April 30, 2025

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block – G, Bandra Kurla Complex,
Bandra (E), Mumbai - 400051

Ref.: Indus Towers Limited (534816/ INDUSTOWER)

Sub.: Quarterly Report for the fourth quarter (Q4) and financial year ended March 31, 2025

Dear Sir/ Ma'am,

Pursuant to Regulation 30 and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Quarterly Report being released by the Company w.r.t., the Audited Financial Results for the fourth quarter (Q4) and financial year ended March 31, 2025.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For **Indus Towers Limited**

SAMRIDHI RODHE
Digitally signed by SAMRIDHI RODHE
Date: 2025.04.30 21:36:27 +05'30'

Samridhi Rodhe
Company Secretary & Compliance Officer

Encl.: As above

Quarterly report on the results for the Fourth Quarter and Full Year ended March 31, 2025

Indus Towers Limited

Building No. 10, Tower A, 4th Floor, DLF Cyber City, Gurugram, Haryana – 122002

April 30, 2025

The financial statements included in this quarterly report fairly present in all material respects the financial position, results of operations, cash flow of the Company as of and for the periods presented in this report.

Supplemental Disclosures

Safe Harbor: - Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as “believe,” “plan,” “anticipate,” “continue,” “estimate,” “expect,” “may,” “will” or other similar words.

A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances. You should also keep in mind that any forward-looking statement made by us in this report or elsewhere speaks only as of the date on which we made it. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. We have no duty to, and do not intend to, update or revise the forward-looking statements in this report after the date hereof. In light of these risks and uncertainties, any forward-looking statement made in this report or elsewhere may or may not occur and has to be understood and read along with this supplemental disclosure.

General Risk: - Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Company without necessary diligence and relying on their own examination of Indus Towers Limited; along with the equity investment risk which doesn't guarantee capital protection.

Use of Certain Non-GAAP measures: - This result announcement contains certain information on the Company’s results of operations and cash flows that have been derived from amounts calculated in accordance with Indian Accounting Standards (IND AS) i.e. Non-GAAP measures. They should not be viewed in isolation as alternatives to the equivalent IND AS measures and should be read in conjunction with the equivalent IND AS measures.

Further, disclosures are also provided under “Use of Non – GAAP financial information” on page 24

Others: In this report, the term “Indus Towers” or “Indus” or “the Company” refers to Indus Towers Limited.

With effect from January 2015, Indus Towers Employees Welfare Trust (incorporated for allotment of shares to employees as part of Employee Stock Option Plan) has been included as part of the Company. With effect from September 2015, Smartx Services Ltd. (incorporated on September 21, 2015 as a wholly owned subsidiary) has been included as a part of the Company.

Disclaimer: - This communication does not constitute an offer of securities for sale in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus and will contain detailed information about the Company and its management, as well as financial statements.

TABLE OF CONTENTS

Section A

Consolidated Results

The Company has adopted Indian Accounting Standards (IND AS) w.e.f. April 1, 2016 with transition date being April 1, 2015 in accordance with the requirements under Section 133 of the Companies Act, 2013. Accordingly, the consolidated financial statements under IND AS includes the company, the subsidiary ‘Smartx Services Limited’ and the controlled trust “Indus Tower Employee Welfare Trust.

Section-1

INDUS TOWERS – PERFORMANCE AT A GLANCE

Particulars	UNITS	Full Year Ended[2]			Quarter Ended[2]				
		2023	2024	2025	Mar 2024	Jun 2024	Sep 2024	Dec 2024	Mar 2025
Consolidated Operating Highlights									
Macro									
Towers[6]	Nos	192,874	219,736	249,305	219,736	225,910	229,658	234,643	249,305
Co-locations[6]	Nos	342,831	368,588	405,435	368,588	374,928	379,236	386,819	405,435
Average Sharing factor	Times	1.79	1.72	1.65	1.69	1.67	1.66	1.65	1.64
Closing Sharing factor	Times	1.78	1.68	1.63	1.68	1.66	1.65	1.65	1.63
Sharing Revenue per Tower per month[3]	Rs	76,430	71,034	67,422	70,027	68,562	68,080	68,349	68,582
Sharing Revenue per Sharing Operator per month[3]	Rs	42,608	41,198	40,856	41,435	41,094	41,125	41,426	41,893
Lean									
Co-locations[6]	Nos	6,918	10,686	13,878	10,686	11,178	11,360	11,492	13,878
Sharing Revenue per Sharing Operator per month[3]	Rs	12,652	13,810	15,151	14,799	16,301	16,431	16,426	15,239
Financials									
Revenue[1]	Rs Mn	283,818	286,006	301,228	71,932	73,830	74,653	75,474	77,271
EBITDA[1]	Rs Mn	97,670	146,939	208,447	41,026	45,453	49,071	69,971	43,952
EBIT[1]	Rs Mn	43,447	84,967	142,479	25,071	29,436	32,837	53,896	26,310
Finance Cost (Net)	Rs Mn	14,539	7,354	14,400	1,267	4,082	4,175	2,546	3,597
Profit/(Loss) before Tax	Rs Mn	27,593	81,224	131,537	24,889	25,918	29,801	52,188	23,630
Profit/(Loss) after Tax	Rs Mn	20,400	60,362	99,317	18,531	19,259	22,235	40,032	17,791
Capex[4]	Rs Mn	41,210	96,975	68,699	25,416	18,819	15,176	12,260	22,444
-of Which Maintenance Capex	Rs Mn	8,623	12,297	13,875	3,385	2,598	2,979	2,902	5,396
Operating Free Cash Flow[1]	Rs Mn	26,182	18,230	104,275	7,272	17,553	25,453	48,695	12,574
Adjusted Fund From Operations(AFFO)[1]	Rs Mn	58,769	102,908	159,099	29,303	33,774	37,650	58,053	29,622
Free Cash Flow	Rs Mn	14,001	1,817	98,485	3,328	18,701	14,413	26,645	38,726
Total Capital Employed	Rs Mn	399,964	475,067	505,183	475,067	481,217	494,662	512,227	505,183
Net Debt / (Net Cash) with Lease Liabilities	Rs Mn	188,869	204,679	180,200	204,679	191,777	210,674	188,635	180,200
Net Debt / (Net Cash) without Lease Liabilities	Rs Mn	44,146	42,487	(8,734)	42,487	23,781	36,605	10,096	(8,734)
Shareholder's Equity	Rs Mn	211,095	270,388	324,983	270,388	289,440	283,988	323,592	324,983
Key Ratios									
EBITDA Margin[1]	%	34.4%	51.4%	69.2%	57.0%	61.6%	65.7%	92.7%	56.9%
EBIT Margin[1]	%	15.3%	29.7%	47.3%	34.9%	39.9%	44.0%	71.4%	34.0%
Net Profit Margin[1]	%	7.2%	21.1%	33.0%	25.8%	26.1%	29.8%	53.0%	23.0%
Net Debt / (Net Cash) with Lease Liabilities to EBITDA (LTM)	Times	1.93	1.39	0.86	1.39	1.22	1.23	0.92	0.86
Interest Coverage ratio (LTM)	Times	6.72	19.98	14.48	19.98	19.86	17.83	17.03	14.48
Return on Capital Employed Pre Tax (LTM)	%	11.0%	19.4%	29.1%	19.4%	20.9%	22.9%	29.3%	29.1%
Return on Shareholder's Equity Pre Tax (LTM)	%	12.8%	33.7%	44.2%	33.7%	34.7%	38.9%	46.1%	44.2%
Return on Shareholder's Equity Post tax (LTM)	%	9.4%	25.1%	33.4%	25.1%	25.7%	29.0%	34.8%	33.4%
Valuation Indicators									
Market Capitalization	Rs Bn	385	785	882	785	1,011	1,036	902	882
Enterprise Value	Rs Bn	574	989	1062	989	1,203	1,246	1,090	1,062
EV / EBITDA	Times	5.88	6.73	5.10	6.73	7.65	7.26	5.31	5.10
EPS (Diluted)	Rs	7.57	22.40	37.31	6.88	7.15	8.30	15.17	6.75
PE Ratio[5]	Times	18.89	13.00	8.96	13.00	15.29	14.00	9.14	8.96

1. Revenue, EBITDA, EBIT, Operating free cash flow and Adjusted Fund from Operations (AFFO) exclude other income. Further, EBITDA, EBIT and Net profit margins have been computed on revenue excluding other income.
2. Previous periods' figures have been regrouped/ rearranged wherever necessary to conform to current period classifications.
3. A revenue item has been classified for both macro and lean towers in September 2023, and the corresponding changes have been made in the sharing revenue metrics. Previous period figures have been restated to ensure comparison
4. Following the favourable ruling during the quarter ended on 31 Dec 2024 from Honorable Supreme Court in CENVAT credit on towers and shelters, the Delhi High Court quashed the Show Cause Notice issued by DGGI on the matter of disallowance of ITC availed by the company on towers and passive infrastructure. Therefore, the company has decapitalized Rs. 6,598 Mn related to GST which was capitalized as part of property, plant and equipment for the period from April 01, 2020 to December 31, 2024 and recognised corresponding ITC assets with the same amount. This resulted in reversal of depreciation amounting to Rs. 650 Mn for the aforesaid period. Capex for the period ended 31 March 2025 does not include the value of passive infrastructure assets acquired from Bharti Airtel Ltd.
5. PE Ratio definition has been revised, and previous period figures have been restated, accordingly.
6. Towers and Co-locations includes 10,380 Macro towers and 2,226 Lean co-locations acquired from Bharti Airtel Ltd during the quarter ended 31 March 2025.

Section 2

AN OVERVIEW

2.1 Industry Overview

The Indian telecommunications industry is one of the most competitive globally. The focus of Indian operators in the last ten years or so has been to develop an affordable mass market telecommunications service model which allows for service availability across India's urban and rural areas at affordable prices. A strong focus on optimization of operational expenses through the outsourcing of non-core areas, process innovation, cost-to-serve alignment and strategic partnerships has also resulted in steady growth of the tower industry. It is more economical for operators to lease towers from tower companies rather than build them for captive use.

Infrastructure sharing is effective in optimizing the utilization of available resources and helps to bring down the cost of providing telecommunications services. With the reduction in overall tariffs and restrictions placed by various local regulatory bodies on the installation of telecom towers, infrastructure sharing amongst service providers has become the norm in the Indian telecommunications industry in the last decade.

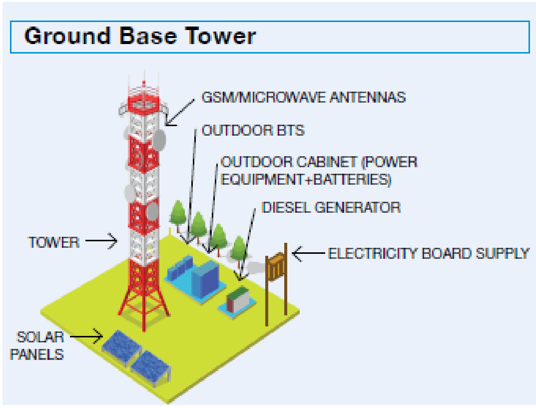
Tower companies provide the entire range of tower infrastructure that is required by wireless telecommunications service providers to offer mobile telephony services to their subscribers. Tower infrastructure refers to equipment such as towers, shelters, power regulation equipment, battery banks, diesel generator sets (DG sets), air conditioners, fire extinguishers and a security cabin, required at a site where such towers are installed.

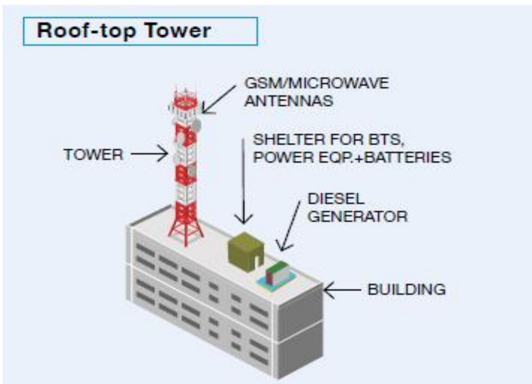
Traditionally, tower companies provided two types of towers – Ground Based Towers (GBTs) and Roof Top Towers (RTTs). Space limitations on each site and overall limited availability of land for tower installation have expanded the traditional tower products to Ground Based Mast (GBMs) that occupy less space relative to GBTs and RTTs.

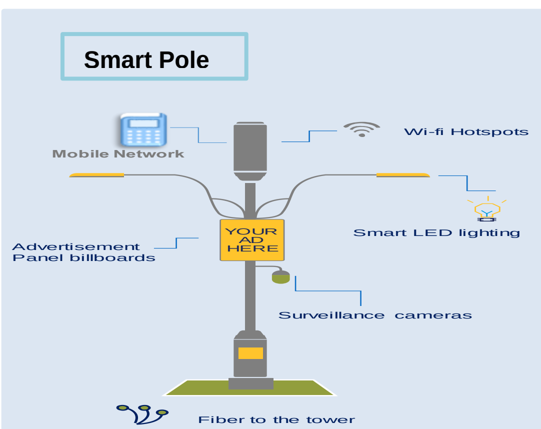
Apart from the above traditional products, tower companies are now also providing innovative solutions like smart poles, microsites, fiberized connectivity, feather sites, small cells etc. This is keeping in mind the demands of technologies such as 4G currently and technologies such as 5G which have higher capacity requirement. These newer products are expected to not only provide high coverage and capacity within a limited area, but also enhance aesthetic look of the city. There are two kinds of infrastructure that constitute a telecom tower:

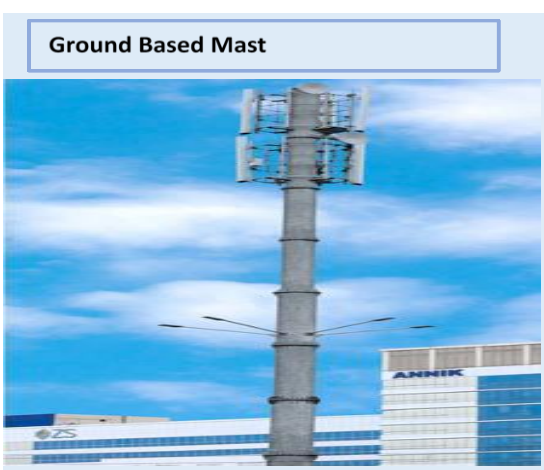
- Active Infrastructure: Radio antenna, BTS/cell site, cables, Fibre POP's etc. that are owned and supplied by telecom operators.
- Tower Infrastructure: Steel tower, shelter room, DG set, power regulation equipment, battery bank, security cabin etc. that supports active infrastructure. These are owned by tower companies.

Telecommunication sector is playing a pioneering role in fulfilling the Government's mission of Digital India and will also have an enabling role in India's journey towards Digital Economy and Industry 4.0. Infrastructure Providers (IP1) have empowered the Telecommunication Service Providers (TSPs) by providing affordable and shareable passive infrastructure. The TSPs leverage the shareable passive infrastructure not only to quickly rollout out their network but also to reap the benefits of cost efficiencies arising from infrastructure sharing, and in turn to provide affordable services to consumers. In the India Digital Economy and Industry 4.0 enablement, it is expected that Infrastructure Providers will have a more prominent role to play. This can happen when the infrastructure providers start providing active network sharing along with passive infrastructure. IP1 players can play an effective role by providing shared Transport Network and shared RAN (Radio Access Network). This will facilitate TSPs to focus on their core networks and core businesses and leverage the operational efficiency of IP1 in active network sharing. Active infrastructure sharing can also provide cost efficiencies as evidenced by the BEREC (Body of European Regulators for Electronics Communications) report, which states active infrastructure sharing has the potential to reduce the Capex by 33-35% and Opex by 25-33%. Government of India has acknowledged the critical role played by IP1 in the success of Telecom sector and intends the same to continues in the future as well as captured in National Digital Communication Policy 2018 (NDCP 2018) with proper regulatory framework by Department of Telecommunication (DoT).









