

INDEPENDENT AUDITOR'S REPORT

To the Members of Max Towers Private Limited

Report on the audit of the Ind AS financial statements**Opinion**

We have audited the accompanying Ind AS financial statements of Max Towers Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Information other than the Ind AS financial statements and auditor's report thereon

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

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. The Board's Report is not made available to us at the date of this Auditor's Report. We have nothing to report in this regard.

Responsibility of Management for the Ind AS financial statements

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

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amended specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS financial statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matter

The financial statements of the Company for the year ended March 31, 2022, included in these Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 13, 2022.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act
 - (f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:



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- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 25 to the Ind AS financial statements
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - a) The management has represented that, to the best of its knowledge and belief as disclosed in note 35, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief as disclosed in note 35, no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Pravin Tulsyan**

Partner

Membership Number: 108044

UDIN: 23108044BGYZHJ1757

Place of Signature: Gurugram

Date: May 18, 2023

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

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

- (i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment property.
- (i)(a)(B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(b) of the Order is not applicable to the Company.
- (i)(b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verifying them over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (i)(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (i)(d) The Company has not revalued its property, plant and equipment (including Right of use assets and investment property) or intangible assets during the year ended March 31, 2023.
- (i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) The Company’s business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (ii)(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii)(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (iii)(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.



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- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (vii)(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. In lakhs)*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	50.21	AY 2020-21	Commissioner of Income Tax (Appeals)

*The above-mentioned demand has been adjusted against a refund amount due from the Income tax department during the year.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix)(c) Term loans were applied for the purpose for which the loans were obtained.
- (ix)(d) On an overall examination of the Ind AS financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (ix)(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
- (x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x)(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (xi)(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.



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- (xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv)(a) The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.
- (xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi)(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi)(d) The Group does not have more than one CIC as part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) The previous statutory auditors of the Company have resigned during the year and no issues, objections or concerns were raised by the outgoing auditors.
- (xix) On the basis of the financial ratios disclosed in note 33 to the Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



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- (xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 22(a) to the Ind AS financial statements.
- (xx)(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 22(a) to the Ind AS financial statements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Pravin Tulsyan**

Partner

Membership Number: 108044

UDIN: 23108044BGYZHJ1757

Place of Signature: Gurugram

Date: May 18, 2023

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Annexure 2 to the Independent auditor's report of even date on the Ind AS financial statements of Max Towers Private Limited

Report on the Internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to these Ind AS financial statements of Max Towers Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

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

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

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



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Meaning of Internal Financial Controls with reference to these Ind AS financial statements

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

Inherent Limitations of Internal Financial Controls with reference to Ind AS financial statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Pravin Tulsyan

Partner

Membership Number: 108044

UDIN: 23108044BGYZHJ1757

Place of Signature: Gurugram

Date: May 18, 2023

Max Towers Private Limited
CIN: U70109UP2016PTC087374
Balance sheet as at March 31, 2023

Particulars	Notes	(Rs. in Lacs)	
		As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	0.15	0.27
Investment Property	4	42,472.77	43,072.05
Financial assets			
(i) Trade receivables	5(i)	70.87	64.75
(ii) Other financial assets	5(ii)	854.56	751.21
Non current tax assets (net)	6a	554.10	435.10
Other non current assets	6b	214.29	75.30
		44,166.74	44,398.68
Current assets			
Financial assets			
(i) Trade receivables	7(i)	246.56	60.76
(ii) Cash and cash equivalents	7(ii)	172.71	109.21
(iii) Other financial assets	7(iii)	253.02	366.68
Other current assets	8	80.22	158.95
		752.51	695.60
TOTAL ASSETS		44,919.25	45,094.28
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9(i)	6,506.00	6,506.00
Other equity	9(ii)	3,789.99	27,799.50
Total equity		10,295.99	34,305.50
Non-current liabilities			
Financial liabilities			
(i) Borrowings	10	30,866.11	7,585.60
Provisions	11	-	0.32
Deferred tax liabilities (net)	12	531.20	391.19
Other non-current liabilities	13	1,484.17	1,422.15
		32,881.48	9,399.26
Current liabilities			
Financial liabilities			
(i) Borrowings	14	1,424.76	534.13
(ii) Trade payables	14		
(a) Total outstanding dues of micro enterprises and small enterprises		1.15	85.71
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		187.33	587.28
(iii) Other financial liabilities	14	57.89	90.13
Provisions	15	-	0.75
Other current liabilities	16	70.65	91.52
		1,741.78	1,389.52
TOTAL LIABILITIES		34,623.26	10,788.78
TOTAL EQUITY AND LIABILITIES		44,919.25	45,094.28

