) Other financial liabilities	11	20,821	1,578,024	21,155	1,546,642
Other current liabilities	12	4,976	377,131	15,903	1,162,668
		953,004	72,228,173	1,831,178	133,877,425
<b>TOTAL EQUITY AND LIABILITIES</b>		1,152,884	87,377,078	2,074,759	151,685,630

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	13	3,372,481	255,600,335	2,763,077	202,008,559
ii	Other Income		7,898	598,589	-	-
iii	Total income (i + ii)		3,380,379	256,198,924	2,763,077	202,008,559
iv	Expenses:					
	Network and transmission expenses	14	1,237,722	93,806,950	1,346,608	98,450,511
	Finance costs	15	50,910	3,858,468	38,982	2,849,973
	Depreciation and amortisation expenses	16	84,910	6,435,329	103,305	7,552,629
	Operating and other expenses		2,044,567	154,957,733	1,299,214	94,985,537
	Total expenses		3,418,109	259,058,480	2,788,109	203,838,650
v	Profit before taxes (iii-iv)		(37,730)	(2,859,556)	(25,032)	(1,830,091)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		(3,870)	(293,307)	(17,558)	(1,283,665)
	Net tax expenses		(3,870)	(293,307)	(17,558)	(1,283,665)
vii	Profit / (loss) for the year (v-vi)		(33,860)	(2,566,249)	(7,474)	(546,426)

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	1,044,179	79,138,326	1,468,173	107,338,128
Office equipment	2,104	159,462	2,104	153,823
(a)	1,046,283	79,297,788	1,470,277	107,491,951
<b>Accumulated depreciation:</b>				
Plant and machinery	721,410	54,675,664	1,159,655	84,782,377
Office equipment	2,038	154,460	1,775	129,770
(b)	723,448	54,830,124	1,161,430	84,912,147
<b>Net block (a) - (b)</b>	322,835	24,467,664	308,847	22,579,804

## 2 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	33,165	2,513,575	84,178	6,154,254
<b>Total</b>	33,165	2,513,575	84,178	6,154,254

## 3 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	46,543	3,527,494	35,785	2,616,241
Intercompany receivables (Net)	437,032	33,122,655	1,220,185	89,207,725
Provision for doubtful debts	(74)	(5,608)	(108)	(7,896)
<b>Total</b>	483,501	36,644,541	1,255,862	91,816,070

## 4 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	85,985	6,516,803	139,372	10,189,487
<b>Total</b>	85,985	6,516,803	139,372	10,189,487



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Others	4,296	325,594	-	-
<b>Total</b>	<b>4,296</b>	<b>325,594</b>	<b>-</b>	<b>-</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	51,811	3,926,756	55,819	4,080,927
Indirect tax receivable	59,689	4,523,829	105,217	7,692,415
<b>Total</b>	<b>111,500</b>	<b>8,450,585</b>	<b>161,036</b>	<b>11,773,342</b>

## 7 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	364,779	27,646,600	364,779	26,668,993
<b>Total</b>	<b>364,779</b>	<b>27,646,600</b>	<b>364,779</b>	<b>26,668,993</b>

## 8 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(131,039)	(9,931,446)	(123,564)	(9,033,764)
Profit / (loss) for the year	(33,860)	(2,566,249)	(7,474)	(546,426)
<b>Total</b>	<b>(164,899)</b>	<b>(12,497,695)</b>	<b>(131,038)</b>	<b>(9,580,190)</b>

## 9 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	336,862	25,530,771	1,061,636	77,616,208
<b>Total</b>	<b>336,862</b>	<b>25,530,771</b>	<b>1,061,636</b>	<b>77,616,208</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	590,345	44,742,247	732,484	53,551,907
<b>Total</b>	<b>590,345</b>	<b>44,742,247</b>	<b>732,484</b>	<b>53,551,907</b>

## 11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	20,821	1,578,024	21,021	1,536,845
Others	-	-	134	9,797
<b>Total</b>	<b>20,821</b>	<b>1,578,024</b>	<b>21,155</b>	<b>1,546,642</b>

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	4,976	377,131	15,903	1,162,668
<b>Total</b>	<b>4,976</b>	<b>377,131</b>	<b>15,903</b>	<b>1,162,668</b>

## 13 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Miscellaneous income	7,898	598,589	-	-
<b>Total</b>	<b>7,898</b>	<b>598,589</b>	<b>-</b>	<b>-</b>

## 14 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	1,237,722	93,806,950	1,346,608	98,450,511
<b>Total</b>	<b>1,237,722</b>	<b>93,806,950</b>	<b>1,346,608</b>	<b>98,450,511</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	189	14,324	159	11,624
Interest on inter companies loan	44,390	3,364,318	35,692	2,609,442
Guarantee fees	6,331	479,826	3,131	228,907
<b>Total</b>	<b>50,910</b>	<b>3,858,468</b>	<b>38,982</b>	<b>2,849,973</b>

## 16 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	47,279	3,583,275	-	-
Auditors remuneration	19,500	1,477,905	19,500	1,425,645
Communication expenses	-	-	679	49,642
Electricity	66,958	5,074,747	64,465	4,713,036
Exchange loss -Net	74,196	5,623,315	63,460	4,639,561
Insurance expenses	2,422	183,563	1,527	111,639
Legal and professional fees	38,130	2,889,873	54,688	3,998,240
Miscellaneous expenses	12,180	923,122	4,647	339,742
Printing and stationery	-	-	14	1,024
Provision for doubtful debts	(34)	(2,577)	(825)	(60,316)
Repairs and Maintenance Plant & Machinery	806,988	61,161,621	540,763	39,535,183
Services rendered by agencies	976,948	74,042,889	550,296	40,232,141
<b>Total</b>	<b>2,044,567</b>	<b>154,957,733</b>	<b>1,299,214</b>	<b>94,985,537</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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.



Registered Office:

308-309, Technopolis Knowledge Park, Mahakali Caves Road  
Andheri (E), Mumbai - 400 093, India. T +91 (22) 6191 5555

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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*V. Varma V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	3,705,428	280,834,389	3,619,591	264,628,298
Capital work-in-progress		-	-	17,548	1,282,934
Financial assets					
(i) Loans	2	2,574,020	195,084,976	569,337	41,624,228
Advance tax (net)		229,511	17,394,639	68,723	5,024,339
Other Non-current assets	3	5,087	385,544	5,255	384,193
		6,514,046	493,699,548	4,280,454	312,943,992
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	4	212,530	16,107,648	1,823,679	133,329,172
(ii) Cash and cash equivalents	5	128,015	9,702,257	124,655	9,113,527
(iii) Other financial assets	6	48,722	3,692,641	1,915	140,006
Other Current assets	7	51,624	3,912,583	56,972	4,165,223
		440,891	33,415,129	2,007,221	146,747,928
<b>TOTAL ASSETS</b>		6,954,937	527,114,677	6,287,675	459,691,920
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	8	60,714,551	4,601,555,820	60,714,551	4,438,840,824
Other equity	9	(59,691,238)	(4,523,998,929)	(60,074,161)	(4,392,021,912)
<b>Total Equity</b>		1,023,313	77,556,891	640,390	46,818,912
<b>(2) Non-current liabilities</b>					
Provisions	10	543,774	41,212,631	543,352	39,724,465
Other non current liabilities (Deferred revenue)		3,263,103	247,310,576	3,355,501	245,320,678
		3,806,877	288,523,207	3,898,853	285,045,143
<b>(3) Current liabilities</b>					
<b>Financial liabilities</b>					
(i) Trade payables	11	867,694	65,762,531	820,704	60,001,671
(ii) Other financial liabilities	12	50,763	3,847,328	108,863	7,958,974
Other current liabilities	13	1,194,008	90,493,867	803,629	58,753,316
Provisions	14	12,282	930,853	15,236	1,113,904
		2,124,747	161,034,579	1,748,432	127,827,865
<b>TOTAL EQUITY AND LIABILITIES</b>		6,954,937	527,114,677	6,287,675	459,691,920

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	15	4,277,390	324,183,388	4,996,474	365,292,214
ii	Other Income		155,243	11,765,867	259,432	18,967,074
iii	Total income (i + ii)		4,432,633	335,949,255	5,255,906	384,259,288
iv	Expenses:					
	Network and transmission expenses	16	658,226	49,886,949	410,373	30,002,370
	Employee benefits expenses	17	471,351	35,723,693	497,402	36,365,060
	Finance costs	18	108,003	8,185,547	72,430	5,295,357
	Depreciation and amortisation expenses		955,753	72,436,520	890,051	65,071,629
	Operating and other expenses	19	1,439,107	109,069,920	2,690,590	196,709,036
	Total expenses		3,632,440	275,302,629	4,560,846	333,443,452
v	Profit before taxes (iii - iv)		800,193	60,646,626	695,060	50,815,836
vi	Tax expenses					
	(i) Current tax expense/(benefit)		417,270	31,624,893	118,497	8,663,316
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		417,270	31,624,893	118,497	8,663,316
vii	Profit / (loss) for the year (v-vi)		382,923	29,021,733	576,563	42,152,520

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	65,449	4,960,380	65,449	4,784,976
Building	132,958	10,076,887	132,958	9,720,559
Cables	6,044,391	458,104,394	5,287,236	386,549,824
Plant and machinery	10,738,643	813,881,753	10,966,042	801,727,331
Furniture and fixtures	18,598	1,409,542	18,598	1,359,700
Computers	28,518	2,161,379	28,518	2,084,951
Office equipment	147,841	11,204,869	147,841	10,808,656
(a)	17,176,398	1,301,799,204	16,646,642	1,217,035,997
<b>Accumulated depreciation:</b>				
Building	101,712	7,708,752	97,925	7,159,297
Cables	4,217,778	319,665,395	3,824,136	279,582,583
Plant and machinery	9,008,612	682,762,703	8,978,727	656,434,731
Furniture and fixtures	13,376	1,013,767	12,690	927,766
Computers	28,518	2,161,379	28,518	2,084,951
Office equipment	100,974	7,652,819	85,055	6,218,371
(b)	13,470,970	1,020,964,815	13,027,051	952,407,699
<b>Net block (a) - (b)</b>	<b>3,705,428</b>	<b>280,834,389</b>	<b>3,619,591</b>	<b>264,628,298</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	2,574,020	195,084,976	569,337	41,624,228
<b>Total</b>	<b>2,574,020</b>	<b>195,084,976</b>	<b>569,337</b>	<b>41,624,228</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	5,087	385,544	5,255	384,193
<b>Total</b>	<b>5,087</b>	<b>385,544</b>	<b>5,255</b>	<b>384,193</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 4 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	259,889	19,696,987	343,187	25,090,402
Intercompany receivables (Net)	-	-	1,526,419	111,596,493
Provision for doubtful debts	(47,359)	(3,589,339)	(45,927)	(3,357,723)
<b>Total</b>	<b>212,530</b>	<b>16,107,648</b>	<b>1,823,679</b>	<b>133,329,172</b>

## 5 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	128,015	9,702,257	124,655	9,113,527
<b>Total</b>	<b>128,015</b>	<b>9,702,257</b>	<b>124,655</b>	<b>9,113,527</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	39,439	2,989,082	1,915	140,006
Others	9,283	703,559	-	-
<b>Total</b>	<b>48,722</b>	<b>3,692,641</b>	<b>1,915</b>	<b>140,006</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to employees	-	-	62	4,533
Prepaid expenses	51,624	3,912,583	56,910	4,160,690
<b>Total</b>	<b>51,624</b>	<b>3,912,583</b>	<b>56,972</b>	<b>4,165,223</b>

## 8 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	60,714,551	4,601,555,820	60,714,551	4,438,840,824
<b>Total</b>	<b>60,714,551</b>	<b>4,601,555,820</b>	<b>60,714,551</b>	<b>4,438,840,824</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 9 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(60,074,161)	(4,553,020,662)	(60,650,724)	(4,434,174,432)
Profit / (loss) for the year	382,923	29,021,733	576,563	42,152,520
Total	(59,691,238)	(4,523,998,929)	(60,074,161)	(4,392,021,912)

## 10 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	543,774	41,212,631	543,352	39,724,465
Total	543,774	41,212,631	543,352	39,724,465

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	765,971	58,052,945	820,704	60,001,671
Inter Company - Payables (Net)	101,723	7,709,586	-	-
Total	867,694	65,762,531	820,704	60,001,671

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	50,763	3,847,328	107,091	7,829,423
Others	-	-	1,772	129,551
Total	50,763	3,847,328	108,863	7,958,974

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	1,165,258	88,314,904	765,145	55,939,751
Other Employee dues	28,750	2,178,963	38,484	2,813,565
Total	1,194,008	90,493,867	803,629	58,753,316



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 14 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	12,282	930,853	15,236	1,113,904
<b>Total</b>	<b>12,282</b>	<b>930,853</b>	<b>15,236</b>	<b>1,113,904</b>

## 15 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	147,752	11,198,124	62,660	4,581,073
Exchange gain -Net	1,069	81,020	191,715	14,016,284
Miscellaneous income	6,422	486,723	5,057	369,717
<b>Total</b>	<b>155,243</b>	<b>11,765,867</b>	<b>259,432</b>	<b>18,967,074</b>

## 16 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	658,226	49,886,949	410,373	30,002,370
<b>Total</b>	<b>658,226</b>	<b>49,886,949</b>	<b>410,373</b>	<b>30,002,370</b>

## 17 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	453,059	34,337,342	485,422	35,489,202
Staff welfare expenses	18,292	1,386,351	11,980	875,858
<b>Total</b>	<b>471,351</b>	<b>35,723,693</b>	<b>497,402</b>	<b>36,365,060</b>

## 18 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	422	31,983	6,700	489,837
Interest on inter companies loan	93,062	7,053,169	60,037	4,389,305
Guarantee fees	14,519	1,100,395	5,693	416,215
<b>Total</b>	<b>108,003</b>	<b>8,185,547</b>	<b>72,430</b>	<b>5,295,357</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 19 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	-	-	315	23,030
Auditors remuneration	27,000	2,046,330	27,000	1,973,970
Communication expenses	18,791	1,424,170	13,965	1,020,981
Electricity	253,940	19,246,113	268,525	19,631,863
Insurance expenses	8,635	654,447	23,567	1,722,983
IT consumables	97	7,352	71	5,191
Legal and professional fees	99,271	7,523,749	87,163	6,372,487
Miscellaneous expenses	15,067	1,141,928	9,001	658,063
Printing and stationery	3,408	258,292	4,466	326,509
Provision for doubtful debts	1,432	108,531	(631,223)	(46,148,714)
Rates and Taxes	183,676	13,920,804	1,502,151	109,822,260
Recruitment expenses	-	-	329	24,053
Rent	332,303	25,185,244	333,215	24,361,349
Repairs and Maintenance Plant & Machinery	437,162	33,132,508	416,678	30,463,329
Repairs and Maintenance -Building	31,950	2,421,491	30,930	2,261,292
Seminars, trainings and conferences	(60)	(4,547)	60	4,387
Services rendered by agencies	17,394	1,318,291	15,501	1,133,278
Bad debts written off	-	-	582,034	42,552,506
Travelling and conveyance expenses	9,041	685,217	6,842	500,219
<b>Total</b>	<b>1,439,107</b>	<b>109,069,920</b>	<b>2,690,590</b>	<b>196,709,036</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar

229, Nariman Point

Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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.



Registered Office:

308-309, Technopolis Knowledge Park, Mahakali Caves Road  
Andheri (E), Mumbai - 400 093, India. T +91 (22) 6191 5555

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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Vinodkumar V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Investments in subsidiaries & associates	1	956,205	72,470,777	956,205	69,908,148
	Financial assets					
	(i) Loans	2	493,093	37,371,518	503,493	36,810,373
			1,449,298	109,842,295	1,459,698	106,718,521
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Cash and cash equivalents	3	4,456	337,720	11,877	868,327
	(ii) Other financial assets	4	8,699	659,297	8,279	605,278
			13,155	997,017	20,156	1,473,605
	<b>TOTAL ASSETS</b>		1,462,453	110,839,312	1,479,854	108,192,126
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	5	1,393,444	105,609,121	1,393,444	101,874,691
	Other equity	6	64,061	4,855,183	83,326	6,091,963
	<b>Total Equity</b>		1,457,505	110,464,304	1,476,770	107,966,654
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	7	4,687	355,227	2,999	219,258
	Current tax liability (Net)		261	19,781	85	6,214
			4,948	375,008	3,084	225,472
	<b>TOTAL EQUITY AND LIABILITIES</b>		1,462,453	110,839,312	1,479,854	108,192,126

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)





\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments in subsidiaries	956,205	72,470,777	956,205	69,908,148
<b>Total</b>	<b>956,205</b>	<b>72,470,777</b>	<b>956,205</b>	<b>69,908,148</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	493,093	37,371,518	503,493	36,810,373
<b>Total</b>	<b>493,093</b>	<b>37,371,518</b>	<b>503,493</b>	<b>36,810,373</b>

## 3 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	4,456	337,720	11,877	868,327
<b>Total</b>	<b>4,456</b>	<b>337,720</b>	<b>11,877</b>	<b>868,327</b>

## 4 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	8,699	659,297	8,279	605,278
<b>Total</b>	<b>8,699</b>	<b>659,297</b>	<b>8,279</b>	<b>605,278</b>

## 5 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	1,393,444	105,609,121	1,393,444	101,874,691
<b>Total</b>	<b>1,393,444</b>	<b>105,609,121</b>	<b>1,393,444</b>	<b>101,874,691</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 6 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	83,326	6,315,278	40,553	2,964,830
Profit / (loss) for the year	(19,265)	(1,460,095)	42,773	3,127,133
<b>Total</b>	<b>64,061</b>	<b>4,855,183</b>	<b>83,326</b>	<b>6,091,963</b>

## 7 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	4,687	355,227	2,999	219,258
<b>Total</b>	<b>4,687</b>	<b>355,227</b>	<b>2,999</b>	<b>219,258</b>

## 8 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	17,661	1,338,527	16,607	1,214,138
Exchange gain -Net	-	-	33,611	2,457,300
<b>Total</b>	<b>17,661</b>	<b>1,338,527</b>	<b>50,218</b>	<b>3,671,438</b>

## 9 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Exchange loss -Net	28,085	2,128,562	-	-
Legal and professional fees	4,688	355,304	3,141	229,639
Miscellaneous expenses	2,369	179,547	2,483	181,532
Rates and Taxes	93	7,048	1	73
Repairs and Maintenance Plant & Machinery	(5)	(379)	5	366
<b>Total</b>	<b>35,230</b>	<b>2,670,082</b>	<b>5,630</b>	<b>411,610</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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.



Registered Office:

308-309, Technopolis Knowledge Park, Mahakali Caves Road  
Andheri (E), Mumbai - 400 093, India. T +91 (22) 6191 5555



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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Varma. V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545

Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	220,717	16,728,142	163,822	11,977,026
Capital work-in-progress		1,660	125,811	72,904	5,330,011
Deferred tax assets (net)		69,868	5,295,296	-	-
Advance tax (net)		90,591	6,865,892	95,464	6,979,373
Other Non-current assets	2	12,097	916,832	5,699	416,654
		394,933	29,931,973	337,889	24,703,064
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	3	2,727,794	206,739,508	3,331,429	243,560,775
(ii) Cash and cash equivalents	4	238,799	18,098,576	83,457	6,101,541
(iii) Other financial assets	5	25,694	1,947,348	21,160	1,547,008
Other Current assets	6	24,360	1,846,244	17,449	1,275,696
		3,016,647	228,631,676	3,453,495	252,485,020
<b>TOTAL ASSETS</b>		<b>3,411,580</b>	<b>258,563,649</b>	<b>3,791,384</b>	<b>277,188,084</b>
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	7	87,254	6,612,981	87,254	6,379,140
Other equity	8	2,738,946	207,584,718	3,203,686	234,221,484
<b>Total Equity</b>		<b>2,826,200</b>	<b>214,197,699</b>	<b>3,290,940</b>	<b>240,600,624</b>
<b>(2) Non-current liabilities</b>					
Deferred tax liabilities (Net)		-	-	2,997	219,111
		-	-	2,997	219,111
<b>(3) Current liabilities</b>					
Financial liabilities					
(i) Trade payables	9	572,543	43,393,034	433,913	31,723,379
Other current liabilities	10	10,508	796,401	18,875	1,379,951
Provisions	11	2,329	176,515	44,659	3,265,019
		585,380	44,365,950	497,447	36,368,349
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,411,580</b>	<b>258,563,649</b>	<b>3,791,384</b>	<b>277,188,084</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	12	1,222,047	92,618,942	1,569,037	114,712,295
ii	Other Income		729	55,251	43,309	3,166,321
iii	Total income (i + ii)		1,222,776	92,674,193	1,612,346	117,878,616
iv	Expenses:					
	Network and transmission expenses	13	544,252	41,248,859	387,538	28,332,903
	Employee benefits expenses	14	110,859	8,402,004	163,225	11,933,380
	Depreciation and amortisation expenses		45,439	3,443,822	42,062	3,075,153
	Operating and other expenses	15	1,054,985	79,957,312	995,994	72,817,120
	Total expenses		1,755,535	133,051,997	1,588,819	116,158,556
v	Profit before taxes (iii - iv)		(532,759)	(40,377,804)	23,527	1,720,060
vi	Tax expenses					
	(i) Current tax expense/(benefit)		4,847	367,354	17,106	1,250,620
	(ii) Deferred tax expense/(benefit)		(72,866)	(5,522,514)	1,711	125,091
	Net tax expenses		(68,019)	(5,155,160)	18,817	1,375,711
vii	Profit / (loss) for the year (v-vi)		(464,740)	(35,222,644)	4,710	344,349

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	854,407	64,755,507	1,171,093	85,618,609
Computers	1,925	145,896	1,925	140,737
(a)	856,332	64,901,403	1,173,018	85,759,346
<b>Accumulated depreciation:</b>				
Plant and machinery	633,690	48,027,365	1,007,271	73,641,583
Computers	1,925	145,896	1,925	140,737
(b)	635,615	48,173,261	1,009,196	73,782,320
<b>Net block (a) - (b)</b>	220,717	16,728,142	163,822	11,977,026

## 2 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	12,097	916,832	5,699	416,654
<b>Total</b>	12,097	916,832	5,699	416,654

## 3 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	12,707	963,064	20,405	1,491,810
Intercompany receivables (Net)	2,715,182	205,783,644	3,311,119	242,075,910
Provision for doubtful debts	(95)	(7,200)	(95)	(6,945)
<b>Total</b>	2,727,794	206,739,508	3,331,429	243,560,775

## 4 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	238,799	18,098,576	83,457	6,101,541
<b>Total</b>	238,799	18,098,576	83,457	6,101,541





## 5 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	16,560	1,255,082	16,560	1,210,702
Others	9,134	692,266	4,600	336,306
<b>Total</b>	<b>25,694</b>	<b>1,947,348</b>	<b>21,160</b>	<b>1,547,008</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	17,099	1,295,933	17,449	1,275,696
Indirect tax receivable	701	53,129	-	-
Others	6,560	497,182	-	-
<b>Total</b>	<b>24,360</b>	<b>1,846,244</b>	<b>17,449</b>	<b>1,275,696</b>

## 7 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	87,254	6,612,981	87,254	6,379,140
<b>Total</b>	<b>87,254</b>	<b>6,612,981</b>	<b>87,254</b>	<b>6,379,140</b>

## 8 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	3,203,686	242,807,362	3,198,976	233,877,135
Profit / (loss) for the year	(464,740)	(35,222,644)	4,710	344,349
<b>Total</b>	<b>2,738,946</b>	<b>207,584,718</b>	<b>3,203,686</b>	<b>234,221,484</b>

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	572,543	43,393,034	433,913	31,723,379
<b>Total</b>	<b>572,543</b>	<b>43,393,034</b>	<b>433,913</b>	<b>31,723,379</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	-	-	152	11,113
Other Employee dues	10,405	788,595	18,722	1,368,765
Others	103	7,806	1	73
<b>Total</b>	<b>10,508</b>	<b>796,401</b>	<b>18,875</b>	<b>1,379,951</b>

## 11 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	2,329	176,515	44,659	3,265,019
<b>Total</b>	<b>2,329</b>	<b>176,515</b>	<b>44,659</b>	<b>3,265,019</b>

## 12 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Exchange gain -Net	-	-	3,518	257,201
Miscellaneous income	729	55,251	39,791	2,909,120
<b>Total</b>	<b>729</b>	<b>55,251</b>	<b>43,309</b>	<b>3,166,321</b>

## 13 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	544,252	41,248,859	387,538	28,332,903
<b>Total</b>	<b>544,252</b>	<b>41,248,859</b>	<b>387,538</b>	<b>28,332,903</b>

## 14 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	110,859	8,402,004	163,211	11,932,356
Staff welfare expenses	-	-	14	1,024
<b>Total</b>	<b>110,859</b>	<b>8,402,004</b>	<b>163,225</b>	<b>11,933,380</b>



## 15 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	-	-	(2,828)	(206,755)
Auditors remuneration	40,000	3,031,600	40,000	2,924,400
Communication expenses	943	71,470	3,794	277,379
Exchange loss -Net	39,910	3,024,779	-	-
Insurance expenses	11,379	862,414	11,362	830,676
Legal and professional fees	194,119	14,712,279	245,689	17,962,323
Miscellaneous expenses	552,699	41,889,057	4,338	317,151
Printing and stationery	357	27,057	918	67,115
Provision for doubtful debts	-	-	95	6,945
Rates and Taxes	155,506	11,785,800	615,586	45,005,492
Recruitment expenses	460	34,863	7,210	527,123
Relocation Expense	9,336	707,575	-	-
Rent	36,733	2,783,994	59,094	4,320,362
Repairs and Maintenance Plant & Machinery	12,325	934,112	9,585	700,759
Repairs and Maintenance -Building	(645)	(48,885)	645	47,156
Services rendered by agencies	394	29,861	488	35,678
Travelling and conveyance expenses	1,469	111,336	18	1,316
<b>Total</b>	<b>1,054,985</b>	<b>79,957,312</b>	<b>995,994</b>	<b>72,817,120</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	273,399	20,720,910	385,802	28,205,985
	Capital work-in-progress		22,395	1,697,317	14,525	1,061,923
	Right-of-use assets		-	-	2	146
	Financial assets					
	(i) Loans	2	1,099,932	83,363,846	3,662,830	267,789,501
	(ii) Other financial assets	3	5,355	405,855	5,249	383,754
	Other Non-current assets	4	15,989	1,211,806	32,796	2,397,716
			1,417,070	107,399,734	4,101,204	299,839,025
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	1,176,400	89,159,356	1,378,551	100,785,864
	(ii) Other financial assets	6	33,147	2,512,211	55,271	4,040,863
	Other Current assets	7	47,540	3,603,056	53,823	3,935,000
			1,257,087	95,274,623	1,487,645	108,761,727
	<b>TOTAL ASSETS</b>		2,674,157	202,674,357	5,588,849	408,600,752
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	474,414	35,955,837	474,414	34,684,408
	Other equity	9	213,178	16,156,760	156,152	11,416,274
	<b>Total Equity</b>		687,592	52,112,597	630,566	46,100,682
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		-	-	2	146
	Other non current liabilities (Deferred revenue)		28,143	2,132,958	35,839	2,620,189
			28,143	2,132,958	35,841	2,620,335
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	10	1,653,292	125,302,999	4,537,758	331,755,488
	(ii) Other financial liabilities	11	14,058	1,065,456	16,814	1,229,272
	Other current liabilities	12	258,315	19,577,694	348,061	25,446,739
	Current tax liability (Net)		32,757	2,482,653	19,809	1,448,236
			1,958,422	148,428,802	4,922,442	359,879,735
	<b>TOTAL EQUITY AND LIABILITIES</b>		2,674,157	202,674,357	5,588,849	408,600,752

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	13	7,374,295	558,897,818	8,750,729	639,765,797
ii	Other Income		236,537	17,927,139	448,811	32,812,573
iii	Total income (i + ii)		7,610,832	576,824,957	9,199,540	672,578,370
iv	Expenses:					
	Network and transmission expenses	14	6,930,322	525,249,104	8,706,894	636,561,020
	Finance costs	15	171,832	13,023,148	48,625	3,554,974
	Depreciation and amortisation expenses	16	128,962	9,774,030	123,831	9,053,284
	Operating and other expenses		304,204	23,055,621	208,700	15,258,056
	Total expenses		7,535,320	571,101,903	9,088,050	664,427,334
v	Profit before taxes (iii-iv)		75,512	5,723,054	111,490	8,151,036
vi	Tax expenses					
	(i) Current tax expense/(benefit)		18,486	1,401,054	19,810	1,448,309
	(ii) Deferred tax expense/(benefit)		-	-	1,814	132,622
	Net tax expenses		18,486	1,401,054	21,624	1,580,931
vii	Profit / (loss) for the year (v-vi)		57,026	4,322,000	89,866	6,570,105

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	1,314,280	99,609,281	1,304,615	95,380,403
(a)	1,314,280	99,609,281	1,304,615	95,380,403
<b>Accumulated depreciation:</b>				
Plant and machinery	1,040,881	78,888,371	918,813	67,174,418
(b)	1,040,881	78,888,371	918,813	67,174,418
<b>Net block (a) - (b)</b>	<b>273,399</b>	<b>20,720,910</b>	<b>385,802</b>	<b>28,205,985</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	1,099,932	83,363,846	3,662,830	267,789,501
<b>Total</b>	<b>1,099,932</b>	<b>83,363,846</b>	<b>3,662,830</b>	<b>267,789,501</b>

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	5,355	405,855	5,249	383,754
<b>Total</b>	<b>5,355</b>	<b>405,855</b>	<b>5,249</b>	<b>383,754</b>

## 4 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	15,989	1,211,806	32,796	2,397,716
<b>Total</b>	<b>15,989</b>	<b>1,211,806</b>	<b>32,796</b>	<b>2,397,716</b>

## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	1,176,675	89,180,198	1,392,219	101,785,131
Provision for doubtful debts	(275)	(20,842)	(13,668)	(999,267)
<b>Total</b>	<b>1,176,400</b>	<b>89,159,356</b>	<b>1,378,551</b>	<b>100,785,864</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 6 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	33,147	2,512,211	55,271	4,040,863
<b>Total</b>	<b>33,147</b>	<b>2,512,211</b>	<b>55,271</b>	<b>4,040,863</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	42,656	3,232,898	53,823	3,935,000
Others	4,884	370,158	-	-
<b>Total</b>	<b>47,540</b>	<b>3,603,056</b>	<b>53,823</b>	<b>3,935,000</b>

## 8 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	474,414	35,955,837	474,414	34,684,408
<b>Total</b>	<b>474,414</b>	<b>35,955,837</b>	<b>474,414</b>	<b>34,684,408</b>

## 9 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	156,152	11,834,760	66,286	4,846,169
Profit / (loss) for the year	57,026	4,322,000	89,866	6,570,105
<b>Total</b>	<b>213,178</b>	<b>16,156,760</b>	<b>156,152</b>	<b>11,416,274</b>

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	382,354	28,978,608	1,004,441	73,434,682
Inter Company - Payables (Net)	1,270,938	96,324,391	3,533,317	258,320,806
<b>Total</b>	<b>1,653,292</b>	<b>125,302,999</b>	<b>4,537,758</b>	<b>331,755,488</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	10,000	757,900	10,000	731,100
Others	4,058	307,556	6,814	498,172
<b>Total</b>	<b>14,058</b>	<b>1,065,456</b>	<b>16,814</b>	<b>1,229,272</b>

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	163,971	12,427,362	220,239	16,101,673
Other Statutory dues	94,344	7,150,332	127,822	9,345,066
<b>Total</b>	<b>258,315</b>	<b>19,577,694</b>	<b>348,061</b>	<b>25,446,739</b>

## 13 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	236,536	17,927,063	139,208	10,177,497
Exchange gain -Net	-	-	303,870	22,215,936
Miscellaneous income	1	76	5,733	419,140
<b>Total</b>	<b>236,537</b>	<b>17,927,139</b>	<b>448,811</b>	<b>32,812,573</b>

## 14 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	6,930,322	525,249,104	8,706,894	636,561,020
<b>Total</b>	<b>6,930,322</b>	<b>525,249,104</b>	<b>8,706,894</b>	<b>636,561,020</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on inter companies loan	157,369	11,926,997	44,269	3,236,507
Guarantee fees	14,463	1,096,151	4,356	318,467
<b>Total</b>	<b>171,832</b>	<b>13,023,148</b>	<b>48,625</b>	<b>3,554,974</b>

## 16 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Communication expenses	-	-	368	26,904
Electricity	22,652	1,716,795	22,312	1,631,230
Exchange loss -Net	103,722	7,861,090	-	-
Insurance expenses	12,508	947,981	13,458	983,914
Legal and professional fees	77,962	5,908,740	107,500	7,859,325
Miscellaneous expenses	11,144	844,604	13,185	963,955
Provision for doubtful debts	(13,393)	(1,015,055)	(39,582)	(2,893,840)
Rates and Taxes	3,004	227,673	2,443	178,608
Repairs and Maintenance Plant & Machinery	44,558	3,377,051	45,824	3,350,193
Services rendered by agencies	42,047	3,186,742	43,192	3,157,767
<b>Total</b>	<b>304,204</b>	<b>23,055,621</b>	<b>208,700</b>	<b>15,258,056</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	162,762	12,335,732	225,912	16,516,426
	Capital work-in-progress		11,919	903,341	11,329	828,263
	Financial assets					
	(i) Other financial assets	2	19,202	1,455,320	20,283	1,482,890
	Other Non-current assets	3	23,074	1,748,778	34,357	2,511,840
			216,957	16,443,171	291,881	21,339,419
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	248,683	18,847,685	433,849	31,718,700
	(ii) Other financial assets	5	5,089	385,695	3,217	235,195
	Other Current assets	6	65,119	4,935,369	24,691	1,805,159
			318,891	24,168,749	461,757	33,759,054
	<b>TOTAL ASSETS</b>		535,848	40,611,920	753,638	55,098,473
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	7	3,337,592	252,956,098	3,337,592	244,011,351
	Other equity	8	(3,218,946)	(243,963,916)	(3,226,420)	(235,883,566)
	<b>Total Equity</b>		118,646	8,992,182	111,172	8,127,785
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	9	100,687	7,631,068	369,321	27,001,058
	(ii) Trade payables	10	261,193	19,795,815	251,887	18,415,458
	(iii) Other financial liabilities	11	3,058	231,766	6,633	484,938
	Other current liabilities	12	52,264	3,961,089	14,625	1,069,234
			417,202	31,619,738	642,466	46,970,688
	<b>TOTAL EQUITY AND LIABILITIES</b>		535,848	40,611,920	753,638	55,098,473

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	13	1,256,854	95,256,965	1,023,717	74,843,950
ii	Other Income		9,911	751,155	13	950
iii	<b>Total income (i + ii)</b>		<b>1,266,765</b>	<b>96,008,120</b>	<b>1,023,730</b>	<b>74,844,900</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	14	819,036	62,074,738	704,497	51,505,776
	Employee benefits expenses	15	49,353	3,740,464	-	-
	Finance costs	16	7,243	548,947	11,721	856,922
	Depreciation and amortisation expenses	17	85,101	6,449,805	61,758	4,515,127
	Operating and other expenses		298,558	22,627,710	234,721	17,160,452
	<b>Total expenses</b>		<b>1,259,291</b>	<b>95,441,664</b>	<b>1,012,697</b>	<b>74,038,277</b>
v	<b>Profit before taxes (iii-iv)</b>		<b>7,474</b>	<b>566,456</b>	<b>11,033</b>	<b>806,623</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>7,474</b>	<b>566,456</b>	<b>11,033</b>	<b>806,623</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	681,315	51,636,864	968,110	70,778,522
(a)	681,315	51,636,864	968,110	70,778,522
<b>Accumulated depreciation:</b>				
Plant and machinery	518,553	39,301,132	742,198	54,262,096
(b)	518,553	39,301,132	742,198	54,262,096
<b>Net block (a) - (b)</b>	<b>162,762</b>	<b>12,335,732</b>	<b>225,912</b>	<b>16,516,426</b>

## 2 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	19,202	1,455,320	20,283	1,482,890
<b>Total</b>	<b>19,202</b>	<b>1,455,320</b>	<b>20,283</b>	<b>1,482,890</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	23,074	1,748,778	34,357	2,511,840
<b>Total</b>	<b>23,074</b>	<b>1,748,778</b>	<b>34,357</b>	<b>2,511,840</b>

## 4 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	112,045	8,491,891	132,268	9,670,113
Intercompany receivables (Net)	136,743	10,363,752	314,151	22,967,580
Provision for doubtful debts	(105)	(7,958)	(12,570)	(918,993)
<b>Total</b>	<b>248,683</b>	<b>18,847,685</b>	<b>433,849</b>	<b>31,718,700</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	3,217	243,816	3,217	235,195
Others	1,872	141,879	-	-
<b>Total</b>	<b>5,089</b>	<b>385,695</b>	<b>3,217</b>	<b>235,195</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	51,413	3,896,591	17,913	1,309,619
Indirect tax receivable	13,706	1,038,778	6,778	495,540
<b>Total</b>	<b>65,119</b>	<b>4,935,369</b>	<b>24,691</b>	<b>1,805,159</b>

## 7 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	3,337,592	252,956,098	3,337,592	244,011,351
<b>Total</b>	<b>3,337,592</b>	<b>252,956,098</b>	<b>3,337,592</b>	<b>244,011,351</b>

## 8 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(3,226,420)	(244,530,372)	(3,237,453)	(236,690,189)
Profit / (loss) for the year	7,474	566,456	11,033	806,623
<b>Total</b>	<b>(3,218,946)</b>	<b>(243,963,916)</b>	<b>(3,226,420)</b>	<b>(235,883,566)</b>

## 9 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	100,687	7,631,068	369,321	27,001,058
<b>Total</b>	<b>100,687</b>	<b>7,631,068</b>	<b>369,321</b>	<b>27,001,058</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	261,193	19,795,815	251,887	18,415,458
<b>Total</b>	<b>261,193</b>	<b>19,795,815</b>	<b>251,887</b>	<b>18,415,458</b>

## 11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	3,058	231,766	6,384	466,734
Others	-	-	249	18,204
<b>Total</b>	<b>3,058</b>	<b>231,766</b>	<b>6,633</b>	<b>484,938</b>

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	2,450	185,686	4,735	346,176
Other Employee dues	49,353	3,740,464	9,890	723,058
Others	461	34,939	-	-
<b>Total</b>	<b>52,264</b>	<b>3,961,089</b>	<b>14,625</b>	<b>1,069,234</b>

## 13 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Profit on sale of Property, plant and equipment	2	152	-	-
Miscellaneous income	9,909	751,003	13	950
<b>Total</b>	<b>9,911</b>	<b>751,155</b>	<b>13</b>	<b>950</b>

## 14 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	819,036	62,074,738	704,497	51,505,776
<b>Total</b>	<b>819,036</b>	<b>62,074,738</b>	<b>704,497</b>	<b>51,505,776</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	49,353	3,740,464	-	-
<b>Total</b>	<b>49,353</b>	<b>3,740,464</b>	<b>-</b>	<b>-</b>

## 16 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on inter companies loan	5,818	440,946	10,627	776,940
Guarantee fees	1,425	108,001	1,094	79,982
<b>Total</b>	<b>7,243</b>	<b>548,947</b>	<b>11,721</b>	<b>856,922</b>

## 17 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Auditors remuneration	41,000	3,107,390	41,000	2,997,510
Communication expenses	780	59,116	-	-
Electricity	13,698	1,038,171	13,049	954,012
Exchange loss -Net	4,068	308,314	22,691	1,658,939
Insurance expenses	1,477	111,942	2,136	156,163
Legal and professional fees	21,898	1,659,649	53,709	3,926,665
Miscellaneous expenses	3,027	229,416	12,371	904,444
Provision for doubtful debts	(12,465)	(944,722)	(11)	(804)
Rates and Taxes	428	32,438	2,887	211,069
Repairs and Maintenance Plant & Machinery	33,351	2,527,672	55,103	4,028,580
Services rendered by agencies	191,296	14,498,324	31,786	2,323,874
<b>Total</b>	<b>298,558</b>	<b>22,627,710</b>	<b>234,721</b>	<b>17,160,452</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

*Vinodkumar V*

(Vinodkumar Varma)

PARTNER

Membership No. 105545



Place Mumbai

Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	198,662	15,056,593	187,611	13,716,240
	Capital work-in-progress		179	13,566	-	-
	Financial assets					
	(i) Loans	2	256,252	19,421,339	255,064	18,647,729
	Advance tax (net)		4,149	314,453	5,151	376,590
	Other Non-current assets	3	6,072	460,197	6,488	474,338
			465,314	35,266,148	454,314	33,214,897
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	366,584	27,783,402	462,466	33,810,889
	(ii) Cash and cash equivalents	5	127,363	9,652,842	73,867	5,400,416
	(iii) Other financial assets	6	2,551	193,341	-	-
	Other Current assets	7	88,384	6,698,624	74,523	5,448,376
			584,882	44,328,209	610,856	44,659,681
	<b>TOTAL ASSETS</b>		1,050,196	79,594,357	1,065,170	77,874,578
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	870,623	65,984,517	870,623	63,651,248
	Other equity	9	(131,839)	(9,992,077)	(136,321)	(9,966,427)
	<b>Total Equity</b>		738,784	55,992,440	734,302	53,684,821
(2)	<b>Non-current liabilities</b>					
	Other non current liabilities (Deferred revenue)		-	-	254	18,570
			-	-	254	18,570
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	10	311,158	23,582,666	320,800	23,453,685
	(ii) Other financial liabilities	11	-	-	6,161	450,431
	Other current liabilities	12	254	19,251	3,653	267,071
			311,412	23,601,917	330,614	24,171,187
	<b>TOTAL EQUITY AND LIABILITIES</b>		1,050,196	79,594,357	1,065,170	77,874,578

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	13	1,409,311	106,811,681	1,252,178	91,546,734
ii	Other Income		7,000	530,530	5,825	425,866
iii	<b>Total income (i + ii)</b>		<b>1,416,311</b>	<b>107,342,211</b>	<b>1,258,003</b>	<b>91,972,600</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	14	1,211,185	91,795,711	1,020,035	74,574,759
	Finance costs	15	3,217	243,816	10,934	799,385
	Depreciation and amortisation expenses		51,800	3,925,922	43,613	3,188,546
	Operating and other expenses	16	140,988	10,685,480	183,529	13,417,804
	<b>Total expenses</b>		<b>1,407,190</b>	<b>106,650,929</b>	<b>1,258,111</b>	<b>91,980,494</b>
v	<b>Profit before taxes (iii-iv)</b>		<b>9,121</b>	<b>691,282</b>	<b>(108)</b>	<b>(7,894)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		4,639	351,590	(8,274)	(604,912)
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>4,639</b>	<b>351,590</b>	<b>(8,274)</b>	<b>(604,912)</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>4,482</b>	<b>339,692</b>	<b>8,166</b>	<b>597,018</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	649,751	49,244,628	553,835	40,490,877
(a)	649,751	49,244,628	553,835	40,490,877
<b>Accumulated depreciation:</b>				
Plant and machinery	451,089	34,188,035	366,224	26,774,637
(b)	451,089	34,188,035	366,224	26,774,637
<b>Net block (a) - (b)</b>	<b>198,662</b>	<b>15,056,593</b>	<b>187,611</b>	<b>13,716,240</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	256,252	19,421,339	255,064	18,647,729
<b>Total</b>	<b>256,252</b>	<b>19,421,339</b>	<b>255,064</b>	<b>18,647,729</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	6,072	460,197	6,488	474,338
<b>Total</b>	<b>6,072</b>	<b>460,197</b>	<b>6,488</b>	<b>474,338</b>

## 4 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	73,216	5,549,041	28,822	2,107,176
Intercompany receivables (Net)	293,368	22,234,361	433,644	31,703,713
<b>Total</b>	<b>366,584</b>	<b>27,783,402</b>	<b>462,466</b>	<b>33,810,889</b>

## 5 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	127,363	9,652,842	73,867	5,400,416
<b>Total</b>	<b>127,363</b>	<b>9,652,842</b>	<b>73,867</b>	<b>5,400,416</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 6 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	506	38,350	-	-
Others	2,045	154,991	-	-
<b>Total</b>	<b>2,551</b>	<b>193,341</b>	<b>-</b>	<b>-</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	10,497	795,568	15,228	1,113,319
Indirect tax receivable	77,887	5,903,056	59,295	4,335,057
<b>Total</b>	<b>88,384</b>	<b>6,698,624</b>	<b>74,523</b>	<b>5,448,376</b>

## 8 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	870,623	65,984,517	870,623	63,651,248
<b>Total</b>	<b>870,623</b>	<b>65,984,517</b>	<b>870,623</b>	<b>63,651,248</b>

## 9 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(136,321)	(10,331,769)	(144,487)	(10,563,445)
Profit / (loss) for the year	4,482	339,692	8,166	597,018
<b>Total</b>	<b>(131,839)</b>	<b>(9,992,077)</b>	<b>(136,321)</b>	<b>(9,966,427)</b>

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	311,158	23,582,666	320,800	23,453,685
<b>Total</b>	<b>311,158</b>	<b>23,582,666</b>	<b>320,800</b>	<b>23,453,685</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	-	-	3,179	232,417
Others	-	-	2,982	218,014
<b>Total</b>	-	-	6,161	450,431

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	254	19,251	3,653	267,071
<b>Total</b>	254	19,251	3,653	267,071

## 13 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	6,387	484,071	5,075	371,033
Profit on sale of Property, plant and equipment	1	76	-	-
Miscellaneous income	612	46,383	750	54,833
<b>Total</b>	7,000	530,530	5,825	425,866

## 14 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	1,211,185	91,795,711	1,020,035	74,574,759
<b>Total</b>	1,211,185	91,795,711	1,020,035	74,574,759

## 15 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on inter companies loan	2,212	167,647	10,437	763,049
Guarantee fees	1,005	76,169	497	36,336
<b>Total</b>	3,217	243,816	10,934	799,385