Average specifications for these are summarized in the following table:

Particulars	GBT	RTT	GBM	Smart Pole	Feather Site
Space Requirement (Sq.ft)	2,500 - 4,000	300-1000	100 - 500	50-100	80-150
Height (m)	30-50	6-21	24-40	12	3-12
Occupancy Capacity (Colocations)	2-3	2-3	2-3	1-2	1-2

2.2 Company Overview

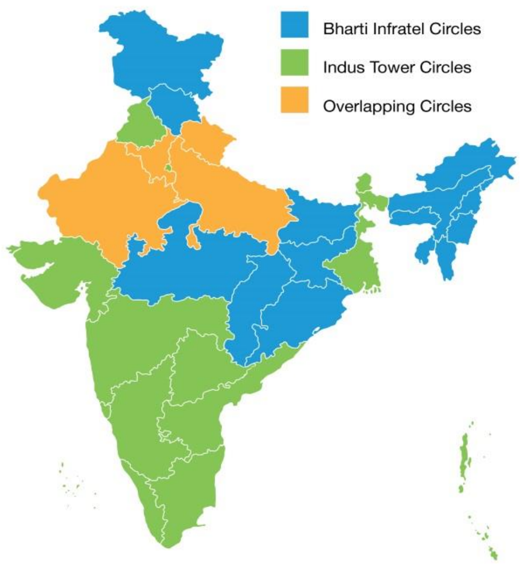
Indus Towers Limited is a provider of tower and related infrastructure sharing services.

Indus Towers was formed by the amalgamation of erstwhile Indus Towers which was operating in 15 telecom circles with pre-merger Bharti Infratel which was operating in 11 telecom circles. Erstwhile Indus Towers was established as a joint venture in 2007, originally between Bharti Airtel, Vodafone India and Idea Cellular. The holdings underwent few changes over the years and as on 30th September 2020, Bharti Infratel, Vodafone Group Plc and Vodafone Idea held shareholding interest of 42%, 42% and 11.15% respectively in Indus. The balance 4.85% was held by P5 Asia Holding Investments (Mauritius) Limited (Providence).

Following the merger, Indus Towers is one of the largest tower infrastructure providers in the country and globally. The business of Indus Towers is to acquire, build, own, operate and maintain tower and related infrastructure. Indus provides access to their towers primarily to wireless telecommunications service providers on a shared basis, under long-term contracts. It caters to all wireless telecommunication service providers in India.

Indus has a nationwide presence with operations in all 22 telecommunications Circles in India. As of March 31, 2025, Indus owned and operated 249,305 towers with 405,435 co-locations with an average sharing factor of 1.64 .

Indus Towers has ongoing Master Service Agreements (MSAs) with its customers. The MSAs are long-term contracts which set out the terms on which access is provided to the Company's towers, with all service providers being offered the same terms and receiving equal treatment at towers where they have installed their active infrastructure. Under the MSAs, Indus enters into service contracts with respect to individual towers. The MSAs and service contracts govern Indus' relationship with its customers, the services provided, and the applicable charges and incorporate annual escalation clauses to the applicable charges. This provides stability to the Company's business and provides visibility with regard to future revenues.



History of Erstwhile Indus Towers

In order to capitalize on the opportunities for tower sharing in the Indian telecommunications market, Bharti Airtel, Vodafone India and Idea Cellular agreed to establish Indus Towers as an independently managed joint venture that provides non-discriminatory shared tower services to all wireless telecommunications service providers. In furtherance of this joint venture, the parties also agreed to contribute certain identified towers to Indus Towers and to use the services of Indus Towers in the first instance for any new rollout of telecommunications towers or co-locations in 15 telecommunications circles. In this context, erstwhile Indus Towers was incorporated in November 2007 and Bharti Airtel, Bharti Infratel, Vodafone India (certain of its subsidiaries), Idea Cellular and Idea Cellular Infrastructure entered into the Indus Share Holders Agreement (SHA) to govern their relationship with respect to Indus Towers and its day-to-day operations and the Framework Agreement, which set out among other things, the basis on which towers were to be contributed to Indus Towers by the respective parties. In accordance with the Framework Agreement, Bharti Infratel, Vodafone Group Plc and Vodafone Idea held a 42%, 42% and 16% shareholding interest in Indus Towers, respectively. During the quarter ended March 2017, Aditya Birla Telecom transferred 4.85% of its stake in Indus Towers to P5 Asia Holding Investment (Mauritius) Limited. As on 30th September 2020, Bharti Infratel, Vodafone India and Vodafone Idea held shareholding interest of 42%, 42% and 11.15% respectively in Indus Towers.

The Indus SHA provided that Indus could not carry on business in the 7 telecommunications circles in which pre-merger Bharti Infratel operated in, exclusive of Indus Towers. Similarly, subject to certain exceptions, the joint venture partners were not permitted to, among other things (a) compete with the business of Indus Towers in the 15 specified telecommunications Circles that Indus operated in, (b) develop, construct or acquire any tower in the 15 specified telecommunications Circles that Indus Towers operated in and (c) directly or indirectly procure orders from or do business with any entity that has been a customer of Indus Towers during the previous two-year period in competition with the business of Indus in the 15 specified telecommunications Circles that Indus Towers operated in. On the basis of the relationship as described above, pre-merger Bharti Infratel and erstwhile Indus Towers did not compete with each other in any telecommunications Circle, they did not have any conflicts of interest in this regard and were able to work closely with each other and benefit from the synergies generated by the nationwide coverage and large scale of their operations.

Merger of erstwhile Indus Towers with pre-merger Bharti Infratel

On April 25, 2018, Indus Towers Limited ('the Company or Transferee Company') and its Joint Venture Company erstwhile Indus Towers Limited ('erstwhile Indus or Transferor Company') and their respective shareholders and creditors entered into a scheme of amalgamation and arrangement (under section 230 to 232 and other applicable provisions of the Companies Act, 2013) ('Scheme') to create a pan-India tower company operating across all 22 telecom service areas. Since then, the Scheme has received requisite regulatory approvals including approval from National Company Law Tribunal (NCLT), Chandigarh vide its order dated May 31, 2019 read with its order dated October 22, 2020.

The Company had filed certified copy of the NCLT order with the Registrar of Companies on November 19, 2020 to make the Scheme effective (Effective Date). Upon the Scheme becoming effective, the Transferor Company stood dissolved without being wound-up and amalgamated into the Company on a going concern basis.

Vodafone Idea had elected to receive cash pursuant to the right available to certain shareholders as per the Scheme. Pursuant to the same, Vodafone Idea received cash consideration of Rs. 37,642 (inclusive of 41 Mn paid after effective date of merger) million for its 11.15% shareholding in erstwhile Indus Towers. The said transaction was executed and completed on November 19, 2020.

For their 42% and 4.85% shareholding in erstwhile Indus Towers, Vodafone Group Plc. (through its indirect wholly owned subsidiaries) and P5 Asia Holding Investments (Mauritius) Limited (Providence) were allotted 757,821,804 and 87,506,900 equity shares aggregating to 28.12% and 3.25% respectively in the post-issue share capital of the Company. Accordingly, the paid-up equity share capital of the Company increased to Rs.26,949,369,500 divided into 2,694,936,950 Equity Shares of Rs.10/- each fully paid-up. Bharti Airtel along with its wholly owned subsidiary Nettle Infrastructure Investments Limited held 36.73% in the post-issue share capital of the Company following the above allotment consequently, the company ceased to be subsidiary of Bharti Airtel Limited. On December 2, 2020 and December 28, 2020, Bharti Airtel through Nettle Infrastructure Investments Limited acquired additional ~4.94% and ~0.06% through the open market, taking its holding to 41.73% in the Company.

Upon implementation of the Scheme and allotment of shares to indirect wholly owned subsidiaries of Vodafone Group Plc., in addition to existing promoters (representing Bharti Airtel Limited along with its wholly owned subsidiary Nettle Infrastructure Investments Limited), the aforesaid indirect wholly owned subsidiaries of Vodafone Group Plc. have also been classified as promoters of the Company.

During the financial year ended March 31, 2023, Nettle Infrastructure Investments Limited (wholly owned subsidiary of Bharti Airtel Limited) merged with and into Bharti Airtel Limited effective February 1, 2023.

During the quarter ended September 30, 2024, the Company completed a buyback of its 56,774,193 equity shares, resulting in an increase in shareholding of Bharti Airtel Limited in the Company to ~50.005%. Considering its current board-composition pursuant to the shareholders agreement between the Company, Bharti Airtel Limited, and Vodafone Group Plc., the Company continues to be a joint venture as on September 30, 2024.

Further, Vodafone shareholders divested their remaining ~3.003% shareholding in the Company on December 05, 2024, and consequently, no longer hold any equity shares in the Company.

During the quarter ended December 31, 2024, consequent to the change in composition of Board of Directors of the Company due to cessation of nominee directors of Vodafone Shareholders, the Company became a subsidiary of Bharti Airtel Limited under Ind AS 110 ("Consolidated Financial Statements") w.e.f. November 19, 2024.

The Company has entered into a “Business Transfer Agreement (BTA)” on February 07, 2025 for acquisition of the passive infrastructure business undertaking by way of a slump sale from Bharti Airtel Limited, the holding company. The transfer of business undertaking was completed on March 24, 2025 with discharge of purchase consideration as per terms of the BTA.

The promoters owned ~50.005% of the Company as on March 31, 2025.

Please visit our website for more disclosures pertaining to the Scheme of Amalgamation.

Future visibility on revenues & cash flows

Indus Towers has assured future revenues and cash flows because of the following key competitive strengths:

- A leading telecommunications infrastructure operator in India, with large scale, nationwide operations in an industry which creates some entry barriers.
- Extensive presence in all telecommunications Circles with strong growth potential as data consumption and data users/devices continue to increase.
- Long term contracts with leading wireless telecommunications service providers in India, providing visibility on future revenues.
- The estimated weighted average remaining life of service contracts entered into with telecommunications service providers, as on March 31, 2025, is 6.33 Years.
- Comprehensive deployment and operational experience supported by well-developed processes, systems and IT infrastructure.

Alternate Energy and Energy Conservation Measures

We believe that a healthy environment is a prerequisite for progress, contributing to the well-being of society, our people and our business, and serving as the foundation for a sustainable and strong economy. In line with the vision of being known for Environmental Friendliness, the Company continues to deploy people, ideas and capital to help find effective solutions to environmental issues.

The Company has initiated various programs like reducing the use of air-conditioners, Shut DG, energy efficacy enhancement programs which are primarily based on ideas aimed at minimizing energy dependency and thereby, carbon footprint reduction. These programs promote (a) improving energy efficiency of tower infrastructure equipment, (b) use of renewable/alternate energy resources, and (c) reduction of equipment load on tower infrastructure equipment.

Some of the key initiatives taken so far are:

- Solar & RESCO Sites: As of March 31, 2025, we operate ~ 29,920 [#] solar-powered sites across the network on a consolidated basis, which helps in reducing noise and emissions from DG sets and also in reducing dependency on diesel, thereby contributing towards better energy security. The solar systems are integrated with Indus Tower

Operating Centre for real time monitoring and achievement of optimum planned efficiency.

 # Includes operational solar sites only.

- Adoption of high efficiency power system as a part of standard configuration for new tower deployment to ensure effective utilization of grid power supply on the towers.

- Focus remains unbated towards enhancing electrification for all our sites.

- Continued usage of advanced storage helps to sustain our ZEN vision.

- Comprehensive program to ensure zero diesel consumption at our tower sites. As of March 31, 2025, we operate ~ 79,423 low diesel consumption sites across our network.

- Other green alternatives like fuel cell, wind turbines, gas gensets keep on getting evaluated and added to the portfolio.

- Conversion of Indoor sites to Outdoor or reducing the use of air conditioner helps in overall reduction in energy demand as well as supports energy initiative execution.

- We have installed Solar at Non-EB sites in tough terrains of Leh – Solar roof of our country, thereby reducing carbon emissions as well as reducing our Opex costs.

- We have initiated deployment of Lithium and VRLA combination using state of the art HSBTS switch, the same shall enable reduction in diesel costs and emissions while using economics and charging characteristics of VRLA and Lithium batteries.

- State-of-the-art Aluminum- Air energy generation solution for high diesel consumption sites is evaluated and planned for pilot deployment.

We believe that these renewable energy solutions, advanced storage initiatives, energy efficiency measures and load optimization methods will continue to provide long-term benefits to our business, protecting us from rising power and fuel costs as well as reducing the environmental impact of our operations.

For Operating highlights and details refer Page no. 12.

Section 3

FINANCIAL HIGHLIGHTS

The financial highlights are prepared from audited consolidated financial results represent results of 'the Group' which comprises of the Company, its subsidiary 'Smartx Services Limited' and its controlled trust 'Indus Towers Employees Welfare Trust' prepared as per Ind AS 110 on Consolidated Financial Statements.

Detailed financial statements, analysis & other related information is attached to this report (Page 19). Also, kindly refer to section 7.3 – use of Non GAAP financial information (Page 24) and Glossary (Page 51) for detailed definitions.

3.1. Summarized Consolidated Statement of Operations

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Full Year Ended		
	Mar-25	Mar-24	Y-on-Y Growth	Mar-25	Mar-24	Y-on-Y Growth
Revenue[1]	77,271	71,932	7.4%	301,228	286,006	5.3%
EBITDA[1]	43,952	41,026	7.1%	208,447	146,939	41.9%
EBITDA Margin	56.9%	57.0%		69.2%	51.4%	
EBIT[1]	26,310	25,071	4.9%	142,479	84,967	67.7%
Other Income	917	1,085	-15.5%	3,458	3,611	-4.2%
Finance cost (Net)	3,597	1,267	183.9%	14,400	7,354	95.8%
Profit/(Loss) before Tax	23,630	24,889	-5.1%	131,537	81,224	61.9%
Income Tax Expense	5,839	6,358	-8.2%	32,220	20,862	54.4%
Profit/(Loss) after Tax	17,791	18,531	-4.0%	99,317	60,362	64.5%
Capex[2]	22,444	25,416	-11.7%	68,699	96,975	-29.2%
Operating Free Cash Flow[1]	12,574	7,272	72.9%	104,275	18,230	472.0%
Adjusted Fund From Operations(AFFO)[1]	29,622	29,303	1.1%	159,099	102,908	54.6%
Free Cash Flow	38,726	3,328	1063.6%	98,485	1,817	5321.2%
Cumulative Investments[3]	735,962	673,894	9.2%	735,962	673,894	9.2%

1. Revenue, EBITDA, EBIT, Operating free cash flow and Adjusted Fund from Operations (AFFO) are excluding other income.
2. Capex for the period ended 31 March 2025 does not include passive infrastructure assets acquired from Bharti Airtel Ltd.
3. Cumulative Investments for the period ended 31 Mar 2025 include gross block of Rs. 9,122 mn related to passive infrastructure assets acquired from Bharti Airtel Ltd.

