NETWORK i2i LIMITED

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

MARCH 31, 2021

NETWORK i2i LIMITED

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NETWORK i2i LIMITED

CORPORATE INFORMATION

		Date of Appointment
DIRECTORS	Bashirali Abdulla Currimjee	February 09, 2001
	Jantina Catharina Van De Vreede	May 22, 2013
	Naushad Ally Sohoboo	September 06, 2013
	Ajay Chitkara	August 24, 2015
	Rajvardhan Singh Bhullar (ceased to be director w.e.f. March 30, 2021)	April 18, 2016
	Pravin Surana	January 01, 2020

ADMINISTRATOR AND SECRETARY

IQ EQ Corporate Services (Mauritius) Ltd.
33 Edith Cavell Street
Port Louis, 11324
Mauritius

REGISTERED OFFICE

C/o IQ EQ Corporate Services (Mauritius) Ltd.
33 Edith Cavell Street
Port Louis, 11324
Mauritius

BANKERS

Standard Chartered Bank (Mauritius) Limited
19 Bank Street, 6th floor, Standard Chartered Tower,
Cybercity, Ebene, Mauritius – 72201

BNP Paribas,
The Netherlands
Herengracht, 595 1017,
CE Amsterdam

AUDITOR

Deloitte
7th-8th Floor, Standard Chartered Tower,
19-21 Bank Street, Cybercity,
Ebene, 72201, Mauritius

NETWORK i2i LIMITED
COMMENTARY OF THE DIRECTORS

The Directors present their commentary, together with the audited financial statements of Network i2i Limited (the 'Company') for the year ended March 31, 2021.

PRINCIPAL ACTIVITY

The principal activity of the Company is the operation and provision of telecommunication facilities and services utilising a network of submarine cable systems and associated terrestrial capacity. The network consists of submarine cable system connecting Chennai to Singapore and consortium ownership of submarine cable systems like South East Asia - Middle East - Western Europe – 4 (SWM4), Asia America Gateway (AAG), India - Middle East -Western Europe (IMEWE), Unity, Europe India Gateway (EIG) and East Africa Submarine System (EASSY). The Company sells, leases or otherwise provides wholesale bandwidth and related telecommunication services to carrier customers. It also acts as an investment holding entity.

RESULTS AND DIVIDENDS

The Directors do not recommend the payment of any dividend for the year (2020: Nil).

DIRECTORS

The present membership of the Board is set out on page 3.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Company's Directors are responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position at March 31, 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards and comply with the Mauritius Companies Act 2001 and for such internal controls which are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the year ahead.

AUDITOR

The Board of Directors has recommended the appointment of Deloitte as auditor for the year 2021-22. Deloitte has confirmed its willingness / eligibility to continue in office and a resolution concerning its re-appointment will be proposed at the next Annual General Meeting of shareholder.

Director	**Director**

IQEQ
Know how Know you

NETWORK i2i LIMITED
Certificate from the secretary

We certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, all such returns as are required of **Network i2i Limited** under Section 166(d) of the Mauritius Companies Act, 2001 for the year ended March 31, 2021.

For IQ EQ Corporate Services (Mauritius) Ltd
SECRETARY

Date: July 07, 2021

IQ EQ Corporate Services (Mauritius) Ltd, 33, Edith Cavell Street, Port Louis, 11324, Mauritius

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Independent Auditor's Report

Deloitte.

7th - 8th floor, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebène 72201
Mauritius

Independent auditor's report to the Shareholder of Network i2i Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **Network i2i Limited** (the "Company") set out on pages 9 to 53, which comprise the statement of financial position as at 31 March 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2021, and of its financial performance and cash flows for the year then ended in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies, as described in note 2.1 to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants *(including International Independence Standards)* (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Basis of preparation

We draw attention to note 2.1 to the financial statements, which describes the basis of preparation of the financial statements in accordance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies. Our opinion is not modified in respect of this matter.

Key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters are addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other information

The directors are responsible for the other information. The other information comprises the Corporate Information, Commentary of the Directors and Certificate from the secretary, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies and they are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Deloitte.

7th - 8th floor, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebène 72201
Mauritius

Independent auditor's report to the Shareholder of Network i2i Limited (Continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Company other than in our capacity as auditor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Use of this report

This report is made solely to the Company's shareholder, as a body, in accordance with the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to the shareholder in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte.

Deloitte

Chartered Accountants

17 July 2021

Agrawal.

Vishal Agrawal, FCA

Licensed by FRC

NETWORK i2i LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(All amounts are in United States Dollar – 'USD')

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue	5	175,676,184	90,317,553
Other income	6	20,282,215	23,783,775
		195,958,399	**114,101,328**
Expenses			
Network operating expenses	7	48,221,820	35,826,092
Depreciation expense	12 & 28	8,397,582	6,127,869
Employee benefits expense	8	1,323,959	749,476
Other operating expenses	9	3,513,406	763,075
Cost of goods sold		-	446,565
Sales and marketing expense		82,932	75,314
Provision for liability for subsidiary	23	62,677,500	-
Provision for impairment on investment in subsidiary	13	1,390,000	81,098,681
Net loss on fair valution of finacial assets at FVTPL	13	-	3,041,006
		125,607,199	**128,128,078**
Profit / (loss) before finance costs and income tax		**70,351,200**	**(14,026,750)**
Finance costs	10	36,441,101	72,579,163
Profit / (loss) before income tax		**33,910,099**	**(86,605,913)**
Income tax expense	11	4,229,530	2,676,060
Profit / (loss) for the year		**29,680,569**	**(89,281,973)**
Other comprehensive income for the year		-	-
Total comprehensive income / (loss) for the year		**29,680,569**	**(89,281,973)**

The accompanying notes 1 to 30 form an integral part of these financial statements.

Approved by the Board of directors on July 07, 2021 and signed on its behalf by:

Pravin Surana

Naushad Ally Sohoboo
Director

Pravin Surana
Director

NETWORK i2i LIMITED
STATEMENT OF FINANCIAL POSITION
(All amounts are in United States Dollar – 'USD')

	Notes	As of March 31, 2021	As of March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	12	113,328,822	122,201,684
Capital work-in-progress	12	8,906,482	3
Investments in subsidiary	13	2,756,515,365	2,756,633,365
Financial assets			
-Investments	13	1,947,254	41,546,464
Deferred tax asset	11	672,039	-
Other non-current assets	14	150,011,384	158,640,693
		3,031,381,346	3,079,022,209
Current assets			
Financial assets			
-Loans	27	789,053,763	847,988,344
-Trade receivables	17	56,009,531	33,381,280
-Cash and cash equivalents	18	94,414,215	255,088,849
-Other bank balances	18	15,000,000	-
-Others	15	22,387	790,599
Current tax assets		-	100,709
Other current assets	16	19,130,002	17,580,603
		973,629,898	1,154,930,384
Total assets		4,005,011,244	4,233,952,593
EQUITY AND LIABILITIES			
Equity			
Share capital	19	1,267,427,896	1,267,427,896
Retained earnings		215,403,333	237,396,722
Perpetual securities		1,490,534,356	999,803,645
Total equity		2,973,365,585	2,504,628,263
Non-current liabilities			
Financial liabilities			
-Borrowings	20	-	803,838,875
-Others	22	464,057,097	441,553,108
Deferred revenue	5	87,454,210	95,395,749
		551,511,307	1,340,787,732
Current liabilities			
Financial liabilities			
-Borrowings	20	347,837,098	317,480,875
-Derivative financial liability	21	291,432	3,805,685
-Trade and other payables	23	107,777,551	46,976,803
Deferred revenue	5	19,538,168	20,273,235
Current tax liabilities		4,690,103	-
		480,134,352	388,536,598
Total liabilities		1,031,645,659	1,729,324,330
Total equity and liabilities		4,005,011,244	4,233,952,593

The accompanying notes 1 to 30 form an integral part of these financial statements.