## 16 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Auditors remuneration	10,000	757,900	10,000	731,100
Communication expenses	558	42,291	191	13,964
Electricity	8,808	667,558	6,663	487,132
Exchange loss -Net	14,663	1,111,309	48,991	3,581,732
Insurance expenses	3,777	286,259	3,040	222,254
Legal and professional fees	54,223	4,109,561	66,261	4,844,342
Miscellaneous expenses	4,384	332,263	3,539	258,736
Rates and Taxes	26,288	1,992,368	35,516	2,596,575
Repairs and Maintenance Plant & Machinery	10,731	813,302	8,640	631,670
Repairs and Maintenance -Building	(429)	(32,514)	429	31,364
Services rendered by agencies	7,985	605,183	259	18,935
<b>Total</b>	<b>140,988</b>	<b>10,685,480</b>	<b>183,529</b>	<b>13,417,804</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Vinodkumar V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	605,068	45,858,104	764,044	55,859,257
	Capital work-in-progress		24,627	1,866,480	11,711	856,191
	Financial assets					
	(i) Loans	2	226,652	17,177,955	1,190,354	87,026,781
	(ii) Other financial assets	3	770	58,358	814	59,512
	Deferred tax assets (net)		23,183	1,757,040	7,756	567,041
	Other Non-current assets	4	14,617	1,107,822	23,689	1,731,903
			894,917	67,825,759	1,998,368	146,100,685
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	1,159,446	87,874,412	1,564,179	114,357,127
	(ii) Cash and cash equivalents	6	58,597	4,441,067	-	-
	(iii) Other financial assets	7	28,725	2,177,068	18,077	1,321,609
	Other Current assets	8	68,600	5,199,194	76,979	5,627,935
			1,315,368	99,691,741	1,659,235	121,306,671
	<b>TOTAL ASSETS</b>		2,210,285	167,517,500	3,657,603	267,407,356
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	1	76	1	73
	Other equity	10	277,330	21,018,839	213,001	15,572,499
	<b>Total Equity</b>		277,331	21,018,915	213,002	15,572,572
(2)	<b>Non-current liabilities</b>					
	Other non current liabilities (Deferred revenue)		16,500	1,250,535	11,718	856,703
			16,500	1,250,535	11,718	856,703
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	11	1,576,617	119,491,803	3,145,791	229,988,785
	(ii) Other financial liabilities	12	20,145	1,526,790	23,255	1,700,173
	Other current liabilities	13	309,226	23,436,239	246,679	18,034,702
	Current tax liability (Net)		10,466	793,218	17,158	1,254,421
			1,916,454	145,248,050	3,432,883	250,978,081
	<b>TOTAL EQUITY AND LIABILITIES</b>		2,210,285	167,517,500	3,657,603	267,407,356

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	14	7,609,874	576,752,350	7,183,568	525,190,656
ii	Other Income		50,535	3,830,048	149,236	10,910,644
iii	<b>Total income (i + ii)</b>		<b>7,660,409</b>	<b>580,582,398</b>	<b>7,332,804</b>	<b>536,101,300</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	15	6,553,676	496,703,104	6,262,707	457,866,509
	Employee benefits expenses	16	14,152	1,072,580	4,773	348,954
	Finance costs	17	1,450	109,896	1,107	80,933
	Depreciation and amortisation expenses	18	206,664	15,663,065	199,623	14,594,438
	Operating and other expenses		827,060	62,682,878	764,434	55,887,772
	<b>Total expenses</b>		<b>7,603,002</b>	<b>576,231,523</b>	<b>7,232,644</b>	<b>528,778,606</b>
v	<b>Profit before taxes (iii-iv)</b>		<b>57,407</b>	<b>4,350,875</b>	<b>100,160</b>	<b>7,322,694</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		8,505	644,594	27,457	2,007,381
	(ii) Deferred tax expense/(benefit)		(15,427)	(1,169,212)	(8,576)	(626,991)
	<b>Net tax expenses</b>		<b>(6,922)</b>	<b>(524,618)</b>	<b>18,881</b>	<b>1,380,390</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>64,329</b>	<b>4,875,493</b>	<b>81,279</b>	<b>5,942,304</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	1,665,883	126,257,273	1,695,381	123,949,305
Computers	3,156	239,193	3,156	230,735
(a)	1,669,039	126,496,466	1,698,537	124,180,040
<b>Accumulated depreciation:</b>				
Plant and machinery	1,060,815	80,399,169	931,337	68,090,048
Computers	3,156	239,193	3,156	230,735
(b)	1,063,971	80,638,362	934,493	68,320,783
<b>Net block (a) - (b)</b>	<b>605,068</b>	<b>45,858,104</b>	<b>764,044</b>	<b>55,859,257</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	226,652	17,177,955	1,190,354	87,026,781
<b>Total</b>	<b>226,652</b>	<b>17,177,955</b>	<b>1,190,354</b>	<b>87,026,781</b>

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	770	58,358	814	59,512
<b>Total</b>	<b>770</b>	<b>58,358</b>	<b>814</b>	<b>59,512</b>

## 4 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	14,617	1,107,822	23,689	1,731,903
<b>Total</b>	<b>14,617</b>	<b>1,107,822</b>	<b>23,689</b>	<b>1,731,903</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	1,179,418	89,388,090	1,579,946	115,509,852
Provision for doubtful debts	(19,972)	(1,513,678)	(15,767)	(1,152,725)
<b>Total</b>	<b>1,159,446</b>	<b>87,874,412</b>	<b>1,564,179</b>	<b>114,357,127</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	58,597	4,441,067	-	-
<b>Total</b>	<b>58,597</b>	<b>4,441,067</b>	<b>-</b>	<b>-</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	26,067	1,975,618	18,077	1,321,609
Others	2,658	201,450	-	-
<b>Total</b>	<b>28,725</b>	<b>2,177,068</b>	<b>18,077</b>	<b>1,321,609</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	68,600	5,199,194	76,979	5,627,935
<b>Total</b>	<b>68,600</b>	<b>5,199,194</b>	<b>76,979</b>	<b>5,627,935</b>

## 9 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	1	76	1	73
<b>Total</b>	<b>1</b>	<b>76</b>	<b>1</b>	<b>73</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	213,001	16,143,346	131,722	9,630,195
Profit / (loss) for the year	64,329	4,875,493	81,279	5,942,304
<b>Total</b>	<b>277,330</b>	<b>21,018,839</b>	<b>213,001</b>	<b>15,572,499</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	328,520	24,898,531	443,847	32,449,659
Inter Company - Payables (Net)	1,248,097	94,593,272	2,701,944	197,539,126
<b>Total</b>	<b>1,576,617</b>	<b>119,491,803</b>	<b>3,145,791</b>	<b>229,988,785</b>

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	20,145	1,526,790	21,279	1,555,708
Others	-	-	1,976	144,465
<b>Total</b>	<b>20,145</b>	<b>1,526,790</b>	<b>23,255</b>	<b>1,700,173</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	227,430	17,236,920	206,633	15,106,939
Other Employee dues	14,152	1,072,580	-	-
Other Statutory dues	67,644	5,126,739	40,046	2,927,763
<b>Total</b>	<b>309,226</b>	<b>23,436,239</b>	<b>246,679</b>	<b>18,034,702</b>

## 14 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	46,083	3,492,631	28,800	2,105,568
Exchange gain -Net	-	-	119,767	8,756,165
Miscellaneous income	4,452	337,417	669	48,911
<b>Total</b>	<b>50,535</b>	<b>3,830,048</b>	<b>149,236</b>	<b>10,910,644</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	6,553,676	496,703,104	6,262,707	457,866,509
<b>Total</b>	<b>6,553,676</b>	<b>496,703,104</b>	<b>6,262,707</b>	<b>457,866,509</b>

## 16 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	14,152	1,072,580	-	-
Staff welfare expenses	-	-	4,773	348,954
<b>Total</b>	<b>14,152</b>	<b>1,072,580</b>	<b>4,773</b>	<b>348,954</b>

## 17 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on inter companies loan	-	-	1,033	75,523
Guarantee fees	1,450	109,896	74	5,410
<b>Total</b>	<b>1,450</b>	<b>109,896</b>	<b>1,107</b>	<b>80,933</b>

## 18 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	93,524	7,088,184	273,906	20,025,268
Auditors remuneration	9,500	720,005	9,500	694,545
Communication expenses	917	69,499	1,765	129,039
Electricity	25,283	1,916,199	21,590	1,578,445
Exchange loss -Net	192,389	14,581,162	-	-
Insurance expenses	5,682	430,639	4,732	345,957
Legal and professional fees	179,656	13,616,128	146,744	10,728,454
Miscellaneous expenses	66,977	5,076,187	71,833	5,251,711
Provision for doubtful debts	4,205	318,697	(3,749)	(274,089)
Repairs and Maintenance Plant & Machinery	211,397	16,021,779	205,124	14,996,616
Services rendered by agencies	37,530	2,844,399	32,989	2,411,826
<b>Total</b>	<b>827,060</b>	<b>62,682,878</b>	<b>764,434</b>	<b>55,887,772</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

*Valma.U.V*  
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	176,626	13,386,485	232,434	16,993,249
	Investments in subsidiaries & associates	2	136,006	10,307,895	136,006	9,943,399
	Other Non-current assets	3	420	31,832	2,193	160,330
			313,052	23,726,212	370,633	27,096,978
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	1,969,232	149,248,094	4,628,532	338,391,974
	(ii) Cash and cash equivalents	5	75,646	5,733,210	124,617	9,110,749
	(iii) Other financial assets	6	16,974	1,286,459	26,680	1,950,575
	Other Current assets	7	666,311	50,499,711	440,626	32,214,167
			2,728,163	206,767,474	5,220,455	381,667,465
	<b>TOTAL ASSETS</b>		3,041,215	230,493,686	5,591,088	408,764,443
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	13,750	1,042,113	13,750	1,005,263
	Other equity	9	(2,084,138)	(157,956,821)	(2,133,033)	(155,946,044)
	<b>Total Equity</b>		(2,070,388)	(156,914,708)	(2,119,283)	(154,940,781)
(2)	<b>Non-current liabilities</b>					
	Provisions	10	724,248	54,890,756	640,826	46,850,789
	Other non current liabilities (Deferred revenue)		9,582	726,220	-	-
			733,830	55,616,976	640,826	46,850,789
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	11	3,434,161	260,275,062	6,259,255	457,614,133
	(ii) Trade payables	12	187,779	14,231,773	125,304	9,160,975
	(iii) Other financial liabilities	13	100,086	7,585,518	125,131	9,148,327
	Other current liabilities	14	604,419	45,808,916	538,902	39,399,126
	Provisions	15	51,328	3,890,149	20,953	1,531,874
			4,377,773	331,791,418	7,069,545	516,854,435
	<b>TOTAL EQUITY AND LIABILITIES</b>		3,041,215	230,493,686	5,591,088	408,764,443

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	16	5,241,408	397,246,312	5,395,453	394,461,569
ii	Other Income		373,435	28,302,639	880,608	64,381,251
iii	<b>Total income (i + ii)</b>		<b>5,614,843</b>	<b>425,548,951</b>	<b>6,276,061</b>	<b>458,842,820</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	17	9,001	682,186	21,893	1,600,597
	Employee benefits expenses	18	4,204,701	318,674,289	4,518,872	330,374,732
	Finance costs	19	309,422	23,451,093	340,741	24,911,575
	Depreciation and amortisation expenses	20	83,732	6,346,048	189,199	13,832,339
	Operating and other expenses		1,013,663	76,825,521	1,044,914	76,393,664
	<b>Total expenses</b>		<b>5,620,519</b>	<b>425,979,137</b>	<b>6,115,619</b>	<b>447,112,907</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>(5,676)</b>	<b>(430,186)</b>	<b>160,442</b>	<b>11,729,913</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		54,571	4,135,936	-	-
vii	<b>Profit before taxes (v - vi)</b>		<b>48,895</b>	<b>3,705,750</b>	<b>160,442</b>	<b>11,729,913</b>
viii	<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>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>48,895</b>	<b>3,705,750</b>	<b>160,442</b>	<b>11,729,913</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	349,824	26,513,161	349,824	25,575,633
Plant and machinery	18,425	1,396,431	27,277	1,994,221
Furniture and fixtures	110,954	8,409,204	110,954	8,111,847
Computers	122,155	9,258,127	94,631	6,918,472
Office equipment	17,191	1,302,906	17,191	1,256,834
(a)	618,549	46,879,829	599,877	43,857,007
<b>Accumulated depreciation:</b>				
Lease hold improvement	287,520	21,791,141	253,200	18,511,452
Plant and machinery	(1,694)	(128,388)	3,752	274,309
Furniture and fixtures	62,713	4,753,018	37,931	2,773,135
Computers	90,519	6,860,435	71,844	5,252,515
Office equipment	2,865	217,138	716	52,347
(b)	441,923	33,493,344	367,443	26,863,758
<b>Net block (a) - (b)</b>	176,626	13,386,485	232,434	16,993,249

## 2 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments in subsidiaries	136,006	10,307,895	136,006	9,943,399
<b>Total</b>	136,006	10,307,895	136,006	9,943,399

## 3 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	420	31,832	2,193	160,330
<b>Total</b>	420	31,832	2,193	160,330

## 4 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	57,996	4,395,517	50,563	3,696,661
Intercompany receivables (Net)	1,920,568	145,559,849	4,582,903	335,056,038
Provision for doubtful debts	(9,332)	(707,272)	(4,934)	(360,725)
<b>Total</b>	1,969,232	149,248,094	4,628,532	338,391,974





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	75,646	5,733,210	124,617	9,110,749
<b>Total</b>	<b>75,646</b>	<b>5,733,210</b>	<b>124,617</b>	<b>9,110,749</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	16,974	1,286,459	26,680	1,950,575
<b>Total</b>	<b>16,974</b>	<b>1,286,459</b>	<b>26,680</b>	<b>1,950,575</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	2,676	202,814	-	-
Advances to employees	6,286	476,416	-	-
Prepaid expenses	548,739	41,588,929	341,619	24,975,765
Indirect tax receivable	108,609	8,231,476	99,007	7,238,402
Others	1	76	-	-
<b>Total</b>	<b>666,311</b>	<b>50,499,711</b>	<b>440,626</b>	<b>32,214,167</b>

## 8 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	13,750	1,042,113	13,750	1,005,263
<b>Total</b>	<b>13,750</b>	<b>1,042,113</b>	<b>13,750</b>	<b>1,005,263</b>

## 9 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(2,133,033)	(161,662,571)	(2,293,475)	(167,675,957)
Profit / (loss) for the year	48,895	3,705,750	160,442	11,729,913
<b>Total</b>	<b>(2,084,138)</b>	<b>(157,956,821)</b>	<b>(2,133,033)</b>	<b>(155,946,044)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	105,327	7,982,733	105,327	7,700,457
Provision for gratuity	593,173	44,956,582	535,499	39,150,332
Retention liability	25,748	1,951,441	-	-
<b>Total</b>	<b>724,248</b>	<b>54,890,756</b>	<b>640,826</b>	<b>46,850,789</b>

## 11 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	3,434,161	260,275,062	6,259,255	457,614,133
<b>Total</b>	<b>3,434,161</b>	<b>260,275,062</b>	<b>6,259,255</b>	<b>457,614,133</b>

## 12 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	187,779	14,231,773	125,304	9,160,975
<b>Total</b>	<b>187,779</b>	<b>14,231,773</b>	<b>125,304</b>	<b>9,160,975</b>

## 13 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	4,499	340,979	4,499	328,922
Interest accrued but not due on Inter Co. loan (Net)	95,587	7,244,539	120,631	8,819,332
Others	-	-	1	73
<b>Total</b>	<b>100,086</b>	<b>7,585,518</b>	<b>125,131</b>	<b>9,148,327</b>

## 14 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	6,723	509,536	232	16,962
Other Employee dues	597,696	45,299,380	538,670	39,382,164
<b>Total</b>	<b>604,419</b>	<b>45,808,916</b>	<b>538,902</b>	<b>39,399,126</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	51,328	3,890,149	20,953	1,531,874
<b>Total</b>	<b>51,328</b>	<b>3,890,149</b>	<b>20,953</b>	<b>1,531,874</b>

## 16 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Profit on sale of Property, plant and equipment	583	44,186	5,944	434,566
Miscellaneous income	372,852	28,258,453	874,664	63,946,685
<b>Total</b>	<b>373,435</b>	<b>28,302,639</b>	<b>880,608</b>	<b>64,381,251</b>

## 17 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	9,001	682,186	21,893	1,600,597
<b>Total</b>	<b>9,001</b>	<b>682,186</b>	<b>21,893</b>	<b>1,600,597</b>

## 18 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	4,077,562	309,038,424	4,368,101	319,351,864
Contribution to provident and other funds	106,539	8,074,591	122,119	8,928,120
Staff welfare expenses	20,600	1,561,274	28,652	2,094,748
<b>Total</b>	<b>4,204,701</b>	<b>318,674,289</b>	<b>4,518,872</b>	<b>330,374,732</b>

## 19 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	-	-	2,742	200,468
Interest on inter companies loan	216,862	16,435,971	255,229	18,659,792
Guarantee fees	92,560	7,015,122	82,770	6,051,315
<b>Total</b>	<b>309,422</b>	<b>23,451,093</b>	<b>340,741</b>	<b>24,911,575</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 20 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	105,106	7,965,984	44,863	3,279,934
Auditors remuneration	5,445	412,677	5,989	437,856
Communication expenses	109,950	8,333,111	134,619	9,841,995
Electricity	-	-	4,612	337,183
Entertainment expenses	6,525	494,530	6,844	500,365
Exchange loss -Net	114,505	8,678,334	80,288	5,869,856
Insurance expenses	14,430	1,093,650	18,845	1,377,758
IT consumables	101	7,655	(2,976)	(217,575)
Legal and professional fees	87,952	6,665,882	89,253	6,525,287
Loss on sale of fixed asset	-	-	72,855	5,326,429
Miscellaneous expenses	13,734	1,040,900	41,991	3,069,962
Printing and stationery	8,805	667,331	6,288	459,716
Provision for doubtful debts	4,398	333,324	4,934	360,725
Rates and Taxes	238	18,038	-	-
Recruitment expenses	20,843	1,579,691	14,023	1,025,222
Relocation Expense	-	-	(126)	(9,212)
Rent	143,471	10,873,667	251,418	18,381,170
Repairs and Maintenance Plant & Machinery	251,369	19,051,257	230,805	16,874,154
Repairs and Maintenance -Building	395	29,937	498	36,409
Seminars, trainings and conferences	6,765	512,719	186	13,598
Services rendered by agencies	34,535	2,617,408	33,883	2,477,186
Travelling and conveyance expenses	85,096	6,449,426	5,822	425,646
<b>Total</b>	<b>1,013,663</b>	<b>76,825,521</b>	<b>1,044,914</b>	<b>76,393,664</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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:

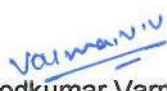
- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	172,070	13,041,185	219,041	16,014,087
	Capital work-in-progress		10,823	820,275	17,121	1,251,716
	Other Intangible assets	2	1,181,525	89,547,780	1,616,260	118,164,769
	<b>Financial assets</b>					
	(i) Other financial assets	3	3,227	244,574	3,409	249,232
	Deferred tax assets (net)		6,460	489,603	-	-
	Advance tax (net)		-	-	53,316	3,897,933
	Other Non-current assets	4	15,114	1,145,490	30,823	2,253,470
			1,389,219	105,288,907	1,939,970	141,831,207
(2)	<b>Current assets</b>					
	<b>Financial assets</b>					
	(i) Trade receivables	5	205,716	15,591,216	425,053	31,075,625
	(ii) Other financial assets	6	229	17,356	-	-
	Other Current assets	7	50,354	3,816,329	61,606	4,504,014
			256,299	19,424,901	486,659	35,579,639
	<b>TOTAL ASSETS</b>		1,645,518	124,713,808	2,426,629	177,410,846
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	45,681	3,462,163	45,681	3,339,738
	Other equity	9	1,159,736	87,896,392	1,078,714	78,864,781
	<b>Total Equity</b>		1,205,417	91,358,555	1,124,395	82,204,519
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	10	286,078	21,681,852	1,163,094	85,033,802
	(ii) Trade payables	11	103,094	7,813,493	109,893	8,034,277
	(iii) Other financial liabilities	12	10,119	766,919	24,663	1,803,112
	Other current liabilities	13	1,117	84,657	4,584	335,136
	Current tax liability (Net)		39,693	3,008,332	-	-
			440,101	33,355,253	1,302,234	95,206,327
	<b>TOTAL EQUITY AND LIABILITIES</b>		1,645,518	124,713,808	2,426,629	177,410,846

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	14	865,737	65,614,207	1,098,258	80,293,642
ii	Other Income		39,923	3,025,764	1	73
iii	Total income (i + ii)		905,660	68,639,971	1,098,259	80,293,715
iv	Expenses:					
	Network and transmission expenses	15	126,904	9,618,054	120,648	8,820,575
	Finance costs	16	31,224	2,366,467	60,351	4,412,262
	Depreciation and amortisation expenses	17	491,096	37,220,166	505,687	36,970,777
	Operating and other expenses		189,674	14,375,391	354,825	25,941,254
	Total expenses		838,898	63,580,078	1,041,511	76,144,868
v	Profit before taxes (iii-iv)		66,762	5,059,893	56,748	4,148,847
vi	Tax expenses					
	(i) Current tax expense/(benefit)		(7,800)	(591,162)	29,356	2,146,217
	(ii) Deferred tax expense/(benefit)		(6,460)	(489,603)	907	66,311
	Net tax expenses		(14,260)	(1,080,765)	30,263	2,212,528
vii	Profit / (loss) for the year (v-vi)		81,022	6,140,658	26,485	1,936,319

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Cables	76,660	5,810,061	76,660	5,604,613
Plant and machinery	482,804	36,591,715	505,359	36,946,796
(a)	559,464	42,401,776	582,019	42,551,409
<b>Accumulated depreciation:</b>				
Cables	39,608	3,001,890	31,942	2,335,280
Plant and machinery	347,786	26,358,701	331,036	24,202,042
(b)	387,394	29,360,591	362,978	26,537,322
<b>Net block (a) - (b)</b>	<b>172,070</b>	<b>13,041,185</b>	<b>219,041</b>	<b>16,014,087</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	2,173,673	164,742,677	2,173,673	158,917,233
(a)	2,173,673	164,742,677	2,173,673	158,917,233
<b>Accumulated amortisation:</b>				
Computer software	992,148	75,194,897	557,413	40,752,464
(b)	992,148	75,194,897	557,413	40,752,464
<b>Net block (a) - (b)</b>	<b>1,181,525</b>	<b>89,547,780</b>	<b>1,616,260</b>	<b>118,164,769</b>

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	3,227	244,574	3,409	249,232
<b>Total</b>	<b>3,227</b>	<b>244,574</b>	<b>3,409</b>	<b>249,232</b>

## 4 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	15,114	1,145,490	30,823	2,253,470
<b>Total</b>	<b>15,114</b>	<b>1,145,490</b>	<b>30,823</b>	<b>2,253,470</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	7,858	595,558	9,802	716,624
Intercompany receivables (Net)	197,858	14,995,658	415,251	30,359,001
<b>Total</b>	<b>205,716</b>	<b>15,591,216</b>	<b>425,053</b>	<b>31,075,625</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Others	229	17,356	-	-
<b>Total</b>	<b>229</b>	<b>17,356</b>	<b>-</b>	<b>-</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	16,312	1,236,286	18,047	1,319,416
Indirect tax receivable	34,042	2,580,043	43,559	3,184,598
<b>Total</b>	<b>50,354</b>	<b>3,816,329</b>	<b>61,606</b>	<b>4,504,014</b>

## 8 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	45,681	3,462,163	45,681	3,339,738
<b>Total</b>	<b>45,681</b>	<b>3,462,163</b>	<b>45,681</b>	<b>3,339,738</b>

## 9 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	1,078,714	81,755,734	1,052,229	76,928,462
Profit / (loss) for the year	81,022	6,140,658	26,485	1,936,319
<b>Total</b>	<b>1,159,736</b>	<b>87,896,392</b>	<b>1,078,714</b>	<b>78,864,781</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	286,078	21,681,852	1,163,094	85,033,802
<b>Total</b>	<b>286,078</b>	<b>21,681,852</b>	<b>1,163,094</b>	<b>85,033,802</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	103,094	7,813,493	109,893	8,034,277
<b>Total</b>	<b>103,094</b>	<b>7,813,493</b>	<b>109,893</b>	<b>8,034,277</b>

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	10,119	766,919	24,571	1,796,386
Others	-	-	92	6,726
<b>Total</b>	<b>10,119</b>	<b>766,919</b>	<b>24,663</b>	<b>1,803,112</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	1,117	84,657	4,584	335,136
<b>Total</b>	<b>1,117</b>	<b>84,657</b>	<b>4,584</b>	<b>335,136</b>

## 14 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Profit on sale of Property, plant and equipment	1	76	-	-
Exchange gain -Net	39,922	3,025,688	-	-
Miscellaneous income	-	-	1	73
<b>Total</b>	<b>39,923</b>	<b>3,025,764</b>	<b>1</b>	<b>73</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	126,904	9,618,054	120,648	8,820,575
<b>Total</b>	<b>126,904</b>	<b>9,618,054</b>	<b>120,648</b>	<b>8,820,575</b>

## 16 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on inter companies loan	25,799	1,955,306	54,323	3,971,555
Guarantee fees	5,425	411,161	6,028	440,707
<b>Total</b>	<b>31,224</b>	<b>2,366,467</b>	<b>60,351</b>	<b>4,412,262</b>

## 17 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Communication expenses	2,855	216,380	-	-
Electricity	15,737	1,192,707	18,975	1,387,262
Exchange loss -Net	-	-	153,276	11,206,008
Insurance expenses	2,341	177,424	1,448	105,863
Legal and professional fees	53,693	4,069,392	73,931	5,405,095
Miscellaneous expenses	1,159	87,841	1,266	92,557
Provision for doubtful debts	-	-	(3,662)	(267,729)
Rates and Taxes	(1,532)	(116,110)	948	69,308
Repairs and Maintenance Plant & Machinery	114,890	8,707,513	107,645	7,869,926
Services rendered by agencies	531	40,244	998	72,964
<b>Total</b>	<b>189,674</b>	<b>14,375,391</b>	<b>354,825</b>	<b>25,941,254</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Vinodkumar Varma*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	214,364	16,246,648	258,248	18,880,512
	Capital work-in-progress		1,080	81,853	27,179	1,987,057
	Deferred tax assets (net)		81,384	6,168,093	20,669	1,511,111
	Advance tax (net)		8,909	675,213	946	69,162
	Other Non-current assets	2	1,572	119,142	1,376	100,599
			307,309	23,290,949	308,418	22,548,441
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	3	599,063	45,402,985	1,422,655	104,010,307
	(ii) Cash and cash equivalents	4	181,744	13,774,378	184,714	13,504,441
	(iii) Other financial assets	5	3,083	233,661	13,405	980,039
	Other Current assets	6	10,616	804,587	55,526	4,059,506
			794,506	60,215,611	1,676,300	122,554,293
	<b>TOTAL ASSETS</b>		<b>1,101,815</b>	<b>83,506,560</b>	<b>1,984,718</b>	<b>145,102,734</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	7	7,871	596,543	7,871	575,449
	Other equity	8	(92,602)	(7,018,306)	(84,114)	(6,149,572)
	<b>Total Equity</b>		<b>(84,731)</b>	<b>(6,421,763)</b>	<b>(76,243)</b>	<b>(5,574,123)</b>
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Borrowings	9	571,309	43,299,509	1,501,839	109,799,449
	(ii) Trade payables	10	553,427	41,944,233	462,960	33,847,004
	(iii) Other financial liabilities	11	12,743	965,792	26,640	1,947,650
	Other current liabilities	12	45,065	3,415,477	66,020	4,826,723
	Provisions	13	4,002	303,312	3,502	256,031
			1,186,546	89,928,323	2,060,961	150,676,857
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,101,815</b>	<b>83,506,560</b>	<b>1,984,718</b>	<b>145,102,734</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	14	3,013,858	228,420,298	3,305,216	241,644,342
ii	Other Income		1,193	90,417	30,442	2,225,615
iii	<b>Total income (i + ii)</b>		<b>3,015,051</b>	<b>228,510,715</b>	<b>3,335,658</b>	<b>243,869,957</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	15	2,576,204	195,250,501	2,624,210	191,855,993
	Employee benefits expenses	16	147,100	11,148,709	367,158	26,842,921
	Finance costs	17	48,655	3,687,562	54,024	3,949,694
	Depreciation and amortisation expenses	18	79,716	6,041,676	82,409	6,024,922
	Operating and other expenses		175,175	13,276,514	211,907	15,492,520
	<b>Total expenses</b>		<b>3,026,850</b>	<b>229,404,962</b>	<b>3,339,708</b>	<b>244,166,050</b>
v	<b>Profit before taxes (iii-iv)</b>		<b>(11,799)</b>	<b>(894,247)</b>	<b>(4,050)</b>	<b>(296,093)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		57,403	4,350,573	-	-
	(ii) Deferred tax expense/(benefit)		(60,714)	(4,601,514)	5,831	426,304
	<b>Net tax expenses</b>		<b>(3,311)</b>	<b>(250,941)</b>	<b>5,831</b>	<b>426,304</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(8,488)</b>	<b>(643,306)</b>	<b>(9,881)</b>	<b>(722,397)</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	1,026,529	77,800,633	1,031,915	75,443,306
Computers	-	-	752	54,979
(a)	1,026,529	77,800,633	1,032,667	75,498,285
<b>Accumulated depreciation:</b>				
Plant and machinery	812,165	61,553,985	773,667	56,562,794
Computers	-	-	752	54,979
(b)	812,165	61,553,985	774,419	56,617,773
<b>Net block (a) - (b)</b>	<b>214,364</b>	<b>16,246,648</b>	<b>258,248</b>	<b>18,880,512</b>

## 2 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	1,572	119,142	1,376	100,599
<b>Total</b>	<b>1,572</b>	<b>119,142</b>	<b>1,376</b>	<b>100,599</b>

## 3 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	545,992	41,380,734	1,428,593	104,444,434
Intercompany receivables (Net)	54,921	4,162,463	-	-
Provision for doubtful debts	(1,850)	(140,212)	(5,938)	(434,127)
<b>Total</b>	<b>599,063</b>	<b>45,402,985</b>	<b>1,422,655</b>	<b>104,010,307</b>

## 4 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	181,744	13,774,378	184,714	13,504,441
<b>Total</b>	<b>181,744</b>	<b>13,774,378</b>	<b>184,714</b>	<b>13,504,441</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	2,173	164,692	12,601	921,259
Others	910	68,969	804	58,780
<b>Total</b>	<b>3,083</b>	<b>233,661</b>	<b>13,405</b>	<b>980,039</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to employees	-	-	82	5,995
Prepaid expenses	10,616	804,587	55,444	4,053,511
<b>Total</b>	<b>10,616</b>	<b>804,587</b>	<b>55,526</b>	<b>4,059,506</b>

## 7 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	7,871	596,543	7,871	575,449
<b>Total</b>	<b>7,871</b>	<b>596,543</b>	<b>7,871</b>	<b>575,449</b>

## 8 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(84,114)	(6,375,000)	(74,233)	(5,427,175)
Profit / (loss) for the year	(8,488)	(643,306)	(9,881)	(722,397)
<b>Total</b>	<b>(92,602)</b>	<b>(7,018,306)</b>	<b>(84,114)</b>	<b>(6,149,572)</b>

## 9 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	571,309	43,299,509	1,501,839	109,799,449
<b>Total</b>	<b>571,309</b>	<b>43,299,509</b>	<b>1,501,839</b>	<b>109,799,449</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	553,427	41,944,233	443,265	32,407,103
Inter Company - Payables (Net)	-	-	19,695	1,439,901
<b>Total</b>	<b>553,427</b>	<b>41,944,233</b>	<b>462,960</b>	<b>33,847,004</b>

## 11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	2,089	158,325	2,102	153,677
Interest accrued but not due on Inter Co. loan (Net)	10,654	807,467	24,538	1,793,973
<b>Total</b>	<b>12,743</b>	<b>965,792</b>	<b>26,640</b>	<b>1,947,650</b>

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	4,125	312,634	596	43,574
Other Employee dues	24,706	1,872,468	44,928	3,284,686
Other Statutory dues	16,234	1,230,375	20,496	1,498,463
<b>Total</b>	<b>45,065</b>	<b>3,415,477</b>	<b>66,020</b>	<b>4,826,723</b>

## 13 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	4,002	303,312	3,502	256,031
<b>Total</b>	<b>4,002</b>	<b>303,312</b>	<b>3,502</b>	<b>256,031</b>

## 14 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Exchange gain -Net	-	-	30,442	2,225,615
Miscellaneous income	1,193	90,417	-	-
<b>Total</b>	<b>1,193</b>	<b>90,417</b>	<b>30,442</b>	<b>2,225,615</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	2,576,204	195,250,501	2,624,210	191,855,993
<b>Total</b>	<b>2,576,204</b>	<b>195,250,501</b>	<b>2,624,210</b>	<b>191,855,993</b>

## 16 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	146,187	11,079,513	366,621	26,803,661
Staff welfare expenses	913	69,196	537	39,260
<b>Total</b>	<b>147,100</b>	<b>11,148,709</b>	<b>367,158</b>	<b>26,842,921</b>

## 17 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on inter companies loan	38,861	2,945,275	49,059	3,586,703
Guarantee fees	9,794	742,287	4,965	362,991
<b>Total</b>	<b>48,655</b>	<b>3,687,562</b>	<b>54,024</b>	<b>3,949,694</b>

## 18 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Communication expenses	1,648	124,902	2,193	160,330
Electricity	41,345	3,133,538	40,507	2,961,467
Entertainment expenses	-	-	2,659	194,399
Exchange loss -Net	5,903	447,388	-	-
Insurance expenses	6,344	480,812	6,233	455,695
Legal and professional fees	52,412	3,972,305	38,310	2,800,844
Miscellaneous expenses	21,318	1,615,691	18,120	1,324,753
Printing and stationery	14,458	1,095,772	15,547	1,136,641
Provision for doubtful debts	(4,088)	(309,830)	4,461	326,144
Rates and Taxes	16	1,213	-	-
Rent	12,035	912,133	49,559	3,623,258
Repairs and Maintenance Plant & Machinery	8,730	661,647	15,262	1,115,805
Repairs and Maintenance -Building	-	-	1,087	79,471
Services rendered by agencies	14,753	1,118,130	14,366	1,050,298
Travelling and conveyance expenses	301	22,813	3,603	263,415
<b>Total</b>	<b>175,175</b>	<b>13,276,514</b>	<b>211,907</b>	<b>15,492,520</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com, www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	24,927	1,889,217	21,234	1,552,418
	Capital work-in-progress		32,832	2,488,337	27,307	1,996,415
	Financial assets					
	(i) Loans	2	10,725	812,848	49,049	3,585,972
	Deferred tax assets (net)		21,483	1,628,197	16,133	1,179,484
	Other Non-current assets	3	6,498	492,483	5,730	418,920
			96,465	7,311,082	119,453	8,733,209
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	108,488	8,222,306	70,833	5,178,601
	(ii) Cash and cash equivalents	5	16,659	1,262,586	29,874	2,184,088
	(iii) Other financial assets	6	293	22,206	743	54,321
	Other Current assets	7	5,208	394,714	5,684	415,557
			130,648	9,901,812	107,134	7,832,567
	<b>TOTAL ASSETS</b>		227,113	17,212,894	226,587	16,565,776
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	100	7,579	100	7,311
	Other equity	9	80,429	6,095,714	76,142	5,566,743
	<b>Total Equity</b>		80,529	6,103,293	76,242	5,574,054
(2)	<b>Non-current liabilities</b>					
	Other non current liabilities (Deferred revenue)		5,675	430,108	2,500	182,775
			5,675	430,108	2,500	182,775
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	10	112,722	8,543,201	127,730	9,338,340
	(ii) Other financial liabilities	11	65	4,926	152	11,113
	Other current liabilities	12	22,232	1,684,963	10,495	767,289
	Current tax liability (Net)		5,890	446,403	9,468	692,205
			140,909	10,679,493	147,845	10,808,947
	<b>TOTAL EQUITY AND LIABILITIES</b>		227,113	17,212,894	226,587	16,565,776

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	13	425,396	32,240,763	384,736	28,128,049
ii	Other Income		702	53,205	6,157	450,138
iii	<b>Total income (i + ii)</b>		<b>426,098</b>	<b>32,293,968</b>	<b>390,893</b>	<b>28,578,187</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	14	335,029	25,391,848	337,533	24,677,038
	Finance costs	15	(7)	(531)	-	-
	Depreciation and amortisation expenses	16	8,571	649,596	13,943	1,019,373
	Operating and other expenses		80,697	6,116,027	37,886	2,769,844
	<b>Total expenses</b>		<b>424,290</b>	<b>32,156,940</b>	<b>389,362</b>	<b>28,466,255</b>
v	<b>Profit before taxes (iii-iv)</b>		<b>1,808</b>	<b>137,028</b>	<b>1,531</b>	<b>111,932</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		2,871	217,593	6,127	447,945
	(ii) Deferred tax expense/(benefit)		(5,350)	(405,477)	659	48,179
	<b>Net tax expenses</b>		<b>(2,479)</b>	<b>(187,884)</b>	<b>6,786</b>	<b>496,124</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>4,287</b>	<b>324,912</b>	<b>(5,255)</b>	<b>(384,192)</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	215,376	16,323,347	206,896	15,126,167
(a)	215,376	16,323,347	206,896	15,126,167
<b>Accumulated depreciation:</b>				
Plant and machinery	190,449	14,434,130	185,662	13,573,749
(b)	190,449	14,434,130	185,662	13,573,749
<b>Net block (a) - (b)</b>	<b>24,927</b>	<b>1,889,217</b>	<b>21,234</b>	<b>1,552,418</b>

## 2 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	10,725	812,848	49,049	3,585,972
<b>Total</b>	<b>10,725</b>	<b>812,848</b>	<b>49,049</b>	<b>3,585,972</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	6,498	492,483	5,730	418,920
<b>Total</b>	<b>6,498</b>	<b>492,483</b>	<b>5,730</b>	<b>418,920</b>

## 4 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	140,449	10,644,630	87,079	6,366,346
Provision for doubtful debts	(31,961)	(2,422,324)	(16,246)	(1,187,745)
<b>Total</b>	<b>108,488</b>	<b>8,222,306</b>	<b>70,833</b>	<b>5,178,601</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	16,659	1,262,586	29,874	2,184,088
<b>Total</b>	<b>16,659</b>	<b>1,262,586</b>	<b>29,874</b>	<b>2,184,088</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	293	22,206	743	54,321
<b>Total</b>	<b>293</b>	<b>22,206</b>	<b>743</b>	<b>54,321</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	5,208	394,714	5,684	415,557
<b>Total</b>	<b>5,208</b>	<b>394,714</b>	<b>5,684</b>	<b>415,557</b>

## 8 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	100	7,579	100	7,311
<b>Total</b>	<b>100</b>	<b>7,579</b>	<b>100</b>	<b>7,311</b>

## 9 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	76,142	5,770,802	81,397	5,950,935
Profit / (loss) for the year	4,287	324,912	(5,255)	(384,192)
<b>Total</b>	<b>80,429</b>	<b>6,095,714</b>	<b>76,142</b>	<b>5,566,743</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	88,367	6,697,336	32,566	2,380,900
Inter Company - Payables (Net)	24,355	1,845,865	95,164	6,957,440
<b>Total</b>	<b>112,722</b>	<b>8,543,201</b>	<b>127,730</b>	<b>9,338,340</b>

## 11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Others	65	4,926	152	11,113
<b>Total</b>	<b>65</b>	<b>4,926</b>	<b>152</b>	<b>11,113</b>

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	2,786	211,151	2,291	167,495
Other Statutory dues	19,446	1,473,812	8,204	599,794
<b>Total</b>	<b>22,232</b>	<b>1,684,963</b>	<b>10,495</b>	<b>767,289</b>

## 13 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	701	53,129	2,136	156,163
Profit on sale of Property, plant and equipment	1	76	-	-
Exchange gain -Net	-	-	4,021	293,975
Miscellaneous income	-	-	-	-
<b>Total</b>	<b>702</b>	<b>53,205</b>	<b>6,157</b>	<b>450,138</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 14 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	335,029	25,391,848	337,533	24,677,038
<b>Total</b>	<b>335,029</b>	<b>25,391,848</b>	<b>337,533</b>	<b>24,677,038</b>

## 15 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on inter companies loan	46	3,486	-	-
Guarantee fees	(53)	(4,017)	-	-
<b>Total</b>	<b>(7)</b>	<b>(531)</b>	<b>-</b>	<b>-</b>

## 16 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Communication expenses	-	-	107	7,823
Directors fees	-	-	1,431	104,620
Electricity	2,026	153,551	1,939	141,760
Exchange loss -Net	25,969	1,968,191	-	-
Insurance expenses	5,731	434,352	5,759	421,040
Legal and professional fees	16,286	1,234,316	8,585	627,649
Miscellaneous expenses	7,930	601,015	2,982	218,014
Provision for doubtful debts	15,716	1,191,116	11,254	822,780
Repairs and Maintenance Plant & Machinery	4,940	374,403	4,072	297,704
Services rendered by agencies	2,099	159,083	1,757	128,454
<b>Total</b>	<b>80,697</b>	<b>6,116,027</b>	<b>37,886</b>	<b>2,769,844</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	407,290	30,868,509	545,743	39,899,271
	Capital work-in-progress		73,757	5,590,043	34,442	2,518,055
	Other Intangible assets	2	-	-	4,167	304,649
	Financial assets					
	(i) Loans	3	1,147,563	86,973,800	284,512	20,800,672
	(ii) Other financial assets	4	31,524	2,389,204	8,441	617,122
	Deferred tax assets (net)		138,161	10,471,222	37,333	2,729,416
	Advance tax (net)		-	-	29,171	2,132,692
	Other Non-current assets	5	21,151	1,603,034	47,657	3,484,203
			1,819,446	137,895,812	991,466	72,486,080
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	6	1,247,313	94,533,853	1,000,971	73,180,990
	(ii) Cash and cash equivalents	7	82,774	6,273,441	528,734	38,655,743
	(iii) Other financial assets	8	21,111	1,600,002	7,548	551,835
	Other Current assets	9	185,592	14,066,018	152,125	11,121,859
			1,536,790	116,473,314	1,689,378	123,510,427
	<b>TOTAL ASSETS</b>		3,356,236	254,369,126	2,680,844	195,996,507
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	10	47,560	3,604,572	47,560	3,477,112
	Other equity	11	480,526	36,419,064	449,006	32,826,829
	<b>Total Equity</b>		528,086	40,023,636	496,566	36,303,941
(2)	<b>Non-current liabilities</b>					
	Other non current liabilities (Deferred revenue)		12,211	925,472	34,682	2,535,601
			12,211	925,472	34,682	2,535,601
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	12	2,608,040	197,663,352	2,056,394	150,342,967
	Other current liabilities	13	195,810	14,840,440	91,247	6,671,068
	Provisions	14	1,759	133,315	1,955	142,930
	Current tax liability (Net)		10,330	782,911	-	-
			2,815,939	213,420,018	2,149,596	157,156,965
	<b>TOTAL EQUITY AND LIABILITIES</b>		3,356,236	254,369,126	2,680,844	195,996,507

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	15	5,820,866	441,163,434	5,198,359	380,052,026
ii	Other Income		28,437	2,155,240	10,093	737,899
iii	Total income (i + ii)		5,849,303	443,318,674	5,208,452	380,789,925
iv	Expenses:					
	Network and transmission expenses	16	4,733,596	358,759,241	4,199,111	306,997,005
	Employee benefits expenses	17	107,882	8,176,377	97,838	7,152,936
	Finance costs	18	4,467	338,554	34,922	2,553,147
	Depreciation and amortisation expenses	19	233,875	17,725,386	255,362	18,669,516
	Operating and other expenses		698,254	52,920,672	545,405	39,874,559
	Total expenses		5,778,074	437,920,230	5,132,638	375,247,163
v	Profit before taxes (iii-iv)		71,229	5,398,444	75,814	5,542,762
vi	Tax expenses					
	(i) Current tax expense/(benefit)		140,537	10,651,299	(93,097)	(6,806,322)
	(ii) Deferred tax expense/(benefit)		(100,828)	(7,641,754)	183,923	13,446,611
	Net tax expenses		39,709	3,009,545	90,826	6,640,289
vii	Profit / (loss) for the year (v-vi)		31,520	2,388,899	(15,012)	(1,097,527)

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	1,835,772	139,133,160	1,755,005	128,308,416
(a)	1,835,772	139,133,160	1,755,005	128,308,416
<b>Accumulated depreciation:</b>				
Plant and machinery	1,428,482	108,264,651	1,209,262	88,409,145
(b)	1,428,482	108,264,651	1,209,262	88,409,145
<b>Net block (a) - (b)</b>	<b>407,290</b>	<b>30,868,509</b>	<b>545,743</b>	<b>39,899,271</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	15,000	1,136,850	15,000	1,096,650
(a)	15,000	1,136,850	15,000	1,096,650
<b>Accumulated amortisation:</b>				
Computer software	15,000	1,136,850	10,833	792,001
(b)	15,000	1,136,850	10,833	792,001
<b>Net block (a) - (b)</b>	<b>-</b>	<b>-</b>	<b>4,167</b>	<b>304,649</b>

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	1,147,563	86,973,800	284,512	20,800,672
<b>Total</b>	<b>1,147,563</b>	<b>86,973,800</b>	<b>284,512</b>	<b>20,800,672</b>

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	31,524	2,389,204	8,441	617,122
<b>Total</b>	<b>31,524</b>	<b>2,389,204</b>	<b>8,441</b>	<b>617,122</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	21,151	1,603,034	47,657	3,484,203
<b>Total</b>	<b>21,151</b>	<b>1,603,034</b>	<b>47,657</b>	<b>3,484,203</b>

## 6 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	805,295	61,033,308	746,527	54,578,589
Intercompany receivables (Net)	580,121	43,967,371	395,414	28,908,718
Provision for doubtful debts	(138,103)	(10,466,826)	(140,970)	(10,306,317)
<b>Total</b>	<b>1,247,313</b>	<b>94,533,853</b>	<b>1,000,971</b>	<b>73,180,990</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	82,774	6,273,441	528,734	38,655,743
<b>Total</b>	<b>82,774</b>	<b>6,273,441</b>	<b>528,734</b>	<b>38,655,743</b>