Summary of significant accounting policies

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The accompanying notes are an integral part of the Ind AS financial statements

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For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pravin Tulsyan
Partner
Membership No. 108044

Place: Gurugram
Date: May 18, 2023

For and on behalf of the Board of Directors of Max Towers Private Limited

Bishwajit Das
(Director)
DIN 00029455

Archil Goyal
(Chief Financial Officer)

Place: Noida
Date: May 18, 2023

Kishansingh Ram Singhaneey
(Director)
DIN 00329411

Savi Madaan
(Company Secretary)

Max Towers Private Limited
Statement of profit and loss for the year ended March 31, 2023

Particulars	Notes	(Rs. in Lacs)	
		For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
Revenue from contract with customers	17	3,396.81	3,018.73
Other income	18	194.87	142.48
Total income		3,591.68	3,161.21
EXPENSES			
Employee benefits expense	19	33.57	82.92
Finance costs	20	2,017.06	843.16
Depreciation and amortization expense	21	867.17	848.16
Other expenses	22	223.46	329.03
Total expenses		3,141.26	2,103.27
Profit before tax		450.42	1,057.94
Tax expenses			
- Current tax	24	-	-
- Adjustment of tax relating to earlier periods	24	4.17	77.82
- Deferred tax	24	135.84	275.06
Total tax expense		140.01	352.88
Profit after tax		310.41	705.06
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss		-	-
Income tax effect		-	(0.01)
Other comprehensive income to be reclassified to profit or loss		-	-
Income tax effect		-	-
Other comprehensive income for the year		-	(0.01)
Total comprehensive income for the year		310.41	705.05
Earnings per equity share (nominal value of share Rs.10/-) (refer note 23)			
Basic (Rs.)		0.18	0.22
Diluted (Rs.)		0.18	0.22

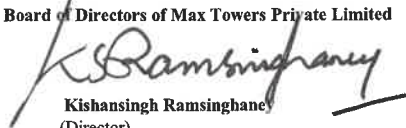
Summary of significant accounting policies
The accompanying notes are an integral part of the Ind AS financial statements

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For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number 301003E/E300005
per Pravin Tulsyan
Partner
Membership No. 108044

For and on behalf of the Board of Directors of Max Towers Private Limited


Bishwajit Das
(Director)
(DIN 00029455)


Kishansingh Ramsinghane
(Director)
(DIN 00329411)


Archi Goyal
(Chief Financial Officer)


Savi Madaan
(Company Secretary)

Place: Gurugram
Date: May 18, 2023

Place: Noida
Date: May 18, 2023

Max Towers Private Limited
Statement of cash flows for the year ended March 31, 2023

Particulars	(Rs. in Lacs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit before tax	450.42	1,057.94
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	0.12	0.35
Depreciation on investment property	867.05	847.81
Increase in other equity	-	1.91
Interest income	(183.46)	(111.16)
Finance costs	2,017.07	843.16
Operating profit before working capital changes	3,151.20	2,640.01
Working capital adjustments:		
Movements in provisions, gratuity and leave encashment	(1.06)	0.57
Decrease in other current financial liabilities	(32.24)	(251.46)
Decrease in other current liabilities	(20.87)	-
(Increase)/decrease in trade receivables	(191.93)	57.85
Increase in other non current financial assets	(103.35)	-
Decrease in other non current assets	11.62	7.79
Increase in other non current liabilities	62.02	24.53
Decrease/(increase) in other current financial assets	96.94	(3.00)
Decrease in other current assets	118.17	-
Decrease in trade payables	(484.52)	(690.25)
Cash generated from operations	2,605.98	1,786.04
Income tax paid (net of refund)	(119.00)	(280.03)
Net cash flows generated from operating activities	2,486.98	1,506.01
Cash flow from investing activities		
Purchase of investment property	(273.59)	(565.69)
Interest received	21.37	95.31
Net cash flows used in investing activities	(252.22)	(470.38)
Cash flow from financing activities		
Proceeds from long term borrowings	24,900.00	-
Proceeds of loan from Holding Company	2,314.28	92.06
Interest paid	(1,337.15)	(843.16)
Repayment of loan to Holding Company	(1,641.23)	-
Repayment of non convertible debentures	(18,261.00)	-
Repayment of long-term borrowings	(8,146.16)	(292.69)
Net cash flows used in financing activities	(2,171.26)	(1,043.79)
Net increase/(decrease) in cash and cash equivalents	63.51	(8.16)
Cash and cash equivalents at the beginning of the year	109.21	117.37
Cash and cash equivalents at year end	172.71	109.21