3.2. Summarized Statement of Consolidated Financial Position

Amount in Rs. mn

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Shareholder's Fund		
Share capital	26,381	26,949
Other Equity	298,602	243,439
Total Equity	**324,983**	**270,388**
Liabilities		
Non-current liabilities	208,851	186,723
Current liabilities	97,868	101,565
Total liabilities	**306,719**	**288,288**
Total Equity and liabilities	**631,702**	**558,676**
Assets		
Non-current assets	502,404	453,776
Current assets	129,298	104,900
Total assets	**631,702**	**558,676**

Section 4

OPERATING HIGHLIGHTS

The financial figures are based on audited consolidated financial results represent results of 'the Group' which comprises of the Company, its subsidiary 'Smartx Services Limited' and its controlled trust 'Indus Towers Employees Welfare Trust' prepared as per Ind AS 110 on Consolidated Financial Statements.

4.1 Tower and Related Infrastructure Services

Parameters	Unit	Mar 31, 2025	Dec 31, 2024	Q-on-Q Growth	Mar 31, 2024	Y-on-Y Growth
Macro						
Towers[1]	Nos	249,305	234,643	14,662	219,736	29,569
Co-locations[1]	Nos	405,435	386,819	18,616	368,588	36,847
Key Indicators						
Average Sharing Factor	Times	1.64	1.65		1.69	
Closing Sharing Factor	Times	1.63	1.65		1.68	
Sharing Revenue per Tower per month	Rs	68,582	68,349	0.3%	70,027	-2.1%
Sharing Revenue per Sharing Operator per month	Rs	41,893	41,426	1.1%	41,435	1.1%

Parameters	Unit	Mar 31, 2025	Dec 31, 2024	Q-on-Q Growth	Mar 31, 2024	Y-on-Y Growth
Lean						
Co-locations[1]	Nos	13,878	11,492	2,386	10,686	3,192
Sharing Revenue per Sharing Operator per month	Rs	15,239	16,426	-7.2%	14,799	3.0%

1. Towers and Co-locations include 10,380 Macro towers and 2,226 Lean co-locations acquired from Bharti Airtel Ltd during the quarter ended 31 March 2025.

4.2 Human Resource Analysis

Parameters	Unit	Mar 31, 2025	Dec 31, 2024	Q-on-Q Growth	Mar 31, 2024	Y-on-Y Growth
Total On Roll Employees	Nos	3,791	3,733	58	3,554	237
Number of Towers per Employee	Nos	66	63	4.8%	62	6.5%
Personnel Cost per Employee per month	Rs	195,198	194,673	0.3%	191,926	1.7%
Revenue per Employee per month	Rs	6,846,624	6,780,218	1.0%	6,798,223	0.7%

4.3 Residual Lease Period and Future Minimum Lease Receivable

Parameters	Unit	Mar 31, 2025
Average Residual Service Contract Period	Yrs.	6.33
Minimum Lease Payment Receivable	Rs. Mn	1,281,319

Section 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 Key Industry Developments

1. Telecom Sector Overview

As on 28th February 2025, the total wireless subscriber base stood at 1,154.1 Mn of which 627.9 Mn subscribers were in urban areas and 526.2 Mn subscribers were in rural areas. In terms of telecom service providers, private sector (Bharti Airtel, Reliance Jio, Vodafone Idea) accounted for 92.0% of the market share and public sector units (MTNL, BSNL) accounted for the remaining 8.0%.

The year gone by saw the Government continuing its efforts to accelerate the deployment of telecom infrastructure in the country in a sustainable way. The Green Open Access policy, aimed at incentivizing the use of cleaner sources of energy has been adopted by 24 states. The Composite Billing Scheme, aimed at simplifying the billing process by having a single consolidated bill for multiple connections, is now operational in 11 states including the likes of Rajasthan and Madhya Pradesh. Additionally, the Right of Way Rules, 2024, were made mandatory for the states to follow since the beginning of the calendar year.

2. 5G Update

In FY25, more than 40,000 5G Base Transceiver Stations were installed across the country to take the total to close to 475,000. While the pace of deployments has gradually been declining, the overall outlook for 5G remains strong, as highlighted in the Ericsson Mobility Report.

As per the report, global 5G subscriptions grew by 162 million in the December quarter to a total of 2.3 billion, with 4G subscriptions falling by 54 million. Global 5G subscriptions are expected to reach over 6.3 billion by 2030, accounting for around 67% of the total subscriptions. In India, 5G subscriptions are expected to reach around 970 million by the end of 2030, accounting for 74% of mobile subscriptions.

As per the latest TRAI report, the total 5G subscription base in India grew to 243 million at the end of Q3 FY25, increasing by 25 million during the quarter. Correspondingly, 4G subscriptions saw a decline of 23 million.

3. Other Industry updates

In February 2025, the Honourable Supreme Court dismissed a set of review petitions filed by telecom companies challenging its 2021 verdict, which had rejected recalculation of the Department of Telecom's (DoT) computation of telcos' Adjusted Gross Revenue (AGR) dues.

Additionally, in the Union Budget 2024-25, the Department of Telecom received allocation of more than Rs. 81,000 Crs to bolster Digital India infrastructure. Import duties on critical telecom gear were reduced, and duty exemptions were given on inputs for manufacturing optical fiber cables, mobile phone components, and satellite launch vehicles.

4. Customer Updates

Bharti Airtel

Airtel prepays spectrum dues of Rs. 5,985 Crs: In March 2025, Airtel announced that in conjunction with its subsidiary Bharti Hexacom, it had prepaid Rs. 5,985 Crs to the Department of Telecom (DoT), fully prepaying the high-cost interest liabilities of 8.65% pertaining to the 2024 auctions. Airtel's subsidiary, Network i2i, also voluntarily called and redeemed USD1 billion in Perpetual Notes. The Company has now prepaid Rs. 25,981 Crs of high-cost spectrum liabilities for FY25 and cumulatively prepaid spectrum liabilities of Rs 66,665 Crs as on date. The average interest rate on the cumulative liabilities prepaid was approximately 9.74%. Airtel had earlier fully prepaid liabilities that had interest rates of 10%, 9.75% and 9.3%.

Airtel signs deal with SpaceX: In March 2025, Airtel announced that it had signed an agreement with SpaceX to bring Starlink's high-speed internet services to its customers in India. As per the agreement, both Companies will explore offering Starlink equipment in Airtel's retail stores, Starlink services via Airtel to business customers, opportunities to connect communities, schools, and health centers, among many others, in even the most rural parts of India. The Companies will also explore how Starlink could help expand and enhance the Airtel network, as well as SpaceX's ability to utilize and benefit from Airtel's ground network infrastructure and other capabilities in India.

Airtel awards 5G FWA deal to Nokia: In February 2025, Airtel awarded a deal to Nokia and Qualcomm to expand its 5G Fixed Wireless

Access (FWA) and Wi-Fi 6 to customers. Under the deal, Nokia will supply its 5G FWA outdoor gateway receiver and Wi-Fi 6 router, equipped with Qualcomm Modem-RF and Wi-Fi 6 chipsets. Airtel will leverage Nokia's FastMile 5G outdoor receivers, which are tailored for multi-dwelling units and capable of serving two households concurrently, which will lead to a reduction in connection expenses.

Vodafone Idea

Equity conversion of spectrum dues: In March 2025, Vodafone Idea announced that the Government of India has decided to convert a part of the Company's outstanding spectrum auction dues, including deferred dues repayable after expiry of the moratorium period, into equity shares to be issued to the Government. The total amount to be converted into equity shares was Rs. 36,950 Crs, with 3,695 Crs equity shares of the face value of Rs. 10 each to be issued to the Government at a price of Rs. 10 each. The Company further added that post the issuance of shares the Government's shareholding in the Company will increase from the existing 22.60% to ~48.99%. The promoters will continue to have operational control of the Company.

Reliance Jio

Jio partners with SpaceX: In March 2025, Reliance Jio announced an agreement with SpaceX to offer Starlink's broadband internet services to its customers in India. As per the Company, this agreement, which is subject to SpaceX receiving its own authorizations to sell Starlink in India, enables Jio and SpaceX to explore how Starlink can extend Jio's offerings and how Jio can complement SpaceX's direct offerings to consumers and businesses. Jio will make Starlink solutions available through its retail outlets as well as through its online storefronts.

5.2 Key Company updates

1. Change in Board structure

Vodafone shareholders divested their remaining ~3.00% shareholding in the Company on December 05, 2024, and consequently, no longer hold any equity shares in the Company.

Further, the Company has received a request letter dated December 20, 2024 from Omega Telecom Holdings Private Limited, Usha Martin Telematics Limited, Asian Telecommunication Investments (Mauritius) Ltd., Prime Metals Ltd., Euro Pacific Securities Ltd., Trans Crystal Ltd., Al-Amin Investments Limited, Mobilvest, Vodafone Telecommunications (India) Ltd. And CCII (Mauritius) Inc. i.e., Vodafone entities, who are presently classified as Promoter of the Company, for reclassification as 'Public'.

The Company has undertaken necessary steps in compliance with Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-classification of the Vodafone entities from 'Promoter' to 'Public' basis the request letter received from Vodafone Promoters. The approval of the Stock Exchanges is awaited.

2. Acquisition of Passive Infrastructure Business Undertaking comprising mobile/wireless communication towers and related infrastructure, from Bharti Airtel Limited and Bharti Hexacom Limited

In February 2025, the Company announced its plan to purchase/acquire Passive Infrastructure Business Undertaking comprising mobile/wireless communication towers and related infrastructure, from Bharti Airtel Limited and Bharti Hexacom Limited. After receiving shareholder approval for the same, the Company executed the transaction to acquire 12,606 towers from Bharti Airtel in March 2025 (Refer Company's Financial Results for the quarter and year ended March 2025 for more details).
Further, based on the intimation received from Bharti Hexacom Limited, the transaction to purchase/acquire Passive Infrastructure Business Undertaking from Bharti Hexacom has been kept in abeyance.

3. Awards & Recognitions

Gallup Exceptional Workplace Award 2025:
Indus Towers won the Gallup Exceptional Workplace Award 2025 for the 12th consecutive year.

ET Telecom Awards 2025:
Indus Towers won the 'Innovative Company of the Year' and Indus' Digital Transformation Van (DTV) won the Jury Recognition for the Best Community Outreach Program at the ET Telecom Awards 2025.

Nachiketa Award:
Indus Towers' Internal Audit & Assurance team won the Institute of Internal Auditors (IIA)'s Nachiketa Award for Critical Thinking.

5.3 Results of Operations

The financial results are prepared from audited consolidated financial results represent results of 'the Group' which comprises of the Company, its subsidiary 'Smartx Services Limited' and its controlled trust 'Indus Towers Employees Welfare Trust' prepared as per Ind AS 110 on Consolidated Financial Statements.

Key Highlights – For the quarter ended March 31, 2025

- **Revenue at Rs 77,271 Mn**
- **EBITDA at Rs 43,952 Mn**
- **Profit after tax at Rs 17,791 Mn**
- **Operating Free Cash Flow (OFCF) at Rs 12,574 Mn**

5.3.1 Financial & Operational Performance

Indus Towers Limited

Quarter Ended March 31, 2025

Tower and Co-Location base & additions

As of March 31, 2025, Indus owned and operated 249,305# macro towers with 405,435# macro co-locations in 22 telecommunications Circles in India.

During the quarter, net macro co-locations increased by 18,616 #. Exits during the quarter were 375 .

For the quarter ended March 31, 2025, Indus had average sharing factor of 1.64 per tower.

During the quarter, net lean colocation additions aggregated to 2,386# . As of March 31, 2025, lean colocations stand at 13,878 .

Towers and Co-locations include 10,380 Macro towers and 2,226 Lean co-locations acquired from Bharti Airtel Ltd during the quarter ended 31 March 2025.

Revenues[1] from Operations

Our revenue comprises primarily revenues from co-locations and their energy billings.

Our revenue from operations for the quarter ended March 31, 2025, was Rs 77,271 million, up by 7.4% on Y-o-Y basis.

Operating Expenses

Our total expenses for the quarter ended March 31, 2025, were Rs 33,319 million, or 43.1% of our revenues from operations. The largest component of our expenses during this period was power and fuel, amounting to Rs 28,266 million. The other key expenses incurred by us during the quarter ended March 31, 2025, were repair & maintenance (operations and maintenance costs of the network) of Rs 3,374 million, other expenses of Rs. (562) million (including Allowances for doubtful receivables of Rs. (2,264) million), employee benefits expenses of Rs 2,203 million and Cost of materials consumed of Rs. 38 .

EBITDA[1], EBIT[1] & Finance Cost

For the quarter ended March 31, 2025, the company had an EBITDA of Rs 43,952 million, up by 7.1% on Y-o-Y basis & EBITDA margin of 56.9%.

During the quarter ended March 31, 2025, the company had depreciation and amortization expenses of Rs 16,930 million or 21.9% of our revenues.

The resultant EBIT for the quarter ended March 31, 2025 was Rs 26,310 million.

The net finance cost for the quarter ended March 31, 2025 was Rs 3,597 million, or 4.7% of our revenues, up by 183.9% on Y-o-Y basis.

Profit/(Loss) before Tax (PBT)

Our profit before tax for the quarter ended March 31, 2025 was Rs 23,630 million.

Profit/(Loss) after Tax (PAT)

The net profit after tax for the quarter ended March 31, 2025 was Rs 17,791 million.

Our total tax expense for the quarter ended March 31, 2025 was Rs 5,839 million.

Capital Expenditure[2], Operating Free Cash Flow[1], Adjusted Fund from Operations (AFFO)[1] & Free Cash Flow

For the quarter ended March 31, 2025, the Company incurred capital expenditure of Rs 22,444 million. The Operating free cash flow during the quarter was Rs. 12,574 million as compared to Rs. 7,272 million for quarter ended March 31, 2024.

The Adjusted Fund from Operations (AFFO) during the quarter was Rs 29,622 million up by 1.1% on Y-o-Y basis.

Free Cash Flow during the quarter was Rs 38,726 million.

1. Revenue, EBITDA, EBIT, operating free cash flow & AFFO are excluding other income.
2. Capex for the period ended 31 March 2025 does not include passive infrastructure assets acquired from Bharti Airtel Ltd.

Return on Capital Employed (ROCE)

ROCE as at the period ended March 31, 2025 stands at 29.1%.

5.4 Indus Towers Three Line Graph

The Company tracks its performance on a three-line graph.