## 8 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	479	36,303	3,787	276,868
Interest Receivable on Inter Co. Loan (Net)	12,414	940,857	2,409	176,122
Others	8,218	622,842	1,352	98,845
<b>Total</b>	<b>21,111</b>	<b>1,600,002</b>	<b>7,548</b>	<b>551,835</b>

## 9 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	111,404	8,443,309	149,310	10,916,054
Others	74,188	5,622,709	2,815	205,805
<b>Total</b>	<b>185,592</b>	<b>14,066,018</b>	<b>152,125</b>	<b>11,121,859</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	47,560	3,604,572	47,560	3,477,112
<b>Total</b>	<b>47,560</b>	<b>3,604,572</b>	<b>47,560</b>	<b>3,477,112</b>

## 11 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	449,006	34,030,165	464,018	33,924,356
Profit / (loss) for the year	31,520	2,388,899	(15,012)	(1,097,527)
<b>Total</b>	<b>480,526</b>	<b>36,419,064</b>	<b>449,006</b>	<b>32,826,829</b>

## 12 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	2,608,040	197,663,352	2,056,394	150,342,967
<b>Total</b>	<b>2,608,040</b>	<b>197,663,352</b>	<b>2,056,394</b>	<b>150,342,967</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	135,818	10,293,646	43,602	3,187,742
Other Employee dues	18,635	1,412,347	29,417	2,150,677
Other Statutory dues	41,357	3,134,447	18,228	1,332,649
<b>Total</b>	<b>195,810</b>	<b>14,840,440</b>	<b>91,247</b>	<b>6,671,068</b>

## 14 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	1,759	133,315	1,955	142,930
<b>Total</b>	<b>1,759</b>	<b>133,315</b>	<b>1,955</b>	<b>142,930</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	18,951	1,436,296	3,721	272,042
Profit on sale of Property, plant and equipment	1	76	-	-
Miscellaneous income	9,485	718,868	6,372	465,857
<b>Total</b>	<b>28,437</b>	<b>2,155,240</b>	<b>10,093</b>	<b>737,899</b>

## 16 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	4,733,596	358,759,241	4,199,111	306,997,005
<b>Total</b>	<b>4,733,596</b>	<b>358,759,241</b>	<b>4,199,111</b>	<b>306,997,005</b>

## 17 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	96,319	7,300,017	79,890	5,840,758
Contribution to provident and other funds	12,664	959,805	11,600	848,076
Staff welfare expenses	(1,101)	(83,445)	6,348	464,102
<b>Total</b>	<b>107,882</b>	<b>8,176,377</b>	<b>97,838</b>	<b>7,152,936</b>

## 18 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on inter companies loan	-	-	22,786	1,665,884
Guarantee fees	4,467	338,554	12,136	887,263
<b>Total</b>	<b>4,467</b>	<b>338,554</b>	<b>34,922</b>	<b>2,553,147</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 19 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Auditors remuneration	3,244	245,863	3,386	247,550
Communication expenses	1,988	150,671	2,208	161,427
Directors fees	2,877	218,048	2,874	210,118
Entertainment expenses	1,552	117,626	2,156	157,625
Exchange loss -Net	144,913	10,982,956	52,529	3,840,395
Insurance expenses	16,684	1,264,480	18,846	1,377,831
Legal and professional fees	35,863	2,718,057	30,391	2,221,886
Miscellaneous expenses	24,093	1,826,008	35,962	2,629,182
Printing and stationery	807	61,163	1,088	79,544
Provision for doubtful debts	(2,867)	(217,290)	(52,282)	(3,822,337)
Rates and Taxes	338,567	25,659,993	290,625	21,247,594
Recruitment expenses	-	-	156	11,405
Rent	807	61,163	15,295	1,118,217
Repairs and Maintenance Plant & Machinery	101,852	7,719,363	123,899	9,058,256
Services rendered by agencies	27,686	2,098,322	17,950	1,312,325
Travelling and conveyance expenses	188	14,249	322	23,541
<b>Total</b>	<b>698,254</b>	<b>52,920,672</b>	<b>545,405</b>	<b>39,874,559</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Va*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	112,929	8,558,889	84,176	6,154,108
Capital work-in-progress		46,002	3,486,492	24,904	1,820,731
Advance tax (net)		19,665	1,490,410	-	-
Other Non-current assets	2	5,840	442,614	11,026	806,111
		184,436	13,978,405	120,106	8,780,950
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	3	247,579	18,764,012	313,757	22,938,774
(ii) Cash and cash equivalents	4	396,552	30,054,676	397,247	29,042,728
(iii) Other financial assets	5	4,974	376,979	6,949	508,041
Other Current assets	6	22,135	1,677,612	24,165	1,766,703
		671,240	50,873,279	742,118	54,256,246
<b>TOTAL ASSETS</b>		855,676	64,851,684	862,224	63,037,196
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	7	588,462	44,599,535	588,462	43,022,457
Other equity	8	(129,703)	(9,830,190)	(135,327)	(9,893,758)
<b>Total Equity</b>		458,759	34,769,345	453,135	33,128,699
<b>(2) Non-current liabilities</b>					
Other non current liabilities (Deferred revenue)		1,885	142,864	5,163	377,467
		1,885	142,864	5,163	377,467
<b>(3) Current liabilities</b>					
Financial liabilities					
(i) Trade payables	9	387,289	29,352,633	379,061	27,713,149
Other current liabilities	10	7,743	586,842	21,339	1,560,095
Current tax liability (Net)		-	-	3,526	257,786
		395,032	29,939,475	403,926	29,531,030
<b>TOTAL EQUITY AND LIABILITIES</b>		855,676	64,851,684	862,224	63,037,196

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	11	1,291,471	97,880,587	961,957	70,328,676
ii	Other Income		6,358	481,873	8,981	656,601
iii	<b>Total income (i + ii)</b>		<b>1,297,829</b>	<b>98,362,460</b>	<b>970,938</b>	<b>70,985,277</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	12	1,189,129	90,124,087	752,898	55,044,373
	Employee benefits expenses	13	103	7,806	68,809	5,030,626
	Finance costs	14	32	2,425	-	-
	Depreciation and amortisation expenses	15	29,615	2,244,521	21,653	1,583,051
	Operating and other expenses		73,326	5,557,378	85,970	6,285,267
	<b>Total expenses</b>		<b>1,292,205</b>	<b>97,936,217</b>	<b>929,330</b>	<b>67,943,317</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>5,624</b>	<b>426,243</b>	<b>41,608</b>	<b>3,041,960</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		-	-	(27,707)	(2,025,659)
vii	<b>Profit before taxes (v - vi)</b>		<b>5,624</b>	<b>426,243</b>	<b>13,901</b>	<b>1,016,301</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	3,574	261,295
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>-</b>	<b>-</b>	<b>3,574</b>	<b>261,295</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>5,624</b>	<b>426,243</b>	<b>10,327</b>	<b>755,006</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	206,948	15,684,589	148,579	10,862,611
(a)	206,948	15,684,589	148,579	10,862,611
<b>Accumulated depreciation:</b>				
Plant and machinery	94,019	7,125,700	64,403	4,708,503
(b)	94,019	7,125,700	64,403	4,708,503
<b>Net block (a) - (b)</b>	<b>112,929</b>	<b>8,558,889</b>	<b>84,176</b>	<b>6,154,108</b>

## 2 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	5,840	442,614	11,026	806,111
<b>Total</b>	<b>5,840</b>	<b>442,614</b>	<b>11,026</b>	<b>806,111</b>

## 3 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	231,670	17,558,269	216,059	15,796,073
Intercompany receivables (Net)	20,637	1,564,078	98,584	7,207,476
Provision for doubtful debts	(4,728)	(358,335)	(886)	(64,775)
<b>Total</b>	<b>247,579</b>	<b>18,764,012</b>	<b>313,757</b>	<b>22,938,774</b>

## 4 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	396,552	30,054,676	397,247	29,042,728
<b>Total</b>	<b>396,552</b>	<b>30,054,676</b>	<b>397,247</b>	<b>29,042,728</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	4,875	369,476	4,875	356,411
Others	99	7,503	2,074	151,630
<b>Total</b>	<b>4,974</b>	<b>376,979</b>	<b>6,949</b>	<b>508,041</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	11,829	896,520	24,165	1,766,703
Indirect tax receivable	10,306	781,092	-	-
<b>Total</b>	<b>22,135</b>	<b>1,677,612</b>	<b>24,165</b>	<b>1,766,703</b>

## 7 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	588,462	44,599,535	588,462	43,022,457
<b>Total</b>	<b>588,462</b>	<b>44,599,535</b>	<b>588,462</b>	<b>43,022,457</b>

## 8 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(135,327)	(10,256,433)	(145,654)	(10,648,764)
Profit / (loss) for the year	5,624	426,243	10,327	755,006
<b>Total</b>	<b>(129,703)</b>	<b>(9,830,190)</b>	<b>(135,327)</b>	<b>(9,893,758)</b>

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	387,289	29,352,633	379,061	27,713,149
<b>Total</b>	<b>387,289</b>	<b>29,352,633</b>	<b>379,061</b>	<b>27,713,149</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	7,743	586,842	10,224	747,477
Other Statutory dues	-	-	11,115	812,618
<b>Total</b>	<b>7,743</b>	<b>586,842</b>	<b>21,339</b>	<b>1,560,095</b>

## 11 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Exchange gain -Net	6,358	481,873	8,948	654,188
Miscellaneous income	-	-	33	2,413
<b>Total</b>	<b>6,358</b>	<b>481,873</b>	<b>8,981</b>	<b>656,601</b>

## 12 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	1,189,129	90,124,087	752,898	55,044,373
<b>Total</b>	<b>1,189,129</b>	<b>90,124,087</b>	<b>752,898</b>	<b>55,044,373</b>

## 13 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	103	7,806	66,964	4,895,738
Contribution to provident and other funds	-	-	1,153	84,296
Staff welfare expenses	-	-	692	50,592
<b>Total</b>	<b>103</b>	<b>7,806</b>	<b>68,809</b>	<b>5,030,626</b>

## 14 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Guarantee fees	32	2,425	-	-
<b>Total</b>	<b>32</b>	<b>2,425</b>	<b>-</b>	<b>-</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Auditors remuneration	804	60,935	1,045	76,400
Communication expenses	-	-	1,842	134,669
Insurance expenses	4,941	374,478	5,119	374,250
IT consumables	-	-	(555)	(40,576)
Legal and professional fees	29,766	2,255,965	37,579	2,747,401
Miscellaneous expenses	3,667	277,922	3,199	233,879
Printing and stationery	807	61,163	701	51,250
Provision for doubtful debts	3,842	291,185	886	64,775
Rent	10,888	825,202	22,737	1,662,302
Repairs and Maintenance Plant & Machinery	12,845	973,523	9,249	676,194
Services rendered by agencies	5,766	437,005	4,154	303,699
Travelling and conveyance expenses	-	-	14	1,024
<b>Total</b>	<b>73,326</b>	<b>5,557,378</b>	<b>85,970</b>	<b>6,285,267</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

*Varma V.V.*  
(Vinodkumar Varma)

PARTNER

Membership No. 105545



Place Mumbai

Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	81,250	6,157,937	63,122	4,614,850
	Capital work-in-progress		42,110	3,191,517	-	-
	Financial assets					
	(i) Other financial assets	2	4,059	307,632	3,928	287,176
	Advance tax (net)		-	-	14,505	1,060,461
	Other Non-current assets	3	12,195	924,259	1,451	106,083
			139,614	10,581,345	83,006	6,068,570
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	49,505	3,751,984	161,027	11,772,684
	(ii) Cash and cash equivalents	5	599,653	45,447,701	554,900	40,568,739
	(iii) Other financial assets	6	3,470	262,991	7,453	544,889
	Other Current assets	7	31,515	2,388,522	11,323	827,825
			684,143	51,851,198	734,703	53,714,137
	<b>TOTAL ASSETS</b>		<b>823,757</b>	<b>62,432,543</b>	<b>817,709</b>	<b>59,782,707</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	163,081	12,359,909	163,081	11,922,852
	Other equity	9	341,469	25,879,937	335,818	24,551,656
	<b>Total Equity</b>		<b>504,550</b>	<b>38,239,846</b>	<b>498,899</b>	<b>36,474,508</b>
(2)	<b>Non-current liabilities</b>					
	Deferred tax liabilities (Net)		33,535	2,541,618	18,922	1,383,387
	Other non current liabilities (Deferred revenue)		4,978	377,283	1,602	117,122
			38,513	2,918,901	20,524	1,500,509
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	10	122,230	9,263,810	138,889	10,154,175
	(ii) Other financial liabilities	11	2,709	205,315	434	31,730
	Other current liabilities	12	123,887	9,389,395	135,362	9,896,316
	Provisions	13	24,186	1,833,057	23,601	1,725,469
	Current tax liability (Net)		7,682	582,219	-	-
			280,694	21,273,796	298,286	21,807,690
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>823,757</b>	<b>62,432,543</b>	<b>817,709</b>	<b>59,782,707</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	14	1,125,139	85,274,285	1,080,459	78,992,357
ii	Other Income		125,829	9,536,580	50,318	3,678,749
iii	Total income (i + ii)		1,250,968	94,810,865	1,130,777	82,671,106
iv	Expenses:					
	Network and transmission expenses	15	4,239	321,274	(292)	(21,348)
	Employee benefits expenses	16	849,838	64,409,222	736,226	53,825,483
	Depreciation and amortisation expenses	17	21,886	1,658,740	18,428	1,347,271
	Operating and other expenses		334,334	25,339,172	158,434	11,583,108
	Total expenses		1,210,297	91,728,408	912,796	66,734,514
v	Profit before taxes (iii-iv)		40,671	3,082,457	217,981	15,936,592
vi	Tax expenses					
	(i) Current tax expense/(benefit)		20,407	1,546,647	(7,533)	(550,738)
	(ii) Deferred tax expense/(benefit)		14,613	1,107,519	18,922	1,383,387
	Net tax expenses		35,020	2,654,166	11,389	832,649
vii	Profit / (loss) for the year (v-vi)		5,651	428,291	206,592	15,103,943

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	39,827	3,018,488	8,345	610,103
Computers	8,532	646,640	-	-
Office equipment	84,606	6,412,289	84,606	6,185,545
(a)	132,965	10,077,417	92,951	6,795,648
<b>Accumulated depreciation:</b>				
Plant and machinery	5,763	436,778	2,552	186,577
Computers	1,896	143,698	-	-
Office equipment	44,056	3,339,004	27,277	1,994,221
(b)	51,715	3,919,480	29,829	2,180,798
<b>Net block (a) - (b)</b>	<b>81,250</b>	<b>6,157,937</b>	<b>63,122</b>	<b>4,614,850</b>

## 2 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	4,059	307,632	3,928	287,176
<b>Total</b>	<b>4,059</b>	<b>307,632</b>	<b>3,928</b>	<b>287,176</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	12,195	924,259	1,451	106,083
<b>Total</b>	<b>12,195</b>	<b>924,259</b>	<b>1,451</b>	<b>106,083</b>

## 4 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	49,505	3,751,984	9,814	717,502
Intercompany receivables (Net)	-	-	151,213	11,055,182
<b>Total</b>	<b>49,505</b>	<b>3,751,984</b>	<b>161,027</b>	<b>11,772,684</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	599,653	45,447,701	554,900	40,568,739
<b>Total</b>	<b>599,653</b>	<b>45,447,701</b>	<b>554,900</b>	<b>40,568,739</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	3,452	261,627	7,453	544,889
Others	18	1,364	-	-
<b>Total</b>	<b>3,470</b>	<b>262,991</b>	<b>7,453</b>	<b>544,889</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	31,515	2,388,522	10,823	791,270
Others	-	-	500	36,555
<b>Total</b>	<b>31,515</b>	<b>2,388,522</b>	<b>11,323</b>	<b>827,825</b>

## 8 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	163,081	12,359,909	163,081	11,922,852
<b>Total</b>	<b>163,081</b>	<b>12,359,909</b>	<b>163,081</b>	<b>11,922,852</b>

## 9 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	335,647	25,438,686	129,055	9,435,211
Profit / (loss) for the year	5,651	428,291	206,592	15,103,943
<b>Closing balance</b>	<b>341,298</b>	<b>25,866,977</b>	<b>335,647</b>	<b>24,539,154</b>
<b>Capital reserves</b>				
	171	12,960	171	12,502
<b>Total</b>	<b>341,469</b>	<b>25,879,937</b>	<b>335,818</b>	<b>24,551,656</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	112,255	8,507,805	138,889	10,154,175
Inter Company - Payables (Net)	9,975	756,005	-	-
<b>Total</b>	<b>122,230</b>	<b>9,263,810</b>	<b>138,889</b>	<b>10,154,175</b>

## 11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Others	2,709	205,315	434	31,730
<b>Total</b>	<b>2,709</b>	<b>205,315</b>	<b>434</b>	<b>31,730</b>

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	4,536	343,783	7,788	569,381
Other Employee dues	118,275	8,964,062	126,879	9,276,124
Other Statutory dues	1,059	80,262	695	50,811
Others	17	1,288	-	-
<b>Total</b>	<b>123,887</b>	<b>9,389,395</b>	<b>135,362</b>	<b>9,896,316</b>

## 13 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	24,186	1,833,057	23,601	1,725,469
<b>Total</b>	<b>24,186</b>	<b>1,833,057</b>	<b>23,601</b>	<b>1,725,469</b>

## 14 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest income - others	1,616	122,477	1,273	93,069
Exchange gain -Net	22,082	1,673,595	44,103	3,224,370
Miscellaneous income	102,131	7,740,508	4,942	361,310
<b>Total</b>	<b>125,829</b>	<b>9,536,580</b>	<b>50,318</b>	<b>3,678,749</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	4,239	321,274	(292)	(21,348)
<b>Total</b>	<b>4,239</b>	<b>321,274</b>	<b>(292)</b>	<b>(21,348)</b>

## 16 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	849,521	64,385,197	734,171	53,675,242
Staff welfare expenses	317	24,025	2,055	150,241
<b>Total</b>	<b>849,838</b>	<b>64,409,222</b>	<b>736,226</b>	<b>53,825,483</b>

## 17 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	68,437	5,186,840	-	-
Auditors remuneration	3,531	267,614	3,195	233,586
Communication expenses	2,224	168,557	3,111	227,445
Entertainment expenses	5,265	399,034	8,039	587,731
Insurance expenses	7,185	544,551	7,527	550,299
Legal and professional fees	155,292	11,769,581	96,413	7,048,754
Miscellaneous expenses	4,262	323,017	1,049	76,692
Printing and stationery	-	-	29	2,120
Rates and Taxes	1,281	97,087	1,672	122,240
Recruitment expenses	40,012	3,032,509	(479)	(35,020)
Rent	22,960	1,740,138	31,697	2,317,368
Repairs and Maintenance Plant & Machinery	23,244	1,761,663	5,399	394,721
Travelling and conveyance expenses	641	48,581	782	57,172
<b>Total</b>	<b>334,334</b>	<b>25,339,172</b>	<b>158,434</b>	<b>11,583,108</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**APPENDIX - 34**

**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 (South Korea) Limited** ("the subsidiary") registered in South Korea as at 31 March 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Va*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545

Place Mumbai  
Date: 21 April 2022





## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	318,299	24,123,881	195,613	14,301,266
	Capital work-in-progress		2,622	198,721	30,678	2,242,869
	Deferred tax assets (net)		67,145	5,088,920	29,747	2,174,803
	Other Non-current assets	2	13,186	999,367	31,032	2,268,750
			401,252	30,410,889	287,070	20,987,688
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	3	618,743	46,894,532	233,702	17,085,954
	(ii) Cash and cash equivalents	4	650,002	49,263,652	668,017	48,838,723
	(iii) Other financial assets	5	44	3,335	42	3,071
	Other Current assets	6	154,232	11,689,244	141,237	10,325,837
			1,423,021	107,850,763	1,042,998	76,253,585
	<b>TOTAL ASSETS</b>		1,824,273	138,261,652	1,330,068	97,241,273
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	7	260,825	19,767,927	260,825	19,068,916
	Other equity	8	86,559	6,560,308	64,572	4,720,860
	<b>Total Equity</b>		347,384	26,328,235	325,397	23,789,776
(2)	<b>Non-current liabilities</b>					
	Other non current liabilities (Deferred revenue)		5,065	383,876	2,067	151,118
			5,065	383,876	2,067	151,118
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	9	1,237,247	93,770,951	891,721	65,193,723
	(ii) Other financial liabilities	10	48,315	3,661,794	3,036	221,962
	Other current liabilities	11	148,692	11,269,366	92,947	6,795,355
	Provisions	12	4,810	364,550	5,465	399,546
	Current tax liability (Net)		32,760	2,482,880	9,435	689,793
			1,471,824	111,549,541	1,002,604	73,300,379
	<b>TOTAL EQUITY AND LIABILITIES</b>		1,824,273	138,261,652	1,330,068	97,241,273

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	13	2,821,061	213,808,213	1,909,003	139,567,209
ii	Other Income		-	-	70,255	5,136,343
iii	Total income (i + ii)		2,821,061	213,808,213	1,979,258	144,703,552
iv	Expenses:					
	Network and transmission expenses	14	2,054,200	155,687,818	1,357,498	99,246,679
	Employee benefits expenses	15	240,151	18,201,044	258,002	18,862,527
	Depreciation and amortisation expenses		68,388	5,183,127	55,435	4,052,853
	Operating and other expenses	16	441,050	33,427,178	232,450	16,994,420
	Total expenses		2,803,789	212,499,167	1,903,385	139,156,479
v	Profit before exceptional items and taxes (iii - iv)		17,272	1,309,046	75,873	5,547,073
vi	Exceptional items:					
	Staff cost optimisation		2,234	169,315	(32,464)	(2,373,443)
vii	Profit before taxes (v - vi)		19,506	1,478,361	43,409	3,173,630
viii	Tax expenses					
	(i) Current tax expense/(benefit)		34,918	2,646,435	7,244	529,609
	(ii) Deferred tax expense/(benefit)		(37,399)	(2,834,470)	(4,412)	(322,561)
	Net tax expenses		(2,481)	(188,035)	2,832	207,048
ix	Profit / (loss) for the year (vii-viii)		21,987	1,666,396	40,577	2,966,582

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	468,813	35,531,337	277,739	20,305,498
Computers	1,385	104,969	1,385	101,257
(a)	470,198	35,636,306	279,124	20,406,755
<b>Accumulated depreciation:</b>				
Plant and machinery	150,514	11,407,456	82,126	6,004,232
Computers	1,385	104,969	1,385	101,257
(b)	151,899	11,512,425	83,511	6,105,489
<b>Net block (a) - (b)</b>	<b>318,299</b>	<b>24,123,881</b>	<b>195,613</b>	<b>14,301,266</b>

## 2 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	13,186	999,367	31,032	2,268,750
<b>Total</b>	<b>13,186</b>	<b>999,367</b>	<b>31,032</b>	<b>2,268,750</b>

## 3 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	620,627	47,037,320	238,932	17,468,319
Provision for doubtful debts	(1,884)	(142,788)	(5,230)	(382,365)
<b>Total</b>	<b>618,743</b>	<b>46,894,532</b>	<b>233,702</b>	<b>17,085,954</b>

## 4 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	650,002	49,263,652	668,017	48,838,723
<b>Total</b>	<b>650,002</b>	<b>49,263,652</b>	<b>668,017</b>	<b>48,838,723</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Others	44	3,335	42	3,071
<b>Total</b>	<b>44</b>	<b>3,335</b>	<b>42</b>	<b>3,071</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	51,873	3,931,455	46,111	3,371,175
Others	102,359	7,757,789	95,126	6,954,662
<b>Total</b>	<b>154,232</b>	<b>11,689,244</b>	<b>141,237</b>	<b>10,325,837</b>

## 7 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	260,825	19,767,927	260,825	19,068,916
<b>Total</b>	<b>260,825</b>	<b>19,767,927</b>	<b>260,825</b>	<b>19,068,916</b>

## 8 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	64,572	4,893,912	23,995	1,754,278
Profit / (loss) for the year	21,987	1,666,396	40,577	2,966,582
<b>Total</b>	<b>86,559</b>	<b>6,560,308</b>	<b>64,572</b>	<b>4,720,860</b>

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	961,637	72,882,469	449,660	32,874,643
Inter Company - Payables (Net)	275,610	20,888,482	442,061	32,319,080
<b>Total</b>	<b>1,237,247</b>	<b>93,770,951</b>	<b>891,721</b>	<b>65,193,723</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	48,315	3,661,794	3,036	221,962
<b>Total</b>	<b>48,315</b>	<b>3,661,794</b>	<b>3,036</b>	<b>221,962</b>

## 11 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	8,081	612,459	3,146	230,004
Other Employee dues	87,700	6,646,783	73,407	5,366,786
Other Statutory dues	52,903	4,009,518	16,394	1,198,565
Others	8	606	-	-
<b>Total</b>	<b>148,692</b>	<b>11,269,366</b>	<b>92,947</b>	<b>6,795,355</b>

## 12 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	4,810	364,550	5,465	399,546
<b>Total</b>	<b>4,810</b>	<b>364,550</b>	<b>5,465</b>	<b>399,546</b>

## 13 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Exchange gain -Net	-	-	70,255	5,136,343
<b>Total</b>	<b>-</b>	<b>-</b>	<b>70,255</b>	<b>5,136,343</b>

## 14 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	2,054,200	155,687,818	1,357,498	99,246,679
<b>Total</b>	<b>2,054,200</b>	<b>155,687,818</b>	<b>1,357,498</b>	<b>99,246,679</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	240,090	18,196,421	257,478	18,824,217
Staff welfare expenses	61	4,623	524	38,310
<b>Total</b>	<b>240,151</b>	<b>18,201,044</b>	<b>258,002</b>	<b>18,862,527</b>

## 16 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Communication expenses	2,112	160,068	2,111	154,335
Entertainment expenses	2,701	204,709	1,933	141,322
Exchange loss -Net	104,449	7,916,190	-	-
Insurance expenses	5,000	378,950	5,007	366,062
Legal and professional fees	50,722	3,844,220	95,729	6,998,747
Miscellaneous expenses	114,193	8,654,687	86,843	6,349,092
Printing and stationery	66	5,002	102	7,457
Provision for doubtful debts	(3,346)	(253,593)	5,174	378,271
Rent	9,517	721,293	2,754	201,345
Repairs and Maintenance Plant & Machinery	45,885	3,477,624	21,253	1,553,807
Services rendered by agencies	108,224	8,202,297	8,705	636,423
Travelling and conveyance expenses	1,527	115,731	2,839	207,559
<b>Total</b>	<b>441,050</b>	<b>33,427,178</b>	<b>232,450</b>	<b>16,994,420</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Vinodkumar V*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	33,894,331	2,568,851,347	41,710,012	3,049,418,978
	Capital work-in-progress		1,432,197	108,546,211	316,885	23,167,462
	Right-of-use assets		6,204,377	470,229,733	8,624,225	630,517,090
	Other Intangible assets	2	7,876,155	596,933,788	977,378	71,456,106
	Financial assets					
	(i) Loans	3	35,748,756	2,709,398,217	29,497,987	2,156,597,830
	(ii) Other financial assets	4	143,621	10,885,036	158,249	11,569,584
	Other Non-current assets	5	42,304	3,206,220	11,454	837,402
			85,341,741	6,468,050,552	81,296,190	5,943,564,452
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	6	7,139,712	541,118,772	2,266,643	165,714,270
	(ii) Cash and cash equivalents	7	288,030	21,829,794	210,125	15,362,239
	(iii) Other financial assets	8	502,302	38,069,469	356,302	26,049,239
	Other Current assets	9	1,150,335	87,183,890	2,218,666	162,206,671
			9,080,379	688,201,925	5,051,736	369,332,419
	<b>TOTAL ASSETS</b>		94,422,120	7,156,252,477	86,347,926	6,312,896,871
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	10	3,628,039	274,969,076	3,628,039	265,245,931
	Other equity	11	379,008	28,725,014	(1,664,578)	(121,697,298)
	<b>Total Equity</b>		4,007,047	303,694,090	1,963,461	143,548,633
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		3,877,875	293,904,146	6,206,550	453,760,871
	Provisions	14	2,469,282	187,146,883	1,438,870	105,195,786
	Deferred tax liabilities (Net)		1,882,168	142,649,513	2,247,589	164,321,232
	Other non current liabilities (Deferred revenue)		53,907,126	4,085,621,080	55,305,917	4,043,415,592
			62,136,451	4,709,321,622	65,198,926	4,766,693,481
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		1,878,271	142,354,159	2,119,401	154,949,407
	(ii) Trade payables	16	12,429,038	941,996,793	5,230,799	382,423,715
	(iii) Other financial liabilities	17	48,448	3,671,874	101,654	7,431,924
	Other current liabilities	18	10,938,223	829,007,921	9,985,156	730,014,755
	Provisions	19	76,197	5,774,971	61,824	4,519,953
	Current tax liability (Net)		2,908,445	220,431,047	1,686,705	123,315,003
			28,278,622	2,143,236,765	19,185,539	1,402,654,757
	<b>TOTAL EQUITY AND LIABILITIES</b>		94,422,120	7,156,252,477	86,347,926	6,312,896,871

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	20	33,358,394	2,528,232,681	31,534,621	2,305,496,141
ii	Other Income		1,303,879	98,820,991	1,001,445	73,215,645
iii	<b>Total income (i + ii)</b>		<b>34,662,273</b>	<b>2,627,053,672</b>	<b>32,536,066</b>	<b>2,378,711,786</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	21	12,026,926	911,520,722	14,370,494	1,050,626,816
	Employee benefits expenses	22	1,712,982	129,826,906	1,712,609	125,208,844
	Finance costs	23	98,570	7,470,621	70,090	5,124,280
	Depreciation and amortisation expenses	24	12,096,076	916,761,600	10,675,817	780,508,981
	Operating and other expenses		3,393,973	257,229,216	3,528,525	257,970,463
	<b>Total expenses</b>		<b>29,328,527</b>	<b>2,222,809,065</b>	<b>30,357,535</b>	<b>2,219,439,384</b>
v	<b>Profit before taxes (iii-iv)</b>		<b>5,333,746</b>	<b>404,244,607</b>	<b>2,178,531</b>	<b>159,272,402</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		3,655,580	277,056,408	1,672,580	122,282,324
	(ii) Deferred tax expense/(benefit)		(365,420)	(27,695,182)	(433,790)	(31,714,387)
	<b>Net tax expenses</b>		<b>3,290,160</b>	<b>249,361,226</b>	<b>1,238,790</b>	<b>90,567,937</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>2,043,586</b>	<b>154,883,381</b>	<b>939,741</b>	<b>68,704,465</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	2,087,335	158,199,120	2,087,335	152,605,062
Building	3,639,635	275,847,937	3,639,635	266,093,715
Lease hold improvement	1,007,399	76,350,770	40,434	2,956,130
Cables	81,279,602	6,160,181,036	79,636,748	5,822,242,646
Plant and machinery	78,642,282	5,960,298,553	82,575,088	6,037,064,684
Furniture and fixtures	37,731	2,859,632	37,731	2,758,513
Computers	254,387	19,279,991	252,483	18,459,032
Office equipment	368,671	27,941,575	349,274	25,535,422
(a)	167,317,042	12,680,958,614	168,618,728	12,327,715,204
<b>Accumulated depreciation:</b>				
Building	2,437,525	184,740,020	2,291,453	167,528,129
Lease hold improvement	83,239	6,308,684	40,434	2,956,130
Cables	57,759,276	4,377,575,528	52,600,816	3,845,645,658
Plant and machinery	72,589,376	5,501,548,807	71,453,985	5,224,000,843
Furniture and fixtures	27,804	2,107,265	24,194	1,768,823
Computers	246,375	18,672,761	244,085	17,845,054
Office equipment	279,116	21,154,202	253,749	18,551,589
(b)	133,422,711	10,112,107,267	126,908,716	9,278,296,226
<b>Net block (a) - (b)</b>	<b>33,894,331</b>	<b>2,568,851,347</b>	<b>41,710,012</b>	<b>3,049,418,978</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	47,251	3,581,153	47,251	3,454,521
Indefeasible right to use assets	18,540,515	1,405,185,632	10,598,174	774,832,501
(a)	18,587,766	1,408,766,785	10,645,425	778,287,022
<b>Accumulated amortisation:</b>				
Computer software	47,251	3,581,153	35,557	2,599,572
Indefeasible right to use assets	10,664,360	808,251,844	9,632,490	704,231,344
(b)	10,711,611	811,832,997	9,668,047	706,830,916
<b>Net block (a) - (b)</b>	<b>7,876,155</b>	<b>596,933,788</b>	<b>977,378</b>	<b>71,456,106</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	35,748,756	2,709,398,217	29,497,987	2,156,597,830
<b>Total</b>	<b>35,748,756</b>	<b>2,709,398,217</b>	<b>29,497,987</b>	<b>2,156,597,830</b>

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	143,621	10,885,036	158,249	11,569,584
<b>Total</b>	<b>143,621</b>	<b>10,885,036</b>	<b>158,249</b>	<b>11,569,584</b>

## 5 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	42,304	3,206,220	11,454	837,402
<b>Total</b>	<b>42,304</b>	<b>3,206,220</b>	<b>11,454</b>	<b>837,402</b>

## 6 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	3,318,003	251,471,447	2,291,189	167,508,828
Intercompany receivables (Net)	3,832,080	290,433,343	-	-
Provision for doubtful debts	(10,371)	(786,018)	(24,546)	(1,794,558)
<b>Total</b>	<b>7,139,712</b>	<b>541,118,772</b>	<b>2,266,643</b>	<b>165,714,270</b>

## 7 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	288,030	21,829,794	210,125	15,362,239
<b>Total</b>	<b>288,030</b>	<b>21,829,794</b>	<b>210,125</b>	<b>15,362,239</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 8 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	502,302	38,069,469	356,302	26,049,239
<b>Total</b>	<b>502,302</b>	<b>38,069,469</b>	<b>356,302</b>	<b>26,049,239</b>

## 9 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	-	-	24,750	1,809,473
Prepaid expenses	217,442	16,479,929	258,768	18,918,528
Indirect tax receivable	932,654	70,685,847	1,935,146	141,478,524
Others	239	18,114	2	146
<b>Total</b>	<b>1,150,335</b>	<b>87,183,890</b>	<b>2,218,666</b>	<b>162,206,671</b>

## 10 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	3,628,039	274,969,076	3,628,039	265,245,931
<b>Total</b>	<b>3,628,039</b>	<b>274,969,076</b>	<b>3,628,039</b>	<b>265,245,931</b>

## 11 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(1,664,578)	(126,158,367)	(2,604,319)	(190,401,763)
Profit / (loss) for the year	2,043,586	154,883,381	939,741	68,704,465
<b>Total</b>	<b>379,008</b>	<b>28,725,014</b>	<b>(1,664,578)</b>	<b>(121,697,298)</b>

## 14 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	2,469,282	187,146,883	1,438,870	105,195,786
<b>Total</b>	<b>2,469,282</b>	<b>187,146,883</b>	<b>1,438,870</b>	<b>105,195,786</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 16 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	12,429,038	941,996,793	4,304,874	314,729,338
Inter Company - Payables (Net)	-	-	925,925	67,694,377
<b>Total</b>	<b>12,429,038</b>	<b>941,996,793</b>	<b>5,230,799</b>	<b>382,423,715</b>

## 17 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	2,100	159,159	2,100	153,531
Others	46,348	3,512,715	99,554	7,278,393
<b>Total</b>	<b>48,448</b>	<b>3,671,874</b>	<b>101,654</b>	<b>7,431,924</b>

## 18 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	10,813,711	819,571,157	9,854,079	720,431,716
Other Employee dues	124,512	9,436,764	131,077	9,583,039
<b>Total</b>	<b>10,938,223</b>	<b>829,007,921</b>	<b>9,985,156</b>	<b>730,014,755</b>

## 19 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	76,197	5,774,971	61,824	4,519,953
<b>Total</b>	<b>76,197</b>	<b>5,774,971</b>	<b>61,824</b>	<b>4,519,953</b>

## 20 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	944,788	71,605,483	641,979	46,935,085
Profit on sale of fixed assets	2	152	-	-
Exchange gain -Net	353,444	26,787,521	354,779	25,937,893
Miscellaneous income	5,645	427,835	4,687	342,667
<b>Total</b>	<b>1,303,879</b>	<b>98,820,991</b>	<b>1,001,445</b>	<b>73,215,645</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 21 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	12,026,926	911,520,722	14,370,494	1,050,626,816
<b>Total</b>	<b>12,026,926</b>	<b>911,520,722</b>	<b>14,370,494</b>	<b>1,050,626,816</b>

## 22 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	1,709,364	129,552,698	1,700,994	124,359,671
Staff welfare expenses	3,618	274,208	11,615	849,173
<b>Total</b>	<b>1,712,982</b>	<b>129,826,906</b>	<b>1,712,609</b>	<b>125,208,844</b>

## 23 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	105,664	8,008,275	70,090	5,124,280
Guarantee fees	(7,094)	(537,654)	-	-
<b>Total</b>	<b>98,570</b>	<b>7,470,621</b>	<b>70,090</b>	<b>5,124,280</b>

## 24 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	10,825	820,427	-	-
Communication expenses	29,068	2,203,064	34,508	2,522,880
Donations	1,583	119,976	1,727	126,261
Electricity	1,471,724	111,541,962	1,482,111	108,357,135
Insurance expenses	111,706	8,466,198	78,912	5,769,256
IT consumables	148	11,217	1,052	76,912
Legal and professional fees	145,925	11,059,656	149,844	10,955,095
Miscellaneous expenses	105,978	8,032,073	110,678	8,091,669
Printing and stationery	4,759	360,685	6,110	446,702
Provision for doubtful debts	(14,175)	(1,074,323)	(16,117)	(1,178,314)
Rates and Taxes	368,875	27,957,036	423,466	30,959,599
Recruitment expenses	96,596	7,321,011	20,136	1,472,143
Rent	105,175	7,971,213	115,964	8,478,128
Repairs and Maintenance Plant & Machinery	730,254	55,345,951	703,769	51,452,552
Repairs and Maintenance -Building	121,530	9,210,759	260,189	19,022,418
Security charges	8,451	640,501	8,944	653,896
Seminars, trainings and conferences	2,248	170,376	1,456	106,448
Services rendered by agencies	89,814	6,807,003	144,403	10,557,303
Travelling and conveyance expenses	3,489	264,431	1,373	100,380
<b>Total</b>	<b>3,393,973</b>	<b>257,229,216</b>	<b>3,528,525</b>	<b>257,970,463</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	3,719,072	281,868,467	4,058,985	296,752,394
	Other Intangible assets	2	10,863	823,306	12,328	901,300
	Financial assets					
	(i) Loans	3	21,775,078	1,650,333,162	20,256,188	1,480,929,905
	Deferred tax assets (net)		2,549,475	193,224,710	2,963,774	216,681,517
	Advance tax (net)		474,351	35,951,062	178,265	13,032,954
			<b>28,528,839</b>	<b>2,162,200,707</b>	<b>27,469,540</b>	<b>2,008,298,070</b>
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	1,627,797	123,370,735	131,920	9,644,671
	(ii) Other financial assets	5	400,998	30,391,638	372,325	27,220,681
	Other Current assets	6	553,154	41,923,542	548,722	40,117,065
			<b>2,581,949</b>	<b>195,685,915</b>	<b>1,052,967</b>	<b>76,982,417</b>
	<b>TOTAL ASSETS</b>		<b>31,110,788</b>	<b>2,357,886,622</b>	<b>28,522,507</b>	<b>2,085,280,487</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Other equity	7	26,088,779	1,977,268,560	24,422,651	1,785,540,014
	<b>Total Equity</b>		<b>26,088,779</b>	<b>1,977,268,560</b>	<b>24,422,651</b>	<b>1,785,540,014</b>
(2)	<b>Non-current liabilities</b>					
	Other non current liabilities (Deferred revenue)		2,640,920	200,155,327	1,622,672	118,633,550
			<b>2,640,920</b>	<b>200,155,327</b>	<b>1,622,672</b>	<b>118,633,550</b>
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	8	205,996	15,612,436	285,660	20,884,603
	(ii) Other financial liabilities	9	1,063,365	80,592,433	1,065,842	77,923,709
	Other current liabilities	10	1,103,050	83,600,160	1,114,804	81,503,320
	Provisions	11	8,678	657,706	10,878	795,291
			<b>2,381,089</b>	<b>180,462,735</b>	<b>2,477,184</b>	<b>181,106,923</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>31,110,788</b>	<b>2,357,886,622</b>	<b>28,522,507</b>	<b>2,085,280,487</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	12	4,358,392	330,322,530	4,232,628	309,447,433
ii	Other Income		786,326	59,595,648	729,016	53,298,360
iii	Total income (i + ii)		5,144,718	389,918,178	4,961,644	362,745,793
iv	Expenses:					
	Network and transmission expenses	13	364,628	27,635,156	349,218	25,531,328
	Employee benefits expenses	14	486,649	36,883,128	400,102	29,251,457
	Depreciation and amortisation expenses	15	362,888	27,503,282	351,160	25,673,308
	Operating and other expenses		1,896,213	143,713,984	1,810,419	132,359,735
	Total expenses		3,110,378	235,735,550	2,910,899	212,815,828
v	Profit before taxes (iii-iv)		2,034,340	154,182,628	2,050,745	149,929,965
vi	Tax expenses					
	(i) Current tax expense/(benefit)		(46,086)	(3,492,858)	416,025	30,415,588
	(ii) Deferred tax expense/(benefit)		414,298	31,399,645	31,331	2,290,609
	Net tax expenses		368,212	27,906,787	447,356	32,706,197
vii	Profit / (loss) for the year (v-vi)		1,666,128	126,275,841	1,603,389	117,223,768

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Land	924,769	70,088,243	924,769	67,609,862
Building	4,858,882	368,254,667	4,858,882	355,232,863
Cables	171,000	12,960,090	171,000	12,501,810
Plant and machinery	3,037,235	230,192,041	3,037,629	222,081,056
Furniture and fixtures	14,007	1,061,591	14,007	1,024,052
Computers	11,411	864,840	11,411	834,258
Office equipment	220,487	16,710,710	220,487	16,119,805
(a)	9,237,791	700,132,182	9,238,185	675,403,706
<b>Accumulated depreciation:</b>				
Building	3,239,897	245,551,794	3,043,657	222,521,763
Cables	116,367	8,819,455	103,470	7,564,692
Plant and machinery	1,963,178	148,789,261	1,851,281	135,347,154
Furniture and fixtures	14,007	1,061,591	14,007	1,024,052
Computers	11,411	864,840	11,411	834,258
Office equipment	173,859	13,176,774	155,374	11,359,393
(b)	5,518,719	418,263,715	5,179,200	378,651,312
<b>Net block (a) - (b)</b>	<b>3,719,072</b>	<b>281,868,467</b>	<b>4,058,985</b>	<b>296,752,394</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Indefeasible right to use assets	21,970	1,665,106	21,970	1,606,227
(a)	21,970	1,665,106	21,970	1,606,227
<b>Accumulated amortisation:</b>				
Indefeasible right to use assets	11,107	841,800	9,642	704,927
(b)	11,107	841,800	9,642	704,927
<b>Net block (a) - (b)</b>	<b>10,863</b>	<b>823,306</b>	<b>12,328</b>	<b>901,300</b>

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	21,775,078	1,650,333,162	20,256,188	1,480,929,905
<b>Total</b>	<b>21,775,078</b>	<b>1,650,333,162</b>	<b>20,256,188</b>	<b>1,480,929,905</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 4 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	1,651,797	125,189,695	157,620	11,523,598
Provision for doubtful debts	(24,000)	(1,818,960)	(25,700)	(1,878,927)
<b>Total</b>	<b>1,627,797</b>	<b>123,370,735</b>	<b>131,920</b>	<b>9,644,671</b>

## 5 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	400,998	30,391,638	372,325	27,220,681
<b>Total</b>	<b>400,998</b>	<b>30,391,638</b>	<b>372,325</b>	<b>27,220,681</b>

## 6 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	553,154	41,923,542	548,722	40,117,065
<b>Total</b>	<b>553,154</b>	<b>41,923,542</b>	<b>548,722</b>	<b>40,117,065</b>

## 7 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	24,422,651	1,850,992,719	22,819,262	1,668,316,246
Profit / (loss) for the year	1,666,128	126,275,841	1,603,389	117,223,768
<b>Total</b>	<b>26,088,779</b>	<b>1,977,268,560</b>	<b>24,422,651</b>	<b>1,785,540,014</b>

## 8 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	133,903	10,148,508	121,423	8,877,236
Inter Company - Payables (Net)	72,093	5,463,928	164,237	12,007,367
<b>Total</b>	<b>205,996</b>	<b>15,612,436</b>	<b>285,660</b>	<b>20,884,603</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 9 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	1,063,000	80,564,770	1,063,000	77,715,930
Others	365	27,663	2,842	207,779
<b>Total</b>	<b>1,063,365</b>	<b>80,592,433</b>	<b>1,065,842</b>	<b>77,923,709</b>

## 10 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	1,077,568	81,668,879	1,114,804	81,503,320
Other Employee dues	25,482	1,931,281	-	-
<b>Total</b>	<b>1,103,050</b>	<b>83,600,160</b>	<b>1,114,804</b>	<b>81,503,320</b>

## 11 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	8,678	657,706	10,878	795,291
<b>Total</b>	<b>8,678</b>	<b>657,706</b>	<b>10,878</b>	<b>795,291</b>

## 12 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	786,242	59,589,281	720,201	52,653,895
Exchange gain -Net	1	76	-	-
Miscellaneous income	83	6,291	8,815	644,465
<b>Total</b>	<b>786,326</b>	<b>59,595,648</b>	<b>729,016</b>	<b>53,298,360</b>

## 13 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	364,628	27,635,156	349,218	25,531,328
<b>Total</b>	<b>364,628</b>	<b>27,635,156</b>	<b>349,218</b>	<b>25,531,328</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 14 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	471,659	35,747,036	384,241	28,091,860
Contribution to provident and other funds	14,561	1,103,578	15,603	1,140,735
Staff welfare expenses	429	32,514	258	18,862
<b>Total</b>	<b>486,649</b>	<b>36,883,128</b>	<b>400,102</b>	<b>29,251,457</b>