Components of cash and cash equivalents:

	(Rs. in Lacs)	
	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
On current accounts	170.24	108.04
Cash on hand	2.47	1.17
	172.71	109.21

Summary of significant accounting policies

The accompanying notes are an integral part of the Ind AS financial statements

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For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pravin Tulsyan
Partner
Membership No. 108044

For and on behalf of the Board of Directors of Max Towers
Private Limited

Bishwajit Das
(Director)
DIN 00029455

Kishansingh Ramsinghaneey
(Director)
DIN 00329411

Archit Goyal
(Chief Financial Officer)

Savi Madaan
(Company Secretary)

Place: Gurugram
Date: May 18, 2023

Place: Noida
Date: May 18, 2023

Max Towers Private Limited
Statement of changes in equity for the year ended March 31, 2023

a) Equity share capital

Particulars	Nos.	(Rs. in Lacs)
As at April 01, 2021	6,50,60,000	6,506.00
Add: Equity share issued during the year (refer note 9)	-	-
As at March 31, 2022	6,50,60,000	6,506.00
Add: Equity share issued during the year (refer note 9)	-	-
As at March 31, 2023	6,50,60,000	6,506.00

b) Other equity

Particulars	(Rs. in Lacs)				
	Retained Earnings (Note 9)	Equity portion of guarantee fees (Note 9)	Compulsorily Convertible Debentures (Note 9)	Non Convertible Debentures (Note 9)	Total equity
As at April 1, 2021	870.16	202.39	26,020.00	-	27,092.56
Profit for the year	705.05	-	-	-	705.05
Other comprehensive income for the year	-	(0.01)	-	-	(0.01)
Addition on account of equity created on @warranty fee	-	1.91	-	-	1.91
As at March 31, 2022	1,575.21	204.29	26,020.00	-	27,799.50
Profit for the year	310.41	-	-	-	310.41
Reversal on account of repayment of loan from bank	-	(73.39)	-	-	(73.39)
Addition on account of new loan guarantee fee	-	257.63	-	-	257.63
Conversion of compulsorily convertible debentures to non-convertible debentures	-	-	(26,020.00)	3,597.62	(22,422.38)
Equity component of redemption of non-convertible debentures	-	-	-	(2,081.78)	(2,081.78)
As at March 31, 2023	1,885.62	388.53	-	1,515.84	3,789.99

Summary of significant accounting policies

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The accompanying notes are an integral part of the Ind AS financial statements

3-36

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pravin Tulsyan
Partner

Membership No. 108044

Place: Gurugram
Date: May 18, 2023

For and on behalf of the Board of Directors
Max Towers Private Limited

Bishwajit Das
(Director)
(DIN 08019455)

Archit Goyal
(Chief Financial Officer)

Place: Noida
Date: May 18, 2023

Kishansingh Ramsinghaneey
(Director)
(DIN 00329411)

Savi Madaan
(Company Secretary)

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

1 Corporate Information

Max Towers Private Limited, ("the Company") is a company registered under Companies Act, 2013 and incorporated on 27th October 2016. The Company is engaged in the business of leasing. Registered office of the Company is located at Max Towers, L-15, C- 001/A/1 Sector- 16B Noida, Uttar Pradesh, India.

The Ind AS financial statements were authorised for issue in accordance with a resolution of the directors on May 18, 2023.

2 Significant accounting policies

2.1 Basis of preparation

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

These Ind AS financial statements have been prepared on a historical cost basis, except for the certain assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

These Ind AS financial statements are presented in INR and all values are rounded to nearest lacs (INR 00,000) except when otherwise stated.

2.2 Summary of significant accounting policies

a. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

The Company has identified twelve months as its operating cycle.

b. Property, Plant and Equipment

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of GST credit availed wherever applicable. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

An item of property, plant and equipment and any significant part initially recognized is derecognized 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 the income statement when the asset is derecognized.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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

Depreciation on property, plant and equipment is provided on pro rata basis on straight-line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:

Assets	Useful lives estimated by the management (years)
Office equipment	6 - 10
Computers	6

c. Investment property

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation or both. Investment properties are measured initially at their cost of acquisition including transaction costs. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Property held under lease is classified as investment property when it is held to earn rentals or for capital appreciation or for both, rather than for sale in the ordinary course of business or for use in production or administrative functions. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent measurement (depreciation and useful lives)

Investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on investment properties is provided on the straightline method, over the useful lives of the assets are as follows:

Asset Category	Estimated Life
Buildings	60
Plant & Machinery	15
Furniture and fixtures	10
Computers	6
Other equipments	6-10

Estimated useful life of leasehold land is over the period of lease.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by the Company applying an acceptable valuation model.