The parameters considered for the three-line graph are:

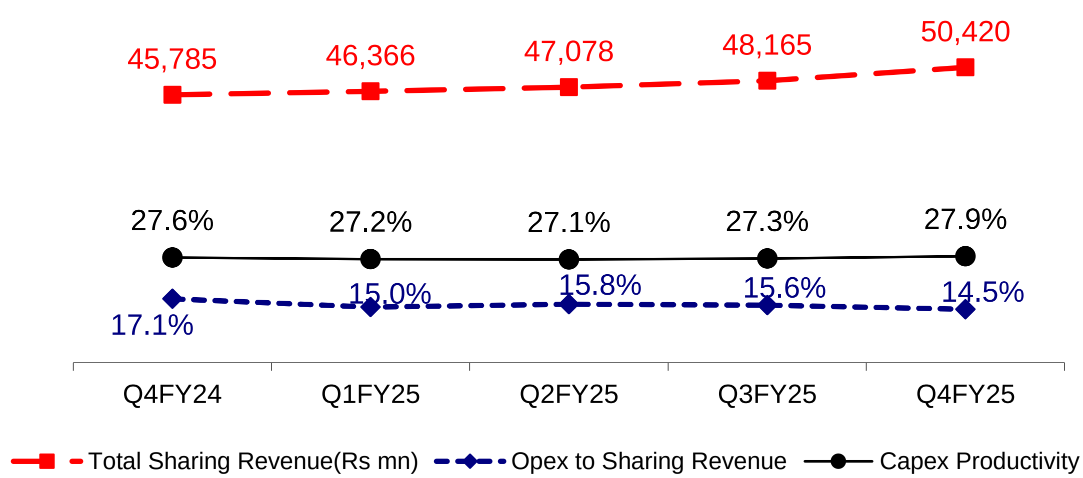
1. **Total Sharing revenue -** i.e. total revenue excluding energy reimbursements accrued during the respective period.

2. **Opex Productivity[1] –** is calculated as operating expenses other than Allowances for doubtful receivables and power & fuel expense divided by total sharing revenues for the respective period.

   This ratio depicts the operational efficiencies in the Company.

3. **Capex Productivity** – this is computed by dividing sharing revenue accrued for the quarter (annualized) by average gross cumulative investments (gross fixed assets and capital work in progress) as at the end of respective period. This ratio depicts the asset productivity of the Company.

Given below are the graphs for the last five quarters of the Company:



1.Allowances for doubtful receivables have been excluded from the Opex productivity calculation to present the normalized performance and corresponding figures for the previous quarters have also been restated.

Section 6

STOCK MARKET HIGHLIGHTS

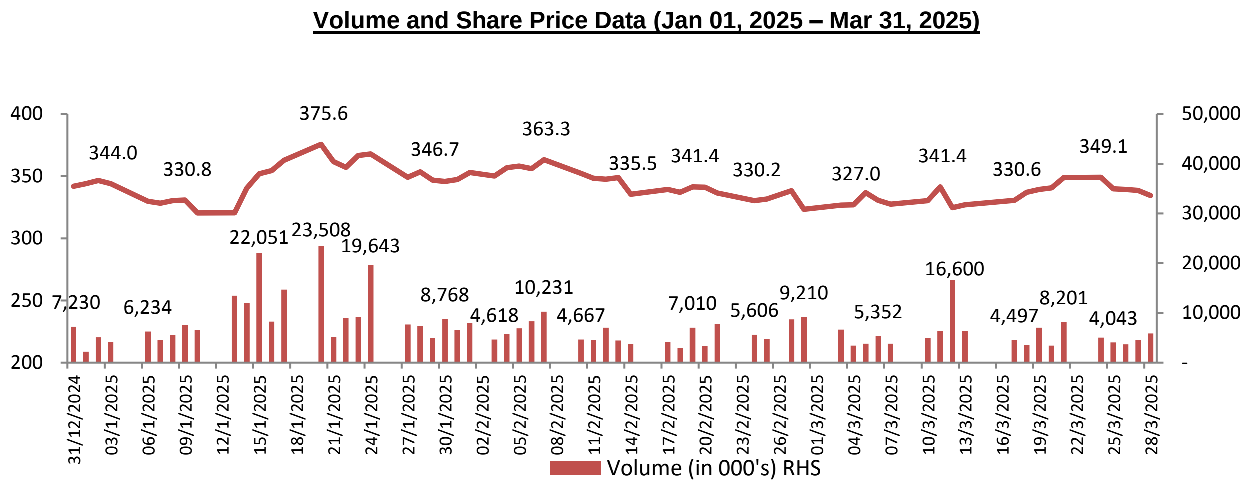
6.1 General Information

Shareholding and Financial Data	Unit	Quarter Ended Mar 31, 2025
Codes/Exchanges		534816/BSE INDUSTOWER/NSE
Bloomberg/Reuters		INDUSTOW IN/INUS.NS
No. of Shares Outstanding (31/03/25)	Mn Nos	2,638.16
Closing Market Price - NSE (31/03/25)	Rs /Share	334.30
Combined Volume (NSE & BSE) (01/01/25 - 31/03/25)	Nos in Mn/day	7.30
Combined Value (NSE & BSE) (01/01/25 - 31/03/25)	Rs bn /day	2.52
Market Capitalization	Rs bn	882
Book Value Per Equity Share	Rs /share	123.19
Market Price/Book Value	Times	2.71
Enterprise Value	Rs bn	1,062
PE Ratio	Times	8.96
Enterprise Value/ EBITDA	Times	5.10

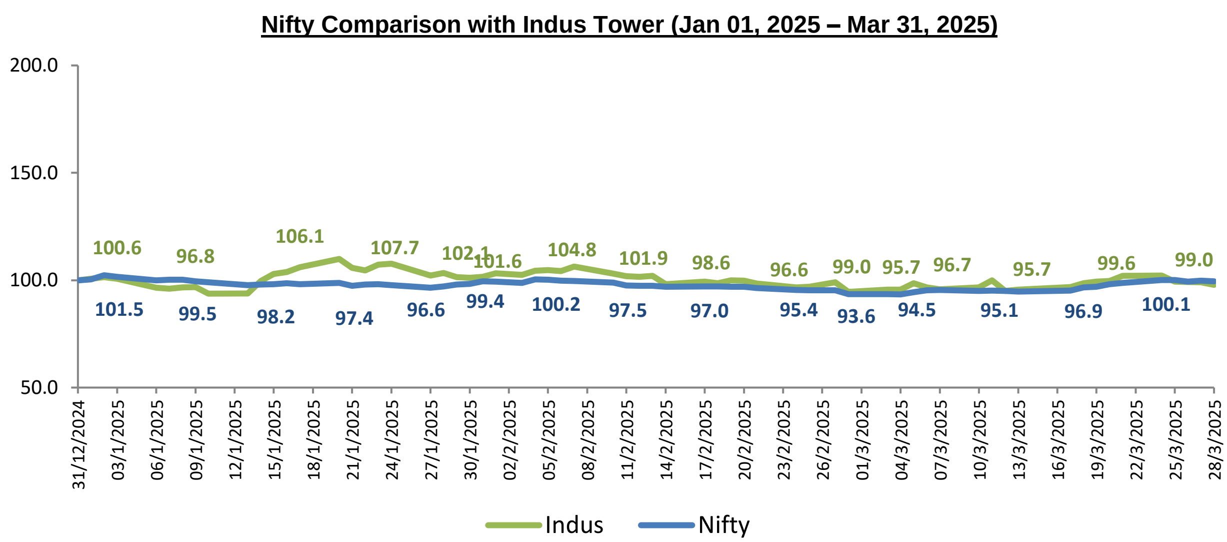
6.2 Summarized Shareholding pattern as of March 31, 2025

Category	Number of Shares	%
Promoter & Promoter Group	**1,319,210,733**	**50.005%**
Public Shareholding		
Institutions	1,182,822,585	44.835%
Non-Institutions	135,209,532	5.125%
Sub-Total	**1,318,032,117**	**49.960%**
Non-promoter Non-public shareholding		
(Held by Indus Towers Employees Welfare Trust)	**919,907**	**0.035%**
Total	**2,638,162,757**	**100.000%**

6.3 Indus Towers daily stock price (NSE) and volume (NSE) movement



6.4 Comparison of Indus Towers with Nifty



Nifty and Indus Towers Stock price rebased to 100.

Section 7

DETAILED FINANCIAL AND RELATED INFORMATION

The financial information are prepared from audited consolidated financial results represent results of 'the Group' which comprises of the Company, its subsidiary 'Smartx Services Limited' and its controlled trust 'Indus Towers Employees Welfare Trust' prepared as per Ind AS 110 on Consolidated Financial Statements.

7.1 Financial Statements

7.1.1 Statement of Profit and Loss

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Full Year Ended		
	Mar-25	Mar-24	Y-on-Y growth	Mar-25	Mar-24	Y-on-Y growth
Income						
Revenue from Operations	77,271	71,932	7%	301,228	286,006	5%
Other income	917	1,085	-15%	3,458	3,611	-4%
	78,188	**73,017**	**7%**	**304,686**	**289,617**	**5%**
Expenses						
Cost of materials consumed	38	-		38	-	
Power and fuel	28,266	26,725	6%	114,450	111,499	3%
Employee benefit expenses	2,203	2,031	8%	8,414	7,823	8%
Repairs and maintenance	3,374	3,533	-5%	14,410	13,991	3%
Other expenses	(562)	(1,383)	59%	(44,531)	5,754	-874%
	33,319	**30,906**	**8%**	**92,781**	**139,067**	**-33%**
Profit before depreciation and amortization, finance cost, finance income, charity and donation and tax	**44,869**	**42,111**	**7%**	**211,905**	**150,550**	**41%**
Depreciation and Amortization Expense	17,136	15,878	8%	64,899	61,600	5%
Less: adjusted with general reserve in accordance with the Scheme of arrangement	(206)	(233)	-12%	(878)	(1,001)	-12%
	16,930	**15,645**	**8%**	**64,021**	**60,599**	**6%**
Finance Costs	4,791	4,636	3%	18,579	18,638	0%
Finance Income	(1,194)	(3,369)	-65%	(4,179)	(11,284)	-63%
Charity and Donation	712	310	130%	1,947	1,373	42%
Profit before tax	**23,630**	**24,889**	**-5%**	**131,537**	**81,224**	**62%**
Tax expense	**5,839**	**6,358**	**-8%**	**32,220**	**20,862**	**54%**
Current tax	4,402	5,723	-23%	17,405	19,388	-10%
Deferred tax	1,437	635	126%	14,815	1,474	905%
Profit for the period	**17,791**	**18,531**	**-4%**	**99,317**	**60,362**	**65%**
Other comprehensive income/(loss), (net of tax)	(18)	7	357%	(30)	(32)	-6%
Total comprehensive income for the period, (net of tax)	**17,773**	**18,538**	**-4%**	**99,287**	**60,330**	**65%**
Earnings per equity share (nominal value of share is Rs 10 each)						
Basic (Rs.)	6.75	6.88	-2%	37.31	22.40	67%
Diluted (Rs.)	6.75	6.88	-2%	37.31	22.40	67%

7.1.2 Balance Sheet

Amount in Rs mn

Particulars	As at	
	31-Mar-25	31-Mar-24
Assets		
Non-current assets		
Property, plant and equipments	294,082	266,493
Right of use assets	149,337	126,377
Capital work-in-progress	5,672	4,219
Intangible assets	380	132
Financial Assets		
Investments	-	28
Other financial assets	14,653	13,233
Income tax assets (net)	8,561	7,715
Deferred tax assets (net)	23	10,756
Other non - current assets	29,696	24,823
	502,404	**453,776**
Current assets		
Inventory	76	-
Financial assets		
Investments	14,861	-
Trade receivables	47,675	64,507
Cash and cash equivalents	1,497	631
Other Bank Balance	17,064	-
Other financial assets	38,839	35,768
Other current assets	9,286	3,994
	129,298	**104,900**
Total assets	**631,702**	**558,676**
Equity and Liabilities		
Equity		
Equity share capital	26,381	26,949
Other equity	298,602	243,439
	324,983	**270,388**
Non-current liabilities		
Financial Liabilities		
Borrowings	1,532	15,044
Lease liabilities	163,257	138,202
Other financial liabilities	3,978	3,923
Provisions	24,656	21,592
Deferred tax liability (Net)	4,072	-
Other non - current liabilities	11,356	7,962
	208,851	**186,723**
Current liabilities		
Financial Liabilities		
Borrowings	21,092	28,074
Lease liabilities	25,677	23,990
Trade payables		
-Total outstanding dues of micro enterprises and small enterprises	453	702
-Total outstanding dues of creditors other than micro enterprises and small enterprises	23,997	22,095
Other financial liabilities	18,607	17,697
Other current liabilities	5,876	6,449
Provisions	843	740
Current tax liabilities (net)	1,323	1,818
	97,868	**101,565**
Total liabilities	**306,719**	**288,288**
Total equity and liabilities	**631,702**	**558,676**

7.1.3 Cash Flow Statement

Amount in Rs mn

Particulars	Quarter Ended		Full Year Ended	
	Mar-25	Mar-24	Mar-25	Mar-24
Cash flows from operating activities				
Profit before tax	**23,630**	**24,889**	**131,537**	**81,224**
Adjustments for				
Depreciation and amortization expenses	16,930	15,645	64,021	60,599
Finance income	(1,194)	(1,876)	(4,179)	(6,479)
Finance costs	4,791	4,636	18,579	18,638
Profit on sale of property, plant and equipment	(695)	(821)	(2,687)	(2,793)
Allowances for doubtful receivables and advances (net)	(2,236)	(3,668)	(50,771)	(809)
Revenue equalisation	(1,199)	(1,256)	(5,330)	(4,907)
Others	(44)	(123)	(371)	(507)
Operating profit before changes in assets and liabilities	**39,983**	**37,426**	**150,799**	**144,966**
Decrease/(Increase) in other financial assets	1,385	13	(3,852)	(4,500)
Decrease/(Increase) in other assets	1,758	(782)	(4,817)	(911)
Decrease/(Increase) in inventories	(76)	-	(76)	-
Decrease/(Increase) in trade receivables	27,745	(703)	67,700	(15,052)
Increase/(Decrease) in other financial liabilities	229	179	(18)	(148)
Increase/(Decrease) in provisions	64	50	182	156
Increase/(Decrease) in other liabilities	416	3,220	3,030	8,148
Increase/(Decrease) in trade payables	(172)	(349)	2,248	1,862
Cash generated from operations	**71,332**	**39,054**	**215,196**	**134,521**
Income tax paid (net of refunds)	(4,861)	(5,471)	(18,746)	(18,700)
Net cash flow from/(used in) operating activities (A)	**66,471**	**33,583**	**196,450**	**115,821**
Cash flows from investing activities				
Purchase of Property, plant & equipment, intangible assets and capital work in progress	(20,245)	(24,530)	(67,840)	(89,529)
Proceeds from sale of property, plant & equipment	1,488	1,563	5,269	5,064
Investment in mutual funds	(111,894)	(35,758)	(319,114)	(157,572)
Proceeds from sale of mutual funds	97,430	35,776	304,967	157,639
Proceeds from sale of government securities	-	-	-	2,750
Consideration paid for acquisition of Passive Infrastructure Business Undertaking by way of slump sale	(18,288)	-	(18,288)	-
Sale of / (Investment in) equity instruments	28	(28)	28	(28)
Interest received	197	1,687	2,841	6,261
Proceeds / (investment) from bank deposits and restricted balances with banks (net)	(2,038)	(2)	(16,968)	(47)
Net cash flow from /(used in) investing activities (B)	**(53,322)**	**(21,292)**	**(109,105)**	**(75,462)**
Cash flows from financing activities				
Proceeds from borrowings	11,517	11,743	62,584	85,558
Repayment of borrowings	(14,384)	(15,840)	(83,091)	(89,584)
Sale/(Purchase) of treasury shares	-	-	(258)	(130)
Payment for buyback of equity shares	-	-	(26,400)	-
Transaction costs and tax paid related to buyback of equity shares	-	-	(1,087)	-
Interest Paid	(251)	(637)	(2,762)	(4,066)
Proceeds from exercise of stock options	8	4	8	4
Repayment of lease liabilities (including interest)	(8,934)	(8,338)	(35,473)	(31,734)
Net cash flow from /(used in) financing activities (C)	**(12,044)**	**(13,068)**	**(86,479)**	**(39,952)**
Net (decrease)/increase in cash and cash equivalents during the period (A+B+C)	**1,105**	**(777)**	**866**	**407**
Cash and cash equivalents at the beginning of the period	392	1,408	631	224
Cash and cash equivalents at the end of the period	**1,497**	**631**	**1,497**	**631**
Components of cash and cash equivalents				
Cash and cash equivalents				
Balances with banks				
- on current accounts	1,497	591	1,497	591
- Deposits with original maturity of less than three months	-	40	-	40
Total cash and cash equivalents	**1,497**	**631**	**1,497**	**631**