## 15 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Auditors remuneration	985	74,653	923	67,481
Communication expenses	9,013	683,095	6,833	499,561
Electricity	533,703	40,449,350	419,811	30,692,382
Insurance expenses	83,083	6,296,861	81,411	5,951,958
IT consumables	638	48,354	25	1,828
Legal and professional fees	22,050	1,671,170	17,960	1,313,056
Miscellaneous expenses	17,754	1,345,576	16,705	1,221,303
Printing and stationery	361	27,360	190	13,891
Provision for doubtful debts	(1,700)	(128,843)	59	4,313
Rates and Taxes	15,639	1,185,280	39,306	2,873,662
Recruitment expenses	63	4,775	-	-
Repairs and Maintenance Plant & Machinery	1,111,697	84,255,516	1,188,061	86,859,140
Repairs and Maintenance -Building	81,423	6,171,049	19,770	1,445,385
Services rendered by agencies	21,504	1,629,788	19,365	1,415,775
<b>Total</b>	<b>1,896,213</b>	<b>143,713,984</b>	<b>1,810,419</b>	<b>132,359,735</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

*Vinodkumar Varma*  
(Vinodkumar Varma)

PARTNER

Membership No. 105545

Place Mumbai

Date: 21 April 2022





## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			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	44,104,031	3,342,644,509	61,723,856	4,512,631,112
	Deferred tax assets (net)		-	-	17,344	1,268,020
			44,104,031	3,342,644,509	61,741,200	4,513,899,132
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	4	3,352,790	254,107,954	4,600,360	336,332,320
	(ii) Cash and cash equivalents	5	69,705	5,282,942	54,666	3,996,631
	(iii) Other financial assets	6	791,477	59,986,042	1,009,620	73,813,318
	Other Current assets	7	38,712	2,933,983	51,128	3,737,968
			4,252,684	322,310,921	5,715,774	417,880,237
	<b>TOTAL ASSETS</b>		<b>48,356,715</b>	<b>3,664,955,430</b>	<b>67,456,974</b>	<b>4,931,779,369</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	10,611,000	804,207,690	10,611,000	775,770,210
	Other equity	9	31,244,512	2,368,021,562	50,713,055	3,707,631,451
	<b>Total Equity</b>		<b>41,855,512</b>	<b>3,172,229,252</b>	<b>61,324,055</b>	<b>4,483,401,661</b>
(2)	<b>Non-current liabilities</b>					
	Deferred tax liabilities (Net)		38,474	2,915,944	-	-
			38,474	2,915,944	-	-
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	10	4,155,160	314,919,580	3,221,173	235,499,958
	(ii) Other financial liabilities	11	70,728	5,360,475	62,591	4,576,028
	Other current liabilities	12	18,683	1,415,984	58,929	4,308,299
	Provisions	13	2,938	222,671	13,415	980,771
	Current tax liability (Net)		2,215,220	167,891,524	2,776,811	203,012,652
			6,462,729	489,810,234	6,132,919	448,377,708
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>48,356,715</b>	<b>3,664,955,430</b>	<b>67,456,974</b>	<b>4,931,779,369</b>

\*Exchange rate as at 31 March 2022 | USD = INR 75.79 (as at 31 March 2021 | USD = INR 73.11 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	14	19,661,163	1,490,119,544	22,327,973	1,632,398,106
ii	Other Income		1,812,575	137,375,059	1,951,712	142,689,664
iii	Total income (i + ii)		21,473,738	1,627,494,603	24,279,685	1,775,087,770
iv	Expenses:					
	Network and transmission expenses	15	6,808,630	516,026,068	7,101,351	519,179,772
	Employee benefits expenses	16	445,882	33,793,397	667,063	48,768,976
	Finance costs	17	-	-	200	14,622
	Operating and other expenses	18	892,510	67,643,335	1,118,689	81,787,352
	Total expenses		8,147,022	617,462,800	8,887,303	649,750,722
v	Profit before taxes (iii-iv)		13,326,716	1,010,031,803	15,392,382	1,125,337,048
vi	Tax expenses					
	(i) Current tax expense/(benefit)		1,739,441	131,832,233	2,638,648	192,911,555
	(ii) Deferred tax expense/(benefit)		55,818	4,230,446	(11,438)	(836,232)
	Net tax expenses		1,795,259	136,062,679	2,627,210	192,075,323
vii	Profit / (loss) for the year (v-vi)		11,531,457	873,969,124	12,765,172	933,261,725

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	95,980	7,274,324	95,980	7,017,098
Computers	62	4,699	62	4,533
(a)	96,042	7,279,023	96,042	7,021,631
<b>Accumulated depreciation:</b>				
Plant and machinery	95,980	7,274,324	95,980	7,017,098
Computers	62	4,699	62	4,533
(b)	96,042	7,279,023	96,042	7,021,631
<b>Net block (a) - (b)</b>	-	-	-	-

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	216,166	16,383,221	216,166	15,803,896
(a)	216,166	16,383,221	216,166	15,803,896
<b>Accumulated amortisation:</b>				
Computer software	216,166	16,383,221	216,166	15,803,896
(b)	216,166	16,383,221	216,166	15,803,896
<b>Net block (a) - (b)</b>	-	-	-	-

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given (Net)	44,104,031	3,342,644,509	61,723,856	4,512,631,112
<b>Total</b>	44,104,031	3,342,644,509	61,723,856	4,512,631,112

## 4 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	3,581,201	271,419,224	5,058,025	369,792,208
Provision for doubtful debts	(228,411)	(17,311,270)	(457,665)	(33,459,888)
<b>Total</b>	3,352,790	254,107,954	4,600,360	336,332,320





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	69,705	5,282,942	54,666	3,996,631
<b>Total</b>	<b>69,705</b>	<b>5,282,942</b>	<b>54,666</b>	<b>3,996,631</b>

## 6 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest Receivable on Inter Co. Loan (Net)	787,866	59,712,364	1,009,620	73,813,318
Others	3,611	273,678	-	-
<b>Total</b>	<b>791,477</b>	<b>59,986,042</b>	<b>1,009,620</b>	<b>73,813,318</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	37,891	2,871,759	51,128	3,737,968
Indirect tax receivable	821	62,224	-	-
<b>Total</b>	<b>38,712</b>	<b>2,933,983</b>	<b>51,128</b>	<b>3,737,968</b>

## 8 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	10,611,000	804,207,690	10,611,000	775,770,210
<b>Total</b>	<b>10,611,000</b>	<b>804,207,690</b>	<b>10,611,000</b>	<b>775,770,210</b>

## 9 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	50,713,055	3,843,542,438	44,947,883	3,286,139,726
Profit / (loss) for the year	11,531,457	873,969,124	12,765,172	933,261,725
Dividend	(31,000,000)	(2,349,490,000)	(7,000,000)	(511,770,000)
<b>Total</b>	<b>31,244,512</b>	<b>2,368,021,562</b>	<b>50,713,055</b>	<b>3,707,631,451</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	963,617	73,032,536	733,634	53,635,982
Inter Company - Payables (Net)	3,191,543	241,887,044	2,487,539	181,863,976
<b>Total</b>	<b>4,155,160</b>	<b>314,919,580</b>	<b>3,221,173</b>	<b>235,499,958</b>

## 11 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deposit from customers and contractors	70,728	5,360,475	62,591	4,576,028
<b>Total</b>	<b>70,728</b>	<b>5,360,475</b>	<b>62,591</b>	<b>4,576,028</b>

## 12 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	2,231	169,087	1,294	94,604
Other Employee dues	16,429	1,245,154	56,400	4,123,404
Other Statutory dues	-	-	38	2,778
Others	23	1,743	1,197	87,513
<b>Total</b>	<b>18,683</b>	<b>1,415,984</b>	<b>58,929</b>	<b>4,308,299</b>

## 13 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	2,938	222,671	13,415	980,771
<b>Total</b>	<b>2,938</b>	<b>222,671</b>	<b>13,415</b>	<b>980,771</b>

## 14 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest income - others	-	-	25	1,828
Interest on loan to subsidiaries	1,812,575	137,375,059	1,951,685	142,687,690
Miscellaneous income	-	-	2	146
<b>Total</b>	<b>1,812,575</b>	<b>137,375,059</b>	<b>1,951,712</b>	<b>142,689,664</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	6,808,630	516,026,068	7,101,351	519,179,772
<b>Total</b>	<b>6,808,630</b>	<b>516,026,068</b>	<b>7,101,351</b>	<b>519,179,772</b>

## 16 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	425,191	32,225,226	634,616	46,396,776
Contribution to provident and other funds	12,371	937,598	29,334	2,144,609
Staff welfare expenses	8,320	630,573	3,113	227,591
<b>Total</b>	<b>445,882</b>	<b>33,793,397</b>	<b>667,063</b>	<b>48,768,976</b>

## 17 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	-	-	200	14,622
<b>Total</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>14,622</b>

## 18 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	3,683	279,135	20,773	1,518,714
Auditors remuneration	3,906	296,036	4,214	308,086
Communication expenses	3,513	266,250	22	1,608
Entertainment expenses	1,897	143,774	213	15,572
Exchange loss -Net	53,914	4,086,142	58,920	4,307,641
IT consumables	-	-	(263)	(19,228)
Legal and professional fees	6,164	467,170	(7,528)	(550,372)
Miscellaneous expenses	177,013	13,415,815	134,516	9,834,465
Provision for doubtful debts	(229,253)	(17,375,085)	149,397	10,922,415
Rates and Taxes	307	23,268	298	21,787
Relocation Expense	52	3,941	-	-
Repairs and Maintenance Plant & Machinery	775,564	58,779,996	659,449	48,212,316
Services rendered by agencies	94,220	7,140,934	98,429	7,196,144
Travelling and conveyance expenses	1,530	115,959	249	18,204
<b>Total</b>	<b>892,510</b>	<b>67,643,335</b>	<b>1,118,689</b>	<b>81,787,352</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91(22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
		USD	INR*	USD	INR*
<b>(A) ASSETS</b>					
<b>(1) Non-current assets</b>					
Property, plant and equipment	1	24,620,130	1,865,959,651	29,566,415	2,161,600,600
Capital work-in-progress		1,469,821	111,397,734	1,020,529	74,610,875
Right-of-use assets		12,032,113	911,913,844	14,548,118	1,063,612,907
Goodwill		36,354	2,755,270	36,354	2,657,841
Other Intangible assets	2	7,783,043	589,876,829	8,281,186	605,437,509
Intangible assets under development		73,234	5,550,405	1,085,652	79,372,018
Investments in subsidiaries & associates	3	200,351,011	15,184,603,123	200,351,011	14,647,662,414
Financial assets					
(i) Investments -others	4	2,000,000	151,580,000	2,000,000	146,220,000
(ii) Other financial assets	5	136,088	10,314,110	137,019	10,017,459
Deferred tax assets (net)		655,796	49,702,779	-	-
Other Non-current assets	6	993,654	75,309,037	3,307,047	241,778,206
		250,151,244	18,958,962,782	260,333,331	19,032,969,829
<b>(2) Current assets</b>					
Financial assets					
(i) Trade receivables	7	32,249,952	2,444,223,862	26,568,902	1,942,452,426
(ii) Cash and cash equivalents	8	2,308,268	174,943,632	1,830,090	133,797,880
(iii) Other financial assets	9	2,109,046	159,844,596	331,066	24,204,235
Other Current assets	10	6,775,023	513,478,994	6,422,448	469,545,174
		43,442,289	3,292,491,084	35,152,506	2,569,999,715
<b>TOTAL ASSETS</b>		293,593,533	22,251,453,866	295,485,837	21,602,969,544
<b>(B) EQUITY AND LIABILITIES</b>					
<b>(1) Equity</b>					
Equity share capital	11	19,102,863	1,447,805,987	19,102,863	1,396,610,314
Other equity	12	74,163,313	5,620,837,494	37,899,128	2,770,805,250
Total Equity		93,266,176	7,068,643,481	57,001,991	4,167,415,564
<b>(2) Non-current liabilities</b>					
Financial liabilities					
(i) Borrowings	13	22,118,984	1,676,397,797	38,337,882	2,802,882,553
(ia) Lease liabilities		11,025,824	835,647,201	12,724,208	930,266,847
(ii) Other financial liabilities	14	33,461,000	2,536,009,190	33,461,000	2,446,333,710
Provisions	15	12,138,114	919,947,660	11,805,236	863,080,804
Other non current liabilities (Deferred revenue)		34,716,768	2,631,183,847	35,243,877	2,576,679,847
		113,460,690	8,599,185,695	131,572,203	9,619,243,761
<b>(3) Current liabilities</b>					
Financial liabilities					
(i) Borrowings	16	9,776,952	740,995,192	37,144,227	2,715,614,436
(ia) Lease liabilities		1,618,522	122,667,782	2,547,389	186,239,610
(ii) Trade payables	17	33,567,803	2,544,103,789	23,832,563	1,742,398,680
(iii) Other financial liabilities	18	22,659,661	1,717,375,706	23,527,586	1,720,101,812
Other current liabilities	19	17,275,211	1,309,288,242	19,251,307	1,407,463,055
Provisions	20	313,634	23,770,321	395,336	28,903,015
Current tax liability (Net)		1,654,884	125,423,658	213,235	15,589,611
		86,866,667	6,583,624,690	106,911,643	7,816,310,219
<b>TOTAL EQUITY AND LIABILITIES</b>		293,593,533	22,251,453,866	295,485,837	21,602,969,544

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	21	174,230,026	13,204,893,671	168,855,733	12,345,042,640
ii	Other Income		36,126,086	2,737,996,060	10,053,280	734,995,300
iii	<b>Total income (i + ii)</b>		<b>210,356,112</b>	<b>15,942,889,731</b>	<b>178,909,013</b>	<b>13,080,037,940</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	22	113,209,253	8,580,129,285	109,396,288	7,997,962,616
	Employee benefits expenses	23	15,659,892	1,186,863,215	17,008,763	1,243,510,663
	Finance costs	24	6,223,104	471,649,052	5,633,219	411,844,641
	Depreciation and amortisation expenses		9,437,882	715,297,077	10,716,718	783,499,253
	Operating and other expenses	25	27,673,926	2,097,406,852	28,735,609	2,100,860,372
	<b>Total expenses</b>		<b>172,204,057</b>	<b>13,051,345,481</b>	<b>171,490,597</b>	<b>12,537,677,545</b>
v	<b>Profit before exceptional items and taxes (iii - iv)</b>		<b>38,152,055</b>	<b>2,891,544,250</b>	<b>7,418,416</b>	<b>542,360,395</b>
vi	<b>Exceptional items:</b>					
	Staff cost optimisation		(271,374)	(20,567,435)	(293,102)	(21,428,687)
	Allowance for loans receivables		-	-	(217,700)	(15,916,047)
	Impairment of investment		(10,000)	(757,900)	-	-
vii	<b>Profit before taxes (v - vi)</b>		<b>37,870,681</b>	<b>2,870,218,915</b>	<b>6,907,614</b>	<b>505,015,661</b>
viii	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		2,262,291	171,459,035	-	-
	(ii) Deferred tax expense/(benefit)		(655,795)	(49,702,703)	-	-
	<b>Net tax expenses</b>		<b>1,606,496</b>	<b>121,756,332</b>	<b>-</b>	<b>-</b>
ix	<b>Profit / (loss) for the year (vii-viii)</b>		<b>36,264,185</b>	<b>2,748,462,583</b>	<b>6,907,614</b>	<b>505,015,661</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	7,401,682	560,973,479	7,401,682	541,136,971
Cables	33,486,184	2,537,917,885	32,031,777	2,341,843,216
Plant and machinery	45,846,971	3,474,741,932	62,225,354	4,549,295,631
Furniture and fixtures	991,737	75,163,747	991,737	72,505,892
Computers	2,154,222	163,268,485	2,233,698	163,305,661
Office equipment	333,237	25,256,032	338,991	24,783,632
(a)	90,214,033	6,837,321,560	105,223,239	7,692,871,003
<b>Accumulated depreciation:</b>				
Lease hold improvement	7,368,028	558,422,842	6,380,207	466,456,934
Cables	18,134,407	1,374,406,707	15,820,250	1,156,618,478
Plant and machinery	36,901,413	2,796,758,091	50,470,258	3,689,880,562
Furniture and fixtures	892,650	67,653,944	652,733	47,721,310
Computers	2,040,073	154,617,133	2,120,137	155,003,216
Office equipment	257,332	19,503,192	213,239	15,589,903
(b)	65,593,903	4,971,361,909	75,656,824	5,531,270,403
<b>Net block (a) - (b)</b>	<b>24,620,130</b>	<b>1,865,959,651</b>	<b>29,566,415</b>	<b>2,161,600,600</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	4,727,634	358,307,381	4,663,637	340,958,501
Indefeasible right to use assets	60,724,615	4,602,318,571	60,724,615	4,439,576,603
(a)	65,452,249	4,960,625,952	65,388,252	4,780,535,104
<b>Accumulated amortisation:</b>				
Computer software	3,150,134	238,748,656	3,755,089	274,534,557
Indefeasible right to use assets	54,519,072	4,132,000,467	53,351,977	3,900,563,038
(b)	57,669,206	4,370,749,123	57,107,066	4,175,097,595
<b>Net block (a) - (b)</b>	<b>7,783,043</b>	<b>589,876,829</b>	<b>8,281,186</b>	<b>605,437,509</b>

## 3 Investments in subsidiaries &amp; associates

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments in subsidiaries	218,996,075	16,597,712,524	218,996,075	16,010,803,043
Impairment of investment in subsidiaries	(18,645,064)	(1,413,109,401)	(18,645,064)	(1,363,140,629)
<b>Total</b>	<b>200,351,011</b>	<b>15,184,603,123</b>	<b>200,351,011</b>	<b>14,647,662,414</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 4 Financial asset - Investment others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments - others	2,000,000	151,580,000	2,000,000	146,220,000
<b>Total</b>	<b>2,000,000</b>	<b>151,580,000</b>	<b>2,000,000</b>	<b>146,220,000</b>

## 5 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	136,088	10,314,110	137,019	10,017,459
<b>Total</b>	<b>136,088</b>	<b>10,314,110</b>	<b>137,019</b>	<b>10,017,459</b>

## 6 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	993,654	75,309,037	3,307,047	241,778,206
<b>Total</b>	<b>993,654</b>	<b>75,309,037</b>	<b>3,307,047</b>	<b>241,778,206</b>

## 7 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	35,921,033	2,722,455,091	30,611,507	2,238,007,277
Intercompany receivables (Net)	-	-	118,696	8,677,865
Provision for doubtful debts	(3,671,081)	(278,231,229)	(4,161,301)	(304,232,716)
<b>Total</b>	<b>32,249,952</b>	<b>2,444,223,862</b>	<b>26,568,902</b>	<b>1,942,452,426</b>

## 8 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	2,308,268	174,943,632	1,830,090	133,797,880
<b>Total</b>	<b>2,308,268</b>	<b>174,943,632</b>	<b>1,830,090</b>	<b>133,797,880</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 9 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	9,293	704,316	166	12,136
Forward Premium	-	-	40,804	2,983,180
Interest Receivable on Inter Co. Loan (Net)	2,097,394	158,961,491	286,560	20,950,402
Others	2,359	178,789	3,536	258,517
<b>Total</b>	<b>2,109,046</b>	<b>159,844,596</b>	<b>331,066</b>	<b>24,204,235</b>

## 10 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	553,164	41,924,300	21,757	1,590,654
Advances to employees	6,337	480,281	20,261	1,481,282
Prepaid expenses	5,768,811	437,218,186	6,127,955	448,014,790
Indirect tax receivable	-	-	160,824	11,757,843
Others	446,711	33,856,227	91,651	6,700,605
<b>Total</b>	<b>6,775,023</b>	<b>513,478,994</b>	<b>6,422,448</b>	<b>469,545,174</b>

## 11 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	19,102,863	1,447,805,987	19,102,863	1,396,610,314
<b>Total</b>	<b>19,102,863</b>	<b>1,447,805,987</b>	<b>19,102,863</b>	<b>1,396,610,314</b>

## 12 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(366,147,243)	(27,750,299,547)	(373,054,857)	(27,274,040,595)
Profit / (loss) for the year	36,264,185	2,748,462,583	6,907,614	505,015,661
<b>Closing balance</b>	<b>(329,883,058)</b>	<b>(25,001,836,964)</b>	<b>(366,147,243)</b>	<b>(26,769,024,934)</b>
Share premium	404,046,371	30,622,674,458	404,046,371	29,539,830,184
<b>Total</b>	<b>74,163,313</b>	<b>5,620,837,494</b>	<b>37,899,128</b>	<b>2,770,805,250</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 13 Non-current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Loan from banks	22,118,984	1,676,397,797	38,337,882	2,802,882,553
<b>Total</b>	<b>22,118,984</b>	<b>1,676,397,797</b>	<b>38,337,882</b>	<b>2,802,882,553</b>

## 14 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Dividend payable	33,461,000	2,536,009,190	33,461,000	2,446,333,710
<b>Total</b>	<b>33,461,000</b>	<b>2,536,009,190</b>	<b>33,461,000</b>	<b>2,446,333,710</b>

## 15 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Asset retirement obligation and others	11,657,094	883,491,154	11,445,681	836,793,738
Provision for gratuity	93,099	7,055,973	74,015	5,411,237
Retention liability	387,921	29,400,533	285,540	20,875,829
<b>Total</b>	<b>12,138,114</b>	<b>919,947,660</b>	<b>11,805,236</b>	<b>863,080,804</b>

## 16 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Loan from bank	4,255,289	322,508,353	10,267,186	750,633,968
Inter company loans taken (Net)	5,521,663	418,486,839	26,877,041	1,964,980,468
<b>Total</b>	<b>9,776,952</b>	<b>740,995,192</b>	<b>37,144,227</b>	<b>2,715,614,436</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 17 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	26,168,480	1,983,309,099	23,832,563	1,742,398,680
Inter Company - Payables (Net)	7,399,323	560,794,690	-	-
<b>Total</b>	<b>33,567,803</b>	<b>2,544,103,789</b>	<b>23,832,563</b>	<b>1,742,398,680</b>

## 18 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Current portion of long term loans	16,218,898	1,229,230,279	22,691,027	1,658,940,984
Deposit from customers and contractors	6,223,094	471,648,294	600,613	43,910,816
Interest accrued but not due -others	147,537	11,181,829	235,946	17,250,012
Forward premium	70,132	5,315,304	-	-
<b>Total</b>	<b>22,659,661</b>	<b>1,717,375,706</b>	<b>23,527,586</b>	<b>1,720,101,812</b>

## 19 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance frontcustomers	14,124,463	1,070,493,051	15,791,984	1,154,551,950
Other Employee dues	2,770,791	209,998,250	3,413,927	249,592,203
Other Statutory dues	379,640	28,772,916	-	-
Others	317	24,025	45,396	3,318,902
<b>Total</b>	<b>17,275,211</b>	<b>1,309,288,242</b>	<b>19,251,307</b>	<b>1,407,463,055</b>

## 20 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	313,634	23,770,321	395,336	28,903,015
<b>Total</b>	<b>313,634</b>	<b>23,770,321</b>	<b>395,336</b>	<b>28,903,015</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 21 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Dividend income	31,067,297	2,354,590,440	7,000,000	511,770,000
Interest income - others	7,358	557,663	126,666	9,260,551
Interest on loan to subsidiaries	4,471,139	338,867,625	1,949,784	142,548,708
Profit on sale of Property, plant and equipment	8,750	663,163	-	-
Exchange gain -Net	121,264	9,190,599	-	-
Miscellaneous income	450,278	34,126,570	976,830	71,416,041
<b>Total</b>	<b>36,126,086</b>	<b>2,737,996,060</b>	<b>10,053,280</b>	<b>734,995,300</b>

## 22 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	113,209,253	8,580,129,285	109,396,288	7,997,962,616
<b>Total</b>	<b>113,209,253</b>	<b>8,580,129,285</b>	<b>109,396,288</b>	<b>7,997,962,616</b>

## 23 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	14,804,889	1,122,062,537	16,111,902	1,177,941,155
Contribution to provident and other funds	710,925	53,881,006	768,717	56,200,900
Staff welfare expenses	144,078	10,919,672	128,144	9,368,608
<b>Total</b>	<b>15,659,892</b>	<b>1,186,863,215</b>	<b>17,008,763</b>	<b>1,243,510,663</b>

## 24 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	2,542,103	192,665,986	4,583,342	335,088,134
Interest on inter companies loan	3,330,729	252,435,951	1,027,466	75,118,039
Guarantee fees	350,272	26,547,115	22,411	1,638,468
<b>Total</b>	<b>6,223,104</b>	<b>471,649,052</b>	<b>5,633,219</b>	<b>411,844,641</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 25 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	741,401	56,190,782	310,591	22,707,308
Auditors remuneration	35,707	2,706,234	36,328	2,655,940
Communication expenses	94,980	7,198,534	147,593	10,790,524
Directors fees	45,450	3,444,656	46,344	3,388,210
Donations	-	-	4,913	359,189
Electricity	1,671,019	126,646,530	1,582,538	115,699,353
Entertainment expenses	8,280	627,541	15,384	1,124,724
Exchange loss -Net	-	-	1,392,473	101,803,701
Insurance expenses	153,354	11,622,700	149,487	10,928,995
IT consumables	2,737	207,437	(2,259)	(165,155)
Legal and professional fees	1,285,511	97,428,879	1,510,430	110,427,537
Miscellaneous expenses	2,773,883	210,232,593	2,739,369	200,275,268
Printing and stationery	2,265	171,664	(1,843)	(134,742)
Provision for doubtful debts	(490,220)	(37,153,774)	445,443	32,566,338
Rates and Taxes	633,280	47,996,291	477,904	34,939,561
Recruitment expenses	298,054	22,589,513	903	66,018
Relocation Expense	22,578	1,711,187	11,877	868,327
Rent	1,903,247	144,247,090	2,102,244	153,695,059
Repairs and Maintenance Plant & Machinery	16,418,775	1,244,378,957	16,366,629	1,196,564,246
Repairs and Maintenance -Building	2,479	187,883	4,170	304,869
Seminars, trainings and conferences	1,029	77,988	7,077	517,399
Services rendered by agencies	1,276,298	96,730,625	1,262,916	92,331,789
Bad debts written off	759,081	57,530,749	102,267	7,476,740
Travelling and conveyance expenses	34,738	2,632,793	22,831	1,669,174
<b>Total</b>	<b>27,673,926</b>	<b>2,097,406,852</b>	<b>28,735,609</b>	<b>2,100,860,372</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7309

**APPENDIX - 39**

**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 B.V** ("the subsidiary") registered in Netherlands as at 31 March 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			EURO	INR*	EURO	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	127,954	10,767,124	210,370	18,037,002
	Other Intangible assets	2	157,224	13,230,148	551,073	47,248,680
	<b>Financial assets</b>					
	(i) Investments -others	3	-	-	-	-
	(ii) Loans	4	2,346,621	197,464,403	861,182	73,837,245
			2,631,799	221,461,675	1,622,625	139,122,927
(2)	<b>Current assets</b>					
	<b>Financial assets</b>					
	(i) Trade receivables	5	19,060,266	1,603,890,888	20,198,122	1,731,775,265
	(ii) Cash and cash equivalent	6	10,383	873,713	17,498	1,500,268
	(iii) Other financial assets	7	34,422	2,896,556	11,957	1,025,186
	Other current assets	8	10,184	856,967	20,742	1,778,407
			19,115,255	1,608,518,124	20,248,319	1,736,079,126
	<b>TOTAL ASSETS</b>		21,747,054	1,829,979,799	21,870,944	1,875,202,053
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	33,684	2,834,455	33,684	2,888,047
	Other equity	10	21,570,264	1,815,103,204	21,505,075	1,843,832,657
	<b>Total Equity</b>		21,603,948	1,817,937,659	21,538,759	1,846,720,704
(2)	<b>Non-current liabilities</b>					
	Deferred tax liabilities (Net)		84	7,068	-	-
			84	7,068	-	-
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	11	129,653	10,910,093	259,690	22,265,670
	(ii) Other financial liabilities	12	10	841	3	257
	(iii) Other current liabilities	13	13,359	1,124,138	72,492	6,215,422
			143,022	12,035,072	332,185	28,481,349
	<b>TOTAL EQUITY AND LIABILITIES</b>		21,747,054	1,829,979,799	21,870,944	1,875,202,053

\*Exchange rate as at 31 March 2022 1 EURO = 84.15 INR (as at 31 March 2021 1 EURO = INR 85.74 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			EURO	INR*	EURO	INR*
i	Revenue from operations	14	1,146,925	96,511,904	1,938,254	166,184,774
ii	Other Income		92,774	7,806,784	31,972	2,741,261
iii	Total income (i + ii)		1,239,699	104,318,688	1,970,226	168,926,035
iv	Expenses:					
	Network and transmission expenses	15	193,785	16,306,698	234,872	20,137,789
	Employee benefits expenses	16	4,820	405,595	-	-
	Finance costs	17	1,218	102,493	1,910	163,762
	Depreciation and amortisation expenses	18	476,265	40,076,938	668,739	57,337,294
	Operating and other expenses		498,338	41,934,345	1,013,183	86,869,724
	Total expenses		1,174,426	98,826,069	1,918,704	164,508,569
v	Profit / (loss) before taxes (iii - iv)		65,273	5,492,619	51,522	4,417,466
vi	Tax expenses					
	(i) Current tax expense		-	-	-	-
	(ii) Deferred tax expense/(benefit)		84	7,068	-	-
	Net tax expenses		84	7,068	-	-
vii	Profit / (loss) for the year (v-vi)		65,189	5,485,551	51,522	4,417,466

\*Exchange rate as at 31 March 2022 1 EURO = 84.15 INR (as at 31 March 2021 1 EURO = INR 85.74 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
<b>Gross block:</b>				
Plant and machinery	3,169,509	266,709,111	3,177,209	272,412,057
(a)	3,169,509	266,709,111	3,177,209	272,412,057
<b>Accumulated depreciation:</b>				
Plant and machinery	3,041,555	255,941,987	2,966,839	254,375,055
(b)	3,041,555	255,941,987	2,966,839	254,375,055
<b>Net block (a) - (b)</b>	<b>127,954</b>	<b>10,767,124</b>	<b>210,370</b>	<b>18,037,002</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
<b>Gross block:</b>				
Computer software	5,209,709	438,388,677	7,615,228	652,925,232
(a)	5,209,709	438,388,677	7,615,228	652,925,232
<b>Accumulated amortisation:</b>				
Computer software	5,052,485	425,158,529	7,064,155	605,676,552
(b)	5,052,485	425,158,529	7,064,155	605,676,552
<b>Net block (a) - (b)</b>	<b>157,224</b>	<b>13,230,148</b>	<b>551,073</b>	<b>47,248,680</b>

## 3 Financial asset - Investment others

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	USD	INR
Investments - others	137,040	11,531,697	137,040	11,749,730
Impairment of investment - others	(137,040)	(11,531,697)	(137,040)	(11,749,730)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 4 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Inter company loans given (net)	2,346,621	197,464,403	861,182	73,837,245
<b>Total</b>	<b>2,346,621</b>	<b>197,464,403</b>	<b>861,182</b>	<b>73,837,245</b>

## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	-	-	-
Trade receivables	73	6,143	215	18,434
Intercompany receivables (net)	19,060,193	1,603,884,745	20,197,907	1,731,756,831
<b>Total</b>	<b>19,060,266</b>	<b>1,603,890,888</b>	<b>20,198,122</b>	<b>1,731,775,265</b>



## 6 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	-	INR
Balance with bank	10,383	873,713	17,498	1,500,268
<b>Total</b>	<b>10,383</b>	<b>873,713</b>	<b>17,498</b>	<b>1,500,268</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	-	INR
Interest receivable	34,422	2,896,556	11,957	1,025,186
<b>Total</b>	<b>34,422</b>	<b>2,896,556</b>	<b>11,957</b>	<b>1,025,186</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	-	INR
Prepaid expenses	10,184	856,967	20,742	1,778,407
<b>Total</b>	<b>10,184</b>	<b>856,967</b>	<b>20,742</b>	<b>1,778,407</b>

## 9 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	-	INR
Equity share capital	33,684	2,834,455	33,684	2,888,047
<b>Total</b>	<b>33,684</b>	<b>2,834,455</b>	<b>33,684</b>	<b>2,888,047</b>

## 10 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	-	INR
<b>Surplus / (Deficit)</b>				
Opening balance	6,868,929	578,009,385	6,817,407	584,520,522
Profit for the year	65,189	5,485,551	51,522	4,417,466
<b>Closing balance</b>	<b>6,934,118</b>	<b>583,494,936</b>	<b>6,868,929</b>	<b>588,937,988</b>
Share premium	14,636,146	1,231,608,268	14,636,146	1,254,894,669
<b>Total</b>	<b>21,570,264</b>	<b>1,815,103,204</b>	<b>21,505,075</b>	<b>1,843,832,657</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	-	INR
Trade payable	129,653	10,910,093	259,690	22,265,670
<b>Total</b>	<b>129,653</b>	<b>10,910,093</b>	<b>259,690</b>	<b>22,265,670</b>



## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	-	INR
Others	10	841	3	257
<b>Total</b>	<b>10</b>	<b>841</b>	<b>3</b>	<b>257</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	-	INR
Statutory dues	13,359	1,124,138	72,492	6,215,422
<b>Total</b>	<b>13,359</b>	<b>1,124,138</b>	<b>72,492</b>	<b>6,215,422</b>

## 14 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	-	INR
Interest on loan to subsidiaries	58,572	4,928,740	15,622	1,339,421
Exchange gain -Net	34,202	2,878,044	-	-
Miscellaneous income	-	-	16,350	1,401,840
<b>Total</b>	<b>92,774</b>	<b>7,806,784</b>	<b>31,972</b>	<b>2,741,261</b>

## 15 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	-	INR
Charges for use of transmission facilities	193,785	16,306,698	234,872	20,137,789
<b>Total</b>	<b>193,785</b>	<b>16,306,698</b>	<b>234,872</b>	<b>20,137,789</b>

## 16 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Staff welfare expenses	4,820	405,595	-	-
<b>Total</b>	<b>4,820</b>	<b>405,595</b>	<b>-</b>	<b>-</b>

## 17 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	-	INR
Interest expenses	-	-	1,704	146,100
Interest on inter companies loan	-	-	188	16,119
Guarantee fees	1,218	102,493	18	1,543
<b>Total</b>	<b>1,218</b>	<b>102,493</b>	<b>1,910</b>	<b>163,762</b>





## 18 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	-	INR
Advertising and publicity	(1,212)	(101,988)	1,212	103,916
Auditors's remuneration	12,000	1,009,781	12,000	1,028,873
Directors fees	23,501	1,977,572	-	-
Communication expenses	-	-	202	17,319
Electricity charges	151,159	12,719,788	88,199	7,562,131
Exchange loss -Net	-	-	79,231	6,793,220
Legal and professional fees	13,429	1,130,029	143,107	12,269,911
Rate and taxes	9,521	801,177	-	-
Miscellaneous expenses	1,787	150,372	14,261	1,222,732
Insurance expenses	-	-	16,262	1,394,294
Repairs and Maintenance Plant & Machinery	288,153	24,247,614	658,709	56,477,328
<b>Total</b>	<b>498,338</b>	<b>41,934,345</b>	<b>1,013,183</b>	<b>86,869,724</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

*Vinodkumar Varma*  
(Vinodkumar Varma)

PARTNER

Membership No. 105545



Place Mumbai

Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			EURO	INR*	EURO	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	26,325	2,215,207	86,050	7,377,877
	Other intangible assets	2	74,551	6,273,347	126,099	10,811,655
	Intangible assets under development		-	-	307,816	26,391,965
	Financial assets					
	(i) Other financial assets	3	115,657	9,732,351	113,902	9,765,891
	Other non-current assets	4	-	-	64,029	5,489,809
			216,533	18,220,905	697,896	59,837,197
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	694,619	58,451,078	2,163,778	185,521,070
	(ii) Cash and cash equivalent	6	11,030	928,157	76,822	6,586,674
	(iii) Other financial assets	7	118	9,930	537	46,042
	Other current assets	8	191,854	16,144,207	255,258	21,885,673
			897,621	75,533,372	2,496,395	214,039,459
	<b>TOTAL ASSETS</b>		1,114,154	93,754,277	3,194,291	273,876,656
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	18,000	1,514,671	18,000	1,543,310
	Other equity	10	(5,759,141)	(484,622,501)	(5,873,125)	(503,558,333)
	<b>Total Equity</b>		(5,741,141)	(483,107,830)	(5,855,125)	(502,015,023)
(2)	<b>Non-current liabilities</b>					
	Provisions	11	86,130	7,247,702	82,821	7,101,025
	Other non current liabilities (Deferred revenue)		3,000	252,445	5,000	428,697
			89,130	7,500,147	87,821	7,529,722
(3)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	12	70,981	5,972,938	4,564,455	391,353,724
	(ii) Trade payables	13	5,980,127	503,218,119	2,089,514	179,153,718
	(iii) Other financial liabilities	14	41,151	3,462,791	69,126	5,926,823
	Other current liabilities	15	673,906	56,708,112	2,238,500	191,927,692
			6,766,165	569,361,960	8,961,595	768,361,957
	<b>TOTAL EQUITY AND LIABILITIES</b>		1,114,154	93,754,277	3,194,291	273,876,656

\*Exchange rate as at 31 March 2022 1 EURO = 84.15 INR (as at 31 March 2021 1 EURO = INR 85.74 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			EURO	INR*	EURO	INR*
i	Revenue from operations	16	12,722,599	1,070,586,350	15,082,167	1,293,136,251
ii	Other Income		327,529	27,561,042	61,930	5,309,842
iii	Total income (i + ii)		13,050,128	1,098,147,392	15,144,097	1,298,446,093
iv	Expenses:					
	Network and transmission expenses	17	11,188,299	941,477,460	5,221,446	447,683,752
	Employee benefits expenses	18	355,586	29,921,993	4,841,004	415,064,875
	Finance costs	19	117,152	9,858,153	142,617	12,227,899
	Depreciation and amortisation expenses		111,273	9,363,445	96,071	8,237,072
	Operating and other expenses	20	1,163,834	97,934,770	3,223,538	276,384,280
	Total expenses		12,936,144	1,088,555,821	13,524,676	1,159,597,878
v	Profit/ (loss) before exceptional items and taxes (iii-iv)		113,984	9,591,571	1,619,421	138,848,215
vi	Exceptional items:					
	Staff cost optimisation		-	-	(1,697,780)	(145,566,672)
vii	Profit/ (loss) before taxes (v-vi)		113,984	9,591,571	(78,359)	(6,718,457)
vi	Tax expenses					
	Current tax expense/(benefit)		-	-	-	-
	Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit/(loss) for the year (v-vi)		113,984	9,591,571	(78,359)	(6,718,457)

\*Exchange rate as at 31 March 2022 1 EURO = 84.15 INR (as at 31 March 2021 1 EURO = INR 85.74 )



## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
<b>Gross block:</b>				
Plant & machinery	296,574	24,956,228	411,096	35,247,133
(a)	296,574	24,956,228	411,096	35,247,133
<b>Accumulated depreciation:</b>				
Plant & machinery	270,249	22,741,021	325,046	27,869,256
(b)	270,249	22,741,021	325,046	27,869,256
<b>Net block (a) - (b)</b>	<b>26,325</b>	<b>2,215,207</b>	<b>86,050</b>	<b>7,377,877</b>

## 2 Other intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
<b>Gross block:</b>				
Computer software	233,127	19,617,264	233,127	19,988,174
(a)	233,127	19,617,264	233,127	19,988,174
<b>Accumulated amortisation:</b>				
Computer software	158,576	13,343,917	107,028	9,176,519
(b)	158,576	13,343,917	107,028	9,176,519
<b>Net block (a) - (b)</b>	<b>74,551</b>	<b>6,273,347</b>	<b>126,099</b>	<b>10,811,655</b>

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Vendor deposits	115,657	9,732,351	113,902	9,765,891
<b>Total</b>	<b>115,657</b>	<b>9,732,351</b>	<b>113,902</b>	<b>9,765,891</b>

## 4 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Prepaid expenses	-	-	64,029	5,489,809
<b>Total</b>	<b>-</b>	<b>-</b>	<b>64,029</b>	<b>5,489,809</b>



## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2020	
	EURO	INR	EURO	INR
Trade receivables	1,047,290	88,127,778	905,292	77,619,211
Intercompany receivables (net)	-	-	1,604,600	137,577,473
Provision for doubtful debts	(352,671)	(29,676,700)	(346,114)	(29,675,614)
<b>Total</b>	<b>694,619</b>	<b>58,451,078</b>	<b>2,163,778</b>	<b>185,521,070</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Balance with bank	11,030	928,157	76,822	6,586,674
<b>Total</b>	<b>11,030</b>	<b>928,157</b>	<b>76,822</b>	<b>6,586,674</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Others	118	9,930	537	46,042
<b>Total</b>	<b>118</b>	<b>9,930</b>	<b>537</b>	<b>46,042</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Advances to employees	950	79,941	-	-
Prepaid expenses	190,904	16,064,266	255,258	21,885,673
<b>Total</b>	<b>191,854</b>	<b>16,144,207</b>	<b>255,258</b>	<b>21,885,673</b>

## 9 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Equity share capital	18,000	1,514,671	18,000	1,543,310
<b>Total</b>	<b>18,000</b>	<b>1,514,671</b>	<b>18,000</b>	<b>1,543,310</b>



## 10 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Surplus / (Deficit)				
Opening balance	(5,873,125)	(494,214,072)	(5,794,766)	(496,839,876)
Profit/ (loss) for the year	113,984	9,591,571	(78,359)	(6,718,457)
<b>Total</b>	<b>(5,759,141)</b>	<b>(484,622,501)</b>	<b>(5,873,125)</b>	<b>(503,558,333)</b>

## 11 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Asset retirement obligation and others	86,130	7,247,702	82,821	7,101,025
<b>Total</b>	<b>86,130</b>	<b>7,247,702</b>	<b>82,821</b>	<b>7,101,025</b>

## 12 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2020	
	EURO	INR	EURO	INR
Inter company loans taken (net)	70,981	5,972,938	4,564,455	391,353,724
<b>Total</b>	<b>70,981</b>	<b>5,972,938</b>	<b>4,564,455</b>	<b>391,353,724</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Trade payable	4,129,454	347,486,947	2,089,514	179,153,718
Inter company - payables (net)	1,850,673	155,731,172	-	-
<b>Total</b>	<b>5,980,127</b>	<b>503,218,119</b>	<b>2,089,514</b>	<b>179,153,718</b>

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Interest accrued but not due	41,151	3,462,791	69,126	5,926,823
<b>Total</b>	<b>41,151</b>	<b>3,462,791</b>	<b>69,126</b>	<b>5,926,823</b>





## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Other Statutory dues	673,906	56,708,112	487,997	41,840,580
Other Employee dues	-	-	1,750,503	150,087,112
<b>Total</b>	<b>673,906</b>	<b>56,708,112</b>	<b>2,238,500</b>	<b>191,927,692</b>

## 16 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Exchange gain-Net	318,118	26,769,121	57,414	4,922,643
Interest on loan to subsidiaries	578	48,638	-	-
Miscellaneous income	8,833	743,283	4,516	387,199
<b>Total</b>	<b>327,529</b>	<b>27,561,042</b>	<b>61,930</b>	<b>5,309,842</b>

## 17 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Charges for use of transmission facilities	11,188,299	941,477,460	5,221,446	447,683,752
<b>Total</b>	<b>11,188,299</b>	<b>941,477,460</b>	<b>5,221,446</b>	<b>447,683,752</b>

## 18 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Salaries, bonus and allowances	248,143	20,880,836	4,778,123	409,673,495
Staff welfare expenses	107,443	9,041,157	62,881	5,391,380
<b>Total</b>	<b>355,586</b>	<b>29,921,993</b>	<b>4,841,004</b>	<b>415,064,875</b>

## 19 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Interest expenses	3,309	278,447	3,181	272,737
Interest on inter companies loan	95,202	8,011,096	126,389	10,836,520
Guarantee fees	18,641	1,568,610	13,047	1,118,642
<b>Total</b>	<b>117,152</b>	<b>9,858,153</b>	<b>142,617</b>	<b>12,227,899</b>



## 20 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Advertising and publicity	-	-	49	4,201
Auditors remuneration	25,500	2,145,784	25,500	2,186,355
Communication expenses	1,628	136,994	6,553	561,850
Director Fees	24,179	2,034,624	-	-
Donation	300	25,245	300	25,722
Entertainment expenses	-	-	(15)	(1,286)
Insurance expenses	-	-	(1,683)	(144,299)
IT consumables	3,368	283,412	-	-
Legal and professional fees	11,373	957,020	1,231,561	105,593,326
Miscellaneous expenses	7,053	593,497	7,347	629,928
Printing and stationery	5,617	472,662	13,142	1,126,787
Provision for doubtful debts	14,068	1,183,800	70,095	6,009,905
Recruitment expenses	-	-	17,252	1,479,176
Relocation expenses	57,414	4,831,296	1,407	120,635
Rates & taxes	3,174	267,087	90,730	7,779,138
Rent	168,340	14,165,542	233,449	20,015,782
Repairs and maintenance plant & machinery	822,463	69,208,946	1,028,920	88,219,004
Repairs and maintenance -building	39	3,282	450	38,583
Seminars, trainings and conferences	14,648	1,232,606	(5,985)	(513,150)
Services rendered by agencies	9,537	802,523	440,549	37,772,416
Water charges	5,530	465,341	-	-
Travelling and conveyance expenses	(10,397)	(874,891)	63,917	5,480,207
<b>Total</b>	<b>1,163,834</b>	<b>97,934,770</b>	<b>3,223,538</b>	<b>276,384,280</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T+91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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.