Approved by the Board of directors on July 07, 2021 and signed on its behalf by:

Pravin Surana

Naushad Ally Sohoboo
Director

Pravin Surana
Director

NETWORK i2i LIMITED
STATEMENT OF CHANGES IN EQUITY
(All amounts are in United States Dollar – 'USD')

	Share capital		Perpetual securities	Retained earnings	Total Equity
	No of shares	Amount			
At April 1, 2019	1,267,427,896	1,267,427,896	-	326,678,695	1,594,106,591
Issuance of perpetual securities (net of expenses)(refer note 4(b))	-	-	999,803,645	-	999,803,645
Loss for the year	-	-	-	(89,281,973)	(89,281,973)
Total comprehensive loss for the year				(89,281,973)	(89,281,973)
At March 31, 2020	1,267,427,896	1,267,427,896	999,803,645	237,396,722	2,504,628,263
Issuance of perpetual securities (net of expenses) (refer note 4(a))	-	-	495,556,753	-	495,556,753
Dividend (refer note 4(b))	-	-	(4,826,042)	(51,673,958)	(56,500,000)
Profit for the year	-	-	-	29,680,569	29,680,569
Total comprehensive income for the year				29,680,569	29,680,569
At March 31, 2021	1,267,427,896	1,267,427,896	1,490,534,356	215,403,333	2,973,365,585

The accompanying notes 1 to 30 form an integral part of these financial statements.

Approved by the Board of directors on July 07, 2021 and signed on its behalf by:

Naushad Ally Sohoboo
Director

Pravin Surana

Pravin Surana
Director

NETWORK i2i LIMITED
STATEMENT OF CASH FLOWS
(All amounts are in United States Dollar – 'USD')

	For the year ended March 31, 2021	For the year ended March 31, 2020
Operating activities		
Profit / (loss) before tax	33,910,099	(86,605,913)
Adjustments for :		
Depreciation expense	8,397,582	6,127,869
Finance costs	36,441,101	72,579,163
Interest income	(14,784,202)	(20,189,064)
Allowance for doubtful debts	(8,445)	106,099
Profit on sale of plant and equipment	-	(3,500,000)
Gain on sale of investments (net of expense)	(5,482,978)	-
Other non cash items	64,067,500	84,141,299
Operating cash flows before changes in working capital	**122,540,657**	**52,659,453**
Changes in working capital		
Trade receivables	(22,619,807)	(10,422,908)
Trade payables	(1,500,191)	4,951,065
Other financial and non financial assets	9,580,460	1,088,308
Other financial and non financial liabilities	(8,676,605)	(13,860,329)
	99,324,514	**34,415,589**
Income tax paid	(110,757)	(569,370)
Net cash flows from operating activities (a)	**99,213,757**	**33,846,219**
Investing activities		
Purchase of plant and equipment	(12,224,970)	(69,416,449)
Proceeds from sale of plant and equipment	-	3,500,000
Loan to related parties (refer note 27)	(78,175,000)	(559,636,560)
Repayment of loan by related parties	142,210,167	29,190,511
Investment in Fixed deposit	(15,000,000)	-
Net sale / (purchase) of investments	43,810,188	(1,469,376)
Interest received	9,690,618	4,083,044
Net cash flows generated from / (used in) investing activities (b)	**90,311,003**	**(593,748,830)**
Financing activities		
Proceeds from borrowings	25,489,030	1,030,884,894
Repayment of borrowings	(797,430,430)	(1,183,822,603)
Proceeds from issue of perpetual securities (refer note 4(a))	495,556,753	999,803,645
Interest and other finance charges paid	(17,314,747)	(34,523,346)
Payment of lease liabilities	-	(18,763)
Dividend paid on perpetual securities	(56,500,000)	-
Net cash flows (used in) / generated from financing activities (c)	**(350,199,394)**	**812,323,827**
Net (decrease) / increase in cash and cash equivalents (a+b+c)	**(160,674,634)**	252,421,216
Cash and cash equivalents at beginning of the year	255,088,849	2,667,633
Cash and cash equivalents at the end of the year (refer note 18)	**94,414,215**	**255,088,849**

Refer note 24(d), for reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows.

The accompanying notes 1 to 30 form an integral part of these financial statements.

Approved by the Board of directors on July 07, 2021 and signed on its behalf by:

Naushad Ally Sohoboo
Director

Pravin Surana
Director

1. Corporate information

Network i2i Limited (the 'Company') is domiciled and incorporated in Mauritius under the Mauritius Companies Act, 2001 as a private company limited by shares. The address of its registered office is 33 Edith Cavell Street, Port Louis, 11324, Mauritius.

The principal activity of the Company is the operation and provision of telecommunication facilities and services utilising a network of submarine cable systems and associated terrestrial capacity. The network consists of submarine cable system connecting Chennai to Singapore and consortium ownership of submarine cable systems like South East Asia - Middle East - Western Europe – 4 (SWM4), Asia America Gateway (AAG), India - Middle East -Western Europe (IMEWE), Unity, Europe India Gateway (EIG) and East Africa Submarine System (EASSY). The Company sells, leases or otherwise provides wholesale bandwidth and related telecommunication services to carrier customers. It also acts as an investment holding entity.

The Company is a wholly owned subsidiary of Bharti Airtel Limited, a company listed on BSE and NSE and incorporated in India.

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Mauritius Companies Act, 2001 for companies holding a Category 1 Global Business Licence. The Directors have considered the exemption available under Section 12 of the Fourteenth Schedule of the Mauritius Companies Act 2001 and have not prepared group financial statements as required by IFRS 10, Consolidated Financial Statements. These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) on a standalone basis.

The preparation of the said financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in note 3.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said financial statements, except in case of adoption of any new standards and amendments during the year.

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

To provide more reliable and relevant information about the effect of certain items in the statement of financial position and statement of profit or loss and other comprehensive income, the Company has changed the classification of certain items. Previous year figures have been re-grouped or reclassified, to confirm to such current year's grouping / classifications. There is no impact on Equity or Net Loss due to these regrouping / reclassifications.

Application of new and revised International Financial Reporting Standards (IFRSs)

New and revised IFRSs applied with no material effect on the financial statements

The accounting policies adopted are consistent with those of the previous financial year except for adoption of the following interpretation effective from the current year.

S. No.	Improvements/ Amendments to Standards	Effective date- annual periods beginning on or after
1	IAS 1 Presentation of Financial Statements – Amendments regarding Definition of material	January 1, 2020
2	IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of material	January 1, 2020
3	IAS 39 - Financial Instruments: Recognition and Measurement - Amendments regarding pre-replacement issues in the context of the IBOR reform	January 1, 2020
4	IFRS 7 Financial Instruments: Disclosures – Amendments regarding pre-replacement issues in the context of the IBOR reform	January 1, 2020
5	IFRS 9 Financial Instruments - Amendments regarding pre-replacement issues in the context of the IBOR reform	January 1, 2020

Standards, amendments and interpretations to existing standards in issue but not yet effective

At the date of authorisation of these financial statements, the following relevant Standards and Interpretations were in issue but effective for annual periods beginning on or after the respective dates:

S. No.	Improvements/ Amendments to Standards	Effective date-annual periods beginning on or after
1	IAS 1 Presentation of financial statements-Amendments regarding classification of liabilities	January 1, 2023
2	IAS 1 Presentation of financial statements-Amendments regarding disclosure of accounting policies	January 1, 2023
3	IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Amendments regarding the definition of accounting estimates	January 1, 2023
4	IAS 12 Income Taxes - Amendments regarding deferred tax on leases and decommissioning obligations	January 1, 2023
5	IAS 16 Property, Plant and Equipment - Amendments prohibiting a	January 1, 2022

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

	company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use	
6	IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous	January 1, 2022
7	IAS 39 Financial Instruments: Recognition and Measurement - Amendments regarding replacement issues in the context of the IBOR reform	January 1, 2021
8	IFRS 7 Financial Instruments: Disclosures – Amendments regarding replacement issues in the context of the IBOR reform	January 1, 2021
9	IFRS 9 Financial Instruments - Amendments regarding replacement issues in the context of the IBOR reform	January 1, 2021
10	IFRS 9 Financial Instruments - Amendments resulting from Annual Improvements to IFRS Standards 2018–2020 (fees in the '10 per cent' test for derecognition of financial liabilities)	January 1, 2022

The Directors anticipate that these amendments will be applied in the Company's Financial Statements for the annual periods beginning on the respective dates as indicated above. The Directors have not yet assessed the potential impact of the application of these amendments.

2.2 Basis of measurement

The financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the IFRS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss - which are measured at fair value.

Fair value measurement

Fair value is the price at the measurement date, at which an asset can be sold or liability can be transferred, in an orderly transaction between market participants. The Company's accounting policies require, measurement of certain financial instruments at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said financial statements.

The Company is required to classify the fair valuation method of the financial instruments, either measured or disclosed at fair value in the financial statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The three levels of the fair-value-hierarchy are described below:

Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable

2.3 Summary of significant accounting policies

a. Foreign currency transactions

(i) Functional currency

The financial statements are presented in United States Dollars ('USD) which is the functional and presentation currency of the Company.