7.2 Schedules to Financial Statements

7.2.1 Schedule of Revenue from Operations

Amount in Rs mn

Particulars	Quarter Ended		Full Year Ended	
	Mar-25	Mar-24	Mar-25	Mar-24
Sharing revenue	50,365	45,785	191,974	177,314
Energy reimbursements	26,851	26,147	109,199	108,692
Revenue from sale of goods / equipment and related services	55	-	55	-
Revenue from Operations	**77,271**	**71,932**	**301,228**	**286,006**

7.2.2 Schedule of Operating Expenses

Amount in Rs mn

Particulars	Quarter Ended		Full Year Ended	
	Mar-25	Mar-24	Mar-25	Mar-24
Cost of materials consumed	38	-	38	-
Power and fuel	28,266	26,725	114,450	111,499
Employee benefit expenses	2,203	2,031	8,414	7,823
Repairs and maintenance	3,374	3,533	14,410	13,991
Other expenses	(562)	(1,383)	(44,531)	5,754
Expenses	**33,319**	**30,906**	**92,781**	**139,067**

7.2.3 Schedule of Depreciation & Amortization

Amount in Rs mn

Particulars	Quarter Ended		Full Year Ended	
	Mar-25	Mar-24	Mar-25	Mar-24
Depreciation on tangible assets	10,210	9,580	38,990	38,013
Amortization of intangible assets	51	33	185	208
Depreciation without right of use assets	**10,261**	**9,613**	**39,175**	**38,221**
Add: Depreciation on right of use assets	6,669	6,032	24,846	22,378
Depreciation and Amortization	**16,930**	**15,645**	**64,021**	**60,599**

7.2.4 Schedule of Finance Cost (Net)

Amount in Rs mn

Particulars	Quarter Ended		Full Year Ended	
	Mar-25	Mar-24	Mar-25	Mar-24
Finance Income	(1,194)	(3,369)	(4,179)	(11,284)
Finance Cost	917	1,326	4,507	6,282
Finance cost (Net) without lease liabilities	**(277)**	**(2,043)**	**328**	**(5,002)**
Add: Interest on lease liabilities	3,874	3,310	14,072	12,356
Finance cost (Net)	**3,597**	**1,267**	**14,400**	**7,354**

7.2.5 Schedule of Tax Expenses

Amount in Rs mn

Particulars	Quarter Ended		Full Year Ended	
	Mar-25	Mar-24	Mar-25	Mar-24
Current tax	4,402	5,723	17,405	19,388
Deferred tax	1,437	635	14,815	1,474
Tax Expenses	**5,839**	**6,358**	**32,220**	**20,862**

7.2.6 Schedule of Cumulative Investments

Amount in Rs. mn

Particulars	As at 31-Mar-25	As at 31-Mar-24
Property, plant and equipment(Gross)	**727,067**	**666,885**
Less: Accumulated Depreciation	432,985	400,392
Property, plant and equipment(Net)	294,082	266,493
Intangible assets(Gross)	**3,223**	**2,790**
Less: Accumulated Amortization	2,843	2,658
Intangible assets(Net)	380	132
Capital work-in-progress	**5,672**	**4,219**
Cumulative Investments[1]	**735,962**	**673,894**

1. Cumulative Investments for the period ended 31 Mar 2025 include gross block of Rs. 9,122 mn related to passive infrastructure assets acquired from Bharti Airtel Ltd.

7.3 Use of Non - GAAP Financial Information

In presenting and discussing the Company's reported financial position, operating results and cash flows, certain information is derived from amounts calculated in accordance with IND AS, but this information is a Non-GAAP measure. Such Non-GAAP measures should not be viewed in isolation as alternatives to the equivalent IND AS measures.

A summary of Non – GAAP measures included in this report are shown below

7.3.1 Reconciliation of Non- GAAP financial information to the information as per audited consolidated financial statements in 7.1 & 7.2 above

a) Reconciliation of Total Income to Revenue

Amount in Rs mn

Particulars	Quarter Ended	Full Year Ended
	Mar-25	Mar-25
Total Income to Revenue		
Total Income as per IND AS	**78,188**	**304,686**
Less: Other Income	917	3,458
Revenue	**77,271**	**301,228**

b) Reconciliation of EBITDA (Including Other Income) to EBITDA

Amount in Rs mn

Particulars	Quarter Ended	Full Year Ended
	Mar-25	Mar-25
EBITDA (Including Other Income) to EBITDA		
EBITDA (Incl. Other Income) as per IND AS	**44,869**	**211,905**
Less: Other Income	917	3,458
EBITDA	**43,952**	**208,447**

c) Reconciliation of EBIT (Including Other Income) to EBIT

Amount in Rs mn

Particulars	Quarter Ended	Full Year Ended
	Mar-25	Mar-25
EBIT (Including Other Income) to EBIT		
EBIT (Incl. Other Income) as per IND AS	**27,227**	**145,937**
Less: Other Income	917	3,458
EBIT	**26,310**	**142,479**

d) Derivation of Operating Free Cash Flow from EBITDA

Amount in Rs mn

Particulars	Quarter Ended	Full Year Ended
	Mar-25	Mar-25
EBITDA to Operating Free Cash Flow		
EBITDA	**43,952**	**208,447**
Less: Repayment of Lease Liabilities	8,934	35,473
Adjusted EBITDA	**35,018**	**172,974**
Less: Capex	22,444	68,699
Operating Free Cash Flow	**12,574**	**104,275**

e) Derivation of Adjusted Fund From Operations (AFFO) from Adjusted EBITDA

Amount in Rs mn

Particulars	Quarter Ended	Full Year Ended
	Mar-25	Mar-25
Adjusted EBITDA to Adjusted Fund From Operations		
Adjusted EBITDA	**35,018**	**172,974**
Less: Maintenance Capex	5,396	13,875
Adjusted Fund From Operations(AFFO)	**29,622**	**159,099**

f) Calculation of Net Debt / (Net Cash) with and without Lease Liabilities

Amount in Rs mn

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Total Debt (Long Term and Short Term Borrowings) with Lease Liabilities	211,558	205,310
Less: Cash and Cash Equivalents & Current and non-current Investments	31,358	631
Net Debt / (Net Cash) with Lease Liabilities	**180,200**	**204,679**
Less: Lease Obligation	188,934	162,192
Net Debt / (Net Cash) without Lease Liabilities	**(8,734)**	**42,487**

g) Calculation of Capital Employed

Amount in Rs mn

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Shareholder's Equity	324,983	270,388
Add:Net Debt / (Net Cash) with Lease Liabilities	180,200	204,679
Capital Employed	**505,183**	**475,067**

Section 8

TRENDS AND RATIOS

The financial figures are prepared from audited consolidated financial results represent results of 'the Group' which comprises of the Company, its subsidiary 'Smartx Services Limited' and its controlled trust 'Indus Towers Employees Welfare Trust' prepared as per Ind AS 110 on Consolidated Financial Statements.

8.1 Based on Statement of Operations

Amount in Rs mn

Parameters	For the Quarter Ended				
	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24
Revenue[1]	77,271	75,474	74,653	73,830	71,932
Energy Cost	28,266	28,253	28,925	29,006	26,725
Other Operating Expenses	5,053	(22,750)	(3,343)	(629)	4,181
EBITDA[1]	43,952	69,971	49,071	45,453	41,026
EBITDA / Total revenues[2]	*56.9%*	*92.7%*	*65.7%*	*61.6%*	*57.0%*
EBIT[1]	26,310	53,896	32,837	29,436	25,071
Other Income	917	838	1,139	564	1,085
Finance cost (Net)	3,597	2,546	4,175	4,082	1,267
Profit/(Loss) before tax	23,630	52,188	29,801	25,918	24,889
Income Tax Expense	5,839	12,156	7,566	6,659	6,358
Profit/(Loss) after Tax	17,791	40,032	22,235	19,259	18,531
Capex[3]	22,444	12,260	15,176	18,819	25,416
Operating Free Cash Flow[1]	12,574	48,695	25,453	17,553	7,272
Adjusted Fund From Operations(AFFO)[1]	29,622	58,053	37,650	33,774	29,303
Free Cash Flow	38,726	26,645	14,413	18,701	3,328
Cumulative Investments[4]	735,962	708,778	700,401	689,050	673,894

	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24
As a % of Revenue[2]					
Energy Cost	36.6%	37.4%	38.7%	39.3%	37.2%
Other Operating Expenses	6.5%	-30.1%	-4.5%	-0.9%	5.8%
EBITDA	56.9%	92.7%	65.7%	61.6%	57.0%
Profit/(Loss) before tax	30.6%	69.1%	39.9%	35.1%	34.6%
Profit/(Loss) after tax	23.0%	53.0%	29.8%	26.1%	25.8%

1. Revenue, EBITDA, EBIT, Operating free cash flow & AFFO are excluding other income.
2. Previous periods' figures have been regrouped/ rearranged wherever necessary to conform to current period classifications.
3. Following the favourable ruling from Honorable Supreme Court in CENVAT credit on towers and shelters, the Delhi High Court quashed the Show Cause Notice issued by DGGI on the matter of disallowance of ITC availed by the company on towers and passive infrastructure. Therefore, the company has decapitalized Rs. 6,598 Mn related to GST which was capitalized as part of property, plant and equipment for the period from April 01, 2020 to December 31, 2024 and recognised corresponding ITC assets with the same amount. This resulted in reversal of depreciation amounting to Rs. 650 Mn for the aforesaid period. Capex for the period ended 31 March 2025 does not include passive infrastructure assets acquired from Bharti Airtel Ltd.
4. Cumulative Investments for the period ended 31 Mar 2025 include gross block worth 9,122Mn related to acquisition of passive infrastructure business of Bharti Airtel Ltd.

8.1.1 Consolidated Statement of Operations

Amount in Rs mn, except per share data

Particulars	Quarter Ended				
	Mar 2025	Dec 2024	Sep 2024	Jun 2024	Mar 2024
Income					
Revenue from Operations	77,271	75,474	74,653	73,830	71,932
Other income	917	838	1,139	564	1,085
	78,188	**76,312**	**75,792**	**74,394**	**73,017**
Expenses					
Cost of materials consumed	38	-	-	-	-
Power and fuel	28,266	28,253	28,925	29,006	26,725
Employee benefit expenses	2,203	2,167	2,073	1,971	2,031
Repairs and maintenance	3,374	3,612	3,832	3,592	3,533
Other expenses	(562)	(28,529)	(9,248)	(6,192)	(1,383)
	33,319	**5,503**	**25,582**	**28,377**	**30,906**
Profit before depreciation and amortization, finance cost, finance income, charity and donation, and tax	**44,869**	**70,809**	**50,210**	**46,017**	**42,111**
Depreciation and amortization expense	16,930	15,685	15,801	15,605	15,645
Finance costs	4,791	4,616	4,614	4,558	4,636
Finance Income	(1,194)	(2,070)	(439)	(476)	(3,369)
Charity and donation	712	390	433	412	310
	21,239	**18,621**	**20,409**	**20,099**	**17,222**
Profit/(Loss) before tax	**23,630**	**52,188**	**29,801**	**25,918**	**24,889**
Tax expense					
Current tax	4,402	4,571	3,998	4,434	5,723
Deferred tax	1,437	7,585	3,568	2,225	635
Total Tax expense	**5,839**	**12,156**	**7,566**	**6,659**	**6,358**
Profit/(Loss) for the period	**17,791**	**40,032**	**22,235**	**19,259**	**18,531**
Other comprehensive income/(loss)	(18)	(0)	(12)	-	7
Total Comprehensive Income	**17,773**	**40,032**	**22,223**	**19,259**	**18,538**
Earnings per equity share (nominal value of share is Rs 10 each)					
Basic	6.75	15.18	8.30	7.15	6.88
Diluted	6.75	15.17	8.30	7.15	6.88

8.1.2 Consolidated Balance sheet

Amount in Rs mn

Particulars	As at Mar 2025	As at Dec 2024	As at Sep 2024	As at Jun 2024	As at Mar 2024
ASSETS					
Non-current assets					
Property, plant and equipments	294,082	280,895	279,618	274,090	266,493
Right of use asset	149,337	140,932	136,987	131,762	126,377
Capital work-in-progress	5,672	4,307	3,921	5,303	4,219
Intangible assets	380	418	432	127	132
Financial assets					
Investments	-	28	28	28	28
Other financial assets	14,653	14,254	13,863	13,478	13,233
Income tax assets (net)	8,561	8,302	7,730	7,584	7,715
Deferred tax assets (net)	23	32	4,967	8,531	10,756
Other non - current assets	29,696	28,389	27,166	26,163	24,823
	502,404	**477,557**	**474,712**	**467,066**	**453,776**
Current assets					
Inventories	76	-	-	-	-
Financial assets					
Investments	14,861	-	2,650	5,004	-
Trade receivables	47,675	73,156	56,290	57,219	64,507
Cash and cash equivalents	1,497	392	256	3,497	631
Other Bank Balance	17,064	15,000	-	-	-
Other financial assets	38,839	39,835	44,662	39,686	35,768
Other current assets	9,286	10,984	5,155	4,226	3,994
	129,298	**139,367**	**109,013**	**109,632**	**104,900**
Total assets	**631,702**	**616,924**	**583,725**	**576,698**	**558,676**
EQUITY AND LIABILITIES					
Equity					
Equity share capital	26,381	26,381	26,381	26,949	26,949
other equity	298,602	297,211	257,607	262,491	243,439
Equity attributable to equity holders of the parent	**324,983**	**323,592**	**283,988**	**289,440**	**270,388**
Non-current liabilities					
Financial liabilities					
Borrowings	1,532	2,727	7,667	8,861	15,044
Lease liabilities	163,257	153,622	150,157	143,558	138,202
Other financial liabilities	3,978	3,899	3,821	4,003	3,923
Provisions	24,656	23,471	22,836	22,259	21,592
Deferred tax liability (net)	4,072	2,650	-	-	-
Other non - current liabilities	11,356	10,159	9,502	8,830	7,962
	208,851	**196,528**	**193,983**	**187,511**	**186,723**
Current liabilities					
Financial Liabilities					
Borrowings	21,092	22,761	31,844	23,421	28,074
Lease liabilities	25,677	24,917	23,912	24,438	23,990
Trade payables	24,450	25,027	23,939	24,048	22,797
Other financial liabilities	18,607	15,079	13,548	16,510	17,697
Other current liabilities	5,876	6,674	10,425	8,605	6,449
Provisions	843	823	806	760	740
Current tax liabilities (net)	1,323	1,523	1,280	1,965	1,818
	97,868	**96,804**	**105,754**	**99,747**	**101,565**
Total equity and liabilities	**631,702**	**616,924**	**583,725**	**576,698**	**558,676**