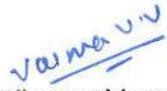
Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us by management to compile the balance sheet and the related statement of profit and loss. Accordingly, we do not express an audit opinion or a review 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			EURO	INR*	EURO	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Financial assets					
	(i) Loans	1	18	1,515	-	-
	Advance tax (net)		1,785	150,205	2,184	187,255
			1,803	151,720	2,184	187,255
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	2	56,007	4,712,900	44,994	3,857,760
	(ii) Cash and cash equivalent	3	87,992	7,404,386	108,170	9,274,433
	(iii) Other financial assets	4	48	4,039	-	-
	Other current assets	5	2,587	217,692	1,106	94,828
			146,634	12,339,017	154,270	13,227,021
	<b>TOTAL ASSETS</b>		148,437	12,490,737	156,454	13,414,276
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	6	18,000	1,514,671	18,000	1,543,310
	Other equity	7	(24,811)	(2,087,804)	(1,286)	(110,260)
	<b>Total Equity</b>		(6,811)	(573,133)	16,714	1,433,050
(2)	<b>Non-current liabilities</b>					
	Other non current liabilities (Deferred revenue)		39,470	3,321,337	12,007	1,029,473
			39,470	3,321,337	12,007	1,029,473
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	8	-	-	90,409	7,751,615
	(ii) Trade payables	9	42,361	3,564,610	35,006	3,001,394
	(iii) Other financial liabilities	10	3,153	265,320	1,612	138,212
	Other current liabilities	11	70,264	5,912,603	706	60,532
			115,778	9,742,533	127,733	10,951,753
	<b>TOTAL EQUITY AND LIABILITIES</b>		148,437	12,490,737	156,454	13,414,276

\*Exchange rate as at 31 March 2022 1 EURO = 84.15 INR (As at 31 March 2021 1 EURO = 85.74 INR)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			EURO	INR*	EURO	INR*
i	Revenue from operations	12	74,432	6,263,334	68,943	5,911,133
ii	Other Income		4,459	375,218	2,299	197,115
iii	<b>Total income (i + ii)</b>		<b>78,891</b>	<b>6,638,552</b>	<b>71,242</b>	<b>6,108,248</b>
iv	<b>Expenses:</b>					
	Network and transmission expenses	13	67,851	5,709,553	11,606	995,092
	Finance costs	14	150	12,622	2,077	178,081
	Operating and other expenses	15	34,415	2,895,966	58,237	4,993,205
	<b>Total expenses</b>		<b>102,416</b>	<b>8,618,141</b>	<b>71,920</b>	<b>6,166,378</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(23,525)</b>	<b>(1,979,589)</b>	<b>(678)</b>	<b>(58,130)</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>(23,525)</b>	<b>(1,979,589)</b>	<b>(678)</b>	<b>(58,130)</b>

\*Exchange rate as at 31 March 2022 1 EURO = 84.15 INR (As at 31 March 2021 1 EURO = 85.74 INR)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Inter company loans given	18	1,515	-	-
<b>Total</b>	<b>18</b>	<b>1,515</b>	<b>-</b>	<b>-</b>

## 2 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Trade receivables	37,364	3,144,121	10,792	925,300
Intercompany receivables (net)	19,118	1,608,749	34,202	2,932,460
Provision for doubtful debts	(475)	(39,970)	-	-
<b>Total</b>	<b>56,007</b>	<b>4,712,900</b>	<b>44,994</b>	<b>3,857,760</b>

## 3 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Balance with bank	87,992	7,404,386	108,170	9,274,433
<b>Total</b>	<b>87,992</b>	<b>7,404,386</b>	<b>108,170</b>	<b>9,274,433</b>

## 4 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Interest Receivable	48	4,039	-	-
<b>Total</b>	<b>48</b>	<b>4,039</b>	<b>-</b>	<b>-</b>

## 5 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Indirect tax receivable	2,587	217,692	1,106	94,828
<b>Total</b>	<b>2,587</b>	<b>217,692</b>	<b>1,106</b>	<b>94,828</b>

## 6 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Equity share capital	18,000	1,514,671	18,000	1,543,310
<b>Total</b>	<b>18,000</b>	<b>1,514,671</b>	<b>18,000</b>	<b>1,543,310</b>



## 7 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Surplus / (Deficit)				
Opening balance	(1,286)	(108,215)	(608)	(52,130)
Profit/(loss) for the year	(23,525)	(1,979,589)	(678)	(58,130)
<b>Total</b>	<b>(24,811)</b>	<b>(2,087,804)</b>	<b>(1,286)</b>	<b>(110,260)</b>

## 8 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Inter company loans taken (net)	-	-	90,409	7,751,615
<b>Total</b>	<b>-</b>	<b>-</b>	<b>90,409</b>	<b>7,751,615</b>

## 9 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Trade payable	42,361	3,564,610	35,006	3,001,394
Inter Company - Payables	-	-	-	-
<b>Total</b>	<b>42,361</b>	<b>3,564,610</b>	<b>35,006</b>	<b>3,001,394</b>

## 10 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Deposit from customers and contractors	3,153	265,320	-	-
Interest accrued but not due	-	-	1,612	138,212
<b>Total</b>	<b>3,153</b>	<b>265,320</b>	<b>1,612</b>	<b>138,212</b>

## 11 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Deferred revenue and advance from customers	70,264	5,912,603	706	60,532
<b>Total</b>	<b>70,264</b>	<b>5,912,603</b>	<b>706</b>	<b>60,532</b>





## 12 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Interest on loan to subsidiaries	907	76,323	-	-
Exchange gain -Net	3,552	298,895	299	25,636
Miscellaneous income	-	-	2,000	171,479
<b>Total</b>	<b>4,459</b>	<b>375,218</b>	<b>2,299</b>	<b>197,115</b>

## 13 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Charges for use of transmission facilities	67,851	5,709,553	11,606	995,092
<b>Total</b>	<b>67,851</b>	<b>5,709,553</b>	<b>11,606</b>	<b>995,092</b>

## 14 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Guarantee fees	76	6,395	97	8,317
Interest on inter companies loan	74	6,227	1,980	169,764
<b>Total</b>	<b>150</b>	<b>12,622</b>	<b>2,077</b>	<b>178,081</b>

## 15 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Director fees	23,213	1,953,337	-	-
Legal and professional fees	11,160	939,096	51,114	4,382,485
Provision for doubtful debts	595	50,066	-	-
Miscellaneous expenses	1,254	105,523	1,081	92,682
Repairs and maintenance plant & machinery	(2,092)	(176,038)	6,029	516,923
Services rendered by agencies	285	23,982	13	1,115
<b>Total</b>	<b>34,415</b>	<b>2,895,966</b>	<b>58,237</b>	<b>4,993,205</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91(22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	77,010	5,836,588	195,652	14,304,117
	Other Intangible assets	2	9,828,629	744,911,792	7,484,406	547,184,923
	Intangible assets under development		428,985	32,512,773	1,363,259	99,667,865
	Financial assets					
	(i) Other financial assets	3	169,475	12,844,510	1,807	132,110
	Advance tax (net)		9,473	717,959	-	-
	Other Non-current assets	4	48,745	3,694,384	206,425	15,091,732
			10,562,317	800,518,006	9,251,549	676,380,747
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	594,162	45,031,538	904,175	66,104,234
	(ii) Cash and cash equivalents	6	114,817	8,701,980	33,525	2,451,013
	Other Current assets	7	342,280	25,941,401	275,206	20,120,311
			1,051,259	79,674,919	1,212,906	88,675,558
	<b>TOTAL ASSETS</b>		11,613,576	880,192,925	10,464,455	765,056,305
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	3	227	3	219
	Other equity	9	(24,993,080)	(1,894,225,532)	(11,976,472)	(875,599,868)
	<b>Total Equity</b>		(24,993,077)	(1,894,225,305)	(11,976,469)	(875,599,649)
(2)	<b>Non-current liabilities</b>					
	Other non current liabilities (Deferred revenue)		31	2,349	15,000	1,096,650
			31	2,349	15,000	1,096,650
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Borrowings	10	30,520,164	2,313,123,230	16,860,042	1,232,637,671
	(ii) Trade payables	11	4,816,523	365,044,278	4,133,810	302,222,849
	(iii) Other financial liabilities	12	506,478	38,385,968	262,647	19,202,122
	Other current liabilities	13	763,457	57,862,405	1,169,425	85,496,662
			36,606,622	2,774,415,881	22,425,924	1,639,559,304
	<b>TOTAL EQUITY AND LIABILITIES</b>		11,613,576	880,192,925	10,464,455	765,056,305

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR	USD	INR
i	Revenue from operations	14	1,923,710	145,797,981	1,928,124	140,965,146
ii	Other Income		5	379	17	1,243
iii	Total income (i + ii)		1,923,715	145,798,360	1,928,141	140,966,389
iv	Expenses:					
	Network and transmission expenses	15	1,110,289	84,148,803	1,300,383	95,071,001
	Employee benefits expenses	16	5,370,943	407,063,770	4,096,482	299,493,799
	Finance costs	17	971,504	73,630,288	433,240	31,674,177
	Depreciation and amortisation expenses	18	2,493,054	188,948,563	1,503,827	109,944,792
	Operating and other expenses		4,994,533	378,535,655	4,307,513	314,922,275
	Total expenses		14,940,323	1,132,327,079	11,641,445	851,106,044
v	Profit before taxes (iii-iv)		(13,016,608)	(986,528,719)	(9,713,304)	(710,139,655)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	233	17,035
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	233	17,035
vii	Profit / (loss) for the year (v-vi)		(13,016,608)	(986,528,719)	(9,713,537)	(710,156,690)

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	159,888	12,117,912	272,103	19,893,450
Computers	38,857	2,944,972	38,857	2,840,835
(a)	198,745	15,062,884	310,960	22,734,285
<b>Accumulated depreciation:</b>				
Plant and machinery	85,462	6,477,165	83,991	6,140,582
Computers	36,273	2,749,131	31,317	2,289,586
(b)	121,735	9,226,296	115,308	8,430,168
<b>Net block (a) - (b)</b>	<b>77,010</b>	<b>5,836,588</b>	<b>195,652</b>	<b>14,304,117</b>

## 2 Other Intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	17,990,669	1,363,512,804	13,194,662	964,661,739
(a)	17,990,669	1,363,512,804	13,194,662	964,661,739
<b>Accumulated amortisation:</b>				
Computer software	8,162,040	618,601,012	5,710,256	417,476,816
(b)	8,162,040	618,601,012	5,710,256	417,476,816
<b>Net block (a) - (b)</b>	<b>9,828,629</b>	<b>744,911,792</b>	<b>7,484,406</b>	<b>547,184,923</b>

## 3 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Vendor deposits	169,475	12,844,510	1,807	132,110
<b>Total</b>	<b>169,475</b>	<b>12,844,510</b>	<b>1,807</b>	<b>132,110</b>

## 4 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	48,745	3,694,384	206,425	15,091,732
<b>Total</b>	<b>48,745</b>	<b>3,694,384</b>	<b>206,425</b>	<b>15,091,732</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	705,291	53,454,005	1,029,858	75,292,918
Provision for doubtful debts	(111,129)	(8,422,467)	(125,683)	(9,188,684)
<b>Total</b>	<b>594,162</b>	<b>45,031,538</b>	<b>904,175</b>	<b>66,104,234</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	114,817	8,701,980	33,525	2,451,013
<b>Total</b>	<b>114,817</b>	<b>8,701,980</b>	<b>33,525</b>	<b>2,451,013</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to employees	25,304	1,917,790	49,260	3,601,399
Prepaid expenses	316,976	24,023,611	225,946	16,518,912
<b>Total</b>	<b>342,280</b>	<b>25,941,401</b>	<b>275,206</b>	<b>20,120,311</b>

## 8 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	3	227	3	219
<b>Total</b>	<b>3</b>	<b>227</b>	<b>3</b>	<b>219</b>

## 9 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(18,976,469)	(1,438,226,586)	(9,262,932)	(677,212,959)
Profit / (loss) for the year	(13,016,608)	(986,528,719)	(9,713,537)	(710,156,690)
<b>Closing balance</b>	<b>(31,993,077)</b>	<b>(2,424,755,305)</b>	<b>(18,976,469)</b>	<b>(1,387,369,649)</b>
<b>Share premium</b>	<b>6,999,997</b>	<b>530,529,773</b>	<b>6,999,997</b>	<b>511,769,781</b>
<b>Total</b>	<b>(24,993,080)</b>	<b>(1,894,225,532)</b>	<b>(11,976,472)</b>	<b>(875,599,868)</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 10 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans taken (Net)	30,520,164	2,313,123,230	16,860,042	1,232,637,671
<b>Total</b>	<b>30,520,164</b>	<b>2,313,123,230</b>	<b>16,860,042</b>	<b>1,232,637,671</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	629,439	47,705,182	786,889	57,529,455
Inter Company - Payables (Net)	4,187,084	317,339,096	3,346,921	244,693,394
<b>Total</b>	<b>4,816,523</b>	<b>365,044,278</b>	<b>4,133,810</b>	<b>302,222,849</b>

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest accrued but not due on Inter Co. loan (Net)	506,478	38,385,968	262,647	19,202,122
<b>Total</b>	<b>506,478</b>	<b>38,385,968</b>	<b>262,647</b>	<b>19,202,122</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	190,555	14,442,163	72,525	5,302,303
Other Employee dues	572,247	43,370,600	1,096,900	80,194,359
Other Statutory dues	655	49,642	-	-
<b>Total</b>	<b>763,457</b>	<b>57,862,405</b>	<b>1,169,425</b>	<b>85,496,662</b>

## 14 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Miscellaneous income	5	379	17	1,243
<b>Total</b>	<b>5</b>	<b>379</b>	<b>17</b>	<b>1,243</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 15 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	1,110,289	84,148,803	1,300,383	95,071,001
<b>Total</b>	<b>1,110,289</b>	<b>84,148,803</b>	<b>1,300,383</b>	<b>95,071,001</b>

## 16 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	5,320,022	403,204,467	3,775,202	276,005,018
Contribution to provident and other funds	48,649	3,687,108	302,570	22,120,893
Staff welfare expenses	2,272	172,195	18,710	1,367,888
<b>Total</b>	<b>5,370,943</b>	<b>407,063,770</b>	<b>4,096,482</b>	<b>299,493,799</b>

## 17 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on inter companies loan	889,952	67,449,462	403,208	29,478,537
Guarantee fees	81,552	6,180,826	30,032	2,195,640
<b>Total</b>	<b>971,504</b>	<b>73,630,288</b>	<b>433,240</b>	<b>31,674,177</b>

## 18 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	683,268	51,784,882	698,583	51,073,403
Auditors remuneration	1,662	125,963	1,834	134,084
Communication expenses	4,566	346,057	13,872	1,014,182
Entertainment expenses	7,660	580,551	-	-
Exchange loss -Net	2,203	166,965	500	36,555
Insurance expenses	5,505	417,224	16,817	1,229,491
IT consumables	90,957	6,893,631	52,583	3,844,343
Legal and professional fees	1,032,384	78,244,383	1,233,424	90,175,629
Loss on sale of fixed asset	69,429	5,262,024	-	-
Miscellaneous expenses	232,762	17,641,032	202,080	14,774,069
Printing and stationery	2,988	226,461	4,746	346,980
Provision for doubtful debts	(14,554)	(1,103,048)	125,683	9,188,684
Rates and Taxes	5,713	432,988	5,785	422,941
Recruitment expenses	258,651	19,603,159	47,403	3,465,633
Relocation Expense	-	-	28	2,047
Rent	3,055	231,538	-	-
Repairs and Maintenance Plant & Machinery	456,639	34,608,670	289,512	21,166,222
Seminars, trainings and conferences	18,954	1,436,524	31,245	2,284,322
Services rendered by agencies	2,010,744	152,394,288	1,535,478	112,258,797
Bad debts written off	104,223	7,899,061	-	-
Travelling and conveyance expenses	17,724	1,343,302	47,940	3,504,893
<b>Total</b>	<b>4,994,533</b>	<b>378,535,655</b>	<b>4,307,513</b>	<b>314,922,275</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)

PARTNER

Membership No. 105545



Place Mumbai

Date: 21 April 2022



## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
<b>(A) ASSETS</b>						
<b>(1) Non-current assets</b>						
Property, plant and equipment	1		603,127	45,710,995	670,598	49,027,420
Capital work-in-progress			36,910	2,797,409	335	24,492
Right of use assets			275,651	20,891,589	355,970	26,024,967
Other intangible assets	2		135,034	10,234,227	186,347	13,623,829
Intangible assets under development			-	-	477	34,873
Advance tax (net)			50,831	3,852,481	241,220	17,635,594
Other non-current assets	3		19,705	1,493,442	19,706	1,440,706
			1,121,258	84,980,144	1,474,653	107,811,881
<b>(2) Current assets</b>						
Inventories	4		109,784	8,320,529	98,970	7,235,697
Financial assets						
(i) Trade receivables	5		1,841,177	139,542,805	1,539,599	112,560,083
(ii) Cash and cash equivalent	6		6,356,831	481,784,221	7,963,571	582,216,676
(iii) Other financial assets	7		113,868	8,630,056	116,800	8,539,248
Other current assets	8		198,575	15,049,999	587,387	42,943,864
			8,620,235	653,327,611	10,306,327	753,495,567
<b>TOTAL ASSETS</b>			9,741,493	738,307,754	11,780,980	861,307,448
<b>(B) EQUITY AND LIABILITIES</b>						
<b>(1) Equity</b>						
Equity share capital	9		1,197,348	90,747,005	1,197,348	87,538,112
Other equity	10		6,483,727	491,401,669	7,993,198	584,382,706
<b>Total Equity</b>			7,681,075	582,148,674	9,190,546	671,920,818
<b>(2) Non-current liabilities</b>						
Financial liabilities						
(i) Lease liabilities			-	-	239,963	17,543,695
Deferred tax liabilities (Net)			69,666	5,279,986	95,137	6,955,466
			69,666	5,279,986	335,100	24,499,161
<b>(3) Current liabilities</b>						
Financial liabilities						
(i) Lease liabilities			315,232	23,891,433	138,418	10,119,740
(ii) Trade payables	11		1,447,514	109,707,086	1,513,307	110,637,875
(iii) Other financial liabilities	12		28,739	2,178,129	15,818	1,156,454
Other current liabilities	13		181,334	13,743,304	555,986	40,648,136
Provisions	14		17,933	1,359,142	31,805	2,325,264
			1,990,752	150,879,094	2,255,334	164,887,469
<b>TOTAL EQUITY AND LIABILITIES</b>			9,741,493	738,307,754	11,780,980	861,307,448

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR*	USD	INR*
i	Revenue from operation	15	9,137,364	692,520,818	7,976,388	583,153,727
ii	Other Income		256,074	19,407,848	306,476	22,406,460
iii	<b>Total income (i + ii)</b>		<b>9,393,438</b>	<b>711,928,666</b>	<b>8,282,864</b>	<b>605,560,187</b>
iv	<b>Expenses:</b>					
(i)	Network and transmission expenses	16	6,681,616	506,399,677	5,174,751	378,326,046
(ii)	Employee benefits expenses	17	461,297	34,961,700	519,778	38,000,970
(iii)	Finance costs	18	30,171	2,286,660	28,001	2,047,153
(iv)	Depreciation and amortisation expenses		342,979	25,994,378	355,165	25,966,113
(v)	Operating and other expenses	18	95,440	7,233,398	366,706	26,809,876
	<b>Total expenses</b>		<b>7,611,503</b>	<b>576,875,812</b>	<b>6,444,401</b>	<b>471,150,157</b>
v	<b>Profit before taxes (iii-iv)</b>		<b>1,781,935</b>	<b>135,052,854</b>	<b>1,838,463</b>	<b>134,410,030</b>
vi	<b>Tax expenses</b>					
(i)	Current tax expense/(benefit)		250,343	18,973,496	211,483	15,461,522
(ii)	Deferred tax expense/(benefit)		(25,471)	(1,930,447)	-	-
	<b>Net tax expenses</b>		<b>224,872</b>	<b>17,043,049</b>	<b>211,483</b>	<b>15,461,522</b>
vii	<b>Profit for the year (v-vi)</b>		<b>1,557,063</b>	<b>118,009,805</b>	<b>1,626,980</b>	<b>118,948,508</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Lease hold improvement	77,867	5,901,540	61,531	4,498,531
Plant and machinery	3,461,377	262,337,763	3,392,688	248,039,420
Furniture and fixtures	124,024	9,399,779	124,024	9,067,395
Computers	193,248	14,646,266	187,782	13,728,742
Office equipment	54,278	4,113,730	49,438	3,614,412
(a)	3,910,794	296,399,077	3,815,463	278,948,500
<b>Accumulated depreciation:</b>				
Lease hold improvement	26,677	2,021,850	13,200	965,052
Plant and machinery	2,968,427	224,977,082	2,830,024	206,903,055
Furniture and fixtures	89,356	6,772,291	81,172	5,934,485
Computers	177,456	13,449,390	176,839	12,928,699
Office equipment	45,751	3,467,468	43,630	3,189,789
(b)	3,307,667	250,688,082	3,144,865	229,921,080
<b>Net block (a) - (b)</b>	<b>603,127</b>	<b>45,710,995</b>	<b>670,598</b>	<b>49,027,420</b>

## 2 Other intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Computer software	-	-	16,436	1,201,636
License Fees	867,532	65,750,250	823,656	60,217,490
(a)	867,532	65,750,250	840,092	61,419,126
<b>Accumulated amortisation:</b>				
Computer software	-	-	16,436	1,201,636
License Fees	732,498	55,516,023	637,309	46,593,661
(b)	732,498	55,516,023	653,745	47,795,297
<b>Net block (a) - (b)</b>	<b>135,034</b>	<b>10,234,227</b>	<b>186,347</b>	<b>13,623,829</b>

## 3 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Capital Advances	19,705	1,493,442	19,706	1,440,706
<b>Total</b>	<b>19,705</b>	<b>1,493,442</b>	<b>19,706</b>	<b>1,440,706</b>

## 4 Inventories

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Stores and spares(Consumables)	109,784	8,320,529	98,970	7,235,697
<b>Total</b>	<b>109,784</b>	<b>8,320,529</b>	<b>98,970</b>	<b>7,235,697</b>

## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	791,915	60,019,238	1,396,575	102,103,598
Intercompany receivables	1,116,475	84,617,640	458,142	33,494,762
Provision for doubtful debts	(67,213)	(5,094,073)	(315,118)	(23,038,277)
<b>Total</b>	<b>1,841,177</b>	<b>139,542,805</b>	<b>1,539,599</b>	<b>112,560,083</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 6 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	6,356,831	481,784,221	7,963,571	582,216,676
<b>Total</b>	<b>6,356,831</b>	<b>481,784,221</b>	<b>7,963,571</b>	<b>582,216,676</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	42,949	3,255,105	42,949	3,140,001
Interest Receivable	70,919	5,374,951	73,851	5,399,247
<b>Total</b>	<b>113,868</b>	<b>8,630,056</b>	<b>116,800</b>	<b>8,539,248</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	4,767	361,291	4,767	348,515
Prepaid expenses	5,166	391,531	53,588	3,917,819
Indirect Tax receivable	168,933	12,803,432	529,032	38,677,530
Others	19,709	1,493,745	-	-
<b>Total</b>	<b>198,575</b>	<b>15,049,999</b>	<b>587,387</b>	<b>42,943,864</b>

## 9 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	1,197,348	90,747,005	1,197,348	87,538,112
<b>Total</b>	<b>1,197,348</b>	<b>90,747,005</b>	<b>1,197,348</b>	<b>87,538,112</b>

## 10 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Surplus / (Deficit)</b>				
Opening balance	7,993,198	605,804,476	7,996,663	584,636,032
Profit / (loss) for the year	1,557,063	118,009,805	1,626,980	118,948,508
<b>Closing balance</b>	<b>9,550,261</b>	<b>723,814,281</b>	<b>9,623,643</b>	<b>703,584,540</b>
Dividend	(3,066,534)	(232,412,612)	(1,630,445)	(119,201,834)
<b>Total</b>	<b>6,483,727</b>	<b>491,401,669</b>	<b>7,993,198</b>	<b>584,382,706</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade Payables	1,447,514	109,707,086	1,513,307	110,637,875
<b>Total</b>	<b>1,447,514</b>	<b>109,707,086</b>	<b>1,513,307</b>	<b>110,637,875</b>





## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Others	28,739	2,178,129	15,818	1,156,454
<b>Total</b>	<b>28,739</b>	<b>2,178,129</b>	<b>15,818</b>	<b>1,156,454</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	57,697	4,372,856	45,239	3,307,423
Accrued Payroll	89,299	6,767,971	69,353	5,070,398
Other Statutory dues	34,338	2,602,477	441,344	32,266,660
Others	-	-	50	3,656
<b>Total</b>	<b>181,334</b>	<b>13,743,304</b>	<b>555,986</b>	<b>40,648,136</b>

## 14 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	17,933	1,359,142	27,514	2,011,549
Provision for Gratuity Funded	-	-	4,291	313,715
<b>Total</b>	<b>17,933</b>	<b>1,359,142</b>	<b>31,805</b>	<b>2,325,264</b>

## 15 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest income - others	256,074	19,407,848	300,237	21,950,327
Miscellaneous income	-	-	6,239	456,133
<b>Total</b>	<b>256,074</b>	<b>19,407,848</b>	<b>306,476</b>	<b>22,406,460</b>

## 16 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Charges for use of transmission facilities	6,681,616	506,399,677	5,174,751	378,326,046
<b>Total</b>	<b>6,681,616</b>	<b>506,399,677</b>	<b>5,174,751</b>	<b>378,326,046</b>

## 17 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	405,041	30,698,057	436,742	31,930,208
Contribution to provident and other funds	40,433	3,064,417	57,687	4,217,497
Staff welfare expenses	15,823	1,199,225	25,349	1,853,265
<b>Total</b>	<b>461,297</b>	<b>34,961,700</b>	<b>519,778</b>	<b>38,000,970</b>





## 18 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	30,171	2,286,660	28,001	2,047,153
<b>Total</b>	<b>30,171</b>	<b>2,286,660</b>	<b>28,001</b>	<b>2,047,153</b>

## 18 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	2,453	185,913	6,333	463,006
Auditors remuneration	3,165	239,875	3,339	244,114
Communication expenses	6,304	477,780	6,381	466,515
CSR expenses	29,777	2,256,799	-	-
Directors fees	-	-	858	62,728
Electricity	33,958	2,573,677	50,145	3,666,101
Entertainment expenses	179	13,566	58	4,240
Exchange (Gain)/Loss -Net	35,184	2,666,595	63,651	4,653,525
Insurance expenses	3,585	271,707	5,344	390,700
Legal and professional fees	23,065	1,748,096	36,272	2,651,846
Loss on sale of fixed assets	-	-	-	-
Miscellaneous expenses	24,929	1,889,369	37,299	2,726,930
Printing and stationery	3,519	266,705	2,321	169,688
Provision for doubtful debts	(247,906)	(18,788,796)	(71,499)	(5,227,292)
Rates and Taxes	1,445	109,517	630	46,059
Rent	12,681	961,093	7,908	578,154
Repairs and Maintenance - Plant & Machinery	56,223	4,261,141	114,763	8,390,323
Repairs and Maintenance -Building	213	16,143	818	59,804
Seminars, trainings and conferences	-	-	(124)	(9,066)
Services rendered by agencies	77,527	5,875,771	74,904	5,476,231
Travelling and conveyance expenses	29,139	2,208,445	27,305	1,996,269
<b>Total</b>	<b>95,440</b>	<b>7,233,398</b>	<b>366,706</b>	<b>26,809,876</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**APPENDIX - 45**

**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 **Nexus Connexion (SA) PTY LTD.** ("the subsidiary") registered in South Africa as at 31 March 2022 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:

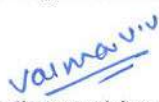
- a) These financial information and the accuracy and completeness of the information used to compile them.
- b) Maintaining adequate accounting and other records and internal controls and selecting and applying appropriate accounting policies;
- c) Preparation and presentation of financial statements 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

Nexus Connexion (SA) PTY LTD.

BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			ZAR	INR*	ZAR	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Current assets</b>					
	Financial assets					
	(i) Cash and cash equivalent	1	132,066	689,843	579,682	2,859,455
			132,066	689,843	579,682	2,859,455
	<b>TOTAL ASSETS</b>		132,066	689,843	579,682	2,859,455
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	2	593,000	3,097,518	593,000	2,925,150
	Other equity	3	(521,509)	(2,724,087)	(266,170)	(1,312,963)
	<b>Total Equity</b>		71,491	373,431	326,830	1,612,187
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Trade payables	4	60,575	316,412	252,852	1,247,268
			60,575	316,412	252,852	1,247,268
	<b>TOTAL EQUITY AND LIABILITIES</b>		132,066	689,843	579,682	2,859,455

\*Exchange rate as at 31 March 2022 1 ZAR = INR 5.22 (as at 31 March 2021 1 ZAR = INR 4.93 )





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			ZAR	INR*	ZAR	INR*
i	Revenue from Operation	5	-	-	-	-
ii	Other Income		-	-	573	2,826
iii	<b>Total income (i + ii)</b>		-	-	573	2,826
iv	<b>Expenses:</b>	6				
	(i) Operating and other expenses		255,339	1,333,756	48,660	240,029
	<b>Total expenses</b>		255,339	1,333,756	48,660	240,029
v	<b>Profit/(loss) before taxes (iii - iv)</b>		(255,339)	(1,333,756)	(48,087)	(237,203)
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		-	-	-	-
vii	<b>Profit / (loss) for the year (v-vi)</b>		(255,339)	(1,333,756)	(48,087)	(237,203)

\*Exchange rate as at 31 March 2022 1 ZAR = INR 5.22 (as at 31 March 2021 1 ZAR = INR 4.93 )



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Balance with bank	132,066	689,843	579,682	2,859,455
<b>Total</b>	<b>132,066</b>	<b>689,843</b>	<b>579,682</b>	<b>2,859,455</b>

## 2 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Equity share capital	593,000	3,097,518	593,000	2,925,150
<b>Total</b>	<b>593,000</b>	<b>3,097,518</b>	<b>593,000</b>	<b>2,925,150</b>

## 3 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(396,170)	(2,069,382)	(348,083)	(1,717,024)
Profit / (loss) for the year	(255,339)	(1,333,756)	(48,087)	(237,203)
<b>Closing balance</b>	<b>(651,509)</b>	<b>(3,403,138)</b>	<b>(396,170)</b>	<b>(1,954,227)</b>
Share premium	130,000	679,051	130,000	641,264
<b>Total</b>	<b>(521,509)</b>	<b>(2,724,087)</b>	<b>(266,170)</b>	<b>(1,312,963)</b>

## 4 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Trade payable	60,575	316,412	43,773	215,923
Payable to holding company	-	-	209,079	1,031,345
<b>Total</b>	<b>60,575</b>	<b>316,412</b>	<b>252,852</b>	<b>1,247,268</b>

## 5 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	ZAR	INR	ZAR	INR
Interest income - others	-	-	573	2,826
<b>Total</b>	<b>-</b>	<b>-</b>	<b>573</b>	<b>2,826</b>

## 6 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	ZAR	INR	ZAR	INR
Legal and professional fees	252,057	1,316,612	42,002	207,187
Miscellaneous expenses	3,282	17,144	6,658	32,842
<b>Total</b>	<b>255,339</b>	<b>1,333,756</b>	<b>48,660</b>	<b>240,029</b>



## BALANCE SHEET AS AT 31 March 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			ZAR	INR*	ZAR	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Current assets</b>					
	Financial assets					
	(i) Cash and cash equivalent	1	5,097,001	26,624,032	5,178,708	25,545,531
			5,097,001	26,624,032	5,178,708	25,545,531
	<b>TOTAL ASSETS</b>		5,097,001	26,624,032	5,178,708	25,545,531
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	2	1,000	5,223	1,000	4,933
	Other equity	3	4,809,293	25,121,198	4,885,726	24,100,309
	<b>Total Equity</b>		4,810,293	25,126,421	4,886,726	24,105,242
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Borrowings	4	223,676	1,168,365	223,676	1,103,349
			223,676	1,168,365	223,676	1,103,349
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	5	63,032	329,246	68,306	336,940
			63,032	329,246	68,306	336,940
	<b>TOTAL EQUITY AND LIABILITIES</b>		5,097,001	26,624,032	5,178,708	25,545,531

\*Exchange rate as at 31 March 2022 1 ZAR = INR 5.22 (as at 31 March 2021 1 ZAR = INR 4.93)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			ZAR	INR*	ZAR	INR*
i	Revenue from operations		-	-	-	-
ii	Other Income		-	-	-	-
iii	Total income (i + ii)		-	-	-	-
iv	Expenses:					
	(i) Operating and other expenses	6	76,433	399,245	99,499	490,809
	Total expenses		76,433	399,245	99,499	490,809
v	Profit before taxes (iii -iv)		(76,433)	(399,245)	(99,499)	(490,809)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		(76,433)	(399,245)	(99,499)	(490,809)

\*Exchange rate as at 31 March 2022 1 ZAR = INR 5.22 (as at 31 March 2021 1 ZAR = INR 4.93)





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2022

## 1 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Balance with bank	5,097,001	26,624,032	5,178,708	25,545,531
<b>Total</b>	<b>5,097,001</b>	<b>26,624,032</b>	<b>5,178,708</b>	<b>25,545,531</b>

## 2 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Equity share capital	1,000	5,223	1,000	4,933
<b>Total</b>	<b>1,000</b>	<b>5,223</b>	<b>1,000</b>	<b>4,933</b>

## 3 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Surplus / (Deficit)				
Opening balance	(515,700,472)	(2,693,745,944)	(515,600,973)	(2,543,356,480)
Profit / (loss) for the year	(76,433)	(399,245)	(99,499)	(490,809)
Closing balance	(515,776,905)	(2,694,145,190)	(515,700,472)	(2,543,847,288)
Share premium	515,380,336	2,692,073,724	515,380,336	2,542,268,121
Preference share capital	5,205,862	27,192,664	5,205,862	25,679,476
<b>Total</b>	<b>4,809,293</b>	<b>25,121,198</b>	<b>4,885,726</b>	<b>24,100,309</b>

## 4 Non-current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Unsecured borrowings - Inter company loans taken	223,676	1,168,365	223,676	1,103,349
<b>Total</b>	<b>223,676</b>	<b>1,168,365</b>	<b>223,676</b>	<b>1,103,349</b>

## 5 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Trade payables	63,032	329,246	68,306	336,940
<b>Total</b>	<b>63,032</b>	<b>329,246</b>	<b>68,306</b>	<b>336,940</b>

## 6 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	ZAR	INR	ZAR	INR
Miscellaneous expenses	11,446	59,788	10,607	52,322
Legal and professional fees	64,987	339,458	88,892	438,486
<b>Total</b>	<b>76,433</b>	<b>399,245</b>	<b>99,499</b>	<b>490,809</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Varma.v.v*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022



## BALANCE SHEET AS AT 31 March 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			ZAR	INR*	ZAR	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Current assets</b>					
	Financial assets					
	(i) Cash and cash equivalent	1	5,097,001	26,624,032	5,178,708	25,545,531
			5,097,001	26,624,032	5,178,708	25,545,531
	<b>TOTAL ASSETS</b>		5,097,001	26,624,032	5,178,708	25,545,531
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	2	1,000	5,223	1,000	4,933
	Other equity	3	4,809,293	25,121,198	4,885,726	24,100,309
	<b>Total Equity</b>		4,810,293	25,126,421	4,886,726	24,105,242
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Borrowings	4	223,676	1,168,365	223,676	1,103,349
			223,676	1,168,365	223,676	1,103,349
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	5	63,032	329,246	68,306	336,940
			63,032	329,246	68,306	336,940
	<b>TOTAL EQUITY AND LIABILITIES</b>		5,097,001	26,624,032	5,178,708	25,545,531

\*Exchange rate as at 31 March 2022 1 ZAR = INR 5.22 (as at 31 March 2021 1 ZAR = INR 4.93)





## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			ZAR	INR*	ZAR	INR*
i	Revenue from operations		-	-	-	-
ii	Other Income		-	-	-	-
iii	Total income (i + ii)		-	-	-	-
iv	Expenses:	6				
	(i) Operating and other expenses		76,433	399,245	99,499	490,809
	Total expenses		76,433	399,245	99,499	490,809
v	Profit before taxes (iii - iv)		(76,433)	(399,245)	(99,499)	(490,809)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		(76,433)	(399,245)	(99,499)	(490,809)

\*Exchange rate as at 31 March 2022 1 ZAR = INR 5.22 (as at 31 March 2021 1 ZAR = INR 4.93)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 March 2022

## 1 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Balance with bank	5,097,001	26,624,032	5,178,708	25,545,531
<b>Total</b>	<b>5,097,001</b>	<b>26,624,032</b>	<b>5,178,708</b>	<b>25,545,531</b>

## 2 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Equity share capital	1,000	5,223	1,000	4,933
<b>Total</b>	<b>1,000</b>	<b>5,223</b>	<b>1,000</b>	<b>4,933</b>

## 3 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
<b>Surplus / (Deficit)</b>				
Opening balance	(515,700,472)	(2,693,745,944)	(515,600,973)	(2,543,356,480)
Profit / (loss) for the year	(76,433)	(399,245)	(99,499)	(490,809)
<b>Closing balance</b>	<b>(515,776,905)</b>	<b>(2,694,145,190)</b>	<b>(515,700,472)</b>	<b>(2,543,847,288)</b>
Share premium	515,380,336	2,692,073,724	515,380,336	2,542,268,121
Preference share capital	5,205,862	27,192,664	5,205,862	25,679,476
<b>Total</b>	<b>4,809,293</b>	<b>25,121,198</b>	<b>4,885,726</b>	<b>24,100,309</b>

## 4 Non-current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Unsecured borrowings - Inter company loans taken	223,676	1,168,365	223,676	1,103,349
<b>Total</b>	<b>223,676</b>	<b>1,168,365</b>	<b>223,676</b>	<b>1,103,349</b>

## 5 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Trade payables	63,032	329,246	68,306	336,940
<b>Total</b>	<b>63,032</b>	<b>329,246</b>	<b>68,306</b>	<b>336,940</b>

## 6 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	ZAR	INR	ZAR	INR
Miscellaneous expenses	11,446	59,788	10,607	52,322
Legal and professional fees	64,987	339,458	88,892	438,486
<b>Total</b>	<b>76,433</b>	<b>399,245</b>	<b>99,499</b>	<b>490,809</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Varma*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545

Place Mumbai  
Date: 21 April 2022





## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			ZAR	INR*	ZAR	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Current assets</b>					
(a)	Financial assets					
	(i) Trade receivables	1	259,587	1,355,945	-	-
	(ii) Cash and cash equivalent	1	1,487,103	7,767,838	2,000,075	9,865,970
(b)	Other current assets	2	1,260	6,582	1,260	6,215
			1,747,950	9,130,365	2,001,335	9,872,185
	<b>TOTAL ASSETS</b>		1,747,950	9,130,365	2,001,335	9,872,185
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	3	655,550	3,424,246	655,550	3,233,697
	Other equity	4	(846,737)	(4,422,905)	(579,948)	(2,860,768)
	<b>Total Equity</b>		(191,187)	(998,659)	75,602	372,929
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	6	1,938,586	10,126,146	1,925,181	9,496,533
	Current tax liabilities (Net)		551	2,878	552	2,723
			1,939,137	10,129,024	1,925,733	9,499,256
	<b>TOTAL EQUITY AND LIABILITIES</b>		1,747,950	9,130,365	2,001,335	9,872,185

\*Exchange rate as at 31 March 2022 1 ZAR = INR 5.22 (as at 31 March 2021 1 ZAR = INR 4.93)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			ZAR	INR*	ZAR	INR*
i	Revenue from operations	7	-	-	-	-
ii	Other Income		976	5,098	1,382	6,817
iii	Total income (i + ii)		976	5,098	1,382	6,817
iv	Expenses:	8				
	Operating and other expenses		267,765	1,398,662	325,622	1,606,229
	Total expenses		267,765	1,398,662	325,622	1,606,229
v	Profit / (loss) before taxes (iii - iv)		(266,789)	(1,393,564)	(324,240)	(1,599,412)
vi	Tax expenses					
	Current tax expense		-	-	-	-
	Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		(266,789)	(1,393,564)	(324,240)	(1,599,412)

\*Exchange rate as at 31 March 2022 1 ZAR = INR 5.22 (as at 31 March 2021 1 ZAR = INR 4.93)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Intercompany receivables	259,587	1,355,945	-	-
<b>Total</b>	<b>259,587</b>	<b>1,355,945</b>	<b>-</b>	<b>-</b>

## 2 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Balance with bank	1,487,103	7,767,838	2,000,075	9,865,970
<b>Total</b>	<b>1,487,103</b>	<b>7,767,838</b>	<b>2,000,075</b>	<b>9,865,970</b>

## 3 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Indirect tax receivable	1,260	6,582	1,260	6,215
<b>Total</b>	<b>1,260</b>	<b>6,582</b>	<b>1,260</b>	<b>6,215</b>

## 4 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Equity share capital	655,550	3,424,246	655,550	3,233,697
<b>Total</b>	<b>655,550</b>	<b>3,424,246</b>	<b>655,550</b>	<b>3,233,697</b>

## 5 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Surplus / (Deficit)				
Opening balance	(579,948)	(3,029,341)	(255,708)	(1,261,356)
Profit / (loss) for the year	(266,789)	(1,393,564)	(324,240)	(1,599,412)
Closing balance	(846,737)	(4,422,905)	(579,948)	(2,860,768)

## 6 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	ZAR	INR	ZAR	INR
Trade payable	238,082	1,243,614	192,446	949,298
Inter Company - Payables	1,700,504	8,882,532	1,732,735	8,547,235
<b>Total</b>	<b>1,938,586</b>	<b>10,126,146</b>	<b>1,925,181</b>	<b>9,496,533</b>



**Tata Communications Transformation Services South Africa (Pty) Ltd**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

**7 Other income**

Particulars	Current year 2021-22		Previous year 2020-21	
	ZAR	INR	ZAR	INR
Interest income - others	976	5,098	1,382	6,817
<b>Total</b>	<b>976</b>	<b>5,098</b>	<b>1,382</b>	<b>6,817</b>

**8 Operating and other expenses**

Particulars	Current year 2021-22		Previous year 2020-21	
	ZAR	INR	ZAR	INR
Auditors remuneration	11,500	60,070	11,500	56,727
Exchange (Gain)/Loss -Net	14,122	73,766	413,003	2,037,261
Legal and professional fees	228,982	1,196,081	161,809	798,171
Miscellaneous expenses	13,161	68,745	16,967	83,696
Rent	-	-	3,900	19,238
Services rendered by agencies	-	-	(281,557)	(1,388,864)
<b>Total</b>	<b>267,765</b>	<b>1,398,662</b>	<b>325,622</b>	<b>1,606,229</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 March 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			HUF	INR*	HUF	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Investments in subsidiaries	1	12,840,000	2,918,532	12,840,000	3,028,057
			12,840,000	2,918,532	12,840,000	3,028,057
(1)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	2	3,424	778	-	-
	(ii) Cash and cash equivalent	3	7,327,075	1,665,444	13,145,101	3,100,009
	Other current assets	4	352,598	80,146	661,160	155,921
			7,683,097	1,746,368	13,806,261	3,255,930
	<b>TOTAL ASSETS</b>		20,523,097	4,664,900	26,646,261	6,283,987
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	5	48,547,000	11,034,733	48,547,000	11,448,839
	Other equity	6	(44,333,279)	(10,076,954)	(34,278,562)	(8,083,914)
	<b>Total Equity</b>		4,213,721	957,779	14,268,438	3,364,925
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	7	16,309,376	3,707,121	12,377,823	2,919,062
			16,309,376	3,707,121	12,377,823	2,919,062
	<b>TOTAL EQUITY AND LIABILITIES</b>		20,523,097	4,664,900	26,646,261	6,283,987

\*Exchange rate as at 31 March 2022 1 HUF = INR 0.23 (as at 31 March 2021 1 HUF = INR 0.24)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			HUF	INR*	HUF	INR*
i	Revenue from operations	8	-	-	-	-
ii	Other income		612	139	13	3
iii	Total income (i + ii)		612	139	13	3
iv	Expenses:	9 10	19	4	38	9
	Finance costs		10,055,310	2,285,572	(2,944,104)	(694,307)
	Operating and other expenses					
	Total expenses		10,055,329	2,285,576	(2,944,066)	(694,298)
v	Profit / (loss) before taxes (iii - iv)		(10,054,717)	(2,285,437)	2,944,079	694,301
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		(10,054,717)	(2,285,437)	2,944,079	694,301

\*Exchange rate as at 31 March 2022 1 HUF = INR 0.23 (as at 31 March 2021 1 HUF = INR 0.24)





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Investments in subsidiaries

Particulars	As at 31 March 2022		As at 31 March 2021	
	HUF	INR	HUF	INR
Investments in subsidiaries	12,840,000	2,918,532	12,840,000	3,028,057
<b>Total</b>	<b>12,840,000</b>	<b>2,918,532</b>	<b>12,840,000</b>	<b>3,028,057</b>

## 2 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	HUF	INR	HUF	INR
Intercompany receivables	3,424	778	-	-
<b>Total</b>	<b>3,424</b>	<b>778</b>	<b>-</b>	<b>-</b>

## 3 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	HUF	INR	HUF	INR
Balance with bank	7,327,075	1,665,444	13,145,101	3,100,009
<b>Total</b>	<b>7,327,075</b>	<b>1,665,444</b>	<b>13,145,101</b>	<b>3,100,009</b>

## 4 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	HUF	INR	HUF	INR
Indirect tax receivable	352,598	80,146	661,160	155,921
<b>Total</b>	<b>352,598</b>	<b>80,146</b>	<b>661,160</b>	<b>155,921</b>

## 5 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	HUF	INR	HUF	INR
Equity share capital	48,547,000	11,034,733	48,547,000	11,448,839
<b>Total</b>	<b>48,547,000</b>	<b>11,034,733</b>	<b>48,547,000</b>	<b>11,448,839</b>

## 6 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	HUF	INR	HUF	INR
Surplus / (Deficit)				
Opening balance	(34,278,562)	(7,791,517)	(37,222,641)	(8,778,215)
Profit / (loss) for the year	(10,054,717)	(2,285,437)	2,944,079	694,301
<b>Total</b>	<b>(44,333,279)</b>	<b>(10,076,954)</b>	<b>(34,278,562)</b>	<b>(8,083,914)</b>