De-recognition

Investment properties are de-recognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of de-recognition.

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

d. Impairment of non financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's, recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For the remaining economic life of the asset or cash-generating unit (CGU), a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In this case, the growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining economic life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

e. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(f) Financial assets

The Company classified its financial assets in the following measurement categories :-

- Those to be measured subsequently at fair value (either through other comprehensive income or through profit & loss)
- Those measured at amortized cost

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, net of transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.2(i) 'Revenue from contracts with customers'.

Subsequent measurement

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

- (i) Debt instruments at amortized cost
- (ii) Debt instruments and equity instruments at fair value through profit or loss (FVTPL)

Debt instruments at amortized cost

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

- (i) Business model test : The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows (rather than to sell the instrument prior to its contractual maturity to released its fair value change), and
- (ii) Cash flow characteristics test : Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- (i) the rights to receive cash flows from the asset have expired, or
- (ii) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either:
 - (a) the Company has transferred the rights to receive cash flows from the financial assets or
 - (b) the Company has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortised cost; e.g. Loans, Security deposits, trade receivable, bank balance, other financial assets etc;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);
- Financial guarantee contracts which are not measured at fair value through profit or loss (FVTPL)

The Company follows "simplified approach" for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

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

Reclassification of financial assets

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

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Company financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits, retention money and other payables.

Subsequent measurement

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

Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using EIR method.

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognised less cumulative amortization.

Derecognition

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

Offsetting of financial instruments

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

f. Compound financial instruments

Compound financial instruments are separated into liability and equity components based on the terms of the contract. On issuance of the compound financial instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on redemption. The remainder of the proceeds is recognised and included in equity. The carrying amount of the conversion option is not remeasured in subsequent years.

g. Revenue from contracts with customers

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The Company has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the Ind AS financial statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- a) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c) The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where any of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised over period of time in respect of rental services on an accrual basis, in accordance with the terms of the respective contract as and when the Company satisfies performance obligations by delivering the services as per contractual agreed terms.

The policy for recognition of revenue from operating leases is described in point 'j' below.

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

h. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 and the income computation and disclosure standards (ICDS) enacted in India by using tax rates and tax laws that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized except:

-When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

-In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside the statement of profit or loss (either in other comprehensive income or in equity).

Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

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

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

j. Leases

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payment are structured to increase in line with expected general inflation to compensate for the losses in expected inflationary cost increase.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

k. Provision and contingent liabilities

Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

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

l. Retirement and other employee benefits

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit (liabilities/assets). The Company recognized the following changes in the net defined benefit obligation under employee benefit expenses in statement of profit and loss

- (i) Service cost comprising current service cost, past service cost, gain & loss on curtailments and non routine settlements.
- (ii) Net interest expenses or income

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period 12 months, the same is presented as non-current liability.

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

m. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

n. Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the year and the weighted average number of shares outstanding during the year adjusted for the effects of all potential equity shares.

o. Fair value measurement

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

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

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

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

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

- (i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares
- Financial instruments (including those carried at amortised cost)

Significant accounting judgements, estimates and assumptions

The preparation of the Company's Ind AS financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. Other disclosures relating to the Company's exposure to risks and uncertainties includes:

-Capital management Note 32

Estimates and assumptions

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

2.3 New and amended standards

(i) Onerous contracts – costs of fulfilling a contract – amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable cost of meeting the obligations under the contract (i.e., the costs that the Company cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

(ii) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

These amendments had no impact on the Ind AS financial statements of the company as there were no modifications of the company's financial instruments which were covered by amendment.