8.2 Based on Consolidated Statement of Financial Position

Parameters	As at				
	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24
Shareholder's Equity	324,983	323,592	283,988	289,440	270,388
Net Debt / (Net Cash) with Lease Liabilities	180,200	188,635	210,674	191,777	204,679
Capital Employed = Shareholder's Equity + Net Debt / (Net Cash) with Lease Liabilities	505,183	512,227	494,662	481,217	475,067

Parameters	Mar-25	Dec-24	Sep-24	Jun-24	Mar-24
Return on Capital Employed Pre Tax (LTM)	29.1%	29.3%	22.9%	20.9%	19.4%
Return on Shareholder's Equity Pre Tax (LTM)	44.2%	46.1%	38.9%	34.7%	33.7%
Return on Shareholder's Equity Post tax (LTM)	33.4%	34.8%	29.0%	25.7%	25.1%
Net Debt / (Net Cash) with Lease Liabilities to EBITDA (LTM)	0.86	0.92	1.23	1.22	1.39
Asset Turnover ratio	42.8%	42.8%	43.0%	43.3%	43.3%
Interest Coverage ratio (times) (LTM)	14.48	17.03	17.83	19.86	19.98
Net debt / (Net Cash) to Funded Equity (Times)	0.55	0.58	0.74	0.66	0.76
Per share data (for the period)					
Earnings Per Share - Basic (in Rs)	6.75	15.18	8.30	7.15	6.88
Earnings Per Share - Diluted (in Rs)	6.75	15.17	8.30	7.15	6.88
Book Value Per Equity Share (in Rs)	123.2	122.7	107.6	107.4	100.3
Market Capitalization (Rs. bn)	882	902	1,036	1,011	785
Enterprise Value (Rs. bn)	1,062	1,090	1,246	1,203	989

8.3 Operational Performance

Parameters	Unit	Mar 2025	Dec 2024	Sep 2024	Jun 2024	Mar 2024
Macro						
Towers[1]	Nos	249,305	234,643	229,658	225,910	219,736
Co-locations[1]	Nos	405,435	386,819	379,236	374,928	368,588
Key Indicators:						
Average sharing factor	Times	1.64	1.65	1.66	1.67	1.69
Closing sharing factor	Times	1.63	1.65	1.65	1.66	1.68
Sharing revenue per tower per month	Rs	68,582	68,349	68,080	68,562	70,027
Sharing revenue per sharing operator per month	Rs	41,893	41,426	41,125	41,094	41,435

Parameters	Unit	Mar 2025	Dec 2024	Sep 2024	Jun 2024	Mar 2024
Lean						
Co-locations[1]	Nos	13,878	11,492	11,360	11,178	10,686
Sharing Revenue per Sharing Operator per month	Rs	15,239	16,426	16,431	16,301	14,799

1. Towers and Co-locations include 10,380 Macro towers and 2,226 Lean co-locations acquired from Bharti Airtel Ltd for the period ended 31 March 2025.

8.4 Human Resource Analysis

Parameters	Unit	Mar 2025	Dec 2024	Sep 2024	Jun 2024	Mar 2024
Total on roll employees	Nos	3,791	3,733	3,688	3,554	3,554
Number of towers per employee	Nos	66	63	62	64	62
Personnel cost per employee per month	Rs	195,198	194,673	190,831	184,894	191,926
Gross revenue per employee per month	Rs	6,846,624	6,780,218	6,872,227	6,924,592	6,798,223

8.5 Revenue from Operations

Amount in Rs mn

Particulars		Quarter Ended			
	Mar 2025	Dec 2024	Sep 2024	Jun 2024	Mar 2024
Sharing Revenue	50,365	48,165	47,078	46,366	45,785
Energy reimbursements	26,851	27,309	27,575	27,464	26,147
Revenue from sale of goods / equipment and related services	55	-	-	-	-
Total revenues	**77,271**	**75,474**	**74,653**	**73,830**	**71,932**

8.6 Operating Expenses

Amount in Rs mn

Particulars		Quarter Ended			
	Mar 2025	Dec 2024	Sep 2024	Jun 2024	Mar 2024
Cost of materials consumed	38	-	-	-	-
Power & fuel	28,266	28,253	28,925	29,006	26,725
Employee benefit expenses	2,203	2,167	2,073	1,971	2,031
Repair and maintenance expenses	3,374	3,612	3,832	3,592	3,533
Other expenses	(562)	(28,529)	(9,248)	(6,192)	(1,383)
Total expenses	**33,319**	**5,503**	**25,582**	**28,377**	**30,906**

8.7 Depreciation and Amortization

Amount in Rs mn

Particulars		Quarter Ended			
	Mar 2025	Dec 2024	Sep 2024	Jun 2024	Mar 2024
Depreciation on tangible assets	10,210	9,598	9,801	9,381	9,580
Amortization of intangible assets	51	43	51	40	33
Depreciation without right of use assets	**10,261**	**9,641**	**9,852**	**9,421**	**9,613**
Add: Depreciation on right of use assets	6,669	6,044	5,949	6,184	6,032
Depreciation and amortization	**16,930**	**15,685**	**15,801**	**15,605**	**15,645**

8.8 Finance Cost

Amount in Rs mn

Particulars		Quarter Ended			
	Mar 2025	Dec 2024	Sep 2024	Jun 2024	Mar 2024
Finance Income	(1,194)	(2,070)	(439)	(476)	(3,369)
Finance Cost	917	1,106	1,260	1,224	1,326
Finance cost (Net) without lease liabilities	**(277)**	**(964)**	**821**	**748**	**(2,043)**
Add: Interest on lease liabilities	3,874	3,510	3,354	3,334	3,310
Finance Cost (Net)	**3,597**	**2,546**	**4,175**	**4,082**	**1,267**

8.9 Schedule of Net Debt

Amount in Rs mn

Particulars		As at			
	Mar 2025	Dec 2024	Sep 2024	Jun 2024	Mar 2024
Total Debt with Lease Liabilities	211,558	204,027	213,580	200,278	205,310
Less: Cash and Cash Equivalents & Current and non-current Investments	31,358	15,392	2,906	8,501	631
Net debt	**180,200**	**188,635**	**210,674**	**191,777**	**204,679**

8.10 Energy Cost Analysis

Particulars	Unit	For the Quarter Ended				
		Mar 2025	Dec 2024	Sep 2024	Jun 2024	Mar 2024
Energy Cost Indicators						
Energy Cost Per Tower per month	Rs	38,938	40,567	42,328	43,392	41,289
Energy Cost Per Colocation per month	Rs	23,785	24,587	25,569	26,008	24,431

8.11 Other than Energy Cost Analysis

Particulars	Unit	For the Quarter Ended				
		Mar 2025	Dec 2024	Sep 2024	Jun 2024	Mar 2024
Other than Energy Cost						
Cost Per Tower per month	Rs	6,961	(32,666)	(4,892)	(941)	6,459
Cost per Colocation per month	Rs	4,252	(19,798)	(2,955)	(564)	3,822

8.12 Revenue and Operating Cost Composition

Parameters	Unit	For the Quarter Ended				
		Mar 2025	Dec 2024	Sep 2024	Jun 2024	Mar 2024
Revenue Composition						
Sharing Revenue	%	65%	64%	63%	63%	64%
Energy reimbursements	%	35%	36%	37%	37%	36%
Revenue from sale of goods / equipment and related services	%	0%	0%	0%	0%	0%
Total		**100%**	**100%**	**100%**	**100%**	**100%**
Opex Composition						
Cost of materials consumed	%	0%	0%	0%	0%	0%
Power and fuel	%	85%	513%	113%	102%	86%
Employee benefits expenses	%	7%	39%	8%	7%	7%
Repair and maintenance expenses	%	10%	66%	15%	13%	11%
Other expenses	%	-2%	-518%	-36%	-22%	-4%
Total		**100%**	**100%**	**100%**	**100%**	**100%**

Section B

Standalone and Consolidated
IND AS Financial Statements

The consolidated financial results represent results of the Company, its subsidiary ‘Smartx Services Limited’ and its controlled trust ‘Indus Towers Employees Welfare Trust’.

This section contains the extracts from Audited Standalone and Consolidated Financial Statements prepared in accordance with IND AS Accounting Principles.

Section 9

FINANCIAL HIGHLIGHTS

9.1 Extracts from Standalone and Consolidated Audited Financial Statements prepared in accordance with IND AS Accounting Principles

9.1.1 Standalone Statement of Profit & Loss for the quarter and Full year ended March 31, 2025

Amount in Rs mn, except per share data

Particulars	Quarter Ended			Full Year Ended		
	Mar-25	Mar-24	Y-on-Y growth	Mar-25	Mar-24	Y-on-Y growth
Income						
Revenue from Operations	77,271	71,932	7%	301,228	286,006	5%
Other income	917	1,085	-15%	3,458	3,611	-4%
	78,188	**73,017**	**7%**	**304,686**	**289,617**	**5%**
Expenses						
Cost of materials consumed	38	-		38	-	
Power and fuel	28,266	26,725	6%	114,450	111,499	3%
Employee benefit expenses	2,203	2,031	8%	8,413	7,823	8%
Repairs and maintenance	3,374	3,533	-5%	14,410	13,991	3%
Other expenses	(522)	(1,381)	62%	(44,438)	5,749	-873%
	33,359	**30,908**	**8%**	**92,873**	**139,062**	**-33%**
Profit before depreciation and amortization, finance cost, finance income, charity and donation and tax	**44,829**	**42,109**	**6%**	**211,813**	**150,555**	**41%**
Depreciation and Amortization Expense	17,131	15,873	8%	64,878	61,557	5%
Less: adjusted with general reserve in accordance with the Scheme	(206)	(233)	12%	(878)	(1,001)	12%
	16,925	**15,640**	**8%**	**64,000**	**60,556**	**6%**
Finance Costs	4,791	4,636	3%	18,579	18,638	0%
Finance Income	(1,194)	(3,369)	-65%	(4,179)	(11,284)	-63%
Charity and Donation	712	310	130%	1,947	1,373	42%
Profit before tax	**23,595**	**24,892**	**-5%**	**131,466**	**81,272**	**62%**
Tax expense	**5,830**	**6,358**	**-8%**	**32,243**	**20,862**	**55%**
Current tax	4,402	5,723	-23%	17,405	19,388	-10%
Deferred tax	1,428	635	125%	14,838	1,474	907%
Profit for the period	**17,765**	**18,534**	**-4%**	**99,223**	**60,410**	**64%**
Other comprehensive income/(loss), (net of tax)	(18)	7	357%	(30)	(32)	-6%
Total comprehensive income for the period, (net of tax)	**17,747**	**18,541**	**-4%**	**99,193**	**60,378**	**64%**
Earnings per equity share (nominal value of share Rs 10 each)						
Basic (Rs.)	6.73	6.88	-2%	37.27	22.42	66%
Diluted (Rs.)	6.73	6.88	-2%	37.27	22.42	66%

9.1.2 Consolidated Statement of Profit & Loss for the quarter and Full year ended March 31, 2025

The consolidated financial results represent results of the Company, its subsidiary 'Smartx Services Limited', its controlled trust 'Indus Towers Employees Welfare Trust'

Amount in Rs mn, except per share data

Particulars	Quarter Ended			Full Year Ended		
	Mar-25	Mar-24	Y-on-Y growth	Mar-25	Mar-24	Y-on-Y growth
Income						
Revenue from Operations	77,271	71,932	7%	301,228	286,006	5%
Other income	917	1,085	-15%	3,458	3,611	-4%
	78,188	**73,017**	**7%**	**304,686**	**289,617**	**5%**
Expenses						
Cost of materials consumed	38	-		38	-	
Power and fuel	28,266	26,725	6%	114,450	111,499	3%
Employee benefit expenses	2,203	2,031	8%	8,414	7,823	8%
Repairs and maintenance	3,374	3,533	-5%	14,410	13,991	3%
Other expenses	(562)	(1,383)	59%	(44,531)	5,754	-874%
	33,319	**30,906**	**8%**	**92,781**	**139,067**	**-33%**
Profit before depreciation and amortization, finance cost, finance income, charity and donation and tax	**44,869**	**42,111**	**7%**	**211,905**	**150,550**	**41%**
Depreciation and Amortization Expense	17,136	15,878	8%	64,899	61,600	5%
Less: adjusted with general reserve in accordance with the Scheme	(206)	(233)	12%	(878)	(1,001)	12%
	16,930	**15,645**	**8%**	**64,021**	**60,599**	**6%**
Finance Costs	4,791	4,636	3%	18,579	18,638	0%
Finance Income	(1,194)	(3,369)	-65%	(4,179)	(11,284)	-63%
Charity and Donation	712	310	130%	1,947	1,373	42%
Profit before tax	**23,630**	**24,889**	**-5%**	**131,537**	**81,224**	**62%**
Tax expense	**5,839**	**6,358**	**-8%**	**32,220**	**20,862**	**54%**
Current tax	4,402	5,723	-23%	17,405	19,388	-10%
Deferred tax	1,437	635	126%	14,815	1,474	905%
Profit for the period	**17,791**	**18,531**	**-4%**	**99,317**	**60,362**	**65%**
Other comprehensive income/(loss), (net of tax)	(18)	7	357%	(30)	(32)	-6%
Total comprehensive income for the period, (net of tax)	**17,773**	**18,538**	**-4%**	**99,287**	**60,330**	**65%**
Earnings per equity share (nominal value of share is Rs 10 each)						
Basic (Rs.)	6.75	6.88	-2%	37.31	22.40	67%
Diluted (Rs.)	6.75	6.88	-2%	37.31	22.40	67%

Section C

Key Accounting Policies and Glossary

Section 10

Basis of Preparation and Key Accounting Policies as per IND AS

1. Corporate information

Indus Towers Limited ('the Company' or 'Indus') was incorporated on November 30, 2006 with the object of, inter-alia, setting up, operating and maintaining wireless communication towers. The Company received the certificate of commencement of business on April 10, 2007 from the Registrar of Companies. The Company is publicly traded on National Stock Exchange of India (NSE) and BSE Limited. The Registered office of the Company is situated at Building No. 10, Tower A, 4th Floor, DLF Cyber City, Gurugram-122002, Haryana w.e.f. August 6, 2021.

The Company, together with its wholly owned subsidiary 'Smartx Services Limited' and controlled trust 'Indus Towers Employees Welfare Trust' is hereinafter referred to as "the Group".

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

Upon implementation of the Scheme and allotment of shares to Omega Telecom Holdings Private Limited, Usha Martin Telematics Limited, Asian Telecommunication Investments (Mauritius) Ltd., Prime Metals Ltd., Euro Pacific Securities Ltd., Trans Crystal Ltd., Al-Amin Investments Limited, Mobilvest, Vodafone Telecommunications (India) Ltd. And CCII (Mauritius) Inc. i.e., indirect wholly owned subsidiaries of Vodafone Group Plc., in addition to Bharti Airtel Limited (Bharti Airtel), the aforesaid indirect wholly owned subsidiaries of Vodafone Group Plc. (Vodafone Shareholders) were also classified as promoters of the Company.