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the relevant functional currency at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in the statement of profit or loss and comprehensive income within finance costs. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – the resulting foreign exchange difference, on subsequent re-statement / settlement, is recognised in the statement of profit or loss and comprehensive income, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

b. Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current / non-current classification.

Deferred tax assets and liabilities, and all assets and liabilities which are not current (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

An asset is classified 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.

A liability is classified as 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.

c. Property, plant and equipment ('PPE')

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is derecognised from the statement of financial position and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

The expenditures that are incurred after the item of PPE has been available for use, such as repairs and maintenance, are normally charged to the statement of comprehensive income in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation is calculated on a straight line basis over the useful life of the asset as follows:

Categories	**Years**
Plant and equipment	
Cable network and related assets	7 to 25 years
Other equipment	1 to 10 years
Synchronous digital hierarchy	8 to 10 years
Computer equipment	
Computer equipment	3 years

An item of 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 included in statement of profit or loss and other comprehensive income when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

d. Impairment of non-financial assets

PPE

PPE (including CWIP) with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Intangible assets under development is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired.

For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cash-generating-unit ('CGU') level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the statement of comprehensive income is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro-rata basis of the carrying value of each asset.

Reversal of impairment losses

Impairment losses are reversed in the statement of profit or loss and other comprehensive income and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset / CGU previously.

e. Financial instruments

A. Recognition, classification and presentation

The financial instruments are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the financial instrument.

The Company determines the classification of its financial instruments at initial recognition.

The Company classifies its financial assets in the following categories: a) those to be measured subsequently at fair value through profit or loss, and b) those to be measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company has classified all the non-derivative financial liabilities as measured at amortised cost.
Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the statement of financial position, if and only when, the Company currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

B. Measurement – Non-derivative financial instruments

I. Initial measurement

At initial recognition, the Company measures the non-derivative financial instruments at its fair value plus, in the case of financial instruments not at fair value through profit or loss, transaction costs. Otherwise transaction costs are expensed in the statement of profit or loss and other comprehensive income.

II. Subsequent measurement - financial assets

The subsequent measurement of the non-derivative financial assets depends on their classification as follows:

i. Financial assets measured at amortised cost

Financial assets that are within the scope of IFRS 9 are required to be measured subsequently at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, specifically:

- debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at amortised cost;
- debt instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at fair value through other comprehensive income (FVTOCI);
- all other debt investments and equity investments are measured subsequently at FVTPL.

ii. Financial assets at fair value through profit or loss ('FVTPL')

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts, including all fees and points paid or received that form an integral part of effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month, expected credit loss (ECL) is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iii. Derecognition of financial assets

The financial assets are de-recognised from the statement of financial position when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Company has transferred substantially all risks and rewards of ownership. The resultant impact of derecognition is recognised in the statement of profit or loss and other comprehensive income.

III. Subsequent measurement - financial liabilities

i. Financial liabilities measured at amortised cost

Any off-market financial guarantees are amortised over the life of the guarantee and are measured at each reporting date at the higher of (i) the remaining unamortised balance of the amount at initial recognition and (ii) the best estimate of expenditure required to settle the obligation at the end of the reporting period. Other financial liabilities are subsequently measured at amortised cost using the EIR method (if the impact of discounting / any transaction costs is significant).

ii. Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the interest rate, transaction costs and other premium or discounts) through the expected life of the financial liability, or (where appropriate a shorter period), to the net carrying amount on initial recognition.

iii. Derecognition of financial liabilities

The financial liabilities are de-recognised from the statement of financial position when the underlying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released.

C. Measurement - derivative financial instruments

Derivative financial instruments, including separated embedded derivatives are classified as financial instruments at fair value through profit or loss - Held for trading. Such derivative financial instruments are initially recognised at fair value. They are subsequently measured at their fair value, with changes in fair value being recognised in the statement of profit or loss and other comprehensive income within finance costs.

D. Investment in subsidiaries

The Company recognises its investment in subsidiaries at cost less any impairment losses. The said investments are tested for impairment whenever circumstances indicate that their carrying values may exceed the recoverable amount (viz. higher of the fair value less costs to sell and the value-in-use).

f. Leases

The Company, at the inception of a contract, assesses the contract as, or containing, a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether the contract involves the use of an identified asset, the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and the Company has the right to direct the use of the asset.

Company as a lessee

For lease contracts, the Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, in the statement of financial position. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate (as the rate implicit in the lease cannot be readily determined). Lease liabilities include the net present value of fixed payments (including any in-substance fixed payments) and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments including changes in the Company's assessment of whether it will exercise an extension or termination option or when the lease contract is modified and the lease modification is not accounted for as a separate lease. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of profit or loss and other comprehensive income if the carrying amount of the related right-of-use asset has been reduced to zero.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date and plus any initial direct costs less any lease incentives received.

Subsequent to initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any impairment losses; and adjusted for certain remeasurements of the lease liability. Depreciation is computed using the straight-line method from the commencement date to the end of the useful life of the underlying asset or the end of the lease term, whichever is shorter. The estimated useful lives of right-of-use assets are determined on the same basis as those of the underlying property and equipment.

In the statement of financial position, the right-of-use assets and lease liabilities are presented separately. In the statement of profit or loss and other comprehensive income, interest expense on lease liabilities are presented separately from the depreciation charge for the right-of-use asset. Interest expense on the lease liability is a component of finance costs, which are presented separately in the statement of profit or loss and other comprehensive income. In the statement of cash flows, cash payments for the principal portion of lease payments and the interest portion of lease liability are presented as financing activities, and short-term lease payments and payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability, if any, as operating activities.

When a contract includes lease and non-lease components, the Company allocates the consideration in the contract on the basis of the relative stand-alone prices of each lease component and the aggregate stand-alone price of the non-lease components.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

g. Taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit or loss and other comprehensive income, 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.

Current tax

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 Company's income tax obligation for the period are recognised in the statement of financial position as current tax assets / current tax liabilities.

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 entity reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates.

Deferred tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred tax is also recognised in respect of carried forward losses and tax credits. 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.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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 Company considers the projected future taxable income and tax planning strategies in making this assessment.

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 asset is realised or the liability is settled.

Income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the statement of financial position, if and only when, (a) the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) when it relate to income tax levied by the same taxation authority and where there is an intention to settle the current income tax balances on net basis.

h. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, call deposits, and other short term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

i. Share capital

Ordinary shares are classified as equity when the Company has an unconditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Company and there is no contractual obligation whatsoever to that effect.

j. Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

The Company recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings. Details of the joint operation are set out in note 26.

k. Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to the customer at the consideration which the Company has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts and process waivers.

Revenue is recognised when, or as, each distinct performance obligation is satisfied. The main categories of revenue and the basis of recognition are as follows:

(i) Service revenue

Service revenues mainly pertain to data, Indefeasible Right of Use ('IRU') and bandwidth services.

The Company has entered into certain IRU agreements. An IRU is a right to use a specified amount of capacity for a specific time period that cannot be revoked or voided. Revenue from IRU agreements is recognised over the period of agreement.

Amounts received or contractually receivable as per the agreement in excess of revenue recognised are recorded as deferred revenue in the statement of financial position. Costs of the network relating to IRU agreements are included as plant and equipment and depreciated over the economic useful life of the network.

Non-IRU revenue comprises of revenue from rendering of bandwidth services to customers and is recognised over the period of use of these bandwidth services.

Operation and maintenance revenues are recognised upon performance of services.

(ii) Equipment sales

Equipment sales mainly pertain to sale of telecommunication equipment and related accessories for which revenue is recognised when the control of equipment is transferred to the customer i.e. transferred at a point in time.

(iii) Interest income

The interest income is recognised using the EIR method. For further details, refer note 2.3(e).

l. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the said obligation, and the amounts of the said obligation can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the relevant obligation (if the impact of discounting is significant), using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to un-winding of interest over passage of time is recognised within finance costs.

m. Borrowing costs

Borrowing costs consist of interest and other ancillary costs that the Company incurs in connection with the borrowing of funds. The borrowing costs directly attributable to the acquisition or construction of any asset that takes a substantial period of time to get ready for its intended use or sale are capitalised. All other borrowing costs are recognised in the statement of profit or loss and other comprehensive income within finance costs in the period in which they are incurred.