(iii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the Ind AS financial statements of the company as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

(iv) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(c) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the statement of profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The amendments are effective for annual reporting periods beginning on or after 1 April 2022. These amendments had no impact on the Ind AS financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

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Max Towers Private Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

3. Property, plant and equipment

Particulars	(Rs in Lacs)		
	Office equipment	Computers and data processing units	Total
Gross carrying amount			
As at April 1, 2021	0.88	2.18	3.06
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2022	0.88	2.18	3.06
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2023	0.88	2.18	3.06
Accumulated Depreciation			
As at April 1, 2021	0.55	1.89	2.44
Additions	0.17	0.18	0.35
Disposals	-	-	-
As at March 31, 2022	0.72	2.07	2.79
Additions	0.12	-	0.12
Disposals	-	-	-
As at March 31, 2023	0.84	2.07	2.91
Net carrying amount			
As at March 31, 2023	0.04	0.11	0.15
As at March 31, 2022	0.16	0.11	0.27

Max Towers Private Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

4. Investment Property

	(Rs in Lacs)		
	Investment property	Investment property under development	Total
Gross carrying amount			
As at April 1, 2021	44,903.43	99.40	45,002.83
Additions	663.88	-	663.88
Capitalisation	-	99.40	99.40
As at March 31, 2022	45,567.31	-	45,567.31
Additions	267.77	-	267.77
Disposals	-	-	-
As at March 31, 2023	45,835.08	-	45,835.08
Accumulated Depreciation			
As at April 1, 2021	1,647.45	-	1,647.45
Additions	847.81	-	847.81
Disposals	-	-	-
As at March 31, 2022	2,495.26	-	2,495.26
Additions	867.05	-	867.05
Disposals	-	-	-
As at March 31, 2023	3,362.31	-	3,362.31
Net carrying amount			
As at March 31, 2023	42,472.77	-	42,472.77
As at March 31, 2022	43,072.05	-	43,072.05

Notes:

(i) Amount recognised in profit and loss for investment property

	For the year ended March 31, 2023	For the year ended March 31, 2022
Rental income	3,396.81	3,018.73
Less: Direct operating expenses generating rental income	257.03	411.95
Profit from leasing of investment properties	3,139.78	2,606.78
Less: Depreciation Expense	867.17	848.16
Profit from leasing of investment properties after depreciation	2,272.62	1,758.62

(ii) Fair value

Fair value hierarchy and valuation technique

The fair value of investment property has been determined by the company internally, having appropriate professional qualification. The fair value has been arrived using discounted cash flow projections based on reliable estimates of future cash flows considering growth in rental of 15% on every 3 years, and discount rate of 15.00% (March 31, 2022: 12%).

Reconciliation of fair value:

	(Rs in Lacs)
Opening balance as at 1 April 2022	44,700 to 49,000
Increase of Fair value	1,000
Decline in fair value	-
Closing balance as at 31 March 2023	45,700 to 50,000

Valuation models applied for valuation:

Discounted cash flow method - net present value is determined based on projected cash flows discounted at an appropriate rate

(iii) Leasing arrangements

The investment property are leased to tenants under long term operating leases with rentals payable monthly. The lock-in of the properties is for a period of 3 years from the date of lease.

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

Particulars	(Rs. in Lacs)	
	As at	As at
	March 31, 2023	March 31, 2022
5. Non Current financial assets		
(i) Trade receivables		
Unsecured - considered good	70.87	64.75
	70.87	64.75
(ii) Other financial assets		
Security deposits	54.16	54.16
Rent receivable (Equalisation)	134.40	329.05
Deposits with remaining maturity for more than 12 months*	666.00	368.00
	854.56	751.21
* The Company has maintained balance in Fixed Deposit as DSRA for term loan obtained from bank. Also refer note 10.		
6a Non current tax assets (net)		
Tax deducted at source recoverable	554.10	435.10
	554.10	435.10
6b Other non current assets (unsecured considered good)		
Deferred guarantee fee	214.29	69.49
Capital advances	-	5.81
	214.29	75.30

(Rs. in Lacs)

Particulars	(Rs. in Lacs)	
	As at March 31, 2023	As at March 31, 2022
7. Current financial assets		
(i) Trade receivables		
Unsecured, considered good		
Trade receivables	167.65	57.00
Receivables from other related parties (refer note 31(b))	78.91	3.76
	246.56	60.76

Note: Trade receivables are non-interest bearing and have an average credit period of 60 days.