## 7 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	HUF	INR	HUF	INR
Trade payable	16,309,376	3,707,121	12,377,823	2,919,062
<b>Total</b>	<b>16,309,376</b>	<b>3,707,121</b>	<b>12,377,823</b>	<b>2,919,062</b>



## 8 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	HUF	INR	HUF	INR
Interest income - others	8	2	13	3
Miscellaneous income	604	137	-	-
<b>Total</b>	<b>612</b>	<b>139</b>	<b>13</b>	<b>3</b>

## 9 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	HUF	INR	HUF	INR
Interest expenses	19	4	38	9
<b>Total</b>	<b>19</b>	<b>4</b>	<b>38</b>	<b>9</b>

## 10 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	HUF	INR	HUF	INR
Exchange (Gain)/Loss -Net	94,042	21,376	78,846	18,594
Legal and professional fees	9,333,504	2,121,505	(3,634,547)	(857,135)
Miscellaneous expenses	627,764	142,691	604,100	142,466
Printing and stationery	-	-	2,497	589
Rates and Taxes	-	-	5,000	1,179
<b>Total</b>	<b>10,055,310</b>	<b>2,285,572</b>	<b>(2,944,104)</b>	<b>(694,307)</b>



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Varma V.V*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545

Place Mumbai  
Date: 21 April 2022





## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	89,476	6,781,610	111,801	8,173,772
	Right-of-use assets		-	-	33,401	2,441,947
	Investments in subsidiaries	2	331,039	25,090,273	331,039	24,202,261
	Financial assets					
	(i) Loans	3	100,941	7,650,571	-	-
	Deferred tax assets (Net)		-	-	4,905,574	358,646,515
	Advance tax (net)		185,029	14,023,810	-	-
	Other non-current assets	4	-	-	1,919,171	140,310,592
			706,485	53,546,264	7,300,986	533,775,087
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	4,654,293	352,760,503	5,492,410	401,550,096
	(ii) Cash and cash equivalent	6	1,925,412	145,931,789	2,388,457	174,620,091
	(iii) Other financial assets	7	31,439	2,382,841	30,064	2,197,979
	Other current assets	8	22,099	1,674,939	812,600	59,409,186
			6,633,243	502,750,072	8,723,531	637,777,352
	<b>TOTAL ASSETS</b>		7,339,728	556,296,336	16,024,517	1,171,552,439
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	9	170,000	12,884,725	170,000	12,428,700
	Other equity	10	(22,129,470)	(1,677,247,855)	(9,797,541)	(716,298,222)
	<b>Total Equity</b>		(21,959,470)	(1,664,363,130)	(9,627,541)	(703,869,522)
(2)	<b>Non-current liabilities</b>					
	Provisions	11	206,999	15,688,972	-	-
	Provisions (Net of Advance Tax)		-	-	95,336	6,970,015
			206,999	15,688,972	95,336	6,970,015
(2)	<b>Current liabilities</b>					
	<b>Financial liabilities</b>					
	(i) Borrowings	12	23,225,178	1,760,294,304	16,603,682	1,213,895,191
	(ia) Lease liabilities		-	-	36,106	2,639,710
	(ii) Trade payables	13	3,623,447	274,630,107	6,570,153	480,343,886
	(iii) Other financial liabilities	14	179,788	13,626,582	193,457	14,143,641
	Other current liabilities	15	1,256,378	95,224,030	1,400,077	102,359,630
	Provisions	16	807,408	61,195,471	753,247	55,069,888
			29,092,199	2,204,970,494	25,556,722	1,868,451,946
	<b>TOTAL EQUITY AND LIABILITIES</b>		7,339,728	556,296,336	16,024,517	1,171,552,439

\*Exchange rate as at 31 March 2022 1 USD = 75.79 INR (31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR*	USD	INR*
i	Revenue from operations	17	14,732,353	1,116,601,865	14,245,240	1,041,469,496
ii	Other Income		83,546	6,332,161	404,456	29,569,778
iii	Total income (i + ii)		14,815,899	1,122,934,026	14,649,696	1,071,039,274
iv	Expenses:					
	(i) Employee benefits expenses	18	10,327,266	782,729,308	14,580,009	1,065,944,458
	(ii) Finance costs	19	774,421	58,695,303	631,578	46,174,668
	(iii) Depreciation and amortisation expenses	20	59,362	4,499,194	91,935	6,721,368
	(iv) Operating and other expenses		10,990,798	833,020,060	5,834,940	426,592,463
	Total expenses		22,151,847	1,678,943,865	21,138,462	1,545,432,957
v	Profit / (loss) before taxes (iii - iv)		(7,335,948)	(556,009,839)	(6,488,766)	(474,393,683)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		90,407	6,852,173	347,404	25,398,706
	(ii) Deferred tax expense/(benefit)		4,905,574	371,805,717	(3,068,660)	(224,349,733)
	Net tax expenses		4,995,981	378,657,890	(2,721,256)	(198,951,027)
vii	Profit / (loss) for the year (v-vi)		(12,331,929)	(934,667,729)	(3,767,510)	(275,442,656)

\*Exchange rate as at 31 March 2022 1 USD = 75.79 INR (31 March 2021 1 USD = INR 73.11)



## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
<b>Gross block:</b>				
Plant and machinery	29,228	2,215,263	29,163	2,132,107
Computers	322,540	24,446,113	312,288	22,831,376
Office equipment	36,435	2,761,500	36,435	2,663,763
(a)	388,203	29,422,876	377,886	27,627,246
<b>Accumulated depreciation:</b>				
Plant and machinery	5,099	386,466	1,446	105,717
Computers	273,211	20,707,345	246,749	18,039,819
Office equipment	20,417	1,547,455	17,890	1,307,938
(b)	298,727	22,641,266	266,085	19,453,474
<b>Net block (a) - (b)</b>	89,476	6,781,610	111,801	8,173,772

## 2 Investments in subsidiaries

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Investments in subsidiaries	331,039	25,090,273	331,039	24,202,261
<b>Total</b>	331,039	25,090,273	331,039	24,202,261

## 3 Non-current assets - financial assets - loans

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Inter company loans given	100,941	7,650,571	-	-
<b>Total</b>	100,941	7,650,571	-	-

## 4 Non-current assets - others

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Prepaid expenses	-	-	1,919,171	140,310,592
<b>Total</b>	-	-	1,919,171	140,310,592

## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	8,427,123	638,712,720	5,376,490	393,075,184
Due from holding company	6,512	493,561	137,741	10,070,245
Intercompany receivables	142,416	10,794,065	-	-
Provision for doubtful debts	(3,921,758)	(297,239,843)	(21,821)	(1,595,333)
<b>Total</b>	4,654,293	352,760,503	5,492,410	401,550,096



## 6 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	1,925,412	145,931,789	2,388,457	174,620,091
<b>Total</b>	<b>1,925,412</b>	<b>145,931,789</b>	<b>2,388,457</b>	<b>174,620,091</b>

## 7 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Security Deposit	29,071	2,203,364	30,064	2,197,979
Interest Receivable	2,368	179,477	-	-
<b>Total</b>	<b>31,439</b>	<b>2,382,841</b>	<b>30,064</b>	<b>2,197,979</b>

## 8 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Advances to Vendors / Suppliers	-	-	37,925	2,772,697
Advances to employees	9,899	750,270	2,675	195,569
Prepaid expenses	10,935	828,791	770,440	56,326,868
Others	1,265	95,878	1,560	114,052
<b>Total</b>	<b>22,099</b>	<b>1,674,939</b>	<b>812,600</b>	<b>59,409,186</b>

## 9 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	170,000	12,884,725	170,000	12,428,700
<b>Total</b>	<b>170,000</b>	<b>12,884,725</b>	<b>170,000</b>	<b>12,428,700</b>

## 10 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	(9,797,541)	(742,580,126)	(6,030,031)	(440,855,566)
Profit / (loss) for the year	(12,331,929)	(934,667,729)	(3,767,510)	(275,442,656)
<b>Total</b>	<b>(22,129,470)</b>	<b>(1,677,247,855)</b>	<b>(9,797,541)</b>	<b>(716,298,222)</b>





## 11 Non-current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Retention liability	206,999	15,688,972	-	-
<b>Total</b>	<b>206,999</b>	<b>15,688,972</b>	<b>-</b>	<b>-</b>

## 12 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Loan from bank	16,048,845	1,216,382,085	9,603,682	702,125,191
Inter company loans taken	7,176,333	543,912,219	7,000,000	511,770,000
<b>Total</b>	<b>23,225,178</b>	<b>1,760,294,304</b>	<b>16,603,682</b>	<b>1,213,895,191</b>

## 13 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	3,623,447	274,630,107	1,011,916	73,981,179
Inter Company - Payables	-	-	5,558,237	406,362,707
<b>Total</b>	<b>3,623,447</b>	<b>274,630,107</b>	<b>6,570,153</b>	<b>480,343,886</b>

## 14 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Interest accrued but not due	179,788	13,626,582	193,457	14,143,641
<b>Total</b>	<b>179,788</b>	<b>13,626,582</b>	<b>193,457</b>	<b>14,143,641</b>

## 15 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Deferred revenue and advance from customers	576,946	43,728,180	217,041	15,867,868
Other Employee dues	261,199	19,796,925	820,900	60,015,999
Statutory dues	275,196	20,857,793	336,412	24,595,081
Others	143,037	10,841,132	25,724	1,880,682
<b>Total</b>	<b>1,256,378</b>	<b>95,224,030</b>	<b>1,400,077</b>	<b>102,359,630</b>

## 16 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Leave entitlement	807,408	61,195,471	753,247	55,069,888
<b>Total</b>	<b>807,408</b>	<b>61,195,471</b>	<b>753,247</b>	<b>55,069,888</b>



## 17 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest on loan to subsidiaries	3,939	298,547	-	-
Exchange Gain -Net	79,607	6,033,614	349,979	25,586,965
Miscellaneous income	-	-	54,477	3,982,813
<b>Total</b>	<b>83,546</b>	<b>6,332,161</b>	<b>404,456</b>	<b>29,569,778</b>

## 18 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	10,213,406	774,099,574	14,513,098	1,061,052,595
Staff welfare expenses	113,860	8,629,734	66,911	4,891,863
<b>Total</b>	<b>10,327,266</b>	<b>782,729,308</b>	<b>14,580,009</b>	<b>1,065,944,458</b>

## 19 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Interest expenses	419,194	31,771,761	263,553	19,268,360
Guarantee fees	355,227	26,923,542	368,025	26,906,308
<b>Total</b>	<b>774,421</b>	<b>58,695,303</b>	<b>631,578</b>	<b>46,174,668</b>

## 20 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	2,066	156,587	103	7,530
Auditors remuneration	10,519	797,261	16,395	1,198,638
Communication expenses	37,711	2,858,211	42,744	3,125,014
CSR expenses	1,220	92,467	-	-
Donations	355	26,906	1,811	132,402
Electricity	2,185	165,607	1,706	124,726
Entertainment expenses	2,299	174,247	2,347	171,589
IT consumables	136,132	10,317,785	24,350	1,780,229
Legal and professional fees	395,363	29,965,550	464,726	33,976,118
Miscellaneous expenses	21,459	1,626,434	20,579	1,504,528
Printing and stationery	8,547	647,798	16,716	1,222,107
Provision for doubtful debts	3,899,937	295,585,975	14,509	1,060,753
Rates and Taxes	751	56,920	4,981	364,161
Recruitment expenses	192,464	14,587,328	36,653	2,679,701
Relocation Expense	129,361	9,804,594	35,814	2,618,362
Rent	225,257	17,072,791	160,387	11,725,894
Repairs and Maintenance - Plant & Machinery	8,793	666,443	44,132	3,226,491
Repairs and Maintenance -Building	207	15,689	-	-
Seminars, trainings and conferences	995	75,414	353	25,808
Services rendered by agencies	5,598,659	424,336,362	4,687,205	342,681,558
Travelling and conveyance expenses	316,518	23,989,691	259,429	18,966,854
<b>Total</b>	<b>10,990,798</b>	<b>833,020,060</b>	<b>5,834,940</b>	<b>426,592,463</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*V. Varma*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545

Place Mumbai  
Date: 21 April 2022





**Tata Communications Transformation Services (US) Inc**

**BALANCE SHEET AS AT 31 MARCH 2022**

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			USD	INR*	USD	INR*
<b>(A) ASSETS</b>						
<b>(1) Non-current assets</b>						
Deferred tax assets (Net)			-	-	151,085	11,045,824
			-	-	151,085	11,045,824
<b>(2) Current assets</b>						
Financial assets						
(i) Trade receivables	1		332,333	25,188,349	230,812	16,874,665
(ii) Cash and cash equivalent	2		1,059,892	80,331,864	539,150	39,417,257
			1,392,225	105,520,213	769,962	56,291,922
<b>TOTAL ASSETS</b>			1,392,225	105,520,213	921,047	67,337,746
<b>(B) EQUITY AND LIABILITIES</b>						
<b>(1) Equity</b>						
Equity share capital	3		50,000	3,789,625	50,000	3,655,500
Other equity	4		6,515	493,789	16,942	1,238,630
<b>Total Equity</b>			56,515	4,283,414	66,942	4,894,130
<b>(2) Current liabilities</b>						
<b>Financial liabilities</b>						
(i) Trade payables	5		1,202,361	91,129,945	720,122	52,648,119
Other current liabilities	6		-	-	864	63,167
Current tax liabilities (Net)			133,349	10,106,854	133,119	9,732,330
			1,335,710	101,236,799	854,105	62,443,616
<b>TOTAL EQUITY AND LIABILITIES</b>			1,392,225	105,520,213	921,047	67,337,746

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			USD	INR*	USD	INR*
i	Revenue from operation		765,489	58,018,325	612,718	44,795,813
ii	Other Income		-	-	-	-
iii	<b>Total income (i + ii)</b>		<b>765,489</b>	<b>58,018,325</b>	<b>612,718</b>	<b>44,795,813</b>
iv	<b>Expenses:</b>					
	Employee benefits expenses	7	(26,813)	(2,032,225)	31,629	2,312,396
	Operating and other expenses	8	630,644	47,798,086	484,639	35,431,958
	<b>Total expenses</b>		<b>603,831</b>	<b>45,765,861</b>	<b>516,268</b>	<b>37,744,354</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>161,658</b>	<b>12,252,464</b>	<b>96,450</b>	<b>7,051,459</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		21,000	1,591,643	183,119	13,387,830
	(ii) Deferred tax expense/(benefit)		151,085	11,451,110	(151,085)	(11,045,824)
	<b>Net tax expenses</b>		<b>172,085</b>	<b>13,042,753</b>	<b>32,034</b>	<b>2,342,006</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>(10,427)</b>	<b>(790,289)</b>	<b>64,416</b>	<b>4,709,453</b>

\*Exchange rate as at 31 March 2022 1 USD = INR 75.79 (as at 31 March 2021 1 USD = INR 73.11)



**Tata Communications Transformation Services (US) Inc**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

**1 Trade receivables**

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade receivables	352,139	26,689,495	261,347	19,107,079
Provision for doubtful debts	(19,806)	(1,501,146)	(30,535)	(2,232,414)
<b>Total</b>	<b>332,333</b>	<b>25,188,349</b>	<b>230,812</b>	<b>16,874,665</b>

**2 Cash and cash equivalents**

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Balance with bank	1,059,892	80,331,864	539,150	39,417,257
<b>Total</b>	<b>1,059,892</b>	<b>80,331,864</b>	<b>539,150</b>	<b>39,417,257</b>

**3 Equity share capital**

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Equity share capital	50,000	3,789,625	50,000	3,655,500
<b>Total</b>	<b>50,000</b>	<b>3,789,625</b>	<b>50,000</b>	<b>3,655,500</b>

**4 Other Equity**

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Surplus / (Deficit)				
Opening balance	16,942	1,284,077	(47,474)	(3,470,824)
Profit / (loss) for the year	(10,427)	(790,288)	64,416	4,709,454
<b>Total</b>	<b>6,515</b>	<b>493,789</b>	<b>16,942</b>	<b>1,238,630</b>

**5 Current liabilities - Trade payables**

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Trade payable	139,754	10,592,304	720,122	52,648,119
Inter Company - Payables/(Receivables)	1,062,607	80,537,641	-	-
<b>Total</b>	<b>1,202,361</b>	<b>91,129,945</b>	<b>720,122</b>	<b>52,648,119</b>

**6 Current liabilities - other current liabilities**

Particulars	As at 31 March 2022		As at 31 March 2021	
	USD	INR	USD	INR
Other Employee dues	-	-	864	63,167
<b>Total</b>	<b>-</b>	<b>-</b>	<b>864</b>	<b>63,167</b>



**Tata Communications Transformation Services (US) Inc**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

**7 Employee benefit expenses**

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Salaries, bonus and allowances	(864)	(65,485)	864	63,167
Staff welfare expenses	(25,949)	(1,966,740)	30,765	2,249,229
<b>Total</b>	<b>(26,813)</b>	<b>(2,032,225)</b>	<b>31,629</b>	<b>2,312,396</b>

**8 Operating and other expenses**

Particulars	Current year 2021-22		Previous year 2020-21	
	USD	INR	USD	INR
Advertising and publicity	16,384	1,241,784	-	-
Auditors remuneration	1,486	112,628	1,534	112,151
Communication expenses	524	39,715	1,403	102,573
Exchange loss -Net	-	-	1	73
Legal and professional fees	42,338	3,208,903	(24,770)	(1,810,935)
Miscellaneous expenses	6,098	462,183	1,814	132,622
Printing and stationery	-	-	25	1,828
Provision for doubtful debts	(10,729)	(813,178)	30,535	2,232,414
Rates and Taxes	185	14,022	-	-
Recruitment expenses	-	-	(13,430)	(981,867)
Services rendered by agencies	572,038	43,356,190	487,527	35,643,099
Travelling and conveyance expenses	2,320	175,839	-	-
<b>Total</b>	<b>630,644</b>	<b>47,798,086</b>	<b>484,639</b>	<b>35,431,958</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Vatma V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 March 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			XOF	INR*	XOF	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	5,045,537	649,815	-	-
			5,045,537	649,815	-	-
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Cash and cash equivalent	2	34,309,120	4,418,672	57,870,145	7,578,674
	Other current assets	3	19,309,899	2,486,922	-	-
			53,619,019	6,905,594	57,870,145	7,578,674
	<b>TOTAL ASSETS</b>		<b>58,664,556</b>	<b>7,555,409</b>	<b>57,870,145</b>	<b>7,578,674</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	4	60,000,000	7,727,400	60,000,000	7,857,600
	Other equity	5	(784,048,424)	(100,977,595)	(44,174,661)	(5,785,114)
	<b>Total Equity</b>		<b>(724,048,424)</b>	<b>(93,250,195)</b>	<b>15,825,339</b>	<b>2,072,486</b>
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Borrowings	6	56,667,023	7,298,146	-	-
			56,667,023	7,298,146	-	-
(2)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Borrowings	7	2,736,549	352,440	-	-
	(ii) Trade payables	8	708,227,764	91,212,654	42,044,806	5,506,188
	(iii) Other financial liabilities	9	1,680,863	216,478	-	-
	Other current liabilities	10	10,045,321	1,293,737	-	-
	Provisions	11	3,310,190	426,319	-	-
	Current tax liabilities (Net)		45,270	5,830	-	-
			726,045,957	93,507,458	42,044,806	5,506,188
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>58,664,556</b>	<b>7,555,409</b>	<b>57,870,145</b>	<b>7,578,674</b>

\*Exchange rate as at 31 March 2022 1 XOF = INR 0.13 ( 31 March 2021 XOF = INR 0.13)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			XOF	INR*	XOF	INR*
i	Revenue from operations		-	-	-	-
ii	Other income		-	-	-	-
iii	<b>Total income (i + ii)</b>		-	-	-	-
iv	<b>Expenses:</b>					
	Employee benefits expenses	12	371,457,544	47,840,018	-	-
	Finance costs	14	2,282,109	293,913	-	-
	Depreciation and amortisation expenses		1,960,513	252,494	-	-
	Operating and other expenses	13	364,173,597	46,901,915	44,174,661	5,785,114
	<b>Total expenses</b>		<b>739,873,763</b>	<b>95,288,340</b>	<b>44,174,661</b>	<b>5,785,114</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(739,873,763)</b>	<b>(95,288,340)</b>	<b>(44,174,661)</b>	<b>(5,785,114)</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>(739,873,763)</b>	<b>(95,288,340)</b>	<b>(44,174,661)</b>	<b>(5,785,114)</b>

\*Exchange rate as at 31 March 2022 1 XOF = INR 0.13 ( 31 March 2021 XOF = INR 0.13)





## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	XOF	INR	XOF	INR
<b>Gross block:</b>				
Computers	7,006,050	902,309	-	-
(a)	7,006,050	902,309	-	-
<b>Accumulated depreciation:</b>				
Computers	1,960,513	252,494	-	-
(b)	1,960,513	252,494	-	-
<b>Net block (a) - (b)</b>	<b>5,045,537</b>	<b>649,815</b>	<b>-</b>	<b>-</b>

## 2 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	XOF	INR	XOF	INR
Balance with bank	34,309,120	4,418,672	57,870,145	7,578,674
<b>Total</b>	<b>34,309,120</b>	<b>4,418,672</b>	<b>57,870,145</b>	<b>7,578,674</b>

## 3 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	XOF	INR	XOF	INR
Advances to employees	16,457,689	2,119,586		
Indirect tax receivable	2,852,210	367,336	-	-
<b>Total</b>	<b>19,309,899</b>	<b>2,486,922</b>	<b>-</b>	<b>-</b>

## 4 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	XOF	INR	XOF	INR
Equity share capital	60,000,000	7,727,400	60,000,000	7,857,600
<b>Total</b>	<b>60,000,000</b>	<b>7,727,400</b>	<b>60,000,000</b>	<b>7,857,600</b>

## 5 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	XOF	INR	XOF	INR
Surplus / (Deficit)				
Opening balance	(44,174,661)	(5,689,255)	-	-
Profit / (loss) for the year	(739,873,763)	(95,288,340)	(44,174,661)	(5,785,114)
<b>Total</b>	<b>(784,048,424)</b>	<b>(100,977,595)</b>	<b>(44,174,661)</b>	<b>(5,785,114)</b>



## 6 Non-current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	XOF	INR	XOF	INR
Unsecured borrowings - Inter company loans taken	56,667,023	7,298,146	-	-
<b>Total</b>	<b>56,667,023</b>	<b>7,298,146</b>	<b>-</b>	<b>-</b>

## 7 Current liabilities - borrowings

Particulars	As at 31 March 2022		As at 31 March 2021	
	XOF	INR	XOF	INR
Inter company loans taken	2,736,549	352,440	-	-
<b>Total</b>	<b>2,736,549</b>	<b>352,440</b>	<b>-</b>	<b>-</b>

## 8 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	XOF	INR	XOF	INR
Trade payable	347,243,177	44,721,449	42,044,806	5,506,188
Inter Company - Payables/(Receivables)	360,984,587	46,491,205	-	-
<b>Total</b>	<b>708,227,764</b>	<b>91,212,654</b>	<b>42,044,806</b>	<b>5,506,188</b>

## 9 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	XOF	INR	XOF	INR
Interest accrued but not due	1,393,634	179,486	-	-
Others	287,229	36,992	-	-
<b>Total</b>	<b>1,680,863</b>	<b>216,478</b>	<b>-</b>	<b>-</b>

## 10 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	XOF	INR	XOF	INR
Other Employee dues	7,091,894	913,365	-	-
Other Statutory dues	2,953,427	380,372	-	-
<b>Total</b>	<b>10,045,321</b>	<b>1,293,737</b>	<b>-</b>	<b>-</b>

## 11 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	XOF	INR	XOF	INR
Leave entitlement	3,310,190	426,319	-	-
<b>Total</b>	<b>3,310,190</b>	<b>426,319</b>	<b>-</b>	<b>-</b>



## 12 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	XOF	INR	XOF	INR
Salaries, bonus and allowances	364,375,212	46,927,884	-	-
Staff welfare expenses	7,082,332	912,134	-	-
<b>Total</b>	<b>371,457,544</b>	<b>47,840,018</b>	<b>-</b>	<b>-</b>

## 13 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	XOF	INR	XOF	INR
Interest expenses	2,282,109	293,913	-	-
<b>Total</b>	<b>2,282,109</b>	<b>293,913</b>	<b>-</b>	<b>-</b>

## 14 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	XOF	INR	XOF	INR
Auditors remuneration	2,860,434	368,395	5,582,502	731,084
Communication expenses	24,172,104	3,113,125	-	-
Exchange (Gain)/Loss -Net	29,619,602	3,814,709	-	-
Insurance expenses	1,928,360	248,353	-	-
Legal and professional fees	11,203,366	1,442,882	37,467,275	4,906,714
Miscellaneous expenses	1,195,171	153,923	137,900	18,061
Printing and stationery	1,022,599	131,701	-	-
Recruitment expenses	3,634,776	468,123	-	-
Relocation Expense	12,734,804	1,640,115	-	-
Rent	1,886,619	242,978	986,984	129,255
Repairs and Maintenance - Plant & Machinery	27,716,850	3,569,653	-	-
Services rendered by agencies	160,544,784	20,676,563	-	-
Travelling and conveyance expenses	85,654,128	11,031,395	-	-
<b>Total</b>	<b>364,173,597</b>	<b>46,901,915</b>	<b>44,174,661</b>	<b>5,785,114</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91(22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Va. V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 March 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			EURO	INR*	EURO	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	55,209	4,645,749	44,930	3,852,272
	Right of use assets		225,840	19,004,075	466,405	39,989,294
	Other intangible assets	2	1,474,245	124,055,358	765,696	65,650,331
	Intangible assets under development		2,703,245	227,473,742	2,197,081	188,376,451
	Investments in subsidiaries	3	641	53,939	641	54,959
	Financial assets					
	(i) Other financial assets	4	9,635	810,770	9,635	826,099
	Advance tax (net)		365,955	30,794,528	88,442	7,582,966
			4,834,770	406,838,161	3,572,830	306,332,372
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	5	3,335,938	280,713,845	805,904	69,097,742
	(ii) Cash and cash equivalent	6	467,428	39,333,318	2,546,070	218,298,565
	Other current assets	7	275,482	23,181,370	110,154	9,444,540
			4,078,848	343,228,533	3,462,128	296,840,847
	<b>TOTAL ASSETS</b>		8,913,618	750,066,694	7,034,958	603,173,219
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	8	364,900	30,705,751	364,900	31,286,314
	Other equity	9	4,536,056	381,701,857	3,899,056	334,302,800
	<b>Total Equity</b>		4,900,956	412,407,608	4,263,956	365,589,114
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		39,143	3,293,821	222,471	19,074,535
	(ii) Other financial liabilities	10	500,000	42,074,200	500,000	42,869,710
			539,143	45,368,021	722,471	61,944,245
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		182,486	15,355,905	243,933	20,914,677
	(ii) Trade payables	11	2,191,731	184,430,657	1,506,438	129,161,117
	(iii) Other financial liabilities	12	34,234	2,880,736	-	-
	Other current liabilities	13	917,100	77,172,497	202,277	17,343,113
	Provisions	14	147,968	12,451,270	95,883	8,220,953
			3,473,519	292,291,065	2,048,531	175,639,860
	<b>TOTAL EQUITY AND LIABILITIES</b>		8,913,618	750,066,694	7,034,958	603,173,219

\*Exchange rate as at 31 March 2022 1 EURO = INR 84.15 (as at 31 March 2021 1 EURO = INR 85.74)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			EURO	INR*	EURO	INR*
i	Revenue from operations	15	5,064,750	426,190,609	524,336	44,956,265
ii	Other income		76,110	6,404,535	77,599	6,653,293
iii	<b>Total income (i + ii)</b>		<b>5,140,860</b>	<b>432,595,144</b>	<b>601,935</b>	<b>51,609,558</b>
iv	<b>Expenses:</b>	16				
	Network and transmission expenses		1,292,093	108,727,559	135,361	11,605,774
	Employee benefits expenses		1,244,060	104,685,659	227,858	19,536,413
	Finance costs		3,510	295,361	-	-
	Depreciation and amortisation expenses		660,271	55,560,748	117,323	10,059,206
	Operating and other expenses		1,426,449	120,033,397	211,261	18,113,395
	<b>Total expenses</b>		<b>4,626,383</b>	<b>389,302,724</b>	<b>691,803</b>	<b>59,314,788</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>514,477</b>	<b>43,292,420</b>	<b>(89,868)</b>	<b>(7,705,230)</b>
vi	<b>Tax expenses</b>					
	(i) Current tax expense/(benefit)		(222,523)	(18,724,954)	(96,000)	(8,230,984)
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	<b>Net tax expenses</b>		<b>(222,523)</b>	<b>(18,724,954)</b>	<b>(96,000)</b>	<b>(8,230,984)</b>
vii	<b>Profit / (loss) for the year (v-vi)</b>		<b>737,000</b>	<b>62,017,374</b>	<b>6,132</b>	<b>525,754</b>

\*Exchange rate as at 31 March 2022 1 EURO = INR 84.15 (as at 31 March 2021 1 EURO = INR 85.74)



## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
<b>Gross block:</b>				
Computers	109,377	9,203,900	74,706	6,405,249
Office equipment	24,107	2,028,565	20,489	1,756,715
(a)	133,484	11,232,465	95,195	8,161,964
<b>Accumulated depreciation:</b>				
Computers	68,784	5,788,064	44,293	3,797,656
Office equipment	9,491	798,652	5,972	512,036
(b)	78,275	6,586,716	50,265	4,309,692
<b>Net block (a) - (b)</b>	<b>55,209</b>	<b>4,645,749</b>	<b>44,930</b>	<b>3,852,272</b>

## 2 Other intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
<b>Gross block:</b>				
Computer software	4,005,680	337,071,563	2,664,614	228,462,459
(a)	4,005,680	337,071,563	2,664,614	228,462,459
<b>Accumulated amortisation:</b>				
Computer software	2,531,435	213,016,205	1,898,918	162,812,128
(b)	2,531,435	213,016,205	1,898,918	162,812,128
<b>Net block (a) - (b)</b>	<b>1,474,245</b>	<b>124,055,358</b>	<b>765,696</b>	<b>65,650,331</b>

## 3 Investments in subsidiaries

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Investments in subsidiaries	641	53,939	641	54,959
<b>Total</b>	<b>641</b>	<b>53,939</b>	<b>641</b>	<b>54,959</b>

## 4 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Vendor deposits	9,635	810,770	9,635	826,099
<b>Total</b>	<b>9,635</b>	<b>810,770</b>	<b>9,635</b>	<b>826,099</b>





## 5 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Trade receivables	3,335,938	280,713,845	805,904	69,097,742
<b>Total</b>	<b>3,335,938</b>	<b>280,713,845</b>	<b>805,904</b>	<b>69,097,742</b>

## 6 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Balance with bank	467,428	39,333,318	2,546,070	218,298,565
<b>Total</b>	<b>467,428</b>	<b>39,333,318</b>	<b>2,546,070</b>	<b>218,298,565</b>

## 7 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Advances to employees	1,058	89,029	-	-
Prepaid expenses	45,357	3,816,719	27,641	2,369,923
Others	229,067	19,275,622	82,513	7,074,617
<b>Total</b>	<b>275,482</b>	<b>23,181,370</b>	<b>110,154</b>	<b>9,444,540</b>

## 8 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Equity share capital	364,900	30,705,751	364,900	31,286,314
<b>Total</b>	<b>364,900</b>	<b>30,705,751</b>	<b>364,900</b>	<b>31,286,314</b>

## 9 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
<b>Surplus / (Deficit)</b>				
Opening balance	1,121,270	94,353,076	1,115,138	95,611,285
Profit / (loss) for the year	737,000	62,017,374	6,132	525,754
Dividend	(100,000)	(8,414,840)	-	-
<b>Closing balance</b>	<b>1,758,270</b>	<b>147,955,610</b>	<b>1,121,270</b>	<b>96,137,039</b>
Share premium	2,777,786	233,746,247	2,777,786	238,165,761
<b>Total</b>	<b>4,536,056</b>	<b>381,701,857</b>	<b>3,899,056</b>	<b>334,302,800</b>



## 10 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Others	500,000	42,074,200	500,000	42,869,710
<b>Total</b>	<b>500,000</b>	<b>42,074,200</b>	<b>500,000</b>	<b>42,869,710</b>

## 11 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Trade payable	2,191,731	184,430,657	1,506,438	129,161,117
<b>Total</b>	<b>2,191,731</b>	<b>184,430,657</b>	<b>1,506,438</b>	<b>129,161,117</b>

## 12 Current liabilities - other financial liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Others	34,234	2,880,736	-	-
<b>Total</b>	<b>34,234</b>	<b>2,880,736</b>	<b>-</b>	<b>-</b>

## 13 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Deferred revenue and advance from customers	287,010	24,151,432	133,333	11,431,894
Other Employee dues	588,847	49,550,533	-	-
Other Statutory dues	41,243	3,470,532	68,944	5,911,219
<b>Total</b>	<b>917,100</b>	<b>77,172,497</b>	<b>202,277</b>	<b>17,343,113</b>

## 14 Current liabilities - provisions

Particulars	As at 31 March 2022		As at 31 March 2021	
	EURO	INR	EURO	INR
Leave entitlement	147,968	12,451,270	95,883	8,220,953
<b>Total</b>	<b>147,968</b>	<b>12,451,270</b>	<b>95,883</b>	<b>8,220,953</b>



## 15 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Exchange Gain/(Loss) -Net	75,133	6,322,322	77,599	6,653,293
Miscellaneous income	977	82,213	-	-
<b>Total</b>	<b>76,110</b>	<b>6,404,535</b>	<b>77,599</b>	<b>6,653,293</b>

## 16 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Charges for use of transmission facilities	1,292,093	108,727,559	135,361	11,605,774
<b>Total</b>	<b>1,292,093</b>	<b>108,727,559</b>	<b>135,361</b>	<b>11,605,774</b>

## 17 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Salaries, bonus and allowances	1,244,060	104,685,659	227,858	19,536,413
<b>Total</b>	<b>1,244,060</b>	<b>104,685,659</b>	<b>227,858</b>	<b>19,536,413</b>

## 18 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Interest expenses	3,510	295,361	-	-
<b>Total</b>	<b>3,510</b>	<b>295,361</b>	<b>-</b>	<b>-</b>

## 19 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	EURO	INR	EURO	INR
Advertising and publicity	107,408	9,038,211	25,570	2,192,357
Communication expenses	107,755	9,067,411	28,709	2,461,493
Entertainment expenses	12,438	1,046,638	1,316	112,833
Insurance expenses	1,820	153,150	457	39,183
Legal and professional fees	549,849	46,268,914	46,065	3,949,586
Miscellaneous expenses	234,274	19,713,778	17,648	1,513,129
Rates and Taxes	27,122	2,282,273	-	-
Rent	354,458	29,827,074	87,018	7,460,873
Services rendered by agencies	353	29,704	-	-
Travelling and conveyance expenses	30,972	2,606,244	4,478	383,941
<b>Total</b>	<b>1,426,449</b>	<b>120,033,397</b>	<b>211,261</b>	<b>18,113,395</b>





Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**APPENDIX - 53**

**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 Esim Pte Ltd** ("the subsidiary") registered in Singapore as at 31 March 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

*Va. ma. V.V.*  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022

## BALANCE SHEET AS AT 31 March 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			SGD	INR*	SGD	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	21,062	1,178,981	7,939	431,507
	Right of use assets		15,413	862,769	77,069	4,188,919
	Financial assets					
	(i) Other financial assets	2	10,800	604,548	10,800	587,011
			47,275	2,646,298	95,808	5,207,437
(2)	<b>Current assets</b>					
	Financial assets					
	(i) Trade receivables	3	377,153	21,111,780	383,351	20,836,216
	(ii) Cash and cash equivalent	4	8,901	498,249	85,010	4,620,535
	Other current assets	5	18,698	1,046,652	10,981	596,849
			404,752	22,656,681	479,342	26,053,600
	<b>TOTAL ASSETS</b>		452,027	25,302,979	575,150	31,261,037
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	6	1,000	55,977	1,000	54,353
	Other equity	7	205,395	11,497,334	178,678	9,711,658
	<b>Total Equity</b>		206,395	11,553,311	179,678	9,766,011
(2)	<b>Non-current liabilities</b>					
	Financial liabilities					
	(i) Lease liabilities		16,129	902,848	78,575	4,270,774
			16,129	902,848	78,575	4,270,774
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	8	46,848	2,622,396	136,205	7,403,129
	Other current liabilities	9	174,000	9,739,946	175,918	9,561,643
	Current tax liabilities (Net)		8,655	484,478	4,774	259,480
			229,503	12,846,820	316,897	17,224,252
	<b>TOTAL EQUITY AND LIABILITIES</b>		452,027	25,302,979	575,150	31,261,037

\*Exchange rate as at 31 March 2022 1 SGD = INR 55.98 (as at 31 March 2021 1 SGD = INR 54.35)



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			SGD	INR*	SGD	INR*
i	Revenue from operations	10	1,228,083	68,744,034	363,704	19,768,345
ii	Other income		-	-	1,262	68,593
iii	Total income (i + ii)		1,228,083	68,744,034	364,966	19,836,938
iv	Expenses:					
(i)	Employee benefits expenses	11	1,041,787	58,315,799	167,501	9,104,155
(ii)	Finance costs	12	2,471	138,318	1,187	64,517
(iii)	Depreciation and amortisation expenses	13	10,681	597,887	935	50,820
(iv)	Operating and other expenses		142,427	7,972,594	105,088	5,711,829
	Total expenses		1,197,366	67,024,598	274,711	14,931,321
v	Profit / (loss) before taxes (iii - iv)		30,717	1,719,436	90,255	4,905,617
vi	Tax expenses					
(i)	Current tax expense/(benefit)		4,000	223,907	3,424	186,104
(ii)	Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		4,000	223,907	3,424	186,104
vii	Profit / (loss) for the year (v-vi)		26,717	1,495,529	86,831	4,719,513

\*Exchange rate as at 31 March 2022 1 SGD = INR 55.98 (as at 31 March 2021 1 SGD = INR 54.35)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	SGD	INR	SGD	INR
Furniture and fixtures	1,562	87,436	4,742	257,741
Computers	41,899	2,345,368	15,890	863,667
(a)	43,461	2,432,804	20,632	1,121,408
<b>Accumulated depreciation:</b>				
Furniture and fixtures	1,263	70,699	4,264	231,761
Computers	21,136	1,183,124	8,429	458,140
(b)	22,399	1,253,823	12,693	689,901
<b>Net block (a) - (b)</b>	<b>21,062</b>	<b>1,178,981</b>	<b>7,939</b>	<b>431,507</b>

## 2 Non-current assets - financial assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	SGD	INR	SGD	INR
Vendor deposits	10,800	604,548	10,800	587,011
<b>Total</b>	<b>10,800</b>	<b>604,548</b>	<b>10,800</b>	<b>587,011</b>

## 3 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	SGD	INR	SGD	INR
Trade receivables	377,153	21,111,780	383,351	20,836,216
<b>Total</b>	<b>377,153</b>	<b>21,111,780</b>	<b>383,351</b>	<b>20,836,216</b>

## 4 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	SGD	INR	SGD	INR
Balance with bank	8,901	498,249	85,010	4,620,535
<b>Total</b>	<b>8,901</b>	<b>498,249</b>	<b>85,010</b>	<b>4,620,535</b>

## 5 Current assets - other assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	SGD	INR	SGD	INR
Prepaid expenses	11,402	638,246	5,614	305,137
Indirect tax receivable	7,296	408,406	5,367	291,712
<b>Total</b>	<b>18,698</b>	<b>1,046,652</b>	<b>10,981</b>	<b>596,849</b>





## 6 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	SGD	INR	SGD	INR
Equity share capital	1,000	55,977	1,000	54,353
<b>Total</b>	<b>1,000</b>	<b>55,977</b>	<b>1,000</b>	<b>54,353</b>

## 7 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	SGD	INR	SGD	INR
Surplus / (Deficit)				
Opening balance	178,678	10,001,805	91,847	4,992,145
Profit / (loss) for the year	26,717	1,495,529	86,831	4,719,513
<b>Closing balance</b>	<b>205,395</b>	<b>11,497,334</b>	<b>178,678</b>	<b>9,711,658</b>

## 8 Current liabilities - Trade payables

Particulars	As at 31 March 2022		As at 31 March 2021	
	SGD	INR	SGD	INR
Trade payable	46,848	2,622,396	136,205	7,403,129
<b>Total</b>	<b>46,848</b>	<b>2,622,396</b>	<b>136,205</b>	<b>7,403,129</b>

## 9 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	SGD	INR	SGD	INR
Other Employee dues	174,000	9,739,946	175,918	9,561,643
<b>Total</b>	<b>174,000</b>	<b>9,739,946</b>	<b>175,918</b>	<b>9,561,643</b>

## 10 Other income

Particulars	Current year 2021-22		Previous year 2020-21	
	SGD	INR	SGD	INR
Exchange Gain/(Loss) -Net		-	1,262	68,593
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,262</b>	<b>68,593</b>



## 11 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	SGD	INR	SGD	INR
Salaries, bonus and allowances	1,041,251	58,285,795	167,322	9,094,426
Staff welfare expenses	536	30,004	179	9,729
<b>Total</b>	<b>1,041,787</b>	<b>58,315,799</b>	<b>167,501</b>	<b>9,104,155</b>

## 12 Finance costs

Particulars	Current year 2021-22		Previous year 2020-21	
	SGD	INR	SGD	INR
Interest expenses	2,471	138,318	1,187	64,517
<b>Total</b>	<b>2,471</b>	<b>138,318</b>	<b>1,187</b>	<b>64,517</b>

## 13 Operating and Other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	SGD	INR	SGD	INR
Advertising and publicity	1,132	63,366	-	-
Communication expenses	12,201	682,972	2,788	151,536
Electricity	1,962	109,826	397	21,578
Entertainment expenses	1,736	97,176	994	54,027
Exchange (Gain)/Loss -Net	9,531	533,514	-	-
Insurance expenses	20,097	1,124,964	7,141	388,134
Legal and professional fees	6,202	347,167	72,180	3,923,188
Miscellaneous expenses	11,654	652,352	4,104	223,060
Rent	66,794	3,738,908	15,414	837,795
Repairs and Maintenance - Plant & Machinery	3,900	218,309	1,800	97,835
Vehicle Expenses	121	6,773	115	6,251
Travelling and conveyance expenses	7,097	397,267	155	8,425
<b>Total</b>	<b>142,427</b>	<b>7,972,594</b>	<b>105,088</b>	<b>5,711,829</b>



Suresh Surana &amp; Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

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 2022 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP  
Chartered Accountants  
Firm Reg. No. 121750W / W-100010

  
(Vinodkumar Varma)  
PARTNER  
Membership No. 105545



Place Mumbai  
Date: 21 April 2022



## UNITED TELECOM LIMITED

## BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31 March 2022		As at 31 March 2021	
			NPR	INR*	NPR	INR*
(A)	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	Property, plant and equipment	1	56,950,304	35,593,940	56,950,304	35,593,940
	Capital work-in-progress		1,465,048	915,655	1,465,048	915,655
	Other intangible assets	2	768,744,349	480,465,218	514,851,108	321,781,943
			827,159,701	516,974,813	573,266,460	358,291,538
(2)	<b>Current assets</b>					
	Inventories		37,376,203	23,360,127	37,376,203	23,360,127
	Financial assets					
	(i) Trade receivables	3	70,767,570	44,229,731	70,767,570	44,229,731
	(ii) Cash and cash equivalent	4	298,032	186,270	298,032	186,270
	(iii) Other financial assets	5	223,755,153	139,846,971	223,755,153	139,846,971
			332,196,958	207,623,099	332,196,958	207,623,099
	<b>TOTAL ASSETS</b>		<b>1,159,356,659</b>	<b>724,597,912</b>	<b>905,463,418</b>	<b>565,914,636</b>
(B)	<b>EQUITY AND LIABILITIES</b>					
(1)	<b>Equity</b>					
	Equity share capital	6	4,602,006,533	2,876,254,083	4,602,006,533	2,876,254,083
	Other equity	7	(8,110,411,595)	(5,069,007,247)	(7,591,678,631)	(4,744,799,144)
	<b>Total Equity</b>		<b>(3,508,405,062)</b>	<b>(2,192,753,164)</b>	<b>(2,989,672,098)</b>	<b>(1,868,545,061)</b>
(2)	<b>Non-current liabilities</b>					
	Deferred tax liabilities (Net)		12,227,754	7,642,346	12,227,754	7,642,346
			12,227,754	7,642,346	12,227,754	7,642,346
(3)	<b>Current liabilities</b>					
	Financial liabilities					
	(i) Trade payables	8	4,632,871,557	2,895,544,723	3,860,245,352	2,412,653,345
	Other current liabilities	9	22,662,410	14,164,006	22,662,410	14,164,006
			4,655,533,967	2,909,708,729	3,882,907,762	2,426,817,351
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,159,356,659</b>	<b>724,597,912</b>	<b>905,463,418</b>	<b>565,914,636</b>

\*Exchange rate as at 31 March 2022 1 NPR = INR 0.625 (as at 31 March 2021 1 NPR = INR 0.625)



## UNITED TELECOM LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current year 2021-22		Previous year 2020-21	
			NPR	INR*	NPR	INR*
i	Revenue from operation		-	-	-	-
ii	Other Income		-	-	-	-
iii	Total income (i + ii)		-	-	-	-
iv	Expenses:					
	(i) Network and transmission expenses	10	390,943,943	244,339,964	924,823,285	578,014,553
	(ii) Employee benefits expenses	11	11,170,570	6,981,606	10,572,681	6,607,926
	(iii) Depreciation and amortisation expenses		96,106,757	60,066,723	68,734,403	42,959,002
	(iv) Operating and other expenses	12	20,511,694	12,819,809	29,104,022	18,190,014
	Total expenses		518,732,964	324,208,103	1,033,234,391	645,771,494
v	Profit / (loss) before taxes (iii -iv)		(518,732,964)	(324,208,103)	(1,033,234,391)	(645,771,494)
vi	Tax expenses					
	(i) Current tax expense/(benefit)		-	-	-	-
	(ii) Deferred tax expense/(benefit)		-	-	-	-
	Net tax expenses		-	-	-	-
vii	Profit / (loss) for the year (v-vi)		(518,732,964)	(324,208,103)	(1,033,234,391)	(645,771,494)

\*Exchange rate as at 31 March 2022 1 NPR = INR 0.625 (as at 31 March 2021 1 NPR = INR 0.625)



## UNITED TELECOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Property, plant and equipment

Particulars	As at 31 March 2022		As at 31 March 2021	
	NPR	INR	NPR	INR
<b>Gross block:</b>				
Land	9,406,115	5,878,822	9,406,115	5,878,822
Plant and machinery	1,787,755,174	1,117,346,984	1,787,755,174	1,117,346,984
Furniture and fixtures	38,847,311	24,279,569	38,847,311	24,279,569
Computers	28,284,425	17,677,766	28,284,425	17,677,766
Office equipment	42,330,380	26,456,488	42,330,380	26,456,488
Vehicles	18,140,866	11,338,041	18,140,866	11,338,041
(a)	1,924,764,271	1,202,977,669	1,924,764,271	1,202,977,669
<b>Accumulated depreciation:</b>				
Plant and machinery	1,750,371,410	1,093,982,131	1,750,371,410	1,093,982,131
Furniture and fixtures	38,103,880	23,814,925	38,103,880	23,814,925
Computers	27,955,082	17,471,926	27,955,082	17,471,926
Office equipment	36,894,372	23,058,983	36,894,372	23,058,983
Vehicles	14,489,223	9,055,764	14,489,223	9,055,764
(b)	1,867,813,967	1,167,383,729	1,867,813,967	1,167,383,729
<b>Net block (a) - (b)</b>	<b>56,950,304</b>	<b>35,593,940</b>	<b>56,950,304</b>	<b>35,593,940</b>

## 2 Other intangible assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	NPR	INR	NPR	INR
<b>Gross block:</b>				
License Fees	1,318,097,744	823,811,090	968,097,746	605,061,091
(a)	1,318,097,744	823,811,090	968,097,746	605,061,091
<b>Accumulated amortisation:</b>				
License Fees	549,353,395	343,345,872	453,246,638	283,279,149
(b)	549,353,395	343,345,872	453,246,638	283,279,149
<b>Net block (a) - (b)</b>	<b>768,744,349</b>	<b>480,465,218</b>	<b>514,851,108</b>	<b>321,781,943</b>

## 3 Trade receivables

Particulars	As at 31 March 2022		As at 31 March 2021	
	NPR	INR	NPR	INR
Trade receivables	558,136,347	348,835,217	558,136,347	348,835,217
Provision for doubtful debts	(487,368,777)	(304,605,486)	(487,368,777)	(304,605,486)
<b>Total</b>	<b>70,767,570</b>	<b>44,229,731</b>	<b>70,767,570</b>	<b>44,229,731</b>

## 4 Cash and cash equivalents

Particulars	As at 31 March 2022		As at 31 March 2021	
	NPR	INR	NPR	INR
Balance with bank	298,032	186,270	298,032	186,270
<b>Total</b>	<b>298,032</b>	<b>186,270</b>	<b>298,032</b>	<b>186,270</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 5 Current assets - other financial assets

Particulars	As at 31 March 2022		As at 31 March 2021	
	NPR	INR	NPR	INR
Security Deposit	223,755,153	139,846,971	223,755,153	139,846,971
<b>Total</b>	<b>223,755,153</b>	<b>139,846,971</b>	<b>223,755,153</b>	<b>139,846,971</b>

## 6 Equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	NPR	INR	NPR	INR
Equity share capital	4,602,006,533	2,876,254,083	4,602,006,533	2,876,254,083
<b>Total</b>	<b>4,602,006,533</b>	<b>2,876,254,083</b>	<b>4,602,006,533</b>	<b>2,876,254,083</b>

## 7 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
	NPR	INR	NPR	INR
Surplus / (Deficit)				
Opening balance	(7,591,678,631)	(4,744,799,144)	(6,558,444,240)	(4,099,027,650)
Profit / (loss) for the year	(518,732,964)	(324,208,103)	(1,033,234,391)	(645,771,494)
Closing balance	(8,110,411,595)	(5,069,007,247)	(7,591,678,631)	(4,744,799,144)

## 8 Current liabilities - Trade payables

Particulars	As at 31 March 2021		As at 31 March 2021	
	NPR	INR	NPR	INR
Payable for capital and other supplies	4,632,871,557	2,895,544,723	3,860,245,352	2,412,653,345
<b>Total</b>	<b>4,632,871,557</b>	<b>2,895,544,723</b>	<b>3,860,245,352</b>	<b>2,412,653,345</b>

## 9 Current liabilities - other current liabilities

Particulars	As at 31 March 2022		As at 31 March 2021	
	NPR	INR	NPR	INR
Deferred revenue and advance from customers	22,662,410	14,164,006	22,662,410	14,164,006
<b>Total</b>	<b>22,662,410</b>	<b>14,164,006</b>	<b>22,662,410</b>	<b>14,164,006</b>





## 10 Network and transmission expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	NPR	INR	NPR	INR
Charges for use of transmission facilities	390,943,943	244,339,964	924,823,285	578,014,553
<b>Total</b>	<b>390,943,943</b>	<b>244,339,964</b>	<b>924,823,285</b>	<b>578,014,553</b>

## 11 Employee benefit expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	NPR	INR	NPR	INR
Salaries, bonus and allowances	11,170,570	6,981,606	10,562,681	6,601,676
Staff welfare expenses	-	-	10,000	6,250
<b>Total</b>	<b>11,170,570</b>	<b>6,981,606</b>	<b>10,572,681</b>	<b>6,607,926</b>

## 12 Operating and other expenses

Particulars	Current year 2021-22		Previous year 2020-21	
	NPR	INR	NPR	INR
Communication expenses	-	-	1,000	625
Miscellaneous expenses	-	-	300,002	187,501
Printing and stationery	-	-	528	330
Provision for doubtful debts	-	-	4,235,075	2,646,922
Rent	15,489,691	9,681,057	14,476,347	9,047,717
Repairs and Maintenance - IT systems	-	-	38,620	24,138
Security charges	5,022,003	3,138,752	10,044,000	6,277,500
Travelling and conveyance expenses	-	-	8,450	5,281
<b>Total</b>	<b>20,511,694</b>	<b>12,819,809</b>	<b>29,104,022</b>	<b>18,190,014</b>



# B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,  
Nesco IT Park 4, Nesco Center,  
Western Express Highway, Goregaon (East),  
Mumbai - 400 063, India

Telephone: +91 22 6257 1000  
Fax: +91 22 6257 1010

## 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 2022, 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 a summary of 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 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 2022, 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 obtained by us, 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 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 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.