3. Key sources of estimation uncertainties

The estimates and judgements used in the preparation of the said financial statements are continuously evaluated by the Company, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Although the Company regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions under-lying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognised in the financial statements in the year in which they become known.

a. Key sources of estimation uncertainties

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below:

I. Useful lives of PPE

As described at note 2.3(c), the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. After considering market conditions, industry practice, technological developments and other factors, the Company determined that the current useful lives of its PPE remain appropriate. However, changes in economic conditions of the markets, competition and technology, among others, are unpredictable and they may significantly impact the useful lives of PPE and therefore the depreciation charges.

II. Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

4. Significant transactions / new developments

a. During the year ended March 31, 2021, the Company has issued subordinated perpetual securities of USD 500,000,000 at an issue price of USD 99.888 which are guaranteed by its parent company. The notes bear interest at a rate of 3.975% per annum payable semi- annually in arrears. The interest payments on these securities may be deferred in a cumulative, non-compounding manner, subject to certain restrictions including on distributions and payment of dividend by the Company and its parent until such cumulative interest remains unpaid The entire amount collected on these securities (net of issue expense of USD 3,883,247) have been classified as a separate component of equity.

b. During the year ended March 31, 2020, the Company issued subordinated perpetual securities (original securities) of USD 750,000,000 at an issue price of USD 200,000 which were guaranteed by its parent company. Subsequently, on February 18, 2020, the Company issued additional subordinated perpetual securities (additional securities) of USD 250,000,000 at an issue price of USD 201,300 plus accrued interest amounting to USD 4,826,042 for the period from October 15, 2019 to the subsequent issue date. The additional securities constitute a further issuance of, and form a single series with, the original securities and have the same terms and conditions as the original securities except for the principal amount, issue date and issue price. The entire amount collected on these securities (net of issue expense of USD 6,647,397) have been classified as a separate component of equity.

The distribution/ interest on these securities are 5.65% p.a. payable half yearly in arrears on April 15 and October 15 every year. The interest payments on these securities (original securities and additional securities) may be deferred, at the sole discretion of the Company, in a cumulative, non-compounding manner, subject to certain restrictions including on distributions and payment of dividend till such cumulative interest remains unpaid. Further, the parent company, being the Guarantor of these securities, and the Company shall not declare or pay any dividends, distributions or make any other payment on, and will procure that no dividend, distribution or other payment is declared, paid or made on any of the Junior Obligations or (except on a pro rata basis) the Parity Obligations of the Guarantor and the Company, respectively. The interest on such securities will be debited to retained earnings as distribution to the security holders.

During the year, the Company has made a distribution of USD 56,500,000 as interest to the holders of these securities, out of which USD 4,826,042 (constituting the accrued interest collected from holders of additional securities from October 15, 2019 to February 18, 2020) has been debited to perpetual securities and remaining amount of USD 51,673,958 has been debited to retained earnings as distribution to the security holders.

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

c. On October 1, 2019, the Company has acquired submarine cable namely EIG (Europe India Gateway), IMWE (India Middle East- Western Europe) and SMW4 (South East Asia- Middle East- Western Europe), having combined length of 46,401 Kms, from its parent company for total consideration of USD 65,013,590 (net of IRU cancellations of USD 4,708,205).

5. Revenue

	For the year ended	
	March 31, 2021	March 31, 2020
Service revenue	175,676,184	89,826,331
Sale of products	-	491,222
	175,676,184	**90,317,553**

Revenue is disaggregated by timing of revenue recognition:

Timing of Revenue Recognition	For the year ended	
	March 31, 2021	March 31, 2020
Transferred over time	175,676,184	89,826,331
Transferred at a point in time	-	491,222
	175,676,184	**90,317,553**

Contract Balances

The following table provides information about unbilled revenue and deferred revenue from contract with customers:

	As of	
	March 31, 2021	March 31, 2020
Unbilled revenue (refer note 15)	-	761,210
Deferred revenue		
- Current	19,538,168	20,273,235
- Non - current	87,454,210	95,395,749

Significant changes in the unbilled revenue and deferred revenue balances during the year are as follows:

	As of	
	March 31, 2021	March 31, 2020
Revenue recognised that was included in deferred revenue at the beginning of the year	20,273,235	19,616,922
Increases due to cash received, excluding amounts recognised as revenue during the year	11,596,629	5,756,593
Transfers from unbilled revenue recognised at the beginning of the year to receivables	761,210	8,565

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

6. Other income

	For the year ended	
	March 31, 2021	March 31, 2020
Interest on loans given	14,115,564	18,636,119
Interest on fixed deposits	668,638	1,552,945
Gain on sale of investments (net of expense)	5,482,978	-
Others	15,035	3,594,711
	20,282,215	23,783,775

7. Network operating expenses

	For the year ended	
	March 31, 2021	March 31, 2020
Passive infrastructure charges	472,644	622,718
Repair and maintenance	30,480,703	19,627,012
Internet bandwidth and leasedline charges	17,268,065	15,524,362
Others	408	52,000
	48,221,820	**35,826,092**

8. Employee benefit expense

	For the year ended	
	March 31, 2021	March 31, 2020
Salary and wages	174,645	173,523
Allowances	1,149,314	575,953
	1,323,959	**749,476**

9. Other operating expenses

	For the year ended	
	March 31, 2021	March 31, 2020
Audit fees*	9,580	22,243
Legal & professional charges	3,161,819	338,118
Rates, fees and taxes	-	49,502
Repair and maintenance - others	49,493	33,034
Allowance for doubtful debts	(8,445)	106,099
Consultancy charges	51,580	57,162
Others	249,379	156,917
	3,513,406	**763,075**

*Audit fees includes USD 914 (2020: USD 914) towards out of pocket expenses.

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

10. Finance costs

	For the year ended	
	March 31, 2021	**March 31, 2020**
Interest on borrowings	35,894,761	63,010,907
Corporate guarantee fees	2,140,193	5,410,493
Bank charges	69,832	18,224
Net foreign exchange (gain) / loss	(1,663,685)	4,139,539
	36,441,101	**72,579,163**

(This space is intentionally left blank.)

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

11. Tax Expense

	For the year ended	
	March 31, 2021	March 31, 2020
The major components of the Income Tax Expense are:		
Current income tax	**3,245,525**	-
Deferred tax		
- Relating to origination and reversal of temporary differences	**687,663**	-
Tax expense attributable to current year's profit	**3,933,188**	-
Adjustment in respect of income tax of previous year		
- Current income tax	1,656,044	336,159
- Deferred tax	(1,359,702)	2,339,901
	296,342	**2,676,060**
Income tax expense recorded in statement of profit or loss and other comprehensive income	**4,229,530**	**2,676,060**

The Company is liable to income tax in Mauritius on chargeable rate at 15%. with effect from January 1, 2019, the existing provisions of Deemed Foreign Tax Credit of 80% on the foreign sourced income have been abolished and provisions of Partial Exemption Regime (PER) have introduced instead. Ni2i, being a GBL1 company with license issued before October 16, 2017, will be able to benefit from the presumed foreign tax credit benefit up to June 30, 2021 and thereafter under the PER.

The reconciliation between the actual income tax charge and the accounting profit is as follows:

	For the year ended	
	March 31, 2021	March 31, 2020
Profit / (loss) before tax	33,910,099	(86,605,913)
Tax at effective rate of 15%	**5,086,515**	(12,990,887)
Tax impact on expenses not deductible for tax purpose	2,805,127	11,902,974
Adjustment in respect to current income tax of previous years	1,656,044	336,159
Adjustment in respect to deferred tax of previous years	(1,359,702)	2,339,901
Tax for which no credit is allowed	110,758	-
Foreign tax credit (80%)	(4,069,212)	1,087,913
Income tax expense recognised in statement of profit or loss and other comprehensive income	**4,229,530**	**2,676,060**

Deferred tax assets relate to the following:	As of	
	March 31, 2021	March 31, 2020
Accelerated depreciation for tax purposes	(2,017,590)	-
Deferred revenue	2,662,930	-
Provision for impairment of debtors and advances	26,699	-
Closing balance	**672,039**	-

Deferred tax (credit) / expense	For the year ended	
	March 31, 2021	March 31, 2020
Accelerated depreciation for tax purposes	2,017,590	(1,145,188)
Deferred revenue	(2,662,930)	3,330,498
Tax losses available for carryforward	-	130,201
Provision for impairment of debtors and advances	(26,699)	24,390
Total	**(672,039)**	**2,339,901**

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

12. Property, plant and equipment

The following table presents the reconciliation of changes in the carrying value of property, plant and equipment for the year ended March 31, 2021 and March 31, 2020:

	Plant and equipment	Computer equipment	Total
Gross Carrying value			
At April 1, 2019	217,941,122	4,885	217,946,007
Additions*	84,622,912	-	84,622,912
Disposal / adjustment	(6,000,000)	-	(6,000,000)
At March 31, 2020	296,564,034	4,885	296,568,919
Additions	416,750	-	416,750
Disposal / adjustment	(892,030)	-	(892,030)
At March 31, 2021	**296,088,754**	**4,885**	**296,093,639**
Accumulated Depreciation			
At April 1, 2019	174,252,208	4,885	174,257,093
Charge	6,110,142	-	6,110,142
Disposal / adjustment	(6,000,000)	-	(6,000,000)
At March 31, 2020	174,362,350	4,885	174,367,235
Charge	8,397,582	-	8,397,582
At March 31, 2021	**182,759,932**	**4,885**	**182,764,817**
Net book value#			
At March 31, 2020	122,201,684	-	122,201,684
At March 31, 2021	**113,328,822**	-	**113,328,822**

*It includes the acquisition of submarine cables from parent company (refer note 4(c)).
#It mainly includes the jointly controlled assets (refer note 26).