Ageing of trade receivable	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
As on March 31, 2023							
Undisputed Trade Receivables – considered good	32.93	208.95	2.21	2.47	-	-	246.56
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	32.93	208.95	2.21	2.47	-	-	246.56

As on March 31, 2022	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	28.37	25.29	7.10	-	-	-	60.76
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	28.37	25.29	7.10	-	-	-	60.76

(ii) Cash and cash equivalents

Balances with banks:		
On current accounts	170.24	108.04
Cash in hand	2.47	1.17
	172.71	109.21

(iii) Other financial assets

Security deposit	35.55	22.62
Interest accrued on fixed deposits	20.34	37.06
Rent receivable (Equalisation)	197.13	307.00
	253.02	366.68

8. Other current assets (unsecured considered good, unless otherwise stated)

Advances to suppliers, employees etc	19.72	20.91
Prepaid expenses	5.69	4.79
Balance with statutory authorities	7.93	95.19
Deferred guarantee fee	35.74	7.79
Other advances	11.14	30.27
	80.22	158.95

Max Towers Private Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

9(i) Share capital and other equity

(i) Equity share capital

Particulars	(Rs in Lacs)	
	As at March 31, 2023	As at March 31, 2022
a) Authorized share capital		
6,50,60,000 equity shares of Rs.10/- each (31 March 2022 : 6,50,60,000 equity shares of Rs. 10/- each)	6,506.00	6,506.00
	<u>6,506.00</u>	<u>6,506.00</u>
Issued, subscribed and fully paid-up		
6,50,60,000 equity shares of Rs.10/- each (31 March 2022 : 6,50,60,000 equity shares of Rs. 10/- each fully paid up)	6,506.00	6,506.00
Total issued, subscribed and fully paid-up share capital	<u>6,506.00</u>	<u>6,506.00</u>

b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	March 31, 2023		March 31, 2022	
	No. of shares	(Rs. In lacs)	No. of shares	(Rs. In lacs)
At the beginning of the year	6,50,60,000	6,506.00	6,50,60,000	6,506.00
Add: Shares issued during the year				
Outstanding at the end of the year	<u>6,50,60,000</u>	<u>6,506.00</u>	<u>6,50,60,000</u>	<u>6,506.00</u>

c) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

d) Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	March 31, 2023		March 31, 2022	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 10 each fully paid-up				
Max Estates Limited	6,50,59,994	99.9999%	6,50,59,994	99.9999%

e) Details of shares held by holding company

Name of the shareholder	March 31, 2023		March 31, 2022	
	No. of shares	% held	No. of shares	% held
Equity shares of Rs. 10 each fully paid-up				
Max Estates Limited	6,50,59,994	99.9999%	6,50,59,994	99.9999%

f) Aggregate number of shares issued as bonus or for consideration other than cash or bought back during the period of five years immediately preceding the reporting date - NIL

g) Shareholding pattern of the Promoter and Promoter Group

Period	Promoter Name	Shares held by promoters at the end of the Year		
		No. Of shares	% of total shares	% Change during the year
As on March 31, 2023	Max Estates Limited	6,50,59,994	99.9999%	Nil
As on March 31, 2022	Max Estates Limited	6,50,59,994	99.9999%	Nil

Max Towers Private Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

(ii) Other equity

Particulars	(Rs. in Lacs)	
	As at March 31, 2023	As at March 31, 2022
Retained earnings (refer note a below)	1,885.62	1,575.21
Other equity (refer note b below)	388.54	204.29
Compulsorily Convertible Debentures (CCD) (refer note c below)	-	26,020.00
Non Convertible Debentures (NCD) (refer note d below)	1,515.83	-
	3,789.99	27,799.50
Notes:		
a) Retained earnings		
At the beginning of the year	1,575.21	870.17
Profit for the year	310.41	705.04
At the end of the year	1,885.62	1,575.21
b) Equity portion of guarantee fees		
At the beginning of the year	204.29	202.39
Other comprehensive loss for the year	-	(0.01)
Reversal on account of repayment of loan from bank	(73.39)	-
Addition on account of equity created on guarantee fee	257.63	1.91
At the end of the year	388.54	204.29
c) Compulsorily Convertible Debentures (CCD)*		
At the beginning of the year	26,020.00	26,020.00
Conversion of compulsorily convertible debentures to non-convertible debentures	(26,020.00)	-
At the end of the year	-	26,020.00
d) Non Convertible Debentures (NCD)*		
At the beginning of the year	-	-
Conversion of compulsorily convertible debentures to non-convertible debentures	3,597.62	-
Equity Component of redemption of non-convertible debentures	(2,081.79)	-
At the end of the year	1,515.83	-

* During the year, the Company has converted Zero Coupon Compulsory Convertible Debenture amounting to Rs. 26,020 Lakhs to Zero Coupon Non-Convertible Debenture (NCD) amounting to Rs. 26,020 Lakhs issued to its holding Company, Max Estates Limited. The Company also redeemed the NCD amounting to Rs.18,261 Lacs during the year. The outstanding NCD amounting to Rs. 7,759 Lacs are discounted as per Ind AS 109 'Financial Instruments' and accounted for as equity and debt components in these Ind AS financial statements.

