

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

### TO THE BOARD OF DIRECTORS OF ATC TELECOM INFRASTRUCTURE PRIVATE LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ATC Telecom Infrastructure Private Limited** ("the Company"), for the quarter ended June 30, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

# Deloitte Haskins & Sells LLP

5. We draw attention to Note 4 to the Standalone Unaudited Financial Results, which states that the Company will continue to monitor the impact, if any, due to the developments relating to one of the large customers of the Company, as it is possible that the estimated future cash flows may differ from current estimates, and changes in estimated cash flows from certain tenants could have an impact on the recorded Property, plant and equipment, capital work in progress, intangible assets including tenant-related intangibles, Right of use assets, Revenue equalisation reserve and Goodwill.

Our conclusion on the Statement is not modified in respect of this matter.

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

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**Pramod B. Shukla**  
Partner

Membership No. 104337  
(UDIN: 22104337AOTRSR4985)

Place: Gurugram  
Date: August 10, 2022

**ATC Telecom Infrastructure Private Limited**

Regd Office: 404, 4th floor, Skyline Icon, Andheri Kurla Road, Andheri East, Mumbai - 400059, Maharashtra, India  
Corporate office : Plot No 14-A, Sector 18, Maruti Industrial Complex, Gurugram - 122015, Tel + 91 124 4464000  
CIN- U74110MH2004PTC289328; Tel + 91 22 40082700, Fax: + 91 22 40082852, Website: www.atctower.in



**Statement of Standalone Financial Results for the quarter ended June 30, 2022**

*(All amounts in Rupees crores, unless stated otherwise)*

Sr.No.	Particulars	Quarter ended			Year ended 31.03.2022 (Audited)
		30.06.2022 (Unaudited)	31.03.2022 (Unaudited) (refer Note 10)	30.06.2021 (Unaudited)	
<b>I.</b>	<b>INCOME</b>				
	(a) Revenue from operations	2,284.95	2,238.61	2,208.22	9,066.15
	(b) Other income	72.77	86.15	58.97	279.50
	<b>Total income (I)</b>	<b>2,357.72</b>	<b>2,324.76</b>	<b>2,267.19</b>	<b>9,345.65</b>
<b>II.</b>	<b>EXPENSES</b>				
	(a) Energy charges	898.93	817.14	846.67	3,421.54
	(b) Repairs and maintenance	134.94	119.35	154.63	541.98
	(c) Employee benefits expenses	68.42	81.01	77.69	291.95
	(d) Provision/ write off/impairment for property, plant and equipment, intangible assets, capital work in progress and right-of-use assets	7.07	(21.91)	7.38	15.46
	(e) Allowance/ write off/impairment of financial assets (refer Note 5)	(64.90)	241.22	59.02	358.96
	(f) Depreciation and amortisation expenses	571.01	565.77	556.19	2,246.65
	(g) Finance costs	305.02	305.92	309.94	1,236.59
	(h) Other expenses	79.30	84.20	64.49	289.63
	<b>Total expenses (II)</b>	<b>1,999.79</b>	<b>2,192.70</b>	<b>2,076.01</b>	<b>8,402.76</b>
<b>III.</b>	<b>Profit before tax (I)-(II)</b>	<b>357.93</b>	<b>132.06</b>	<b>191.18</b>	<b>942.89</b>
<b>IV.</b>	<b>Tax expense</b>				
	Current tax expense	47.40	41.72	36.97	170.94
	Tax adjustments for earlier years	-	(2.31)	2.69	0.38
	Deferred tax charge/(credit)	77.74	(6.84)	24.43	131.69
	<b>Total tax expense (IV)</b>	<b>125.14</b>	<b>32.57</b>	<b>64.09</b>	<b>303.01</b>
<b>V.</b>	<b>Profit for the period (III)-(IV)</b>	<b>232.79</b>	<b>99.49</b>	<b>127.09</b>	<b>639.88</b>
<b>VI.</b>	<b>Other Comprehensive Income</b>				
	A (i) Items that will not be reclassified to profit or loss	0.33	2.22	(0.07)	1.31
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.11)	(0.78)	0.03	(0.46)
	B (i) Items that may be reclassified to profit or loss	-	-	-	-
	(ii) Income tax relating to items that may be reclassified to profit or loss	-	-	-	-
	<b>Total other comprehensive income/(loss) (VI)</b>	<b>0.22</b>	<b>1.44</b>	<b>(0.04)</b>	<b>0.85</b>
<b>VII.</b>	<b>Total comprehensive income (V+VI)</b>	<b>233.01</b>	<b>100.93</b>	<b>127.05</b>	<b>640.73</b>
<b>VIII.</b>	<b>Paid-up equity share capital [Face value of Rs 10/- (absolute amount) each]</b>	<b>883.52</b>	<b>883.52</b>	<b>883.52</b>	<b>883.52</b>
<b>IX.</b>	<b>Paid up debt capital (Long term and Short term borrowings)</b>	<b>8,354.50</b>	<b>8,354.50</b>	<b>8,531.70</b>	<b>8,354.50</b>
<b>X.</b>	<b>Reserves (excluding Reserve created on Amalgamation)</b>	<b>7,949.03</b>	<b>7,716.02</b>	<b>7,202.34</b>	<b>7,716.02</b>
<b>XI.</b>	<b>Net worth</b>	<b>9,886.51</b>	<b>9,653.50</b>	<b>9,139.82</b>	<b>9,653.50</b>
<b>XII.</b>	<b>Capital redemption reserve (included in 'X' above)</b>	<b>166.67</b>	<b>166.67</b>	<b>166.67</b>	<b>166.67</b>
<b>XIII.</b>	<b>Debenture redemption reserve (included in X above)</b>	<b>256.94</b>	<b>242.12</b>	<b>197.61</b>	<b>242.12</b>
<b>XIV.</b>	<b>Earnings per share [equity shares, par value of Rs. 10/- (absolute amount)]- not annualised</b>				
	(a) Basic (in Rs) (absolute amount)	2.50	1.07	1.36	6.86
	(b) Diluted (in Rs) (absolute amount)	2.50	1.07	1.36	6.86