The carrying value of capital work-in-progress as at March 31, 2021 and 2020 is USD 8,906,482 and USD 3 respectively, which mainly pertains to plant and equipment.

13. Investments

	As of	
	March 31, 2021	March 31, 2020
(a) Investment in Subsidiaries, at cost *	2,839,004,046	2,837,732,046
Less: Provision for impairment on investment in subsidiary^	(82,488,681)	(81,098,681)
	2,756,515,365	**2,756,633,365**
(b) Other Investments (FVTPL)		
Equity Instruments @	1,947,254	41,546,464
	1,947,254	**41,546,464**

* Refer note -27 A (6) & 27 B (9)

^ Impairment test for investment in a subsidiary

The Company assesses at the end of each reporting period whether there is objective evidence that investment in its subsidiary is impaired.

As at March 31, 2021, the carrying value of investment in Bharti Airtel Holdings Mauritius Limited (BAHML), the subsidiary of the Company was USD 82,698,232 (March 31, 2020: USD 81,428,232).

BAHML had made a downstream investment in Bharti Airtel Overseas Mauritius Limited (BAOML). Out of USD 82,698,232 (March 31, 2020: USD 81,428,232), BAOML had made a downstream investment of USD 82,348,681 (March 31, 2020: USD 81,098,681) in Bharti Airtel Ghana Holdings B.V. (a joint venture of BAOML and Millicom Ghana Limited) which had further invested in its wholly owned subsidiary, Airtel Ghana Limited. Airtel Ghana Limited is engaged in the business of providing telecommunication services in Ghana. These downstream subsidiaries and joint venture do not have any other business operations / sources of revenue generation (for detail refer note 23).

During the year ended March 31, 2021, the recoverable amount of the investment in BAHML is determined at USD 209,551 and consequently, a provision for impairment loss of USD 1,390,000 (March 31, 2020: USD 81,098,681) has been recognised.

@ Equity Instruments

During the year ended March 31, 2021, the Company has sold remaining 23,053,933 shares in 'Helios Towers plc' for a total consideration of USD 45,879,171. This has resulted in a gain of USD 6,279,961 (gross) which has been recorded in the statement of profit or loss and other comprehensive income.

During the year ended March 31, 2020, the Company had sold 5,590,665 (0.95%) shares in 'Helios Towers plc' for a total consideration of USD 3,665,624. This had resulted in a loss of USD 4,786,526 which had been recorded in the statement of profit or loss and other comprehensive income.

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

Further, the net fair value gain on investments in Helios Towers plc and Tube Inc. for the year ended March 31, 2021 is Nil (March 31, 2020: USD 1,745,520).

Detail of investments in subsidiaries and other investments are as below:

Name of company	Country of incorporation	Principal activity	Proportion (%) of ownership interest	
			As at March 31, 2021	As at March 31, 2020
Investment in subsidiaries				
Bharti International (Singapore) Pte Limited	Singapore	Investing Holding, Telecommunication services	100%	100%
Bharti Airtel International (Mauritius) Limited	Mauritius	Investment holding	100%	100%
Bharti Airtel Holding (Mauritius) Limited	Mauritius	Investment Holding	100%	100%
Airtel Africa Mauritius Limited	Mauritius	Investment Holding	100%	100%
Network i2i (UK) Limited#	United Kingdom	Management Services	100%	-
Network i2i (Kenya) Limited*	Kenya	Telecommunication Services	-	-
Other Investments				
Helios Towers plc (formally known as Helios Towers Limited)	United Kingdom	Passive telecommunication infrastructure	-	2.31%
Tube Incorporated	United States	Software Development	10%	10%
Airtel Africa plc.^	London	Investment Holding	0%	0%

*Network i2i (Kenya) Limited was incorporated on July 3, 2019 but no capital infusion has been done in it till date.

#Network i2i (UK) Limited was incorporated on May 19, 2020 with capital infusion of USD 2,000.

^Refer note 27A(6).

14. Other non-current assets

	As of	
	March 31, 2021	March 31, 2020
Prepaid expenses	148,272,044	158,640,693
Capital advances	1,739,340	-
	150,011,384	**158,640,693**

15. Financial assets – others

	As of	
	March 31, 2021	March 31, 2020
Unbilled revenue	-	761,210
Interest accrued on investments	22,387	29,389
	22,387	**790,599**

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

16. Other current assets

	As of	
	March 31, 2021	March 31, 2020
Prepaid expenses	19,123,654	17,507,886
Employee receivables	5,711	5,711
Taxes receivable	637	394
Advance to suppliers	-	66,612
	19,130,002	**17,580,603**

17. Trade receivables

	As of			
	March 31, 2021		March 31, 2020	
Trade receivables:-unsecured				
- related parties (refer note 27 A)		54,993,025		32,245,321
- other than related parties	1,853,052		1,980,950	
Less: Allowance for doubtful debts	(836,546)	1,016,506	(844,991)	1,135,959
		56,009,531		**33,381,280**

The ageing analysis of trade receivables is as follows:	As of	
	March 31, 2021	March 31, 2020
Amount neither past due nor impaired	55,324,148	33,050,599
Trade receivables past due but not impaired:		
Less than 30 days	110,483	114,821
30 to 60 days	204,659	241,977
60 to 90 days	270,119	75,594
Above 90 days	936,668	743,279
	56,846,077	**34,226,271**

Movement in allowances for doubtful debts	As of	
	March 31, 2021	March 31, 2020
Opening balance	844,991	738,892
Provision (reversal) / made during the year	(8,445)	106,099
Closing balance	**836,546**	**844,991**

Refer note 24(c) for credit risk

Trade receivables are non-interest bearing and generally have up to 30 days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The amount due from related parties is unsecured, interest free and repayable on demand. The amount is expected to be settled in cash.

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

18. Cash and bank balances

Cash and cash equivalents	As of	
	March 31, 2021	**March 31, 2020**
Cash on hand	2	2
Balances with banks		
- On current accounts	10,837,556	7,088,883
- Bank deposits with original maturity of three months or less	83,576,657	247,999,964
	94,414,215	**255,088,849**

Other bank balances	As of	
	March 31, 2021	**March 31, 2020**
Term deposits with bank	15,000,000	-
	15,000,000	-

All bank balances are assessed to have low credit risk as they are held with reputed financial institutions. No expected credit loss provision has been recognised in respect of these amounts as they are not material.