During the quarter ended September 30, 2024, the Company completed a buyback of its 56,774,193 equity shares, resulting in an increase in shareholding of Bharti Airtel Limited in the Company 48.95% to ~50.005%. Considering its current board-composition pursuant to the shareholders agreement between the Company, Bharti Airtel Limited, and Vodafone Group Plc., the Company continues to be a joint venture as on September 30, 2024. Further, Vodafone shareholders divested their remaining ~3.003% shareholding in the Company on December 05, 2024, and consequently, no longer hold any equity shares in the Company.

During the quarter ended December 31, 2024, consequent to the change in composition of Board of Directors of the Company due to cessation of nominee directors of Vodafone Shareholders, the Company became a subsidiary of Bharti Airtel Limited under Ind AS 110 ("Consolidated Financial Statements") w.e.f. November 19, 2024.

Further, the Company has undertaken necessary steps in compliance with Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-classification of the Vodafone Shareholders from 'Promoter' to 'Public' basis the request letter received by Vodafone Promoters. The approval of the Stock Exchanges is awaited.

Statement of Compliance and Basis of preparation

a) Statement of Compliance

The consolidated financial statements ("financial statements") have been prepared to comply in all material aspects with Ind AS notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 issued thereunder and other relevant provisions of the Companies Act, 2013 (the Act) as amended from time to time.

b) Basis of preparation

The consolidated financial statements have been prepared under historical cost convention on accrual and going concern basis, except for the certain financial instruments which have been measured at fair value as required by relevant Ind ASs.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All the amounts included in the financial statements are reported in millions of Indian Rupees (‘Rupees’ or ‘Rs.’) and are rounded to the nearest million (Mn) except per share data and unless stated otherwise.

The consolidated financial statements are approved for issuance by the Company's Board of Directors on April 30, 2025.

c) Basis of Consolidation

The Consolidated financial statements comprise the financial statements of the Company, its subsidiary and its directly Controlled Trust which are as follows:

Entity	Country of Incorporation	Principal Service	Relationship	Shareholding as at March 31, 2025	Shareholding as at March 31, 2025
Smartx Services Limited	India	Telecom Infra and related services, Business support services and scrap handling for telecom	Subsidiary	100%	100%

Details of Controlled Trust

Name of Trust	Country of Incorporation
Indus Towers Employees Welfare Trust	India

Accounting for Subsidiary:

A subsidiary is an entity controlled by the Group. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity’s returns.

Subsidiary is fully consolidated from the date on which the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies and accounting period in line with those used by the Group. All intra-group transactions, balances, income and expenses and cash flows are eliminated on consolidation.

The Group consolidates its directly controlled trust on the line by line consolidation basis and according to principles of Ind AS 110, Consolidated Financial Statements.

Common control transactions:

Transactions arising from transfers of assets / liabilities, interest in entities or businesses between entities that are under the common control, are accounted at their carrying amounts. The difference, between any consideration paid / received and the aggregate carrying amounts of assets / liabilities and interests in entities acquired / disposed (other than impairment, if any), is recorded in capital reserve / retained earnings / common control reserve, as applicable.

2. Merger of ‘erstwhile Indus Towers Limited’ with ‘the Company’

Indus Towers Limited (formerly Bharti Infratel Limited) (‘the Company’ or ‘Transferee Company’) and its Joint Venture Company erstwhile Indus Towers Limited (‘erstwhile Indus’ or ‘Transferor Company’) had merged into the Company on November 19, 2020 (i.e., the effective date of merger). Upon the Scheme becoming effective the erstwhile Indus stood dissolved without being wound-up.

As per Indian Accounting Standards as prescribed under section 133 of the Companies Act, 2013, no specific accounting guidance is given in case of formation of joint arrangement, hence, the Company had adopted 'Pooling of interest' method and accordingly, all the assets, liabilities and reserves of erstwhile Indus have been recorded at their carrying amounts and the identity of the reserves (of the transferor) shall be preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

3. Material accounting policy information

a) Property, Plant and Equipment

Property, plant and equipment including Capital work in progress held for use in the production or/and supply of goods or services, or for administrative purposes, are stated at cost, except assets acquired under Schemes of Arrangement, which are stated at fair values as per the Schemes, net of accumulated depreciation and accumulated impairment losses, if any. The initial cost at cash price equivalent of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, and directly attributable cost of bringing the assets to its working condition and location. Such cost includes the cost of replacing part of the Property, plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. The Group incurs expenditure on certain enabling assets (electrification infrastructure) which are necessary to provide services to its customers and such expenditure is capitalized as property, plant and equipment.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repair and maintenance costs are recognised in the Consolidated Statement of Profit and Loss as incurred.

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer note 4.2 (e) regarding significant accounting judgements, estimates and assumptions and provisions for further information about the recorded decommissioning provision.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Assets are depreciated to the residual values on a straight-line basis over the estimated useful lives. Depreciation on property, plant and equipment starts when asset is available for use. Estimated useful lives of the assets are as follows:

Particulars	**Useful lives**
Office Equipment	2 years / 5 years
Computer	3 years
Vehicles	5 years
Furniture and Fixtures	5 years
Plant and Machinery	3 to 20 Years
Leasehold Improvement	Period of Lease or useful life whichever is less

The existing useful lives and residual value of tangible assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013 and the Group believes that this is the best estimate on the basis of technical evaluation and actual usage period.

The existing residual values of tangible assets are different from 5% as prescribed under Part C of Schedule II to the Companies Act, 2013 and the Group believes that this is the best estimate on the basis of actual realization.

The assets' residual values, depreciation method and useful lives are reviewed at each financial year end or whenever there are indicators for impairment and adjusted prospectively.

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment (including assets acquired under Schemes of Arrangement) except with an adjustment in decommissioning cost recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the cost of the property, plant and equipment.

b) Intangible Assets

Intangible assets are recognized when the entity controls the asset, it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets are recognised at cost. Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each financial year. 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. The amortisation expense on intangible assets is recognised in the Consolidated Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Software is capitalized at the amounts paid to acquire the respective license for use and is amortised over the period of license, generally not exceeding three years. Acquired telecom license is initially recognised at cost and subsequently measured at cost less accumulated amortisation and impairment losses, if any. Amortisation is recognised over the unexpired period of license.

Gains or losses arising from derecognition 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 derecognised.

c) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses, if any, are recognized in Consolidated Statement of Profit and Loss as a component of depreciation and amortisation expense.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the Consolidated Statement of Profit and Loss when the asset is carried at the revalued amount, in which case the reverse is treated as a revaluation increase.

d) 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.

Current assets include the current portion of non-current assets. 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.

Current liabilities include the current portion of long-term liabilities. The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

e) Leases

The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset

Group as a Lessee

The Group recognizes right-of-use asset (ROU) representing its right to use the underlying asset for the lease term and a corresponding lease liability at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is 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 tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the consolidated statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group may adopt the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in the consolidated statement of profit and loss.

The Group has elected not to recognize ROU and lease liabilities for short term leases that have a lease term of twelve months or less and leases of low value assets. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

The Group has elected to recognize the asset retirement obligation liability as part of the cost of an item of property, plant and equipment in accordance with Ind AS 16.

Group as a Lessor

At the inception date, leases are classified as a finance lease or an operating lease. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Groups net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases where the Group does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.

f) Share-based payments

The Group issues equity-settled and cash-settled share-based options to certain employees. These are measured at fair value on the date of grant.

The fair value determined at the grant date of the equity-settled share-based options is expensed over the vesting period, based on the Group's estimate of the shares that will eventually vest.

The fair value determined on the grant date of the cash settled share based options is expensed over the vesting period, based on the Group's estimate of the shares that will eventually vest. At the end of each reporting period, until the liability is settled, and at the date of settlement, the fair value of the liability is recognized, with any changes in fair value pertaining to the vested period recognized immediately in Consolidated Statement of Profit and Loss.

At the vesting date, the Group's estimate of the shares expected to vest is revised to equal the number of equity shares that ultimately vest.

Fair value is measured using Black-Scholes framework by an independent valuer and is recognized as an expense, together with a corresponding increase in equity/ liability as appropriate, over the period in which the options vest using the graded vesting method. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations. The expected volatility and forfeiture assumptions are based on historical information.

Where the terms of share-based payments are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it is vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options if any is reflected as additional share dilution in the computation of diluted earnings per share.

g) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

h) Cash and Cash equivalents

Cash and cash equivalents in the consolidated balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Groups cash management are included as a component of cash and cash equivalents for the purpose of the consolidated Statement of Cash Flows.

i) Treasury shares

The Group has formed Indus Towers Employees Welfare Trust (formerly Bharti Infratel Employees Welfare Trust), for administration of ESOP Schemes of the Group. The Trust bought shares of the Group from the market, for giving shares to employees. The Group treats Trust as its extension and shares held by Trust are treated as treasury shares.

Own equity instruments ("treasury shares") which are reacquired through Indus Towers Employees Welfare Trust (formerly Bharti Infratel Employees Welfare Trust) are recognized at cost and deducted from equity. No gain or loss is recognized in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in the general reserve and gain or loss, if sold, is recognised in treasury shares balances. Share options exercised during the reporting period are satisfied with treasury shares.

j) 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

Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through Profit or Loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt Instruments at Amortised Cost

This category applies to the Group's trade receivables, unbilled revenue, security deposits.

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and Loss.

Debt instrument at fair value through other comprehensive income (FVTOCI)

A ‘debt instrument’ is classified at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset’s contractual cash flows represent solely payment of principal and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Consolidated Statement of Profit and Loss.

Interest earned whilst holding FVTOCI debt instrument is reported as interest income. The Group does not have any debt instrument which is required to be classified in this category.

Debt instrument at fair value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or at FVTOCI, is classified at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss. This category applies to the Group investment in government securities, mutual funds, taxable bonds and non-convertible debentures. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as ‘accounting mismatch’). The Group does not have any debt instrument which is required to be classified in this category.

Derivative instrument

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. These derivative financial instruments are initially recognised at fair value on the date when the derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Any changes in fair value are recognised in the Statement of Profit and Loss, unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when their fair value is negative.

The Company does not hold derivative financial instruments for speculative purposes.

Equity investments measured at fair value through profit or loss (FVTPL) or at fair value through other comprehensive income (FVTOCI)

All equity investments within the scope of Ind AS 109 “Financial Instruments” are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments not held for trading are measured at FVOCI in other comprehensive income.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e., removed from the Group’s balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or

- The Group has transferred its contractual rights to receive cash flows from the financial 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.

Impairment of Financial Assets

In accordance with Ind AS 109, Financial instruments the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and are initially measured at fair value with subsequent measurement at amortised cost e.g. Trade receivables, unbilled revenue etc.

The Group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on a twelve month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include borrowings, trade and other payables, security deposits, lease liabilities etc.

Subsequent measurement

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

Financial liabilities at fair value through Profit and Loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109, Financial instruments are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in Other Comprehensive Income. These gains/ losses are not subsequently transferred to the Consolidated Statement of Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Consolidated Statement of Profit and Loss. The Group does not have any financial liability which is required to be classified in this category.

Financial Liabilities at Amortised Cost

This category includes security deposit received, trade payables etc. After initial recognition, such liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

De-recognition

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 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.

Reclassification of Financial Assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The Group has not reclassified any financial assets and financial liabilities after initial recognition.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

k) Revenue Recognition

The Group earns revenue primarily from rental services by leasing of passive infrastructure and energy revenue by the provision of energy for operation of sites.

Revenue is recognized when the Group satisfies the performance obligation by transferring the promised services to the customers. Services are considered performed when the customer obtains control, whereby the customer gets the ability to direct the use of such services and substantially obtains all benefits from the services. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price adjusted with variable consideration, if any allocated to that performance obligation. Revenue also excludes taxes collected from the customers.

In order to determine, if it is acting as principal or as an agent, the entity shall determine whether the nature of its promise is a performance obligation to provide the specified services itself (i.e. the entity is a principal) or to arrange for those services to be provided by the other party (i.e. the entity is an agent) for all its revenue arrangements.

Service revenue

Service revenue includes rental revenue for use of sites, recoveries of rates and taxes (e.g. municipal taxes relating to the sites) and energy revenue for the provision of energy for operation of sites. Rental revenue is recognized as and when services are rendered on a monthly basis as per the contractual terms prescribed under master service agreement entered with customer. The Group has ascertained that the lease payments received are straight lined over the period of the contract.

Exit Charges on site exit and equipment de-loading is recognised when uncertainty relating to such exit and de-loading is resolved and it is probable that a significant reversal relating to recoverability of these charges will not occur.

When the Company receives upfront reimbursement from its customer towards recovery of capital expenditure, the upfront consideration received is deferred and recognized as revenue over the period of the contract.

Energy revenue is recognized over the period on a monthly basis upon satisfaction of performance obligation as per contracts with the customers. The transaction price is the consideration received from customers based on prices agreed as per the contract with the customers. The determination of standalone selling prices is not required as the transaction prices are stated in the contract based on the identified performance obligation.

Unbilled revenue represents revenues recognized for the services rendered for the period falling after the last invoice raised to customer till the period end. These are billed in subsequent periods based on the prices specified in the master service agreement with the customers, whereas invoicing in excess of revenues are classified as unearned revenues. The Group collects GST on behalf of the government and therefore, it is not an economic benefit flowing to the Group, hence it is excluded from revenue.

Sale of Goods / Equipment and Related Services

Revenue is recognised at a “point in time” when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

Use of significant judgements in revenue recognition

The Group’s contracts with customers include promises to transfer services to a customer which are energy and rentals. Rentals are not covered within the scope of Ind AS 115, hence identification of distinct performance obligation within Ind AS 115 do not involve significant judgement.

Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as discounts, service level credits, waivers etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

In evaluating whether a significant revenue reversal will not occur, the Group considers the likelihood and magnitude of the revenue reversal and evaluates factors which results in constraints such as historical experience of the Group with a particular type of contract, and the regulatory environment in which the customers operates which results in uncertainty which is less likely to be resolved in near future.

The Group provides volume discount to its customers based on slab defined in the revenue contracts. Contract also contains clause on Service Level Penalty/ rewards in case the Group is not able to maintain uptime level mentioned in the agreement. These discount/penalties are called variable consideration.

There is no additional impact of variable consideration as per Ind AS 115 since maximum discount is already being given to customer and the same is deducted from revenue.

There is no additional impact of SLA penalty as the Group already estimates SLA penalty amount and the same is provided for at each month end. The SLA penalty is presented as net off with revenue in the Statement of profit and loss.

Determination of standalone selling price does not involve significant judgement for the Group. The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers the indicators on how customer consumes benefits as services are rendered in making the evaluation. Contract fulfillment costs are generally expensed as incurred. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

l) Finance income

Finance income comprises of interest income on funds invested, changes in the fair value of financial assets at fair value through profit or loss, and that are recognised in the Consolidated Statement of Profit and Loss and interest income on delayed payment from operators.

Interest income for changes in the fair value of financial assets is recognised as it accrues in the Consolidated Statement of Profit and Loss, using the effective interest rate (EIR) which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest on delayed payment from operators is recognized as income when uncertainty relating to amount receivable is resolved and it is probable that a significant reversal relating to this amount will not occur.

m) Other Income

Other income includes interest income, interest on income tax refund, gain on sale of property, plant and equipment etc. Any gain or loss arising on derecognition of property, plant and equipment is calculated as the difference between the net disposal proceeds and the carrying amount of the asset.

n) Finance Cost

Finance costs comprise Borrowing cost, interest expense on lease obligations, accretion of interest on site restoration obligation and security deposits received.

o) Income Taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly.