Terms of NCD:

- Face value of 1 debenture = Rs.1 lac
- Interest - NCD bearing zero coupon rate
- Tenure – On or before 6 years.
- Call option – The Holding Company, Max Estates Limited has the right to redeem the debentures by giving one-month prior notice.
- Redemption – By paying the redemption amount at face value
- Conversion – NCD shall not be convertible into equity shares or any other securities of the Company.

Max Towers Private Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

10. Borrowings

Particulars	(Rs. in Lacs)	
	As at March 31, 2023	As at March 31, 2022
Non-current borrowings		
Non Convertible Debentures (NCD) (Refer note 31(b))	6,826.94	-
Term Loan from Banks (secured)	24,603.34	7,932.18
	31,430.28	7,932.18
Less: Amount disclosed under "Other current financial liabilities - Short term borrowing" [refer note 14(i)]	564.17	346.58
	30,866.11	7,585.60
Aggregate secured loans (including amount disclosed as short term borrowing)	31,430.28	7,932.18
Aggregate unsecured loans	-	-

Term loan from banks

Notes The Company has taken secured term loan facility for Rs. 24,900 Lakhs loan from HDFC Bank Limited at an effective weighted average rate of 7.91% (March 31, 2022: Rs. 11,700 Lakhs from ICICI Bank Limited at an effective weighted average rate of 8.14%). Out of this facility, the Company has drawn Rs. 24,900 Lakhs (March 31, 2022: Rs. 8,600 Lakhs from ICICI Bank Limited) till March 31, 2023 repayable in 204 installments commencing from 1 month from the first drawdown date. The Company has fully repaid term loan from ICICI Bank during the year.

The security of the loan is as follows-

An exclusive charge by way of mortgage / hypothecation / assignment / security interest / charge / pledge upon following (both present and future) on:

- i) The escrow account opened before the first drawdown along with all monies to be received from the lessee, present and future, pertaining to the property, credited / deposited therein.
- ii) The Debt Service Reserve Account (DSRA) equivalent to 3 months peak debt servicing (interest and principal) to be maintained throughout the tenor of the Facilities. Debt Service Coverage Ratio shall be created upfront & by way of Fixed Deposit lien marked to the lenders.
- iii) Minimum Debt Service Coverage Ratio of 1.3x to be maintained, to be tested on 31st March and 30th September every year.

The Company has satisfied all debt covenants prescribed in the terms of term loan. The Company has not defaulted on any loans payable.

Max Towers Private Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

Particulars	(Rs. in Lacs)					
	As at	As at				
	March 31, 2023	March 31, 2022				
11. Non-current provision						
Provision for employee benefits	-	0.32				
Provision for gratuity (refer note 26)	-	0.32				
12. Deferred tax liabilities/ (assets) (refer note 24)						
(i) Deferred tax liability						
Investment property and PPE: Impact of difference between tax depreciation and depreciation charged for the financial reporting period	1,071.48	885.76				
Gross deferred tax liability (A)	1,071.48	885.76				
(ii) Deferred tax assets						
Impact of expenditure charged to the statement of profit and loss in the period but allowed for tax purposes on payment basis	540.28	494.57				
Gross deferred tax assets (B)	540.28	494.57				
Deferred tax liability (A-B)	531.20	391.19				
13. Other non-current liability						
Security deposit received	1,454.82	1,343.15				
Deferred finance income	29.35	79.00				
	1,484.17	1,422.15				
14. Current financial liabilities						
(i) Borrowings						
Loan from related party (Unsecured) (refer Note 31(b)).	860.59	187.55				
Current maturity of long term borrowings (refer note 10)	564.17	346.58				
	1,424.76	534.13				
(ii) Trade payables						
Total outstanding dues of micro enterprises and small enterprises (refer note 34)	1.15	85.71				
Total outstanding dues of creditors other than micro enterprises and small enterprises	187.33	587.28				
	188.48	672.99				
Trade payables ageing schedule as on March 31, 2023:						
Particulars	Outstanding for following periods from due date of payment					Total
	Not due	<1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1.15	-	-	-	-	1.15
(ii) Others	74.72	112.61	-	-	-	187.33
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues -others	-	-	-	-	-	-
Trade payables ageing schedule as on March 31, 2022:						
Particulars	Outstanding for following periods from due date of payment					Total
	Not due	<1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	85.71	-	-	-	-	85.71
(ii) Others	-	587.28	-	-	-	587.28
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues -others	-	-	-	-	-	-
(iii) Other current financial liabilities						
Deferred finance income	57.89					90.13
	57.89					90.13
15. Current provision						
Provision for employee benefits						0.75
Provision for leave encashment						0.00
Provision for gratuity (refer note 26)						0.75
16. Other current liabilities						
Advance from customers						1.63
Statutory dues	70.65					89.89
	70.65					91.52