19. Share capital

	As of	
	March 31, 2021	**March 31, 2020**
Issued, Subscribed and fully paid-up shares		
1,267,427,896 (March 31, 2020 - 1,267,427,896) equity shares of USD 1 each	1,267,427,896	1,267,427,896
	1,267,427,896	**1,267,427,896**

a. Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of USD 1 per share. Each holder of equity share is entitled to cast one vote per share.

b. Details of shareholders

	As of			
	March 31, 2021		**March 31, 2020**	
	No. of Shares	**% holding**	**No. of Shares**	**% holding**
Equity shares of USD 1 each fully paid				
Bharti Airtel Limited	1,267,427,896	100%	1,267,427,896	100%

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

20. Borrowings

Non-Current

	As of	
	March 31, 2021	March 31, 2020
Unsecured		
Term Loan*	-	199,923,552
Loan from related parties (refer note 27 A)	-	603,915,323
	-	803,838,875

Current

	As of	
	March 31, 2021	March 31, 2020
Unsecured		
Term Loan *	-	40,000,000
Loan from related parties (refer note 27 A)	347,837,098	277,480,875
	347,837,098	317,480,875

* Guarantee given by Bharti Airtel Limited

20.1.1 Repayment terms of borrowings

The table below summarises the maturity profile of the Company's borrowings:

	As of March 31 , 2021				
	Interest rate (range)	Frequency of installments	Number of installments outstanding per facility (range)	Within one year	Between one and two years
Loan from related parties	1.04%-1.41%	One time	1	347,837,098	-

	As of March 31 , 2020				
	Interest rate (range)	Frequency of installments	Number of installments outstanding per facility (range)	Within one year	Between one and two years
Term loans	2.38% - 2.81%	One time	1	240,000,000	-
Loan from related parties	2.70%-3.00%	One time	1	277,480,875	603,915,323

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

20.1.2 Interest rate of borrowings

	Weighted average rate of Interest	Total borrowings (Floating Rated)
USD	1.28%	347,837,098
March 31, 2021		**347,837,098**

	Weighted average rate of Interest	Total borrowings (Floating Rated)
USD	2.84%	1,121,319,750
March 31, 2020		**1,121,319,750**

21. Derivative financial liability

	As of	
	March 31, 2021	March 31, 2020
Current derivative financial liability		
Option contracts	291,432	3,805,685

22. Financial liabilities - others

Non-current

	As of	
	March 31, 2021	March 31, 2020
Others*	464,057,097	441,553,108
	464,057,097	**441,553,108**

*It pertains to advance received against an agreement to sell investment in associates held via subsidiary Bharti International (Singapore) Pte Ltd, at a future date and is subject to certain customary closing conditions. Further, it is supported by a guarantee by Bharti Airtel Limited which is effective on occurrence of certain contingent conditions.

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

23. Trade and other payables

	As of	
	March 31, 2021	March 31, 2020
Trade payables - due to related parties (refer note 27A)	354,686	309,484
Trade payables - others	742,096	4,378,969
Payables against capital expenditure	9,705,319	11,908,278
Interest accrued	24,347,302	22,623,447
Accrued operating expenses	9,902,545	7,697,509
Other payables*	62,725,603	59,116
	107,777,551	**46,976,803**

*Other payables includes Bharti Airtel Limited (Intermediate Parent company) along with the other JV partner Milicom has executed a definitive agreement for the transfer of JV to Government of Ghana on a going concern basis. A Share sale and purchase agreement (SPA) has been signed between the parties on March 31, 2021. The transaction is subject to closing of the mutually agreed conditions. Pending closure of the transaction, USD 62,677,500 has been provided for against the Company's share of liability of BAHML. (Refer note 9)

Trade payables are non-interest bearing and are normally settled on 30-day terms.

24. Financial risk management objectives and policies

Financial risk factors

The main risks arising from the Company's financial assets and liabilities are foreign exchange, interest rate, liquidity and credit risks. The overall risk management seeks to minimise potential adverse effects of these risks on the financial performance of the Company. The Company has established risk management policies, guidelines and control procedures to manage its exposure to financial risks.

a) Foreign exchange risk

The Company has liabilities which are denominated mainly in USD, JPY, SGD, MUR, AED and GBP. Consequently, the Company is exposed to the risk that the exchange rate of the USD relative to the MUR, SGD, JPY, AED and GBP may change in a manner which has an effect on the reported values of the Company's assets and liabilities.

The following demonstrates the sensitivity in foreign currency to functional currency, with all other variables held constant, of the Company's profit before tax (due to changes in fair value of monetary assets and liabilities).

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

	Change in currency exchange rate	Effect on profit before tax
For the year ended March 31, 2021		
GBP	5%	302
	-5%	(302)
AED	-5%	(3,442)
	5%	3,442
MUR	5%	(55)
	-5%	55
SGD	5%	(571)
	-5%	571
JPY	5%	(1)
	-5%	1
For the year ended March 31, 2020		
GBP	5%	273
	-5%	(273)
AED	5%	(234)
	-5%	234
MUR	5%	(56)
	-5%	56
SGD	5%	(13,077)
	-5%	13,077
JPY	5%	(3,360)
	-5%	3,360

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	As of March 31, 2021	As of March 31, 2020
GBP	6,035	5,456
AED	(68,847)	(4,688)
MUR	(1,092)	(1,120)
SGD	(11,411)	(261,548)
JPY	(15)	(67,202)
	(75,330)	**(329,102)**

b) Interest rate risk

The Company's significant interest earning financial assets are loans given to related parties. Interest income from these balances may fluctuate in amount, in particular due to changes in market interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Company's profit before tax (through the impact on floating rate borrowings).

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

	Change in interest rate (basis points)	Effect on profit before tax
March 31, 2021		
Loans to / from related parties	+20	**777,129**
	-20	**(777,129)**
March 31, 2020		
Term loans	+20	(479,847)
	-20	479,847
Loans to / from related parties	+20	(161,919)
	-20	161,919

c) Credit risk

Credit risk refers to the risk of default on its obligation by the counter-party, the risk of deterioration of credit-worthiness of the counter-party as well as concentration risks of financial assets, and thereby exposing the Company to potential financial losses.

Financial assets that potentially subject the Company to concentrations of credit risk consist primarily of trade and other receivables, cash and loans to related parties and balances with banks.

Trade Receivable

The Trade receivables of the Company are typically non-interest bearing unsecured and derived from sales made to a large number of independent customers. As the customer base is widely distributed both economically and geographically, there is no concentration of credit risk other than related parties.

As there is no independent credit rating of the customers available with the Company, the management reviews the credit-worthiness of its customers based on their financial position, past experience and other factors. The credit risk related to the trade receivables is managed / mitigated by each business unit, basis the Company's established policy and procedures, by setting appropriate payment terms and credit period, and by setting and monitoring internal limits on exposure to individual customers. The credit period provided by the Company to its customers generally ranges upto 30 days.

Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables are credit impaired if the payments are more than 90 days past due. Refer note 17 for details on the impairment of trade receivables.

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

The Company performs on-going credit evaluations of its customers' financial condition and monitors the credit-worthiness of its customers to which it grants credit in its ordinary course of business. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount due. Where the financial asset has been written-off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit or loss and other comprehensive income.

Loan to related parties and Cash at bank

Loan to related parties is unsecured and repayable on demand. The Directors have considered that the loan to related parties to have low credit risk. Accordingly, no ECL provision has been recognised in relation to these balances as the amounts are not material. Credit risk from balances with banks is managed by Parent's treasury in accordance with the Board approved policy.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	More than 1 year	Within 1 year	Total
As of March 31, 2021			
Trade receivables*	-	56,009,531	56,009,531
Loans to related parties	-	789,053,763	789,053,763
Cash at bank	-	94,414,213	94,414,213
Other bank balances	-	15,000,000	15,000,000
	-	**954,477,507**	**954,477,507**
	More than 1 year	Within 1 year	Total
As of March 31, 2020			
Trade receivables*	-	33,381,280	33,381,280
Loans to related parties	-	847,988,344	847,988,344
Cash at bank	-	255,088,847	255,088,847
	-	**1,136,458,471**	**1,136,458,471**

* Include receivables that are past due but not impaired at reporting dates (refer note 17).

As at March 31, 2021, the Company's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Company due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Company arises from the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

	Note	Gross carrying amount	Loss allowance	Net carrying amount
As of March 31, 2021				
Loan to related parties	27	789,053,763	-	789,053,763
Trade receivables	17	56,846,077	836,546	56,009,531
Cash at bank	18	94,414,213	-	94,414,213
Other bank balances	18	15,000,000	-	15,000,000
		955,314,053	836,546	954,477,507
As of March 31, 2020				
Loan to related parties	27	847,988,344	-	847,988,344
Trade receivables	17	34,226,271	844,991	33,381,280
Cash at bank	18	255,088,847	-	255,088,847
		1,137,303,462	844,991	1,136,458,471

The Company determines the expected credit losses on these items as described in the relevant notes.

d) Liquidity risk

In the management of liquidity risk, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance its operations and mitigate the effects of fluctuations in cash flows. Due to the dynamic nature of the underlying business, the Company aims at maintaining flexibility in funding by keeping credit lines available.