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess / (shortfall) of the Group's income tax obligation for the period are recognised in the balance sheet as current income tax assets / liabilities. Any interest, related to accrued liabilities for potential tax assessments are not included in Income tax charge or (credit), but are rather recognised within finance costs. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are off-set against each other and the resultant net amount is presented in the balance sheet where the Group has a legally enforceable right to set off the recognized amounts and where the Group intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax is recognised, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, deferred tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities and deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The unrecognised deferred tax assets / carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, (a) the Group currently has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) when it relates to income tax levied by the same taxation authority.

Further, the Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation. The Company considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Company concludes it is probable that the taxation authority will accept an uncertain tax treatment, it determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If the Company concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the Company reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates. The Company reflects the effect of uncertain tax positions in the overall measurement of tax expense and are based on the most likely amount or the expected value arrived at by the Company which provides a better prediction of the resolution of uncertainty.

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Uncertain tax positions are monitored and updated as and when new information becomes available, typically upon examination or action by the taxing authorities or through statute expiration and judicial precedent.

p) Dividend Payments

Final dividend is recognized, when it is approved by the shareholders and the distribution is no longer at the discretion of the Group. However, Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

q) Retirement and other employee benefits

Short term employee benefits are recognised in the period during which the services have been rendered. All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Group during an accounting period, the Group recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages and short-term compensated absences and bonus etc. are recognised in Statement of Profit and Loss in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid after deducting any amount already paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

The Group post-employment benefits include defined benefit plan and defined contribution plans. The Group also provides other benefits in the form of deferred compensation and compensated absences.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. The Group contributions to defined contribution plans are recognized in the Consolidated Statement of Profit and Loss when the related services have been rendered. The Group has no further obligations under these plans beyond its periodic contributions.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under the defined benefit retirement plan, the Group provides retirement obligation in the form of Gratuity. Under the plan, a lump sum payment is made to eligible employees (including contractual employees as per their terms of contract) at retirement or termination of employment based on respective employee salary and years of experience with the Group.

The cost of providing benefits under this plan is determined on the basis of actuarial valuation carried out half yearly by an independent qualified actuary using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in other comprehensive income forming part of the Statement of Profit and Loss.

The obligation towards the said benefit is recognised in the consolidated balance sheet on the basis of the present value of the defined benefit obligation as the Group does not have any plan asset.

All expenses excluding remeasurements of the net defined benefit liability (asset), in respect of defined benefit plans are recognized in the profit or loss as incurred. Remeasurements, comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)), are recognized immediately in the consolidated Balance Sheet with a corresponding debit or credit through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Group provides other benefits in the form of compensated absences and long term service awards. The employees of the Group are entitled to compensated absences based on the unavailed leave balance. The Group records liability based on actuarial valuation computed under projected unit credit method. Actuarial gains / losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Group presents the entire leave encashment liability as a current liability in the balance sheet, since the Group does not have an unconditional right to defer its settlement for more than 12 months after the reporting date.

Under the long term service award plan, a lump sum payment is made to an employee on completion of specified years of service. The Group records the liability based on actuarial valuation computed under projected unit credit method. Actuarial gains / losses are immediately taken to the Consolidated Statement of Profit and Loss and are not deferred. The amount charged to the Statement of Profit and Loss in respect of these plans is included within employee benefit expense.

The amount charged to the Consolidated Statement of Profit and Loss in respect of these plans is included within operating costs.

r) Provision

(i) General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Consolidated Statement of Profit and Loss, net of any reimbursement.

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 (i.e., unwinding of discount) is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

(ii) Contingent assets/liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the 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.

(iii) Asset Retirement Obligations

Asset retirement obligations (ARO) are provided for those operating lease arrangements where the Group has a binding obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease.

Asset retirement obligation are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the site restoration obligation. The unwinding of the discount is expensed as incurred and recognized in the Consolidated Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

s) Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit for the period attributable to the ordinary equity shareholders of the. Company by the weighted average number of Equity shares outstanding during the period excluding shares purchased by the Group and held as treasury shares.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the period excluding shares purchased by the Group and held as treasury shares adjusted for the effect of the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

t) Fair Value Measurement

The Group measures financial instruments at fair value at each reporting 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
- 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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 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: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: Inputs 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 for the assets or liabilities that are not based on observable market data (unobservable inputs)

For assets and liabilities that are recognised in the financial statements 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.

This note summarises accounting policy for fair value measurements. Other fair value related disclosures are given in the relevant notes.

u) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

v) Exceptional Items

Exceptional items include items of income or expense that are considered to be part of Group's ordinary activities which are non-recurring. However, these items are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner, facilitate comparison with comparative periods and assess underlying trends in the financial performance of the Group. Non-GAAP measure of financial performance.

v) Non-GAAP measure of financial performance

Profit before depreciation and amortization, finance cost, finance income, charity and donation, exceptional items, share of profit of joint venture and tax is an important measure of financial performance relevant to the users of financial statements and stakeholders of the Group. Hence, the Group presents the same as an additional line item on the face of the Statement of Profit and Loss considering such presentation is relevant for understanding of the Group's financial position and performance.

Section 11

GLOSSARY

11.1 Company Related Terms

22 Circles	Represents the 22 telecommunications circles of Andhra Pradesh, Delhi, Gujarat, Karnataka, Kerala, Kolkata, Maharashtra & Goa, Mumbai, Punjab, Tamil Nadu (including Chennai), West Bengal, Bihar, Madhya Pradesh and Chhattisgarh, Orissa, Jammu and Kashmir, Himachal Pradesh, Assam, North East states, Haryana, Rajasthan, Uttar Pradesh (East) and Uttar Pradesh (West).
Adjusted EBITDA	It is defined as EBITDA as mentioned above, adjusted for Repayment of Lease liabilities.
Adjusted Fund from Operations (AFFO)	It is defined as Adjusted EBITDA less Maintenance Capex for the period.
Asset Turnover	Asset Turnover is defined as total revenues (revenues (annualized for 12 months), divided by average cumulative investments. Average cumulative investments are calculated by considering average of opening and closing assets of the relevant period.
Average Co-locations	Average co-locations are derived by computing the average of the Opening and Closing co-locations at the end of relevant period.
Average Sharing Factor	Average Sharing factor is calculated as the average of the opening and closing number of co-locations divided by average of the opening and closing number of towers for the relevant period.
Average Towers	Average towers are derived by computing the average of the opening and closing towers at the end of relevant period.
Bn	Billion
Book Value Per Equity Share	Total shareholder's equity as at the end of the relevant period divided by outstanding equity shares as at the end of the relevant period.
Capex	It includes investment in gross property plant & equipment, intangibles and capital work in progress(net) for the relevant period.
Capital Employed	Capital Employed is defined as sum of equity attributable to equity shareholders and net debt / (net cash) with lease liabilities.
Circle(s)	22 service areas that the Indian telecommunications market has been segregated into.
Closing Sharing Factor	Closing Sharing factor is calculated as the closing number of co-locations divided by closing number of towers as at the end of relevant period.
Co-locations	Co-location is the total number of sharing operators at a tower, and where there is a single operator at a tower; 'co-location' refers to that single operator. Co-locations as referred to are revenue-generating co-locations
CSR	Corporate Social Responsibility
Cumulative Investments	Cumulative Investments comprises of gross property plant & equipment, intangibles net of retirements/ disposals and capital work in progress.
Earnings Per Share (EPS)-Basic	It is computed by dividing net profit or loss attributable for the period to equity shareholders by the weighted average number of equity shares outstanding during the period.
Earnings Per Share (EPS)- Diluted	Diluted earnings per share is calculated by adjusting net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period for the effects of all dilutive potential equity shares.
EBIT	Earnings before finance cost (net), taxation excluding other income for the relevant period.
EBIT (Including Other Income)	Earnings before finance cost (net), taxation including other income for the relevant period.
EBITDA	Earnings before finance cost (net), taxation, depreciation and amortization excluding other income for the relevant period. It is defined as operating income and does not include depreciation and amortization expense, finance cost (net), tax expense and charity & donation.

EBITDA (Including Other Income)	Earnings before finance cost (net), taxation, depreciation and amortization and charity and donation including other income for the relevant period.
Enterprise Value (EV)	Calculated as sum of Market Capitalization plus Net Debt / (Net Cash) with lease liabilities as at the end of the relevant period.
EV / EBITDA (times)	It is computed by dividing Enterprise Value as at the end of the relevant period ('EV') by EBITDA for the preceding (last) 12 months from the end of the relevant period.
Exceptional Items	Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of their size, nature or incidence.
Future Minimum Lease Payment Receivable	The Company has entered into long term non-cancellable agreements to provide infrastructure services to telecom operators. Future Minimum Lease Payment Receivable represents minimum amounts receivable in future under the above long term non-cancellable agreements.
Finance Cost (Net)	Calculated as Finance Cost less Finance Income
Free Cash Flow	Calculated as Cash Flow from operations less tax payments, less net tangible capital expenditure, less net intangible capital expenditure, plus net proceeds from asset sales, less repayment of lease liabilities (incl interest) and less net interest.
GAAP	Generally Accepted Accounting Principle
IGAAP	Indian Generally Accepted Accounting Principle
IND AS	Indian Accounting Standards
Intangibles	Identifiable Non-monetary assets without having physical substance and generally comprises of acquisition cost of software
Interest Coverage Ratio (LTM)	It is computed by dividing EBITDA for the preceding (last) 12 months from the end of relevant period by finance cost (net) for the preceding (last) 12 months.
IRU	Indefeasible right to use
LTM	Last Twelve months
Lean	Lean products are primarily deployed for network densification – by plugging coverage gaps, providing localized coverage in low population areas, and augmenting the existing coverage and capacity in a specific area. They operate on limited spectrum bands and provide a limited coverage. They have fixed height and capacity for power and antenna loading.
Market Capitalization	Number of current issued and outstanding shares multiplied by closing market price (NSE) as at end of the period.
Mn	Million
MSA	Master Service Agreement
Maintenance Capex	Represents the capital expenditure undertaken by the company for general maintenance, upkeep and replacement of equipments installed at the Towers which is undertaken on the end of their useful life.
Macro	Macro products are primarily deployed to provide coverage and capacity. They operate on all available spectrum bands and can have a coverage up to a few kilometres. These are fully configurable sites with augmentable capacity for power and antenna loading to meet customer upgrade and network change requirement.
NA	Not ascertainable
Net Debt / (Net Cash) with Lease Liabilities	It is not an IND AS measure and is defined as the sum of long-term, short-term borrowings and current maturities of long-term borrowings, current and non-current lease liabilities minus cash and cash equivalents, current and non-current investments, and other bank balances as at the end of the relevant period.
Net Debt / (Net Cash) without Lease Liabilities	It is not an IND AS measure and is defined as the sum of long-term, short-term borrowings and current maturities of long-term borrowings, minus cash and cash equivalents, current and non-current investments, and other bank balances as at the end of the relevant period.
Net Debt / (Net Cash) with Lease Liabilities to EBITDA	It is computed by dividing net debt / (net cash) with lease liabilities as at the end of the relevant period by EBITDA for preceding (last) 12 months from the end of the relevant period.

Net Debt / (Net Cash) to Funded Equity Ratio	It is computed by dividing net debt / (net cash) with lease liabilities as at the end of the relevant period by Equity attributable to equity shareholders as at the end of the relevant period.
Operating Free Cash flow	It is defined as Adjusted EBITDA less Capex for the period.
PE Ratio	Price to Earnings ratio is calculated as closing market price (NSE) as at the end of relevant period, divided by annual diluted earnings per share. Annual Diluted Earnings per share is calculated by adjusting net profit or loss for the last twelve months attributable to equity shareholders divided by the weighted average number of shares outstanding during the last twelve months for the effects of all dilutive potential equity shares.
Return On Capital Employed (ROCE) Pre Tax (LTM)	It is computed by dividing sum of EBIT for the preceding (last) 12 months from the end of the relevant period by average (of opening and closing) capital employed during the relevant periods.
Return On Equity (ROE) Pre Tax (LTM)	It is computed by dividing sum of Profit before tax for the preceding (last) 12 months from the end of the relevant period by average (of opening and closing) equity shareholders' funds during the relevant periods.
Return On Equity (ROE) Post Tax-(LTM)	It is computed by dividing sum of Profit after tax for the preceding (last) 12 months from the end of the relevant period by average (of opening and closing) equity shareholders' funds during the relevant periods.
Revenue per Employee per month	It is computed by dividing the Total Revenues (net of inter-segment eliminations) by the average number of on – roll employees in the business unit and number of months in the relevant period.
Revenue Equalization	It represents the effect of fixed escalations (as per the terms of service agreements with customers) recognized on straight line basis over the fixed, non-cancellable term of the agreement, as applicable.
Right of use Asset	An asset that represents a lessee's right to use an underlying asset for the lease term. This is calculated on the inception of the lease term basis the present value of lease payments over the lease term.
ROC	Registrar of Companies
SHA	Shareholders Agreement
Sharing Operator	A party granted access to a tower and who has installed active infrastructure at the tower.
Sharing Revenue	It represents total revenue excluding energy reimbursements accrued during the relevant period.
Sharing revenue per Sharing Operator per month	Is calculated on the basis of sharing revenues accrued during the relevant period divided by the average number of co-locations for the period (including such co-locations for which exit notices have been received, but actual exits have not yet happened as at period end), determined on the basis of opening and closing number of co-locations for the relevant period.
Sharing revenue per Tower per month	Is calculated on the basis of sharing revenues accrued during the relevant period divided by the average number of towers for the period, determined on the basis of opening and closing number of towers for the relevant period.
Smartx	Smartx Services Ltd
Towers	Infrastructure located at a site which is permitted by applicable law to be shared, including, but not limited to, the tower, shelter, diesel generator sets and other alternate energy sources, battery banks, air conditioners and electrical works. Towers as referred to are revenue generating towers.
Tower and Related Infrastructure	Infrastructure Located at site which is permitted by applicable law to be shared, including, but not limited to, the tower, shelter, diesel generator sets and other alternate energy sources, battery banks, air conditioners and electrical works.

11.2 Regulatory Terms

DoT	Department of Telecommunications
IP-1	Infrastructure Provider Category 1
NSE	National Stock Exchange
SEBI	Securities and Exchange Board of India
CCI	Competition Commission of India
TRAI	Telecom Regulatory Authority of India

11.3 Others (Industry) Terms

BTS	Base Transceiver Station
CII	Confederation of Indian Industry
DG	Diesel Generator
EMF	Electro Magnetic Field
FCU	Free Cooling Units
FDI	Foreign Direct Investment
GBT	Ground Based Towers
HSBTS	Hot Swappable Battery Transfer Switch
IBS	In-building Solutions
IPMS	Integrated Power Management Systems
OFC	Optical Fiber Cable
PAN	Presence Across Nation
PPC	Plug and Play Cabinet
RET	Renewable Energy Technology
RTT	Roof Top Towers
ROU	Right of Use
DIPA	Digital Infrastructure Providers Association
TSP	Telecom Service Provider
Wi-Fi	Wireless Fidelity

Written correspondence to be sent to:

ir@industowers.com
www.industowers.com