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP  
(a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C  
Wing, Nesco IT Park 4, Nesco Center,

## **Independent Auditors' Report (*Continued*)**

STT Global Data Centres India Private Limited

### **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/loss 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 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,

## **Independent Auditors' Report (*Continued*)**

### **STT Global Data Centres India Private Limited**

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 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.
  - 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 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) 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 Auditor's) 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 2022 on its financial position in its financial statements - Refer Note 35 to the financial statements.



**Independent Auditors' Report (Continued)**

STT Global Data Centres India Private Limited

- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There has been no delay in transferring amounts, 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, 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 persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Company; or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material misstatement.
- e) The Company has neither declared nor paid any dividend during the year.
- (C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: The Company being a private limited company, the provisions of Section 197 of the Act is not applicable.

For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration No. 101248W / W-100022

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D'SOUZA  
Date: 2022.06.01  
18:17:48 +05'30'

Place: Mumbai  
Date: 1 June 2022

Glenn D'Souza  
Membership No. 112554  
ICAI UDIN: 22112554AKCIKE9753

**Independent Auditors' Report (Continued)**

STT Global Data Centres India Private Limited

**Annexure - A to the Independent Auditors' report on the Financial Statements of STT Global Data Centres India Private Limited for the year ended 31 March 2022.**

(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.
- (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 material 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:

<b>Description of property</b>	<b>Gross carrying value (INR in lakhs)</b>	<b>Held in the name of</b>	<b>Whether promoter, director or their relative or employee</b>	<b>Period held- indicate range, where appropriate</b>	<b>Reason for not being held in the name of the company. Also indicate if in dispute</b>
Building (Right-of-use assets) at BKC Mumbai	10,104	Tata Communication Limited	Promoter	From 1 July 2016	Regulatory approval pending #
Building (Right-of-use assets) at BKC Mumbai	12,925	Tata Communication Limited	Promoter	From 1 August 2016	Regulatory approval pending #
Building (Right-of-use assets) at BKC Mumbai	16,142	Tata Communication Limited	Promoter	From 1 September 2016	Regulatory approval pending #

**Independent Auditors' Report (Continued)**

STT Global Data Centres India Private Limited

Description of property	Gross carrying value (INR 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 (Property, plant and equipment) at Pune	18,593	Tata Communication Limited	Promoter	From 1 December 2021	Agreement is in process

# In case of these lease properties, the lessor and lessee have executed a lease agreement, however the same is not yet registered with the appropriate authorities, since certain regulatory approvals are awaited.

- (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 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly statements filed by the Company with such banks are in agreement with the books of account of 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 provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in firms, limited liability partnership or any other parties. Accordingly, provisions of clauses 3(iii)(a), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company. The Company has made investments in companies. According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made are prima facie, not prejudicial to the interest of the Company.

**Independent Auditors' Report (*Continued*)**

**STT Global Data Centres India Private Limited**

- (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 have 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 Services Tax, Provident fund, Income-Tax, Duty of Customs or other statutory dues have generally been regularly deposited with the appropriate authorities.
- As explained to us, the Company did not have any dues on account of Employees' State Insurance and Cess.
- 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 Services Tax ('GST'), Provident fund, Income-Tax, Duty of Customs or other statutory dues were in arrears as at 31 March 2022 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, Income-Tax, Duty of Customs 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 banks.
- (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.



**Independent Auditors' Report (Continued)**

**STT Global Data Centres India Private Limited**

- (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 subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) and Clause 3(ix)(f) are not applicable.
- (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, considering the principles of materiality outlined in Standards on Auditing, we report that 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 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 our audit procedures.
- (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.

**Independent Auditors' Report (*Continued*)**

STT Global Data Centres India Private Limited

- (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 (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) (a) 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 other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

**Independent Auditors' Report (*Continued*)**

STT Global Data Centres India Private Limited

- (b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

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**Glenn D'Souza**

*Partner*

Membership No: 112554

ICAI UDIN: 22112554AKCIKE9753

Place: Mumbai

Date: 1 June 2022

**Independent Auditors' Report (*Continued*)**

STT Global Data Centres India Private Limited

**Annexure B to the Independent Auditors' report**

**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 Companies Act, 2013**

(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 2022 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 2022, 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 Responsibility 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 Companies Act, 2013 (hereinafter referred to as "the Act").

**Auditors' 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 whether such controls operated effectively in all material respects.



## **Independent Auditors' Report (*Continued*)**

### **STT Global Data Centres India Private Limited**

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 such internal financial controls, 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 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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**Glenn D'Souza**

*Partner*

Place: Mumbai

Date: 1 June 2022

Membership No. 112554  
UDIN: 22112554AKCIKE9753

# STT Global Data Centres India Private Limited

## Balance Sheet

as at 31 March 2022

Currency in Indian Rupees

		As at 31 March 2022	₹ in lakhs As at 31 March 2021
Note			
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	284,196.18	188,083.04
(b) Capital work-in-progress	3	9,475.60	41,768.43
(c) Right-of-use assets	34	144,515.91	119,622.88
(d) Other intangible assets	4	637.50	637.06
(e) Financial assets			
(i) Investments	12	2,925.00	1,950.00
(ii) Other financial assets	5	5,911.81	5,726.88
(f) Deferred tax assets (net)	6	-	4,593.56
(g) Income tax assets (net)		6,929.71	5,896.08
(h) Contract assets	7A	2,378.89	7,592.51
(i) Other non-current assets	8A	4,926.42	18,132.80
<b>Total non-current assets</b>		<b>461,897.02</b>	<b>394,003.24</b>
<b>2 Current assets</b>			
(a) Financial assets			
(i) Trade receivables	9	8,529.99	7,470.73
(ii) Unbilled receivables		5,822.71	5,510.69
(iii) Cash and cash equivalents	10	33,410.72	22,478.64
(iv) Bank balances other than (iii) above	11	97.05	6,051.43
(b) Income tax assets (net)		6,434.36	7,812.07
(c) Contract assets	7B	48.61	355.81
(d) Other current assets	8B	11,098.99	5,967.22
<b>Total current assets</b>		<b>65,442.43</b>	<b>55,646.59</b>
<b>Total assets</b>		<b>527,339.45</b>	<b>449,649.83</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
(a) Equity share capital	13	1.33	1.16
(b) Other equity	14	147,292.47	66,701.91
<b>Total equity</b>		<b>147,293.80</b>	<b>66,703.07</b>
<b>II Liabilities</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15A	173,614.05	161,687.62
(ii) Lease liabilities	34	126,003.08	129,150.30
(iii) Other financial liabilities	16A	1,090.68	964.75
(b) Provisions	17A	391.60	373.94
(c) Deferred tax Liability (Net)	6	1,041.35	-
(d) Contract liabilities	7A	1,610.96	1,851.35
<b>Total non-current liabilities</b>		<b>303,751.72</b>	<b>294,027.96</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15B	17,073.58	14,733.58
(ii) Lease liabilities	34	5,835.81	4,149.52
(iii) Trade payables	19		
1. Dues of micro enterprises and small enterprises		98.73	1,296.85
2. Dues of creditors other than micro enterprises and small enterprises		19,913.62	24,649.15
(iv) Other financial liabilities	16B	24,549.76	26,357.50
(b) Contract liabilities	7B	7,419.49	3,774.50
(c) Other current liabilities	18	1,376.08	1,394.39
(d) Provisions	17B	26.86	12,563.31
<b>Total current liabilities</b>		<b>76,293.93</b>	<b>88,918.80</b>
<b>Total equity and liabilities</b>		<b>527,339.45</b>	<b>449,649.83</b>
<b>Significant 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

GLENN  
GERARD  
D'SOUZA  
18/10/21 +05'30'

Glenn D'souza

Partner

Membership no. : 112554

For and on behalf of the Board of Directors  
STT Global Data Centres India Private Limited

SUMIT  
MUKHIJA

Sumit Mukhija  
Chief Executive Officer

KABIR  
AHMED  
SHAKIR  
15/04/21 +05'30'

Kabir Ahmed Shakir  
Director

DIN : 03584898

Dated: 1 June 2022

BRUNO  
LOPEZ  
14/04/21 +05'30'

Bruno Lopez  
Director

DIN : 07554875

Bimal Giriraj  
Khandelwal

Bimal Khandelwal  
Chief Financial officer

Dated: 1 June 2022

# STT Global Data Centres India Private Limited

## Statement of Profit and Loss

for the year ended 31 March 2022

Currency in Indian Rupees

	Note	For the year ended 31 March 2022	₹ in lakhs For the year ended 31 March 2021
<b>I</b>	Revenue from operations	20	145,475.34
<b>II</b>	Other income	21	2,451.80
<b>III</b>	<b>Total Income (I + II)</b>		<b>147,927.14</b>
<b>IV</b>	<b>EXPENSES:</b>		
	Operating and other expenses	22	69,411.36
	Employee benefits expense	23	12,260.17
	Finance costs	24	25,688.95
	Depreciation and amortisation expense	25	31,884.08
	<b>Total Expenses</b>		<b>139,244.56</b>
<b>V</b>	<b>Profit / (Loss) before exceptional items and tax (III-IV)</b>		<b>8,682.58</b>
<b>VI</b>	Exceptional Items	17B	(11,922.97)
<b>VII</b>	<b>Profit / (Loss) before tax (V-VI)</b>		<b>20,605.55</b>
<b>VIII</b>	<b>Tax expense</b>	26	
(a)	Current tax		(400.41)
(b)	Deferred tax		5,636.75
			<b>5,236.34</b>
<b>IX</b>	<b>Profit / (Loss) for the year (VII - VIII)</b>		<b>15,369.21</b>
<b>X</b>	<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		(7.33)
	(ii) Income tax relating to items that will not be subsequently reclassified to statement of profit and loss		1.84
	<b>Other comprehensive (loss) for the year, net of tax</b>		<b>(5.49)</b>
<b>XI</b>	<b>Total comprehensive income/(loss) for the year, net of tax (IX + X)</b>		<b>15,363.72</b>
	<b>Earnings per share</b>		
	<b>Basic and diluted (of ₹ 10 each)</b>	28	<b>124,115.40</b>
	<b>Significant 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

GLENN  
GERARD  
D'SOUZA

Glenn D'souza

Partner

Membership No: 112554

For and on behalf of the Board of Directors

STT Global Data Centres India Private Limited

SUMIT  
MUKH  
IJA

Sumit Mukhija

Chief Executive Officer

KABIR  
AHMED  
SHAKIR

Kabir Ahmed Shakir

Director

DIN : 03584898

Dated: 1 June 2022

BRUNO  
LOPEZ

Bruno Lopez

Director

DIN : 07554875

Bimal Giriraj  
Khandelwal

Bimal Khandelwal

Chief Financial officer

Dated: 1 June 2022

# STT Global Data Centres India Private Limited

## Statement of Changes in Equity

for the year ended 31 March 2022

Currency in Indian Rupees

### A Equity share capital

	Note	No. of Shares	₹ in lakhs Amount
Balance as at 1 April 2020		11,150	1.12
Changes in equity share capital due to prior period errors		-	-
Restated balance as at 1 April 2020		11,150	1.12
Changes in equity share capital during the year	13	450	0.04
Balance as at 31 March 2021		11,600	1.16
Balance as at 1 April 2021		11,600	1.16
Changes in equity share capital due to prior period errors		-	-
Restated balance as at 1 April 2021		11,600	1.16
Changes in equity share capital during the year	13	1,700	0.17
Balance as at 31 March 2022		13,300	1.33

### B Changes in other equity

	Note	Reserve and surplus			Other comprehensive income	Total other equity
Particulars		Securities premium	General reserve	Retained earnings	Remeasurement of defined benefit plan	
Balances as at 1 April 2020	14	32,444.32	8,750.00	19,248.24	(63.83)	60,378.73
Profit/(Loss) for the year		-	-	(6,866.92)	-	(6,866.92)
Right issue of equity shares		13,196.06	-	-	-	13,196.06
Remeasurements of the defined benefit plans		-	-	-	(7.96)	(7.96)
Tax impact on above		-	-	-	2.00	2.00
Balance as at 31 March 2021		45,640.38	8,750.00	12,381.32	(69.79)	66,701.91
Balance as at 1 April 2021	-	45,640.38	8,750.00	12,381.32	(69.79)	66,701.91
Profit/(Loss) for the year		-	-	15,369.21	-	15,369.21
Right issue of equity shares	-	65,226.84	-	-	-	65,226.84
Remeasurements of the defined benefit plans		-	-	-	(7.33)	(7.33)
Tax impact on above		-	-	-	1.84	1.84
Balance as at 31 March 2022	-	110,867.22	8,750.00	27,750.53	(75.28)	147,292.47

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

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D'SOUZA

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Glenn D'souza

Partner

Membership no. : 112554

For and on behalf of the Board of Directors

STT Global Data Centres India Private Limited

SUMIT  
MUKHIJA

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Sumit Mukhija

Chief Executive Officer

BRUNO  
LOPEZ

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Bruno Lopez

Director

DIN : 07554875

KABIR  
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SHAKIR

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Kabir Ahmed Shakir

Director

DIN : 03584898

Bimal Giriraj  
Khandelwal

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Khandelwal  
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Bimal Khandelwal

Chief Financial officer

Dated: 1 June 2022

Dated: 1 June 2022



# STT Global Data Centres India Private Limited

## Cash Flow Statement

for the year ended 31 March 2022

Currency in Indian Rupees

Particulars	₹ in lakhs	
	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit / (loss) before tax	20,605.55	(9,094.48)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	31,884.08	23,149.91
Gain on disposal of property, plant and equipment and intangibles (net)	(1,305.42)	(509.37)
Finance costs	25,688.95	23,454.04
Exceptional items	(11,922.97)	12,540.58
Unwinding of discount on security deposits	(70.37)	(65.38)
Impairment loss recognised /(reversed) under expected credit loss model	605.80	(343.41)
Interest on fixed deposits	(978.38)	(818.81)
<b>Operating profit before working capital changes</b>	<b>64,507.24</b>	<b>48,313.08</b>
<b>Changes in working capital:</b>		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Trade receivables	(1,665.06)	2,622.49
Other financial assets	(426.58)	(3,118.23)
Contract assets	5,520.83	282.67
Other assets	(5,992.44)	1,007.94
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Trade payables	(5,933.65)	(1,294.38)
Other financial liabilities	3,254.86	448.09
Contract liabilities	3,404.60	3,022.48
Employee benefit obligations	(603.15)	148.61
Other liabilities	(18.32)	159.63
<b>Cash generated from operations</b>	<b>62,048.33</b>	<b>51,592.38</b>
Income tax paid (net of refunds)	744.49	2,043.51
<b>Net Cash flow generated from operating activities (A)</b>	<b>62,792.82</b>	<b>53,635.89</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Payments for purchase of property, plant and equipment and intangibles	(108,359.84)	(52,359.35)
Proceeds from disposal of property, plant and equipment and intangibles	1,720.63	609.63
Purchase of non-current investments	(975.00)	(1,950.00)
(Increase)/ decrease in earmarked funds	5,954.37	(6,051.43)
Interest received on fixed deposits	929.64	883.34
<b>Net Cash flow (used in) investing activities (B)</b>	<b>(100,730.20)</b>	<b>(58,867.81)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from long term borrowings (net of arrangement fees)	29,000.00	39,000.00
Repayment of long term borrowings	(14,838.00)	(14,478.00)
Proceeds from issue of equity shares (Refer note 13)	65,227.01	13,196.10
Repayment of lease liabilities	(5,217.16)	(4,427.93)
Finance cost paid towards lease liabilities	(10,585.67)	(9,762.31)
Finance cost paid	(14,716.72)	(13,835.81)
<b>Net Cash flow generated from financing activities (C)</b>	<b>48,869.46</b>	<b>9,692.05</b>
<b>Net Increase in Cash and Cash Equivalents (A)+(B)+(C)</b>	<b>10,932.08</b>	<b>4,460.13</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>22,478.64</b>	<b>18,018.51</b>
<b>Cash and Cash Equivalents at the end of the year (Refer note 10 Cash and cash equivalents)</b>	<b>33,410.72</b>	<b>22,478.64</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 2021</b>	176,421.20	133,299.82	45,641.54	388.17
Cash flow movement (Refer above)	14,162.00	(15,802.83)	65,227.01	(14,716.72)
Expenses as per Statement of Profit and Loss (Refer note 24)		11,112.71	-	14,524.52
<b>Non cash/other adjustments:</b>				
Amortisation of arrangement fees	104.43		-	(104.43)
Lease liabilities recognised during the year		3,229.19	-	
Finance cost capitalised		-	-	341.36
<b>Balance as at 31 March 2022</b>	<b>190,687.63</b>	<b>131,838.89</b>	<b>110,868.55</b>	<b>432.90</b>

As per our report of even date attached

For **B S R & Co. LLP**  
Chartered Accountants

Firm's Registration no: 101248W/W-100022

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Date: 2022.06.01 18:13:27  
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Glenn D'souza

Partner

Membership No: 112554

For and on behalf of the Board of Directors  
STT Global Data Centres India Private Limited

SUMIT  
MUKHI  
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MUKHI  
Date: 2022.06.01  
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Sumit Mukhija

Chief Executive Officer

KABIR  
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SHAKIR

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Date: 2022.06.01  
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Kabir Ahmed Shakir

Director

DIN : 03584898

Dated: 1 June 2022

BRUNO  
LOPEZ

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Bruno Lopez

Director

DIN : 07554875

Bimal Girija  
Khandelwal

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Bimal Khandelwal

Chief Financial officer

Dated: 1 June 2022

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

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. Significant 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 2022

Currency in Indian Rupees in lakhs

### 2. Significant 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.

##### 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:

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 2. Significant accounting policies (*Continued*)

#### d. Significant accounting judgements, estimates and assumptions (*Continued*)

##### **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 31 – 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 standalone 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.

##### **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.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 2. Significant accounting policies (*Continued*)

#### d. Significant accounting judgements, estimates and assumptions (*Continued*)

##### **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.

##### **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

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 2. Significant accounting policies (*Continued*)

#### d. Significant accounting judgements, estimates and assumptions (*Continued*)

##### Leases (*Continued*)

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.

##### Estimation of uncertainties relating to the global health pandemic from COVID-19:

In view of the unprecedented COVID-19 pandemic and economic forecasts, the Management has evaluated the impact on the financial statements and made appropriate adjustment where necessary. In assessing the recoverability of its assets including receivables and unbilled receivables, the Company has considered internal and external information upto the date of approval of these financial statements including economic forecasts. The Company has performed analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. However, the actual impact of COVID-19 on the Company's financial statements may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

#### 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.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 2. Significant 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 2022

Currency in Indian Rupees in lakhs

### 2. Significant 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
----------	--------------

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 2022

Currency in Indian Rupees in lakhs

### 2. Significant 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 2022

Currency in Indian Rupees in lakhs

### 2. Significant 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 2022

Currency in Indian Rupees in lakhs

### 2. Significant 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 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 applies the Ind AS 102 on "Share based payments" issued by the Institute of Chartered Accountants of India ('ICAI') to account for costs related to the Appreciation Unit Plan (AUP) and Restricted Stock Unit Plan (RSUP) units. The fair value of the amount payable to employees in respect of AUP and to directors in respect of RSUP, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees and the directors become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the AUPs and RSUPs. Any changes in the liability are recognized in 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 2022

Currency in Indian Rupees in lakhs

### 2. Significant 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.

#### 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.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 2. Significant accounting policies (*Continued*)

#### k. Revenue recognition (*Continued*)

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 capitalized 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. It also includes penalties, if any, accrued which are accounted of as a reduction from the transaction price over the period of the contract. 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.

#### 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.

#### 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.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 2. Significant accounting policies (*Continued*)

#### m. Taxation (*Continued*)

##### *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.

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.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 2. Significant accounting policies (*Continued*)

#### *n. Fair value measurement (Continued)*

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 Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 2. Significant accounting policies (*Continued*)

#### 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 2022

Currency in Indian Rupees in lakhs

### 2. Significant 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 2022

Currency in Indian Rupees in lakhs

### 2. Significant 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:

##### 1. 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 2022

Currency in Indian Rupees in lakhs

### 2. Significant 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. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April 2022, as below:

##### i. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

##### ii. Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### *t. Recent accounting pronouncements (Continued)*

#### **iii. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

#### **iv. Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

#### **v. Ind AS 106 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued) for the year ended 31 March 2022

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	Computers	Total	Capital work-in-progress
<b>Gross block</b>									₹ in lakhs
At 1 April 2020	7,994.69	17,942.43	24,675.19	173,168.36	5,653.17	24,727.66	817.57	254,979.07	33,701.31
Additions	-	7,405.62	241.30	28,307.54	1,131.14	3,685.36	375.42	41,146.38	49,555.24
Disposals	-	(3.70)	-	(2,255.47)	-	(72.71)	-	(2,331.88)	-
Asset (written off) / write back	-	0.64	-	21.74	3.52	21.49	0.84	48.23	-
Adjustment/Capitalisation	-	-	-	-	-	-	-	-	(41,488.12)
At 31 March 2021	7,994.69	25,344.99	24,916.49	199,242.17	6,787.83	28,361.80	1,193.83	293,841.80	41,768.43
Additions	-	14,192.72	18,599.76	74,405.05	244.64	9,747.70	764.73	117,954.60	85,897.01
Disposals	-	-	-	(4,810.82)	(26.72)	(281.19)	(0.07)	(5,118.80)	-
Asset (written off) / write back	-	-	-	-	-	-	-	-	-
Adjustment/Capitalisation	-	-	-	-	-	6.25	(6.25)	-	(118,189.84)
At 31 March 2022	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
<b>Accumulated depreciation</b>									
At 1 April 2020	-	4,300.19	271.65	75,081.02	3,117.92	10,447.97	217.39	93,436.14	-
Depreciation	-	1,848.28	394.93	10,430.89	312.32	1,327.43	192.16	14,506.01	-
Disposals	-	(3.41)	-	(2,152.68)	-	(71.27)	-	(2,227.36)	-
Asset (written off) / write back	-	0.30	-	18.67	3.05	21.49	0.48	43.99	-
At 31 March 2021	-	6,145.36	666.58	83,377.90	3,433.29	11,725.62	410.03	105,758.78	-
Depreciation	-	2,814.70	556.24	14,951.32	391.01	2,385.22	330.02	21,428.51	-
Disposals	-	-	-	(4,397.84)	(26.55)	(279.13)	(0.07)	(4,703.59)	-
Asset (written off) / write back	-	-	-	-	-	-	-	-	-
Adjustment/Capitalisation	-	-	-	-	-	0.33	(2.61)	(2.28)	-
At 31 March 2022	-	8,960.06	1,222.82	93,931.38	3,797.75	13,832.04	737.37	122,481.42	-
<b>Net block</b>									
At 31 March 2022	7,994.69	30,577.65	42,293.43	174,905.02	3,208.00	24,002.52	1,214.87	284,196.18	9,475.60
At 31 March 2021	7,994.69	19,199.63	24,249.91	115,864.27	3,354.54	16,636.18	783.80	188,083.04	41,768.43

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 2022 amounting to ₹ 341.36 lakhs (2021 : ₹ 327.63 lakhs), interest on lease liabilities amounting to Nil (2021 : ₹ 793.54 lakhs) and depreciation on right-of-use assets amounting to ₹ 109.00 lakhs (2021 : ₹ 882.60 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 2022

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 2022					
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	9,309.92	165.68	-	-	9,475.60

(₹ in lakhs)

As at 31 March 2021					(₹ in lakhs)
Particulars	Amount in CWIP for a period of			More than 3 years	Total
	Less than 1 year	1-2 years	2-3 years		
Projects in progress	28,369.51	12,495.54	903.38	-	41,768.43

For capital-work-in progress, whose completion is overdue, CWIP completion schedule is as follows:

(₹ in lakhs)

As at 31 March 2022					
Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
C4-DEL01-00001-01	3,077.09	-	-	-	3,077.09

(₹ in lakhs)

As at 31 March 2021					
Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MAA01-00028	25,427.67	-	-	-	25,427.67
MAA01-00000001	3,004.53	-	-	-	3,004.53
CSB Projects	1,780.51	-	-	-	1,780.51
H & H Projects	394.71	-	-	-	394.71
HYD01-00001	209.87	-	-	-	209.87
KOL01-00001	73.69	-	-	-	73.69
<b>Total</b>	30,890.98	-	-	-	30,890.98

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 4. Other intangible assets

	(₹ in lakhs)	
	Software	Total
<b>Cost</b>		
<b>Balance at 1 April 2020</b>	<b>655.33</b>	<b>655.33</b>
Additions	341.75	341.75
<b>Balance at 31 March 2021</b>	<b>997.08</b>	<b>997.08</b>
Additions	235.24	235.24
<b>Balance at 31 March 2022</b>	<b>1,232.32</b>	<b>1,232.32</b>
<b>Accumulated amortization</b>		
<b>Balance at 1 April 2020</b>	<b>248.76</b>	<b>248.76</b>
Amortisation for the year	111.26	111.26
<b>Balance at 31 March 2021</b>	<b>360.02</b>	<b>360.02</b>
Amortisation for the year	234.80	234.80
<b>Balance at 31 March 2022</b>	<b>594.82</b>	<b>594.82</b>
<b>Carrying amount</b>		
<b>Balance at 31 March 2022</b>	<b>637.50</b>	<b>637.50</b>
Balance at 31 March 2021	637.06	637.06

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 2022 is as follows:

(₹ in lakhs)	
Year ending 31 March,	Amortisation expense
2023	231.57
2024	209.42
2025	105.16
2026	73.91
2027	15.50
2028	1.94
	<b>637.50</b>

### 5. Other financial assets

	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Considered good, unsecured – at amortised cost		
<b>Non-current</b>		
Security deposits		
- Receivable from related parties (Refer note 33)	1,789.17	734.15
- Others	2,496.52	2,756.71
<b>Total (A)</b>	<b>4,285.69</b>	<b>3,490.86</b>
Advance to supplier (Refer note 15 & 35 (iii))	2,699.85	2,699.85
Less: Loss allowance (Refer note 31 (d))	(1,073.73)	(463.83)
<b>Total (B)</b>	<b>1,626.12</b>	<b>2,236.02</b>
<b>Total (A+B)</b>	<b>5,911.81</b>	<b>5,726.88</b>

Other financial assets 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 2022

Currency in Indian Rupees in lakhs

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

Major components of deferred tax asset and liability consist of the following:

	As at 1 April 2021	Recognised in Statement of Profit and Loss (net)	Recognised in other comprehensive income	As at 31 March 2022
(₹ in lakhs)				
<b>Deferred tax assets arising out of timing differences on:</b>				
Difference between accounting and tax depreciation / amortization	(4,450.97)	(3,649.86)	-	(8,100.83)
Provision for doubtful trade receivables and advances	328.15	152.46	-	480.61
Provision for leave encashment	61.75	11.03	-	72.78
Provision for gratuity	46.98	(42.28)	1.84	6.54
Provision for stamp duty	680.22	130.04	-	810.26
Provision for license fee	3,156.21	(3,156.21)	-	-
Expenditure disallowed u/s.40 (a) (ia)	518.01	256.93	-	774.94
Tax Losses*	518.05	(267.63)	-	250.42
Adjustment related to Ind AS 116	3,681.95	886.57	-	4,568.52
Others	109.63	(70.97)	-	38.66
<b>Total deferred tax assets (A)</b>	<b>4,649.98</b>	<b>(5,749.92)</b>	<b>1.84</b>	<b>(1,098.10)</b>
<b>Deferred tax liability arising out of timing differences on:</b>				
Adjustment related to Ind AS 115	33.11	(112.83)	-	(79.72)
Others	23.31	(0.34)	-	22.97
<b>Total deferred tax liabilities (B)</b>	<b>56.42</b>	<b>(113.17)</b>	<b>-</b>	<b>(56.75)</b>
<b>Deferred tax assets/(liability) (net)</b>	<b>4,593.56</b>	<b>(5,636.75)</b>	<b>1.84</b>	<b>(1,041.35)</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 2022

Currency in Indian Rupees in lakhs

### 6. Deferred tax assets/liabilities (net) (Continued)

	As at 1 April 2020	Recognised in Statement of Profit and Loss (net)	Recognised in other comprehensive income	(₹ in lakhs) As at 31 March 2021
<b>Deferred tax assets arising out of timing differences on:</b>				
Difference between accounting and tax depreciation / amortisation	(2,115.90)	(2,335.07)	-	(4,450.97)
Provision for doubtful trade receivables and advances	414.57	(86.42)	-	328.15
Provision for leave encashment	52.38	9.37	-	61.75
Provision for gratuity	20.64	24.34	2.00	46.98
Provision for stamp duty	368.56	311.66	-	680.22
Provision for AUP/RSUP	168.73	(168.73)	-	-
Provision for license fee	-	3,156.21	-	3,156.21
Expenditure disallowed u/s.40 (a) (ia)	396.13	121.88	-	518.01
Tax Losses*	-	518.05	-	518.05
Adjustment related to Ind AS 116	3,511.52	170.43	-	3,681.95
Others	2.14	107.49	-	109.63
<b>Total deferred tax assets (A)</b>	<b>2,818.77</b>	<b>1,829.21</b>	<b>2.00</b>	<b>4,649.98</b>
<b>Deferred tax liability arising out of timing differences on:</b>				
Adjustment related to Ind AS 115	108.53	(75.42)	-	33.11
Others	24.16	(0.85)	-	23.31
<b>Total deferred tax liabilities (B)</b>	<b>132.69</b>	<b>(76.27)</b>	<b>-</b>	<b>56.42</b>
<b>Deferred tax assets (net)</b>	<b>2,686.08</b>	<b>1,905.48</b>	<b>2.00</b>	<b>4,593.56</b>

### 7. Contract assets and contract liabilities

	As at 31 March 2022	As at 31 March 2021
<b>A Non-current</b>		
Contract assets	2,378.89	7,592.51
Loss allowance	-	-
<b>Total contract assets</b>	<b>2,378.89</b>	<b>7,592.51</b>
<b>Total contract liabilities</b>	<b>1,610.96</b>	<b>1,851.35</b>
<b>B Current</b>		
Contract assets	48.61	355.81
Loss allowance	-	-
<b>Total contract assets</b>	<b>48.61</b>	<b>355.81</b>
<b>Total contract liabilities</b>	<b>7,419.49</b>	<b>3,774.50</b>

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 7. Contract assets and contract liabilities (Continued)

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 2022	As at 31 March 2021
<b>A Changes in contract assets:</b>		
Balance at the beginning of the year	7,948.32	8,230.99
Contract assets recognized, net of reclassification to Receivables	(5,520.82)	(282.67)
Balance at the end of the year	2,427.50	7,948.32
	As at 31 March 2022	As at 31 March 2021
<b>B Changes in contract liability:</b>		
Balance at the beginning of the year	5,625.85	2,603.37
Revenue recognized from prior year balance	(3,774.50)	(1,719.56)
Cash received in advance and not recognized as revenue	7,179.10	4,742.04
Balance at the end of the year	9,030.45	5,625.85

### 8. Other assets

	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>Unsecured, considered good</b>		
<b>A Non-current (Refer note 15)</b>		
a. Capital advances	3,865.89	17,981.66
b. Prepaid expenses	513.86	-
c. Asset recognised from cost to obtain contracts (#)	431.41	35.88
d. Balance with government authorities	115.26	115.26
<b>Total (A)</b>	4,926.42	18,132.80
<b>B Current (Refer note 15)</b>		
a. Prepaid expenses	627.05	716.75
b. Indirect taxes recoverable	9,907.54	5,013.29
c. Advance to contractors and vendors	0.13	11.88
d. Interest receivable	81.42	32.68
e. Asset recognised from cost to obtain contracts (#)	105.73	83.09
f. Others	377.12	109.53
<b>Total (B)</b>	11,098.99	5,967.22
<b>Total (A) + (B)</b>	16,025.41	24,100.02

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 8. Other assets (Continued)

(#) 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.

	As at 31 March 2022	As at 31 March 2021
<b>Changes in contract cost:</b>		
Balance at the beginning of the year	118.97	194.29
Contract cost deferred during the year	494.79	27.21
Amortization of contract cost	(76.62)	(102.53)
Balance at the end of year	537.14	118.97

### 9. Trade Receivables

As at 31 March 2022							
Particulars	Outstanding for following periods from due date of payment						Total
	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	7,390.84	1,139.15	-	-	-	-	8,529.99
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	11.74	68.15	2.48	1.09	12.33	95.79
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	28.70	2.31	349.80	380.81
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables-Credit impaired	0.09	0.53	1.57	38.62	28.46	290.02	359.29
<b>Total</b>	<b>7,390.93</b>	<b>1,151.42</b>	<b>69.72</b>	<b>69.80</b>	<b>31.86</b>	<b>652.15</b>	<b>9,365.88</b>
Less: Loss Allowance							(835.89)
<b>Grand Total</b>							<b>8,529.99</b>

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 9. Trade Receivables (Continued)

(₹ in lakhs)

As at 31 March 2021							
Particulars	Outstanding for following periods from due date of payment						Total
	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	4,272.45	2,773.28	178.25	97.39	29.58	119.78	7,470.73
(ii) Undisputed Trade Receivables- Significant increase in credit risk	-	-	-	-	-	314.14	314.14
(iii) Undisputed Trade Receivables- Credit impaired	-	-	-	0.74	87.11	60.46	148.31
(iv) Disputed Trade Receivables- Considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- Significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables-Credit impaired	-	-	-	9.00	76.05	292.48	377.53
<b>Total</b>	<b>4,272.45</b>	<b>2,773.28</b>	<b>178.25</b>	<b>107.13</b>	<b>192.74</b>	<b>786.86</b>	<b>8,310.71</b>
Less: Loss Allowance							(839.98)
<b>Grand Total</b>							<b>7,470.73</b>

- For trade receivables secured against borrowings Refer note 15
- For trade receivables from related parties Refer note 33

### 10. Cash and cash equivalents

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
a. Balances with banks (Refer note 15)	2,210.72	1,855.64
b. Deposit with scheduled banks having maturity less than three months (Refer note 15)	31,200.00	20,623.00
Cash and cash equivalent as per Statement of Cash Flows	33,410.72	22,478.64

### 11. Bank balances other than cash and cash equivalents as above

(₹ in lakhs)

	As at 31 March 2022	As at 31 March 2021
Restricted bank balance #	97.05	6,051.43
Total	97.05	6,051.43

# Represents unspent amount for CSR activities in FY 21-22 (Refer note 22 (i))

# Represents earnest money deposited in escrow account to acquire leasehold rights in a property in FY 20-21(Refer note 15)



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 12. Investments

	As at 31 March 2022	As at 31 March 2021
(₹ in lakhs)		
<b>Non-current</b>		
<b>Investment designated at fair value through OCI</b>		
Fully paid equity shares (unquoted) # (Refer note 15)		
Avaada MHKhamgaon Private limited	1,950.00	1,950.00
Avaada Sunlight Private limited	975.00	-
<b>Total</b>	<b>2,925.00</b>	<b>1,950.00</b>

# During the year, the Company has agreed to subscribe to 26% in the equity share capital of Avaada Sunlight Private limited. The Company plans to purchase solar 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).

### 13. Equity share capital

	As at 31 March 2022	As at 31 March 2021
(₹ in lakhs)		
a. Authorised:		
150,000,000 (2021:150,000,000) Equity shares of ₹10 each	15,000.00	15,000.00
b. Issued, subscribed and paid up:		
13,300 (2021:11,600) equity shares of ₹10 each fully paid up (Refer i below)	1.33	1.16

#### i. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Equity shares	As at 31 March 2022		As at 31 March 2021	
	No of shares	₹ in lakhs	No of shares	₹ in lakhs
Opening balance	11,600	1.16	11,150	1.12
Add: Right issue during the year	1,700	0.17	450	0.04
Closing balance	13,300	1.33	11,600	1.16

#### 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.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 13. Equity share capital (Continued)

#### iii. Right issue of equity shares:

- Vide its Board Meeting dated 28 January 2021, the Company approved Right issue of 800 equity shares with face value of ₹ 10 per share at a premium of ₹ 3,347,610 per share aggregating to ₹ 2,678,096,000 to their existing shareholders in the ratio of current shareholding. The Board of Directors vide its meeting dated on 30 June 2021 approved the allotment of equity shares.
- Vide its Board Meeting dated 1 September 2021, the Company approved Right issue of 350 equity shares with face value of ₹ 10 per share at a premium of ₹ 4,224,634 per share aggregating to ₹ 1,478,625,400 to their existing shareholders in the ratio of current shareholding. The Board of Directors vide its meeting dated on 2 December 2021 approved the allotment of equity shares.
- Vide its Board Meeting dated 1 September 2021, the Company approved Right issue of 300 equity shares with face value of ₹ 10 per share at a premium of ₹ 4,224,634 per share aggregating to ₹ 1,267,393,200 to their existing shareholders in the ratio of current shareholding. The Board of Directors vide its meeting dated on 24 January 2022 approved the allotment of equity shares.
- Vide its Board Meeting dated 24 January 2022, the Company approved Right issue of 250 equity shares with face value of ₹ 10 per share at a premium of ₹ 4,394,336 per share aggregating to ₹ 1,098,586,500 to their existing shareholders in the ratio of current shareholding. The Board of Directors vide its meeting dated on 16 March 2022 approved the allotment of equity shares.

#### iv. Shares held by holding company:

	As at 31 March 2022		As at 31 March 2021	
	No of shares	₹ in lakhs	No of shares	₹ in lakhs
STT India DC Pte. Ltd.	9,842	0.98	8,584	0.86

#### 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 2022		As at 31 March 2021	
	No of shares	Percentage	No of shares	Percentage
STT India DC Pte. Ltd.	9,842	74%	8,584	74%
Tata Communications Limited.	3,458	26%	3,016	26%

### 14. Other equity

	As at 31 March 2022	As at 31 March 2021
a. Securities premium	110,867.22	45,640.38
b. General reserve	8,750.00	8,750.00
c. Retained earnings	27,750.53	12,381.32
d. Other comprehensive income	(75.28)	(69.79)
Total	147,292.47	66,701.91

(₹ in lakhs)

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 15. Borrowings

		(₹ in lakhs)	
		As at 31 March 2022	As at 31 March 2021
(A)	<b>Non – current financial liabilities</b>		
	Secured		
	Rupee loan from banks (Refer i below)	174,498.00	162,676.00
	Less: Arrangement fees	(883.95)	(988.38)
	<b>Total (A)</b>	<b>173,614.05</b>	<b>161,687.62</b>
(B)	<b>Current financial liabilities</b>		
	Secured		
	Rupee loan from banks (Refer i below)	17,178.00	14,838.00
	Less: Arrangement fees	(104.42)	(104.42)
	<b>Total (B)</b>	<b>17,073.58</b>	<b>14,733.58</b>
	<b>Total (A+B)</b>	<b>190,687.63</b>	<b>176,421.20</b>

#### 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 ₹ 29,000 lakhs from this facility during the year and repaid quarterly loan installments totaling to ₹ 450 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 2022

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 2022
<b>Non current assets</b>	
Property, plant and equipment	284,196.18
Capital work-in-progress	9,475.60
Right-of-use assets	144,515.91
Other intangible assets	637.50
Investments	2,925.00
Other financial assets	5,911.81
Income tax assets (net)	6,929.71
Contract assets	2,378.89
Other non-current assets	4,926.42
<b>Current assets</b>	
Trade receivables	8,529.99
Cash and cash equivalents	33,410.72
Unbilled receivables	5,822.71
Income tax assets (net)	6,434.36
Contract assets	48.61
Other current assets	11,098.99

The repayment schedule of loan from bank is stated below:

(₹ in lakhs)	
Date of Repayment	Amount of Repayment
FY 2022-23	17,178
FY 2023-24	18,978
FY 2024-25	20,806
FY 2025-26	22,366
FY 2026-27	25,183
FY 2027-28	26,975
FY 2028-29	28,145
FY 2029-30	9,815
FY 2030-31	9,620
FY 2031-32	8,840
FY 2032-33	3,770
	<b>191,676</b>



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

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 2022
Secured Bank Loan	MCLR + 0.25%	2029	76,595
Secured Bank Loan	MCLR + 0.35%	2029	40,121
Secured Bank Loan	MCLR + 0.50%	2033	26,236
Secured Bank Loan	MCLR + 0.25%	2033	24,362
Secured Bank Loan	MCLR + 0.40%	2033	24,362
Total			191,676

#### 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 minimum DSCR (Debt service coverage ratio) of 1.15 x till the financial year 2021; and
- 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 2022.