The table below summarises the maturity profile of the Company's financial liabilities at March 31, 2021 and March 31, 2020 based on contractual undiscounted payments:

As of March 31, 2021	Within 1 year	More than 1 year	Total
Trade and other payables	107,777,551	-	107,777,551
Borrowings	347,837,098	-	347,837,098
Other financial liabilities (including derivatives)	291,432	464,057,097	464,348,529
	455,906,081	**464,057,097**	**919,963,178**

As of March 31, 2020	Within 1 year	More than 1 year	Total
Trade and other payables	46,976,803	-	46,976,803
Borrowings	317,480,875	803,838,875	1,121,319,750
Other financial liabilities	3,805,685	441,553,108	445,358,793
	368,263,363	**1,245,391,983**	**1,613,655,346**

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows:

	Statement of cashflow line item	April 1, 2020	P&L charge	Cash flows	Non-cash changes	March 31, 2021
Borrowings	Proceeds / repayment of borrowings	1,121,319,750	-	(771,941,400)	(1,541,252)	347,837,098
Interest accrued	Interest paid	22,623,447	38,104,786	(17,314,747)	(19,066,184)	24,347,302

	Statement of cashflow line item	April 1, 2019	P&L charge	Cash flows	Non-cash changes	March 31, 2020
Borrowings	Proceeds / repayment of borrowings	1,270,178,879	-	(152,937,709)	4,078,580	1,121,319,750
Interest accrued	Interest paid	14,738,326	68,439,624	(34,523,346)	(26,031,157)	22,623,447

e) Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to the shareholder, return capital to the shareholder or issue new shares. No changes were made in the objectives, policies or processes during the years ended March 31, 2021 and March 31, 2020. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as borrowings less cash and cash equivalents. The details are as follows:

	As of	
	March 31, 2021	March 31, 2020
Borrowings	347,837,098	1,121,319,750
Cash and cash equivalents	(94,414,215)	(255,088,849)
Other bank balances	(15,000,000)	-
Net Debt	**238,422,883**	**866,230,901**
Equity	**2,973,365,585**	**2,504,628,263**
Capial and net debt	**3,211,788,468**	**3,370,859,164**
Gearing ratio	**7.42%**	**25.70%**

25. Capital Commitments

Commitments for the acquisition of plant and equipment not provided for in the financial statements:

	As of	
	March 31, 2021	**March 31, 2020**
Contracted capital expenditure	20,252,577	13,741,105

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

26. Jointly controlled operations

The Company has participated in various consortium towards supply, construction, maintenance and providing long term technical support with regards to following Cable Systems. The details of the same are as follows and already included in property, plant and equipment refer note 12:

	March 31, 2021		March 31, 2020	
Cable project	**Net block (USD)**	**Share %**	Net block (USD)	Share %
AAG-Project	22,118,383	7.98%	23,866,527	8.02%
EASSY Project	1,644,929	1.20%	1,760,239	1.20%
Unity Project	12,391,578	10.00%	13,191,242	10.00%
EIG Project	28,560,724	8.13%	30,484,155	8.13%
IMEWE Project	30,134,610	13.38%	32,191,599	13.45%
SMW-4 Project	16,147,700	9.68%	17,682,838	9.67%

27. Related party disclosures

Related party transactions represent transactions entered into by the Company with the holding company, fellow subsidiaries and entities having significant influence over the Company. The transactions and balances with the following related parties for the years ended March 31, 2021 and March 31, 2020, respectively, are described below:

List of related parties	Relationship
Bharti Airtel Limited	Parent company
Bharti Enterprises (Holding) Private Limited	Ultimate controlling entity
Singapore Telecommunication Limited	Entity having significant influence over parent company
Bharti International (Singapore) Pte Limited	Subsidiary
Bharti Airtel International (Mauritius) Limited	Subsidiary
Bharti Airtel Holding (Mauritius) Limited	Subsidiary
Airtel Africa Mauritius Limited	Subsidiary
Airtel Networks Kenya Limited *	Subsidiary
Airtel Madagascar S.A. *	Subsidiary
Airtel Malawi Plc *	Subsidiary
Airtel Tanzania Plc *	Subsidiary
Airtel Uganda Limited *	Subsidiary
Airtel Networks Zambia Plc (formerly known as Celtel Zambia plc) *	Subsidiary
Airtel Congo S.A *	Subsidiary
Airtel Networks Limited*	Subsidiary
Celtel Niger S.A. *	Subsidiary
Airtel (Seychelles) Limited *	Subsidiary
Airtel Gabon S.A. *	Subsidiary
Airtel Rwanda Limited *	Subsidiary
Airtel Tchad S.A.*	Subsidiary
Bharti Airtel Kenya B.V. *	Subsidiary
Airtel Congo (RDC) S.A.*	Subsidiary
Bharti Airtel Lanka (Pvt) Limited	Subsidiary
Bharti Airtel (HongKong) Limited	Subsidiary
Bharti Airtel (USA) Limited	Subsidiary
Bharti Airtel (France) SAS	Subsidiary
Bharti Airtel (UK) Limited	Subsidiary
Bharti Airtel International (Netherlands) B.V.	Subsidiary
Network i2i (UK) Limited	Subsidiary
IQ EQ Corporate Services Mauritius Ltd.	Local management company

* Transactions of similar nature with such subsidiaries have been clubbed and shown under the head 'Other African subsidiaries'.

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

A. The details of amounts due to or due from the related parties as of March 31, 2021 and March 31, 2020 are as follows:

		As of	
		March 31, 2021	March 31, 2020
1	**Loan outstanding # @**		
	Bharti International (Singapore) Pte Limited	226,889,484	247,461,859
	Bharti Airtel Lanka (Pvt) Limited	76,724,060	27,724,060
	Airtel Africa Mauritius Limited	432,788,098	525,250,890
		736,401,642	**800,436,809**
2	**Accrued interest @**		
	Bharti International (Singapore) Pte Limited	32,045,719	33,264,625
	Bharti Airtel Lanka (Pvt) Limited	7,351,056	6,452,996
	Airtel Africa Mauritius Limited	13,255,346	7,833,914
		52,652,121	**47,551,535**
3	**Trade and other receivables / (payables) @**		
	Bharti Airtel Limited	37,447,474	14,077,533
	Bharti Airtel (USA) Limited	343,142	662,403
	Bharti Airtel Holding (Mauritius) Limited	(62,677,500)	-
	Singapore Telecommunication Limited	(625,824)	(901,858)
	Bharti Airtel (HK) Limited	83,524	34,843
	Bharti Airtel (UK) Limited	1,175,960	(216,265)
	Network i2i (UK) Limited	954,935	-
	Bharti International (Singapore) Pte Limited	8,502,190	2,642,599
	Other African Subsidiaries	6,598,330	15,050,816
	Bharti Airtel (France) SAS	(3,030)	(3,791)
4	**Borrowings***		
	Bharti Airtel International (Mauritius) Limited	234,546,412	234,638,536
	Bharti Airtel (USA) Limited	7,221,834	7,151,107
	Bharti Airtel (UK) Limited	41,712,901	35,691,232
	Bharti Airtel Limited	64,355,951	603,915,323
		347,837,098	**881,396,198**
5	**Interest due***		
	Bharti Airtel International (Mauritius) Limited	21,536,624	17,855,627
	Bharti Airtel (USA) Limited	221,890	205,145
	Bharti Airtel (UK) Limited	1,241,571	1,126,065
	Bharti Airtel Limited	1,347,218	2,728,862
		24,347,303	**21,915,699**
6	**Investment**		
	Bharti Airtel International (Mauritius) Limited	235,220,000	235,220,000
	Bharti International (Singapore) Pte Limited	415,900,000	415,900,000
	Bharti Airtel Holding (Mauritius) Limited	82,698,232	81,428,232
	Airtel Africa Mauritius Limited	2,105,183,804	2,105,183,804
	Network i2i (UK) Limited	2,000	-
	Airtel Africa Plc	10	10
		2,839,004,046	**2,837,732,046**

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

B. The details of related party transactions entered into by the Company during the year March 31, 2021 and March 31, 2020 are as follows:

		For the year ended	
		March 31, 2021	March 31, 2020
1	**Sale/ transfer of IRU**		
	Bharti Airtel Limited	-	4,275,819
		-	**4,275,819**
2	**Sale/ rendering of services**		
	Bharti Airtel Limited	93,184,879	31,509,154
	Bharti Airtel (USA) Limited	4,727,925	4,251,000
	Bharti International (Singapore) Pte Limited	38,084,883	22,980,018
	Other African Subsidiaries	5,503,504	5,623,641
	Bharti Airtel (HK) Limited	577,378	318,250
	Bharti Airtel (UK) Limited	7,485,695	2,022,219
		149,564,264	**66,704,282**
3	**Purchase of assets**		
	Bharti Airtel Limited	-	(65,013,590)
	Singapore Telecommunication Limited	-	(4,176,929)
		-	**(69,190,519)**
4	**Purchase of goods / Receiving of services**		
	Bharti Airtel Limited	(1,709,021)	(1,368,283)
	Singapore Telecommunication Limited	(691,723)	(972,668)
	Bharti Airtel (UK) Limited	(120,754)	(167,921)
	IQ EQ Corporate Services Mauritius Limited	(61,970)	(13,525)
	Network i2i (UK) Limited	(2,682,943)	-
	Bharti Airtel (USA) Limited	(405,105)	(15,510)
	Bharti Airtel (France) SAS	(10,819)	(5,985)
		(5,682,335)	**(2,543,892)**
5	**Fund received/Expenses incurred on behalf of the Company**		
	Bharti Airtel Limited	(89,448)	-
		(89,448)	-
6	**Loans given #**		
	Bharti Airtel Lanka (Pvt) Limited	49,000,000	18,224,060
	Bharti International (Singapore) Pte Limited	29,100,000	11,900,000
	Airtel Africa Mauritius Limited	75,000	529,512,500
		78,175,000	**559,636,560**
7	**Repayment of loans given**		
	Bharti Airtel Lanka (Pvt) Limited	-	3,250,000
	Bharti International (Singapore) Pte Limited	49,672,375	21,673,900
	Airtel Africa Mauritius Limited	92,537,792	4,266,610
		142,210,167	**29,190,510**

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

		For the year ended	
8	**Interest income**	**March 31, 2021**	March 31, 2020
	Bharti International (Singapore) Pte Limited	5,596,306	10,171,788
	Bharti Airtel Lanka (Pvt) Limited	898,060	597,107
	Airtel Africa Mauritius Limited	7,613,562	7,867,226
		14,107,928	**18,636,121**
9	**Investment**		
	Airtel Africa Mauritius Limited	-	75,000
	Bharti Airtel Holding (Mauritius) Limited	1,270,000	5,060,000
	Network i2i (UK) Limited	2,000	-
		1,272,000	**5,135,000**
10	**Borrowings taken**		
	Bharti Airtel (USA) Limited	2,000,000	3,500,000
	Bharti Airtel (UK) Limited	23,489,030	23,000,000
	Bharti Airtel Limited	-	603,915,323
		25,489,030	**630,415,323**
11	**Repayment of borrowings**		
	Bharti Airtel International (Mauritius) Limited	92,123	286,464
	Bharti Airtel Limited	539,559,372	-
	Bharti Airtel (UK) Limited	17,467,361	7,319,722
	Bharti Airtel (USA) Limited	1,929,274	1,848,893
		559,048,130	**9,455,079**
12	**Interest expense**		
	Bharti Airtel Limited	(9,058,984)	(2,728,862)
	Bharti Airtel International (Mauritius) Limited	(3,688,874)	(7,708,778)
	Bharti Airtel (USA) Limited	(87,471)	(190,411)
	Bharti Airtel (UK) Limited	(648,146)	(961,905)
		(13,483,475)	**(11,589,956)**
13	**Corporate guarantee commision**		
	Bharti Airtel Limited	(2,140,193)	(5,410,493)
		(2,140,193)	**(5,410,493)**

Loans given to related parties are unsecured, interest rate of 1.55% to 2.25% (previous year of 2.90% to 3.60%) per annum and are given for a short term period on a revolving basis which is repayable on demand. The amounts are expected to be settled in cash.

* The USD borrowings are unsecured carries interest rate from 1.04 % to 1.41 %(previous year 2.70 % to 3.00 %) for the year ended and are taken for a short term period on a revolving basis which is repayable on demand. The amounts are expected to be settled in cash.

@ Airtel Africa Mauritius Limited, Bharti Airtel Lanka (Pvt) Limited , Bharti International (Singapore) Pte Limited & Airtel Africa Plc. rely on support of holding company to meet their obligation.

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

28. Leases

Company as a lessee

ROU

The following table presents the reconciliation of changes in the carrying value of ROU assets for the year ended March 31, 2021 and March 31, 2020:

	Total
Balance at April 1, 2019	17,727
Depreciation charge for the year	(17,727)
Balance at March 31, 2020	-
Depreciation charge for the year	-
Balance at March 31, 2021	-

Amount recognised in statement of comprehensive income

Leases under IFRS 16	For year ended March 31, 2021	For year ended March 31, 2020
Interest on lease liabilities	-	388
Expenses relating to short-term leases	14,797	1,200
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	2,045	2,499

Amount recognised in statement of cash flows

Leases under IFRS 16	For year ended March 31, 2021	For year ended March 31, 2020
Total cash outflow for leases	-	18,763

(All amounts are in United States Dollar – 'USD'; unless stated otherwise)

29. Fair value of financial assets and liabilities

The category wise details as to the carrying value and fair value of the Company's financial instruments are as follows:

		Carrying Value as of		Fair Value as of	
	Level	**March 31, 2021**	**March 31, 2020**	**March 31, 2021**	**March 31, 2020**
Financial Assets					
Fair value through profit or loss					
Investments*	Level 1	-	39,599,210	-	39,599,210
Investments	Level 2	1,947,254	1,947,254	1,947,254	1,947,254
Amortised cost					
Trade receivables		56,009,531	33,381,280	56,009,531	33,381,280
Cash and cash equivalents		94,414,215	255,088,849	94,414,215	255,088,849
Other bank balances		15,000,000	-	15,000,000	-
Other financial assets		789,076,150	848,778,943	789,076,150	848,778,943
		956,447,150	**1,178,795,536**	**956,447,150**	**1,178,795,536**
Financial Liabilities					
Fair value through profit or loss					
Derivatives	Level 2	291,432	3,805,685	291,432	3,805,685
Amortised cost					
Borrowings- floating rate		347,837,098	1,121,319,750	347,837,098	1,121,319,750
Trade payables		107,777,551	46,976,803	107,777,551	46,976,803
Other financial liabilities		464,057,097	441,553,108	464,057,097	441,553,108
		919,963,178	**1,613,655,346**	**919,963,178**	**1,613,655,346**

*During the previous year ended March 31, 2020, 'Helios Towers' listed on London Stock Exchange (LSE) and henceforth, its securities have been trading actively on the LSE. Accordingly, the Company has transferred its investments in Helios Towers from Level 3 to Level 1 in the year ended March 31, 2020. There were no other transfers between Level 1 and Level 2 fair value measurements.

The following methods / assumptions were used to estimate the fair values:

i. The carrying value of trade receivables, trade payables, short-term borrowings, floating-rate long-term borrowings, other current financial assets and liabilities approximate their fair value mainly due to the short-term maturities of these instruments / being subject to floating-rates.

ii. The fair value of other long-term borrowings and non-current financial assets / liabilities is estimated by discounting future cash flows using current rates applicable to instruments with similar terms, currency, credit risk and remaining maturities.

iii. The fair values of derivatives are estimated by using pricing models, wherein the inputs to those models are based on readily observable market parameters. The valuation models used by the Company reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, foreign exchange rates, volatility etc. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable.

The following table describes the key inputs used in the valuation (basis discounted cash flow technique) of the Level 2 financial assets / liabilities as of March 31, 2021 and March 31, 2020:

Financial assets / liabilities	Inputs used
Derivatives	
-Forward & option contracts	Forward currency exchange rates, interest rates
Investments	Prevailing interest rates in market, future payouts, Interest rates

30. COVID-19

COVID-19 pandemic has resulted in worldwide issues with restrictions imposed on movement of people and goods. Consequently, the Company formulated a robust Business Continuity Plan to ensure that its operations are not disrupted. The Company has considered a range of possible scenarios to understand potential outcomes on its business and plan appropriately.

A detail assessment has been carried out by the Company with regards to impact on revenue and costs. Impact due to any extended credit terms, cancelled orders, change in contractual terms, price concession request, onerous obligations etc. were comprehensively evaluated for any risk due to COVID-19 on revenue recognized and collectability thereof and no material impact has been noted. The Company has not experienced any loss of significant customer on account of force majeure clauses in the revenue contracts. Besides, the Company has also assessed its other arrangements, including borrowing arrangements and no changes in terms of those arrangements are expected due to COVID-19. In borrowing arrangements, the Company has not defaulted and there is no breach of any of the debt covenants.

The Company has also re-assessed its financial risk management policies and impact of any change on the related disclosures in the financial statements, on counterparty credit risk, liquidity risk and foreign currency risk and no material impact has been noted.