**Notes:**

- The above results of the Company have been prepared pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and the other accounting principles generally accepted in India.
- The above standalone financial results for the quarter ended June 30, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on August 10, 2022.

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3. The Company had issued 42,000 Unsecured, redeemable, listed, rated, fully paid non-convertible debentures having a face value of Rs. 10,00,000 (absolute amount) each aggregating to Rs. 4,200 for cash at par on private placement basis on February 5, 2018. The asset cover is 1.39 times as on June 30, 2022.

4. One of the large customers of the Company, in its declared unaudited financial results for the quarter ended June 30, 2022, had expressed its ability to continue as a going concern to be dependent on raising additional funds as required, successful negotiations with lenders for continued support and generation of cash flow from operations that it needs to settle its liabilities as they fall due.

The Company will continue to monitor the impact, if any, of above mentioned financial condition with respect to the aforesaid customer on its business operations and financial position, as it is possible that the estimated future cash flows may differ from current estimates, and changes in estimated cash flows from the said customer could have an impact on recorded Property, plant and equipment (PP&E), capital work in progress, intangible assets including tenant-related intangibles, Right-of-use assets, Revenue equalisation reserve and Goodwill.

The carrying amounts as at June 30, 2022 of PP&E, capital work in progress, intangible assets including tenant-related intangibles, Right-of-use assets, Revenue equalisation reserve and Goodwill are Rs. 7,221.15, Rs. 83.90, Rs. 3,940.54, Rs. 5,161.53, Rs. 313.17 and Rs. 1,733.07 respectively.

5. Allowances/write off/Impairment of financial assets are net of allowances no longer required written back on collections.