#### ii. Unsecured bank loan

The Company had signed working capital facility arrangements of ₹ 15,000 lakhs (Fund Based - ₹ 12,500 and Non Fund Based - ₹ 2,500) with banks in previous year.

The Company had drawn ₹ NIL lakhs from the fund based facilities as on 31 March 2022.

### 16. Other financial liabilities

(₹ in lakhs)		
	As at 31 March 2022	As at 31 March 2021
<b>A Non-current</b>		
a. Cash settled incentive		
(i) Appreciation unit plan (AUP) (Refer note 27(iii))	615.31	179.39
(ii) Restricted stock option Plan (RSUP) (Refer note 37)	135.37	132.28
Total	750.68	311.67
b. Initial lease expense liability		
- Payable to related parties (Refer note 33)	340.00	653.08
<b>Total (A)</b>	<b>1,090.68</b>	<b>964.75</b>

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 16. Other financial liabilities (Continued)

		(₹ in lakhs)	
		As at 31 March 2022	As at 31 March 2021
<b>B</b>	<b>Current</b>		
a.	Payable for capital goods		
	- Payable to related parties (Refer note 33)	351.63	148.28
	- Others	16,614.84	21,774.40
		16,966.47	21,922.68
b.	Interest accrued on loan	432.90	388.17
c.	Accrued payroll	2,707.38	2,271.40
d.	Cash settled incentive		
	(i) Appreciation unit plan (AUP) (Refer note 27(iii))	3,320.84	1,469.96
	(ii) Restricted stock option Plan (RSUP) (Refer note 37)	785.01	449.50
e.	Initial lease expense liability		
	- Payable to related parties (Refer note 33)	313.07	288.28
f.	Other payables	24.09	17.01
	<b>Total (B)</b>	24,549.76	26,807.00
	<b>Total (A) + (B)</b>	25,640.44	27,771.75

### 17. Provisions

		(₹ in lakhs)	
		As at 31 March 2022	As at 31 March 2021
<b>A</b>	<b>Non-current</b>		
	Employee benefit obligations (Refer note 27)		
	- Compensated absences	270.40	228.93
	- Gratuity liability	121.20	145.01
	<b>Total (A)</b>	391.60	373.94
<b>B</b>	<b>Current</b>		
	Employee benefit obligations (Refer note 27)		
	- Compensated absences	26.86	22.73
	Others		
	- Provision for License Fees #	-	12,540.58
	<b>Total (B)</b>	26.86	12,563.31
	<b>Total (A) + (B)</b>	418.46	12,937.25

# The Company held an Internet Service Provider license which was surrendered to the Department of Telecommunications ("DOT") effective from 24 April 2015. As at 31 March 2021, the Company recognized a provision for additional license fees amounts that may be paid based on the Company's evaluation of recent court developments and other juridical interpretations on the revenue that is subject to license fee and charged it to Profit and Loss for the year then ended. DOT has completed its provisional assessment for FY 2011-12, FY 2012-13, FY 2013-14, FY 2014-15 and Q1 FY 2015-16 and raised its demand, which has been paid by the Company. Basis this development, the Company has remeasured its liability towards license fees and reversed the provision in excess of demand raised by DOT and is disclosed as an exceptional item 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 2022

Currency in Indian Rupees in lakhs

### 18. Other current liabilities

		(₹ in lakhs)	
		As at 31 March 2022	As at 31 March 2021
<b>Current</b>			
a.	Statutory dues #	843.35	627.93
b.	Others	532.73	766.46
	<b>Total</b>	<b>1,376.08</b>	<b>1,394.39</b>
#Statutory dues include			
i.	TDS payable	414.06	372.19
ii.	Professional tax	2.74	1.39
iii.	GST payable	426.55	254.35

### 19. Trade payables

(₹ in lakhs)						
As at 31 March 2022						
Outstanding for following periods from due date of payment						
Particulars	Not Due	Less than a year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	98.73	-	-	-	-	98.73
(ii) Others	1,386.04	48.97	14.60	0.29	50.12	1,500.02
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
<b>Total</b>	<b>1,484.77</b>	<b>48.97</b>	<b>14.60</b>	<b>0.29</b>	<b>50.12</b>	<b>1,598.75</b>
Unbilled dues						18,413.60
<b>Grand Total</b>						<b>20,012.35</b>

(₹ in lakhs)						
As at 31 March 2021						
Outstanding for following periods from due date of payment						
Particulars	Not Due	Less than a year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,028.82	268.03	-	-	-	1,296.85
(ii) Others	-	36.01	10.32	185.10	-	231.43
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
<b>Total</b>	<b>1,028.82</b>	<b>304.04</b>	<b>10.32</b>	<b>185.10</b>	<b>-</b>	<b>1,528.28</b>
Unbilled dues						23,968.22
<b>Grand Total</b>						<b>25,496.50</b>

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 20. Revenue from operations

	(₹ in lakhs)
	For the year ended 31 March 2022
	For the year ended 31 March 2021
Revenue from data centre services	145,475.34
<b>Total</b>	<b>145,475.34</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:

- a) The amount of transaction price allocated to the remaining performance obligations; nor
- b) 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 revaluations of the estimates, economic factors (changes in currency rates, tax laws etc).

The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 708,378.39 lakhs out of which 12.1% 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.

The Company has evaluated the impact of COVID – 19 resulting from termination or deferment of contracts by customers. The Company has concluded that the impact of COVID – 19 is not material on the existing revenues basis the current estimates.

### 21. Other income

	(₹ in lakhs)
	For the year ended 31 March 2022
	For the year ended 31 March 2021
a. Interest income	1,146.33
b. Interest on income tax refund	-
c. Gain on disposal of property, plant and equipment and intangibles (net)	1,305.42
d. Other non-operating income (net)	0.05
- Foreign exchange gain (net)	-
<b>Total</b>	<b>2,451.80</b>



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 22. Operating and other expenses

		(₹ in lakhs)	
		For the year ended 31 March 2022	For the year ended 31 March 2021
a.	Power and fuel	47,937.45	41,229.38
b.	Rent	407.70	590.46
c.	Repairs and maintenance:		
	Buildings	1,878.91	1,631.93
	Plant and machinery	6,963.38	5,873.57
	Others	3,156.96	2,742.63
d.	Impairment loss recognised/(reversed) under expected credit loss model	605.80	(343.41)
e.	Network and cable charges	564.48	568.94
f.	Rates and taxes	1,436.14	2,023.29
g.	Travelling	454.15	418.67
h.	Outsource services	727.21	662.47
i.	Legal and professional charges	1,685.58	1,655.49
j.	Sales and marketing Expenses	525.54	491.01
k.	Insurance	412.38	336.09
l.	Security charges	1,150.89	1,122.98
m.	Water charges	541.27	446.67
n.	Director's remuneration	426.88	324.84
o.	Corporate social responsibility expenditure (Refer i)	95.90	228.60
p.	Other expenses (Refer ii)	440.74	472.90
<b>Total</b>		<b>69,411.36</b>	<b>60,476.51</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 ₹ 95.90 lakhs (2021: ₹228.60 lakhs). The Company has deposited the unspent amount of ₹ 95.90 lakhs (2021: ₹ NIL lakhs) into Unspent Corporate Social Responsibility Account as per section 135(6) of the Companies Act, 2013 as on 31 March 2022.
- ii. Other expenses include auditors' remuneration as follows (excluding taxes):

		(₹ in lakhs)	
		For the year ended 31 March 2022	For the year ended 31 March 2021
Auditors' remuneration and expenses			
	Services as Statutory Auditors	17.00	15.50
	Tax audit fees	4.00	3.50
	Other audit related fees	36.00	30.00
	For reimbursement of expenses	3.00	4.80

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 23. Employee benefits expense

		(₹ in lakhs)
	For the year ended 31 March 2022	For the year ended 31 March 2021
a. Salaries, bonus and related costs	7,974.25	6,689.13
b. Contribution to provident funds (Refer note 27)	256.26	207.09
c. Gratuity expense (Refer note 27)	109.13	169.78
d. Compensated absences	73.71	49.80
e. Share based payments		
- Cash settled incentive (Refer note 27)	2,639.50	868.50
f. Staff welfare expenses	1,207.32	1,081.78
<b>Total</b>	<b>12,260.17</b>	<b>9,066.08</b>

### 24. Finance costs

		(₹ in lakhs)
	For the year ended 31 March 2022	For the year ended 31 March 2021
a. Interest costs:		
-On loan from banks measured at amortised cost	14,914.39	13,858.45
Less: Amount capitalised *	341.36	327.63
	14,573.03	13,530.82
-Others	(48.51)	87.94
<b>Total (A)</b>	<b>14,524.52</b>	<b>13,618.76</b>
b. Interest on lease liabilities (Refer note 34 (a) (iii))	11,112.71	10,554.27
Less: Amount capitalized	-	793.54
<b>Total (B)</b>	<b>11,112.71</b>	<b>9,760.73</b>
c. Interest on initial lease expenses liability# (C)	51.72	74.56
<b>Finance cost expensed in profit and loss (A+B+C)</b>	<b>25,688.95</b>	<b>23,454.05</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., 7.60% (2021: 7.98%).

# Refer note 16 (A) and 16 (B)

### 25. Depreciation and amortisation expense

		(₹ in lakhs)
	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment	21,426.25	14,506.01
Depreciation on right-of-use assets (Refer note 34 (a) (i))	10,223.03	8,532.63
Amortization of intangible assets	234.80	111.27
<b>Total</b>	<b>31,884.08</b>	<b>23,149.91</b>

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

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 2022	For the year ended 31 March 2021
<b>Current tax</b>		
In respect of current year	-	-
In respect of prior years	(400.41)	(322.09)
Total Current tax (a)	(400.41)	(322.09)
<b>Deferred tax</b>		
In respect of the current year	5,214.28	(2,227.73)
In respect of the earlier years	422.47	322.25
Total deferred tax (b)	5,636.75	(1,905.47)
<b>Total Income tax expense (a+b)</b>	<b>5,236.34</b>	<b>(2,227.56)</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 2022	For the year ended 31 March 2021
Profit/ (Loss) before tax	20,605.55	(9,094.48)
Income tax expense calculated at 25.168% Tax rate (2021 : 25.168% Tax rate)	5,186.00	(2,288.89)
<b>Reasoning</b>		
Effect of adjustments that are not deductible in determining taxable profit	28.28	61.17
True up impact of prior years	22.06	0.16
Total	50.34	61.33
Income tax expense recognised in Statement of Profit and Loss	5,236.34	(2,227.56)

- iii. Income tax recognised in other comprehensive income

(₹ in lakhs)		
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Deferred tax</b>		
Re-measurements of the defined benefit obligation	1.84	2.00
Total Income tax	1.84	2.00
Bifurcation of income taxes recognized in other comprehensive income into:		
Items that will not be reclassified to profit and loss	1.84	2.00

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2022

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 ₹ 256.26 lakhs (2021: ₹ 207.09 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 2022 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 2022

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 2022	As at 31 March 2021
Principal actuarial assumptions		
Discount rate	6.80%	6.50%
Salary escalation Rate:	10%	7% for first year; 10% thereafter
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 2022	For the year ended 31 March 2021
<b>I Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	109.13	61.66
Past Service cost – plan amendments	-	108.12
Net interest on net defined benefit liability/(asset)	4.71	(0.20)
<b>Components of defined benefit cost recognised in the Statement of Profit and Loss (Refer note 23 and 24)</b>	<b>113.84</b>	<b>169.58</b>
	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>II Expenses recognised in the other comprehensive income</b>		
Actuarial changes arising from changes in financial assumptions	(14.79)	7.85
Actuarial changes arising from experience adjustments	26.54	0.26
Actuarial changes arising from return on plan assets	(4.42)	(0.15)
<b>Components of defined benefit cost recognised in other comprehensive income</b>	<b>7.33</b>	<b>7.96</b>

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements *(Continued)*

for the year ended 31 March 2022

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	(₹ in lakhs)	
	Gratuity	
	As at 31 March 2022	As at 31 March 2021
<b>III Amount recognised in the Balance Sheet</b>		
Obligation at the end of the year	<b>570.66</b>	495.75
<b>Net liability arising from defined benefit obligation</b>	<b>121.20</b>	145.01
<b>Non-current provision (Refer note 17A)</b>	<b>121.20</b>	145.01
<b>IV Change in the defined benefit obligation</b>		
Opening defined benefit obligation	<b>495.75</b>	342.25
Current service cost	<b>109.13</b>	61.66
Interest cost	<b>29.76</b>	21.09
Past service cost – plan amendments	-	108.12
Actuarial (gain) / loss on obligations- experience	<b>26.54</b>	0.26
Actuarial (gain) / loss on obligations– demographic assumptions	-	16.97
Actuarial (gain) / loss on obligations– financial assumptions	<b>(14.79)</b>	(9.12)
Benefits paid (from plan assets)	<b>(75.73)</b>	(45.48)
<b>Closing defined benefit obligation</b>	<b>570.66</b>	495.75

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 27. Employee Benefits (Continued)

#### ii. Defined benefit obligation – Gratuity (Continued)

(₹ in lakhs)		
Particulars	Gratuity	
	As at 31 March 2022	As at 31 March 2021
<b>V Changes in plan asset</b>		
Fair value of plan assets, beginning of the year	350.74	315.99
Interest income	25.05	21.29
Employer contributions	144.99	58.79
Benefits paid	(75.73)	(45.48)
Return on plan assets greater / (lesser) than discount rate	4.41	0.15
<b>Fair value of the plan assets, end of year</b>	<b>449.46</b>	<b>350.74</b>
<b>VI Funded status</b>		
<b>(Deficit)/Surplus of plan assets over obligations</b>	<b>(121.20)</b>	<b>(145.01)</b>
(Refer note 17A)		
<b>VII</b>	A quantitative sensitivity analysis for significant assumption as at 31 March 2022 and 31 March 2021 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.	
	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Discount rate		
Increase (1%)	(45.43)	(41.10)
Decrease (1%)	51.63	46.89
Salary escalation rate		
Increase (1%)	51.04	46.30
Decrease (1%)	(45.84)	(41.43)
Withdrawal rate		
Increase (5%)	(48.75)	(47.95)
Decrease (5%)	74.09	73.85
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 2022

Currency in Indian Rupees in lakhs

### 27. Employee Benefits (*Continued*)

#### ii. Defined benefit obligation – Gratuity (*Continued*)

VIII	Maturity profile of defined benefit plan	As at 31 March 2022
	31 March 2023	29.60
	31 March 2024	43.87
	31 March 2025	50.43
	31 March 2026	66.99
	31 March 2027	80.67
	31 March 2027 to 31 March 2031	632.59
	Total expected payments	904.15
II	<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 ₹ 297.26 lakhs (2021: ₹ 251.66 lakhs), as shown under non-current provisions ₹ 270.40 lakhs (2021: ₹ 228.93 lakhs) and current provisions ₹ 26.86 lakhs (2021: ₹ 22.73 lakhs). The amount charged to the Statement of Profit and Loss is ₹ 88.67 lakhs (2021: ₹ 63.08 lakhs).	

#### iii. Share based payments

##### 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 2022

Currency in Indian Rupees in lakhs

### 27. Employee Benefits (Continued)

#### iii. Share based payments (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 2022				
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 2022	Grant 2021	Grant 2020	Grant 2019	Grant 2018	
1st Tranche	1 April 2022	1 April 2021	1 April 2020	1 April 2019	1 April 2018	
2nd Tranche	1 April 2023	1 April 2022	1 April 2021	1 April 2020	1 April 2019	
3rd Tranche	1 April 2024	1 April 2023	1 April 2022	1 April 2021	1 April 2020	
4th Tranche	1 April 2025	1 April 2024	1 April 2023	1 April 2022	1 April 2021	
5th Tranche	1 April 2026	-	-	-	-	
Expected volatility	30.20%	30.20%	30.20%	30.20%	30.20%	
Expected dividend			NIL			
Risk-free rate over vesting period (Range)	6.47%	6.26%	5.98%	5.62%	5.19%	
AUP unit value (₹)	140.77	191.75	244.52	290.41	344.93	

##### c. Reconciliation of outstanding AUP Units

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of units	Weighted average exercise price (₹)	Number of units	Weighted average exercise price (₹)
Outstanding at beginning of the year	2,239,727	170.95	1,730,355	144.07
Granted during the year	4,466,800	140.77	999,100	136.22
Forfeited during the year	221,927	125.23	183,446	123.19
Exercised during the year	431,225	182.94	306,282	149.00
Outstanding at the end of the year	6,053,375	167.97	2,239,727	170.95

##### 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 2022

Currency in Indian Rupees in lakhs

### 28. Earnings per share

	As at 31 March 2022	As at 31 March 2021
Net profit / (loss) after tax attributable to the equity shareholders (A)	15,369.21	(6,866.92)
Number of equity shares outstanding at the end of the year	13,300	11,600
Weighted average number of shares outstanding during the year (B)	12,383	11,467
Basic and diluted earnings per share (₹ per equity share of ₹ 10 each) (A/B) (In ₹)	124,115.40	(59,884.19)

Weighted average number of shares outstanding during the year:

	As at 31 March 2022	As at 31 March 2021
Opening balance (Refer note 13(i))	11,600	11,150
Effect of right issue of shares for cash	783	317
<b>Weighted average number of shares outstanding during the Year</b>	<b>12,383</b>	<b>11,467</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: -

	(₹ in lakhs)
Name	For the Year Ended 31 March 2022
Customer A	64,504.73
Customer C	7,600.54
Customer B	7,686.47

	(₹ in lakhs)
Name	For the Year Ended 31 March 2021
Customer A	42,749.03
Customer C	7,833.41
Customer B	8,217.14

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 30. 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(s) to the financial statements.

#### Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2022 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	-	2,925.00	-	2,925.00
Other financial assets	-	-	5,911.81	5,911.81
Trade receivables	-	-	8,529.99	8,529.99
Cash and cash equivalents	-	-	33,410.72	33,410.72
Other bank balances	-	-	97.05	97.05
Unbilled receivables	-	-	5,822.71	5,822.71
<b>Total</b>	-	2,925.00	53,772.28	56,697.28
<b>Financial liabilities:</b>				
Borrowings	-	-	190,687.63	190,687.63
Lease liabilities	-	-	131,838.89	131,838.89
Other financial liabilities	-	-	25,640.44	25,640.44
Trade payables	-	-	20,012.35	20,012.35
<b>Total</b>	-	-	368,179.31	368,179.31

The carrying value of financial instruments by categories as at 31 March 2021 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	-	1,950.00	-	1,950.00
Other financial assets	-	-	5,726.88	5,726.88
Trade receivables	-	-	7,470.73	7,470.73
Cash and cash equivalents	-	-	22,478.64	22,478.64
Other bank balances	-	-	6,051.43	6,051.43
Unbilled receivables	-	-	5,510.69	5,510.69
<b>Total</b>	-	1,950.00	47,238.37	49,188.37
<b>Financial liabilities:</b>				
Borrowings	-	-	176,421.20	176,421.20
Lease liabilities	-	-	133,299.82	133,299.82
Other financial liabilities	-	-	27,771.75	27,771.75
Trade payables	-	-	25,496.50	25,496.50
<b>Total</b>	-	-	362,989.27	362,989.27

Carrying amounts of cash and cash equivalents, trade receivables, unbilled receivables and trade payables as at 31 March 2022 and 31 March 2021 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 2022

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 2022

	(₹ in lakhs)			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment in equity shares (Refer Note 12)	-	-	2,925.00	2,925.00
<b>Total</b>	-	-	2,925.00	2,925.00

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 unrelated, independent parties, the transaction value / amount invested represents fair value.

#### As at 31 March 2021

	(₹ in lakhs)			
	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment in equity shares (Refer Note 12)	-	-	1,950.00	1,950.00
<b>Total</b>	-	-	-	-

Reconciliation of Level 3 fair value measurement is as follows:

	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>Balance at the beginning of the year</b>	1,950.00	-
Additions during the year	975.00	1,950.00
Fair value changes through OCI	-	-
<b>Balance at the end of the year</b>	2,925.00	1,950.00



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

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 2022 and 31 March 2021.

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 2022 and 31 March 2021.

#### 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 2022 and 31 March 2021.

	(₹ in lakhs)	
	As at 31 March 2022	As at 31 March 2021
Financial liabilities – Borrowings	191,676.00	177,514.00

#### Interest rate sensitivity analysis:

(₹ in lakhs)

	Profit before tax		Equity	
	For the year ended 31 March 2022	For the year ended 31 March 2021	As at 31 March 2022	As at 31 March 2021
Increase by 1%	(1,916.76)	(1,775.14)	(1,434.35)	(1,328.37)
Decrease by 1%	1,916.76	1,775.14	1,434.35	1,328.37

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

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 2022 and 31 March 2021.

(₹ in lakhs)

Currency	As at 31 March 2022		As at 31 March 2021	
	Financial liabilities	Financial assets	Financial liabilities	Financial assets
USD	-	111.98	-	103.08
SGD	60.02	-	148.44	-
Others	23.67	0.63	22.98	37.71

#### Foreign currency sensitivity analysis:

(₹ in lakhs)

	Profit before tax		Equity	
	For the year ended 31 March 2022	For the year ended 31 March 2021	As at 31 March 2022	As at 31 March 2021
Increase by 5%	1.45	(1.53)	1.08	(1.15)
Decrease by 5%	(1.45)	1.53	(1.08)	1.15

#### 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 2022

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 2022	As at 31 March 2021
Within credit period	7,390.84	4,918.23
0-90 days	998.64	2,248.00
91-180 days	140.51	304.50
181-365 days	-	-
More than 365 days	-	-
Total trade receivables	8,529.99	7,470.73
Unbilled receivables	5,822.71	5,510.69

##### Movement in expected credit loss allowance (Refer note 5 and 9)

(₹ in lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Opening balance	1,303.82	1,647.24
Net re-measurement/(reversal) of loss allowance	605.80	(343.42)
Balance at the end of the year	1,909.62	1,303.82

The Company determines allowance for credit based on historical loss experience adjusted to reflect current and estimated economic condition. In calculating expected credit loss the Company has taken into account estimates of possible effect from pandemic relating to COVID-19. 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 2022	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Borrowings	-	17,178.00	87,333.00	87,165.00	191,676.00
Lease liabilities	-	16,590.98	66,152.43	183,796.49	266,539.90
Non-current financial liabilities	-	-	340.00	750.68	1,090.68
Current financial liabilities	12,087.51	12,462.25	-	-	24,549.76
Trade payables	4,022.46	15,989.89	-	-	20,012.35

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 31. Financial risk management objectives and policies (Continued)

#### e) Liquidity risk (Continued)

(₹ in lakhs)

Year ended 31 March 2021	On demand	0 to 12 months	1 to 5 years	>5 years	Total
Borrowings	-	14,838.00	74,108.00	88,568.00	177,514.00
Lease liabilities	-	15,133.69	63,450.16	199,839.32	278,423.17
Non-current financial liabilities	-	-	653.08	311.67	964.75
Current financial liabilities	4,693.67	22,113.33	-	-	26,807.00
Trade payables	2,456.89	23,039.61	-	-	25,496.50

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 2022	As at 31 March 2021
Total equity attributable to the equity shareholders of the Company	147,293.80	66,703.07
As percentage of total capital	43.58%	27.44%
Current loans and borrowings	17,073.58	14,733.58
Non-current loans and borrowings	173,614.05	161,687.62
Total loans and borrowings	190,687.63	176,421.20
As a percentage of total capital	56.42%	72.56%
Total capital (loans and borrowings and equity)	337,981.43	243,124.27



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2022

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's its subsidiaries and Joint ventures	STT GDC Pte. Ltd. STT Communications Ltd
D	Key Managerial Personnel	Mr. Sumit Mukhija - CEO Mr. Ah Doo Lim - Director Mr. Bruno Lopez - Director Mr. Arjun Soota - 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 2022

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**	Investing Company, its subsidiaries and joint ventures**	Key Management Personnel*	Total
<b><u>Transactions</u></b>				
Revenue from operations	-	8,515.66	-	8,515.66
	-	8,001.29	-	8,001.29
Outsource services	-	1,858.78	-	1,858.78
	-	1,640.00	-	1,640.00
Commission	-	-	-	-
	-	14.57	-	14.57
Rent	-	408.00	-	408.00
	-	478.99	-	478.99
Network and cable charges	-	370.69	-	370.69
	-	462.29	-	462.29
Rights issue of shares	48,267.99	16,959.02	-	65,227.01
	9,765.11	3,430.99	-	13,196.10
Salaries and related costs	-	-	1,451.66	1,451.66
	-	-	525.77	525.77
Directors remuneration	-	-	426.88	426.88
	-	-	183.14	183.14
Lease payment	-	14,844.30	-	14,844.30
	-	13,234.21	-	13,234.21
Capital Work in progress	-	356.67	-	356.67
	-	207.01	-	207.01
Initial lease expense	-	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 2022

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**	Investing Company, its subsidiaries and associates**	Key Management Personnel*	Total
<b>Balances</b>				
<b>Receivables</b>	-	86.36	-	86.36
	-	<i>369.69</i>	-	<i>369.69</i>
<b>Payables (Incl. Capital creditors)</b>	-	5,875.10	2,233.43	8,108.53
	-	<i>3,577.91</i>	<i>1,236.95</i>	<i>4,814.86</i>
<b>Other current liability</b>	-	832.25	-	832.25
	-	<i>553.47</i>	-	<i>553.47</i>
<b>Other Non current liability</b>	-	319.82	-	319.82
	-	<i>294.66</i>	-	<i>294.66</i>
<b>Deposits</b>	-	2,788.87	-	2,788.87
	-	<i>1,798.97</i>	-	<i>1,798.97</i>
<b>Other current &amp; non current assets – capital advance and prepaid</b>	-	17,485.46	-	17,485.46
	-	<i>16,764.50</i>	-	<i>16,764.50</i>
<b>Lease liabilities</b>	-	128,692.21	-	128,692.21
	-	<i>132,021.10</i>	-	<i>132,021.10</i>
<b>Initial lease expense liability</b>	-	653.07	-	653.07
	-	<i>941.34</i>	-	<i>941.34</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.

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements *(Continued)*

for the year ended 31 March 2022

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 2022	For the year ended 31 March 2021
<b>Holding Company</b>		
STT India DC Pte. Ltd.		
Rights issue of shares	48,267.99	9,765.11
<b>Investing Company, its subsidiaries and associates</b>		
Tata Communication Limited		
Revenue from operations	7,690.00	6,856.64
Rent	408.00	478.99
Outsource services	1765.48	1,559.99
Commission	-	14.57
Network and cable charges	96.86	82.37
Lease Payment	14,844.30	13,234.21
Capital work in progress	356.67	207.01
Payables (Incl. Capital creditors)	5,757.24	3,368.59
Rights issue of shares	16,959.02	3,430.99
Security Deposit	2,788.87	1,798.97
Capital Advances incl. Prepaid expenses	17,351.09	16,630.14
Other current liability	757.85	518.37
Other Non-current liability	319.82	294.66
Lease Liabilities	128,692.21	132,021.10
Tata Communications Transformation Services Limited		
Revenue from operations	81.85	65.72
Outsource services including network cable charges	363.64	456.87
Initial Lease Expense	340.00	340.00
Other current assets – Prepaid expenses	134.37	134.37
Trade Receivable	49.99	98.99
Trade Payable	114.30	184.87
Other current liability	5.16	2.72
Initial Lease Expense Liability	653.07	941.34



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements *(Continued)*

for the year ended 31 March 2022

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 2022	For the year ended 31 March 2021
Tata Communications (America) Inc.		
Revenue from operations	186.49	422.79
Trade receivable	-	104.85
Other current liability	9.45	4.47
Tata Communications (UK) Limited		
Revenue from operations	375.76	404.04
Trade receivable	-	35.61
Other Current Liability	1.23	-
Tata Communications Payment Solutions Limited		
Revenue from operations	131.22	145.92
Trade receivable	33.71	105.72
Other current liability	58.20	27.90
Tata Communications International Pte. Ltd		
Revenue from operations	33.17	81.09
Trade receivable	2.67	22.85
Tata Communications (Canada) Ltd.		
Revenue from operations	17.17	16.27
Trade receivable	-	2.29
Other current liability	0.35	-

#### iv. Key management personnel compensation

(₹ in lakhs)		
	Year Ended 31 March 2022	Year Ended 31 March 2021
Short-term employee benefits	570.02	354.16
Post- employment benefit	19.35	14.11
Share based payments – cash settled incentive	862.29	157.50
	<b>1,451.66</b>	<b>525.77</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 2022

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 2022</b>	
Balance as at 1 April 2021 (A)	119,622.88
Depreciation charge for the year (B) #	10,332.03
Additions to right-of-use assets (C)	35,225.06
Balance as at 31 March 2022 (A-B+C)	144,515.91

(₹ in lakhs)	
<b>As at 31 March 2021</b>	
Balance as at 1 April 2020 (A)	116,789.43
Depreciation charge for the year (B) #	9,415.23
Additions to right-of-use assets (C)	12,248.68
Balance as at 31 March 2021 (A-B+C)	119,622.88

Right-of-use assets are mainly data centre premises taken on lease.

# Total depreciation charge for the year amounts to ₹ 10,332.03 lakhs (2021: ₹ 9,415.23 lakhs) of which, ₹ 109.00 lakhs (2021: ₹ 882.60 lakhs) depreciation charge is being capitalized. Therefore, the amount charged to Statement of Profit and Loss as depreciation on right-of-use assets is ₹ 10,223.03 lakhs (2021: ₹ 8,532.63 lakhs).

#### ii) Lease liabilities

##### Maturity analysis - contractual undiscounted cash flows

(₹ in lakhs)		
	As at 31 March 2022	As at 31 March 2021
Less than one year	16,590.98	15,133.69
One to five years	66,152.43	63,450.16
More than five years	183,796.49	199,839.32
Total undiscounted lease liabilities	266,539.90	278,423.17

##### Lease liabilities included in the statement of financial position

(₹ in lakhs)		
	As at 31 March 2022	As at 31 March 2021
Current	5,835.81	4,149.52
Non-current	126,003.08	129,150.30
<b>Total</b>	<b>131,838.89</b>	<b>133,299.82</b>

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

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 2022	Year Ended 31 March 2021
Interest on lease liabilities (Refer note 24)	11,112.71	9,760.73
Depreciation on right-of-use assets	10,223.03	8,532.63

The Company incurred Nil (2021: ₹ 111.05 lakhs) for the year ended 31 March 2022 towards expenses relating to short-term lease.

#### iv) Amount recognized in Statement of Cash Flow

	Year Ended 31 March 2022	Year Ended 31 March 2021
Repayment of lease liabilities	5,217.16	4,427.93
Finance cost paid towards lease liabilities	10,585.67	9,762.31
<b>Total</b>	<b>15,802.83</b>	<b>14,190.24</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 (2021: ₹ 123.29 lakhs) for the year ended 31 March 2022.

#### 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.

The data centres of the Company are primarily on leased properties. The leases that the Company has entered are long term in nature and no material changes in the lease terms are expected due to the COVID-19.

#### 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 2022	Year Ended 31 March 2021
Lease income	2,007.61	1,476.87

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 2022

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 2022	As at 31 March 2021
Due not later than one year	2,193.64	1,530.62
Due later than one year but not later than five years	9,851.35	4,087.41
Later than five years	19,811.31	9,055.57
	<b>31,856.30</b>	<b>14,673.60</b>

### 35. Contingent liabilities and commitments:

#### i. Contingent liabilities

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.

#### ii. Capital commitments:

Estimated amount of contracts remaining to be executed on capital account, not provided for amount to ₹ 44,107.19 lakhs (2021: ₹ 28,553.65 lakhs)

#### iii. Other financial assets:

The Company had paid an advance of ₹ 2,699.85 lakhs for the transfer and assignment of the leasehold rights, title and interest in, all that piece and parcel of land admeasuring 34,873 square meters forming part of larger plot 1/2 Trans Thane Creek Industrial Area situated in Dhirubhai Ambani Knowledge City at Village Koperkhairane, MIDC Industrial Area, Trans Creek, Greater Mumbai of Reliance Realty Limited ("RRL") in July 2017. Due to the non-fulfillment of certain conditions precedent by the other party, the Company had, on 23 May 2019, filed a petition under Section 9 of the Arbitration and Conciliation Act, 1996, with the Hon'ble Bombay High Court against RRL inter-alia seeking injunctive reliefs. The Hon'ble High Court was pleased to pass an order recording the understanding between the parties that RRL will not deal with or otherwise create any third party interest in any manner whatsoever in respect of the subject property until further orders.



# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (*Continued*)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 35. Contingent liabilities and commitments: (*Continued*)

#### iii. Other financial assets: (*Continued*)

This order has been extended from time to time and continues to operate. The Company has also commenced the arbitration proceedings against RRL in September 2019 and submitted the claim to the Arbitral Tribunal. The matter is presently pending with Arbitral Tribunal. Based on the legal opinion, the management is confident that the Company has a reasonably good case on merits for recovery of its dues.

Due to the ongoing litigation, there will be a delay in collection and hence the same is classified as non-current.

### 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 2022	As at 31 March 2021
a. Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	391.71
b. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	20.30
c. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	15,190.42	13,309.54
d. The amount of interest due and payable for the year	27.22	20.30
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	-	-

### 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 and for the period 1 April 2021 to 31 March 2022 the RSU granted are 88,290 units

The units are granted from the 50% fees payable to the directors and 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 2022

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 2022	Grant 2021	Grant 2020	Grant 2019	Grant 2018
Fair value at 31 March 2022	140.77	191.75	244.52	290.41	344.93
Expected volatility	30.20%	30.20%	30.20%	30.20%	30.20%
Risk free return	6.47%	6.26%	5.98%	5.62%	5.19%
Expected remaining life	6 years	5 years	4 years	3 years	2 years

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at beginning of the year	310,620	187.30	227,560	151.73
Granted during the year	88,290	140.77	88,290	136.22
Forfeited during the year	11,920	173.71	5,230	127.45
Exercised during the year	-	-	-	-
Outstanding at the end of the year	386,990	237.83	310,620	187.30

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

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 2022							
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	10,103.65	Tata Communication Limited	Promoter	1 July 2016	Regulatory approval pending
2	Right-of-use assets	Building	12,925.29	Tata Communication Limited	Promoter	1 August 2016	Regulatory approval pending
3	Right-of-use assets	Building	16,142.24	Tata Communication Limited	Promoter	1 September 2016	Regulatory approval pending
4	PPE	Building	18,592.72	Tata Communication Limited	Promoter	1 December 2021	Sale agreement in progress
		<b>Total</b>	<b>57,763.90</b>				

(₹ in lakhs)

As at 31 March 2021							
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	10,103.65	Tata Communication Limited	Promoter	1 July 2016	Regulatory approval pending
2	Right-of-use assets	Building	12,925.29	Tata Communication Limited	Promoter	1 August 2016	Regulatory approval pending
3	Right-of-use assets	Building	16,142.24	Tata Communication Limited	Promoter	1 September 2016	Regulatory approval pending
4	Right-of-use assets	Building	13,645.81	Tata Communication Limited	Promoter	7 January 2021	Agreement in progress
5	Right-of-use assets	Land	23,399.57	Tata Communication Limited	Promoter	13 September 2019	Agreement in progress
		<b>Total</b>	<b>76,216.56</b>				

# STT Global Data Centres India Private Limited

## Notes forming part of the financial statements (Continued)

for the year ended 31 March 2022

Currency in Indian Rupees in lakhs

### 39. Financial ratios

S. No.	Financial ratio	As at 31 March 2022	As at 31 March 2021	Variance	Reason for variance
1.	Current ratio	0.86	0.63	37%	Previous year accruals settled/reversed in FY 21-22
2.	Debt equity ratio	2.19	4.66	-53%	Additional equity infusion in FY 21-22
3.	Debt service coverage ratio	1.61	0.93	72%	Increase in profit in FY 21-22
4.	Return on equity ratio	14.36%	-10.81%	233%	(i) Additional equity infusion in FY 21-22 (ii) Increase in profit in FY 21-22
5.	Inventory turnover ratio	NA	NA	-	
6.	Trade receivables turnover ratio (in days)	16.71	29.87	-44%	Higher collections as compared to previous year
7.	Trade payables turnover ratio (in days)	114.28	146.77	-22%	
8.	Net capital turnover ratio	13.41	3.53	280%	Additional equity infusion in FY 21-22
9.	Net profit ratio	10.56%	-5.84%	281%	Increase in profit in FY 21-22 & reversal of provision for DOT license
10.	Return on capital employed	7.31%	7.13%	2%	
11.	Return on investment	NA	NA	-	

1. Current ratio: Current assets / Current liabilities
2. Debt equity ratio: (Total debt / Shareholders equity)
  - a. Total debt = Borrowings + Lease liabilities
3. Debt service coverage ratio: (Earnings available for debt service) / Debt service
  - a. Earnings available for debt service = Profit / (Loss) for the year + Depreciation and amortisation expense + Finance cost
  - b. Debt service = Interest payment + Lease payment + Loan repayment
4. Return on equity ratio: Profit / (Loss) for the year / Average shareholders equity \* 100
5. Inventory turnover ratio: Cost of good sales or sales / Average inventory
  - a. Average inventory = (Opening + Closing balance) / 2
6. Trade receivables turnover ratio: Revenue from operations / Average accounts receivable. Accounts receivable includes provision for loss allowance.
7. Trade payables turnover ratio: Operating expense / Average accounts payable
  - a. 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
  - b. Accounts payable = Trade payables + Compensated absences and gratuity liability + RSUP liability
8. Net capital turnover ratio: Revenue from operations / Working capital (-ve sign ignored)
  - a. Working capital = Current assets - Current liabilities
9. Net profit ratio: Profit / (Loss) for the year / Revenue from operations \* 100
10. Return on capital employed: EBIT / capital employed \* 100
  - a. EBIT = Profit / (Loss) before tax + Finance cost
  - b. Capital employed = Borrowings + Shareholders equity + Lease liabilities
11. 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 2022

Currency in Indian Rupees in lakhs

**40.** 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".

### **41. Impact of COVID-19 pandemic on the Company**

The Company has taken into account the possible impacts if any of COVID-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenues and impact on leases. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

### **42. Approval of financial statements**

The financial statements were approved for issue by the board of directors on 1 June 2022.

**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

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**Glenn D'souza**

*Partner*

Membership No: 112554

For and on behalf of the Board of Directors  
**STT Global Data Centres India Private Limited**

SUMIT  
MUKHIJA

Digitally signed by SUMIT MUKHIJA  
DN: cn=SUMIT MUKHIJA, o=STT  
GLOBAL DATA CENTRES INDIA  
PRIVATE LIMITED, ou=COLOCATION  
AND DATA CENTERS SERVICES  
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Date: 2022.06.01 14:56+05:30

**Sumit Mukhija**  
*Chief Executive Officer*

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**Kabir Ahmed Shakir**  
*Director*  
DIN: 03584898

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**Bruno Lopez**  
*Director*

DIN: 07554875

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Date: 2022.06.01  
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**Bimal Khandelwal**  
*Chief Financial officer*

Dated: 1 June 2022

Dated: 1 June 2022

# Suresh Surana & Associates LLP

Chartered Accountants

Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91(22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

06 June 2022

To,  
The Board of Directors  
Tata Communications Limited  
Mumbai.

Dear Sirs,

Sub: UDIN for the Accountant's Report on Compilation of Unaudited Financial Statements of Smart ICT Services Private Limited (Associate) for the year ended 31 March 2022

Please note that in respect of the our report on compilation of the unaudited financial statements of Smart ICT Services Private Limited (associate) for the year ended 31 March 2022 which was issued on 21 April 2022, we have generated the UDIN: 22143824AKIRUA8063 on 06 June 2022.

You are requested to intimate the UDIN to all stakeholders.

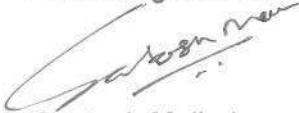
Thanking you,

Yours faithfully,

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W/W100010



(Santosh Maller)

PARTNER

Membership No. 143824



Suresh Surana & Associates LLP

8th Floor, Bakhtawar  
229, Nariman Point  
Mumbai - 400 021, India

T +91 (22) 2287 5770

emails@ss-associates.com www.ss-associates.com

LLP Identity No. AAB-7509

**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 **Smart ICT Services Private Limited** ("the associate") registered in India as at 31 March 2022 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:

- 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 suitable for other purposes.

FOR SURESH SURANA & ASSOCIATES LLP

Chartered Accountants

Firm's Reg. No. 121750W/W100010



(Santosh Maller)

PARTNER

Membership No. 143824



Place Mumbai

Date: 21 April 2022



**SMART ICT SERVICES PRIVATE LIMITED**

**BALANCE SHEET AS AT 31 MARCH 2022**

	Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
			INR	INR
<b>(A) ASSETS</b>				
<b>(1) Non-current assets</b>				
Advance tax (net)			959,746	463,500
			<b>959,746</b>	<b>463,500</b>
<b>(2) Current assets</b>				
Financial assets				
(i) Trade receivables	1		5,458,185	3,390,500
(ii) Cash and cash equivalent	2		2,015,262	741,200
Other current assets	3		885,210	633,702
			<b>8,358,657</b>	<b>4,765,402</b>
<b>TOTAL ASSETS</b>			<b>9,318,403</b>	<b>5,228,902</b>
<b>(B) EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
Equity share capital	4		500,000	500,000
Other equity	5		(21,429,064)	(17,894,501)
<b>Total Equity</b>			<b>(20,929,064)</b>	<b>(17,394,501)</b>
<b>(2) Non-current liabilities</b>				
Financial liabilities				
(i) Other financial liabilities	6		18,126,322	16,656,000
			<b>18,126,322</b>	<b>16,656,000</b>
<b>(2) Current liabilities</b>				
<b>Financial liabilities</b>				
(i) Trade payables	7		12,042,191	5,858,300
Other current liabilities	8		78,954	109,103
			<b>12,121,145</b>	<b>5,967,403</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>9,318,403</b>	<b>5,228,902</b>



**SMART ICT SERVICES PRIVATE LIMITED**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022**

	Particulars	Note No.	Current year 2021-22	Previous year 2020-21
			INR	INR
i	Revenue from operations	9	7,033,470	6,067,900
ii	Other Income		-	37,500
iii	<b>Total income (i + ii)</b>		<b>7,033,470</b>	<b>6,105,400</b>
iv	<b>Expenses:</b>	10		
	Network and transmission expenses		8,134,324	7,339,400
	Finance costs		1,050,090	1,204,900
	Operating and other expenses		963,363	1,060,901
	<b>Total expenses</b>		<b>10,147,777</b>	<b>9,605,201</b>
v	<b>Profit / (loss) before taxes (iii - iv)</b>		<b>(3,114,307)</b>	<b>(3,499,801)</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>(3,114,307)</b>	<b>(3,499,801)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 1 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
	INR	INR
Trade receivables	5,458,185	3,390,500
<b>Total</b>	<b>5,458,185</b>	<b>3,390,500</b>

## 2 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
	INR	INR
Balance with bank	2,015,262	741,200
<b>Total</b>	<b>2,015,262</b>	<b>741,200</b>

## 3 Current assets - other assets

Particulars	As at 31 March 2022	As at 31 March 2021
	INR	INR
Indirect tax receivable	885,210	633,702
<b>Total</b>	<b>885,210</b>	<b>633,702</b>

## 4 Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
	INR	INR
Equity share capital	500,000	500,000
<b>Total</b>	<b>500,000</b>	<b>500,000</b>

## 5 Other Equity

Particulars	As at 31 March 2022	As at 31 March 2021
	INR	INR
<b>Surplus / (Deficit)</b>		
Opening balance	(17,894,501)	(14,766,700)
Profit / (loss) for the year	(3,114,307)	(3,499,801)
<b>Closing balance</b>	<b>(21,008,808)</b>	<b>(18,266,501)</b>
OCI Reserves Employee Benefit Plan	420,256	(372,000)
<b>Total</b>	<b>(21,429,064)</b>	<b>(17,894,501)</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 6 Non-current liabilities - other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
	INR	INR
Preference Share Capital	18,126,322	16,656,000
<b>Total</b>	<b>18,126,322</b>	<b>16,656,000</b>

## 7 Current liabilities - Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
	INR	INR
Trade payable	12,042,191	5,858,300
<b>Total</b>	<b>12,042,191</b>	<b>5,858,300</b>

## 8 Current liabilities - other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
	INR	INR
Other Statutory dues	78,954	109,103
<b>Total</b>	<b>78,954</b>	<b>109,103</b>

## 9 Other income

Particulars	Current year 2021-22	Previous year 2020-21
	INR	INR
Miscellaneous income	-	37,500
<b>Total</b>	<b>-</b>	<b>37,500</b>

## 10 Network and transmission expenses

Particulars	Current year 2021-22	Previous year 2020-21
	INR	INR
Charges for use of transmission facilities	8,134,324	7,339,400
<b>Total</b>	<b>8,134,324</b>	<b>7,339,400</b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

## 11 Finance costs

Particulars	Current year 2021-22	Previous year 2020-21
	INR	INR
Interest expenses	1,050,090	1,204,900
<b>Total</b>	<b>1,050,090</b>	<b>1,204,900</b>

## 12 Other expenses

Particulars	Current year 2021-22	Previous year 2020-21
	INR	INR
Auditors remuneration	35,000	35,000
Legal and professional fees	920,000	932,059
Miscellaneous expenses	8,363	93,842
<b>Total</b>	<b>963,363</b>	<b>1,060,901</b>