6. Additional disclosure pursuant to Regulation 52(4) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended are as under:

Particulars	Refer footnote below	Quarter ended			Year ended 31.03.2022 (Audited)
		30.06.2022 (Unaudited)	31.03.2022 (Unaudited)	30.06.2021 (Unaudited)	
Debt equity ratio	(i)	0.85	0.87	0.93	0.87
Debt service coverage ratio	(ii)	n/a	n/a	n/a	3.42
Interest service coverage ratio	(iii)	3.02	1.74	2.06	2.31
Current ratio	(iv)	3.33	3.29	2.60	3.29
Long term debt to working capital	(v)	1.59	1.72	2.20	1.72
Bad debts to Account receivable ratio	(vi)	-0.02	0.10	0.03	0.16
Current liability ratio	(vii)	0.20	0.19	0.21	0.19
Total debts to total assets	(viii)	0.39	0.40	0.41	0.40
Debtors' turnover	(ix)	0.80	0.89	1.10	3.93
Inventory turnover	n/a	n/a	n/a	n/a	n/a
Operating margin	(x)	20%	10%	14%	15%
Net profit margin	(xi)	10%	4%	6%	7%

n/a-not applicable

**Formula used for calculation of above ratios are as under:**

(i) Debt equity ratio = (Paid up debt capital ÷ Net worth)

(ii) Debt service coverage ratio = {(Profit before tax, depreciation/amortization, finance costs (excluding unwinding of discount on ARO provisions and interest on lease liabilities), Provision/write off/impairment for property, plant and equipment and intangible assets and Revenue equalisation reserve) - (repayment of lease liabilities)} ÷ [(finance costs (excluding unwinding of discount on ARO provisions) and long term debt repayment excluding prepayment]

DSCR is computed on annual basis on repayment of scheduled annual loan instalments, hence not computed for quarterly results.

(iii) Interest service coverage ratio = [(Profit before interest and tax ÷ finance costs (excluding unwinding of discount on ARO provisions and interest on lease liabilities)]

(iv) Current ratio is computed by dividing the total current assets by total current liabilities excluding lease liabilities as on date.

(v) Long term debt to working capital is computed by dividing long-term borrowings including Current maturities of long term borrowings by working capital excluding short term borrowings.

(vi) Bad debts to account receivable ratio is computed by dividing bad debts charged for the period/year with the average (of opening and closing) trade receivables during the period/year.

(vii) Current liability ratio is computed by dividing the total current liabilities excluding lease liabilities by total liabilities excluding lease liabilities as on date.

(viii) Total debts to total assets is computed by dividing total borrowings (i.e. long-term borrowings and short term borrowings excluding lease liabilities) by total assets as on date.

(ix) Debtors' turnover ratio is computed by dividing revenue from operations by average (of opening and closing) trade receivables during the period/year.

(x) Operating margin is computed by dividing Profit before depreciation and amortization, finance costs (excluding unwinding of discount on ARO provisions and interest on lease liabilities) and tax excluding other income by revenue from operation for the period/year.

(xi) Net profit margin is computed by dividing net profit after tax by revenue from operation for the period/year.

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(xii) Net worth = Equity share capital + Compulsory convertible debentures+ Reserves and Surplus (excluding reserves created on Amalgamation)

(xiii) Paid up debt capital = Long term borrowings+Short term borrowings+Current maturities of long term borrowings

7. The Code on Social Security, 2020 ('code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
8. Based on assessment made by the Company, there is no significant impact of COVID-19 pandemic on the financial position and performance of the Company. Further, the Company is not expecting any significant change in estimates on account of COVID-19 as of now as the Company is running its business and operations as usual without any major disruptions.
9. The Company is engaged in the business of providing Passive Telecom Site Infrastructure Service termed as "Infrastructure Service" to cellular mobile telephony operators and other licensed telecom infrastructure providers in India. Information is reported to and evaluated regularly by the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessing performance focusses on the business as a whole and accordingly, there is single reportable segment in the context of Operating Segment as defined under Ind AS 108.
10. The figures of the quarter ended March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year ended on March 31, 2022 and the unaudited year to date figures upto the third quarter ended December 31, 2021.
11. Previous year/periods figures have been regrouped/rearranged wherever necessary to conform to the current period grouping.

**For ATC Telecom Infrastructure Private Limited**

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Sandeep Girotra  
Managing Director and Chief Executive Officer  
(DIN: 5141862)

Place: Gurugram  
Date: August 10, 2022