Max Towers Private Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

22a CSR expenditure

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. The Company has contributed a sum of Rs. 20.00 Lacs (March 31, 2022: 10.07 Lacs) towards this cause and charged the same to the Statement of Profit And Loss.

Details of CSR expenditure

	(Rs. in Lacs)	
	For the year ended March 31 2023	For the year ended March 31 2022
a) Gross amount required to be spent by the Company during the year	19.61	10.07
b) Amount approved by the Board to be spent during the year	19.61	-

c) Amount spent during the year

- (i) Construction/acquisition of any asset
(ii) On purposes other than (i) above

	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	20.00	-	20.00

d) Details related to spent / unspent obligations:

- i) Contribution to public trust
ii) Contribution to charitable trust
iii) Unspent amount in relation to:
- Ongoing project
- Other than ongoing project

	For the year ended March 31, 2023	For the year ended March 31, 2022
i) Contribution to public trust	-	-
ii) Contribution to charitable trust	-	-
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-

Note for other than ongoing project:

	In case of Section 135(5) (Other than ongoing project)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance		
With Company	-	-
In separate CSR unspent account	-	-
Amount deposited in specified fund of Schedule VII within 6 months	-	-
Amount required to be spent during the year	19.61	10.07
Amount spent during the year		
From Company's bank A/c	20.00	10.07
From separate CSR unspent a/c	-	-
Closing balance		
With Company	-	-
In separate CSR unspent account	-	-

There are no ongoing projects for the year ended March 31, 2023 and March 31, 2022.

Max Towers Private Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

(Rs. in Lacs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
17. Revenue from contract with customers		
Revenue from rentals	3,396.81	3,018.73
Total	3,396.81	3,018.73
Note: The performance obligation is satisfied over-time and payment is generally due upon completion of service.		
18. Other income		
Interest on:		
- unwinding of security deposits	93.75	100.78
- income tax refund	21.37	-
- deposits	68.34	27.99
Miscellaneous income	11.41	13.71
	194.87	142.48
19. Employee benefits expense		
Salaries, wages and bonus	33.06	82.16
Contribution to provident and other funds	0.34	0.43
Gratuity expense (refer note 26)	0.06	0.24
Staff welfare expenses	0.11	0.09
	33.57	82.92
20. Finance costs		
Interest on:		
- term loan from banks	1,227.07	835.29
- non convertible debentures	583.77	-
- unwinding of security deposit	96.14	7.87
Other borrowing costs	110.08	-
	2,017.06	843.16
21. Depreciation and amortization expense		
Depreciation of property, plant and equipment (refer note 3)	0.12	0.35
Depreciation on Investment property (refer note 4)	867.05	847.81
	867.17	848.16
22. Other expenses		
Facility management	48.52	-
Repairs and maintenance:		
Building	23.97	10.49
Others	15.37	4.93
Legal and professional fees*	70.48	19.63
Advertisement expense	10.46	7.86
Rates and taxes	0.68	0.09
Brokerage	11.04	-
Corporate social responsibility (CSR) (Refer note 22a)	20.00	10.07
Directors sitting fees	4.00	3.00
Insurance	17.63	15.50
Assured rental	-	256.10
Miscellaneous expenses	1.31	1.36
	223.46	329.03
* Payment to auditor (included in legal and professional fees)		
As auditor:		
Audit fee	10.00	0.75
Other services (certification fees)	-	0.50
	10.00	1.25

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

23 Earning Per Share

Particulars	(Rs. in Lacs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Basic EPS		
Profit after tax	310.41	705.05
Weighted average number of equity shares outstanding during the year (Nos.)	17,34,17,260	32,52,60,000
Basic earnings per share (Rs.)	0.18	0.22
Diluted EPS		
Profit after tax	310.41	705.05
Weighted average number of equity shares outstanding during the year for dilutive earnings per share (Nos.)	17,34,17,260	32,52,60,000
Diluted earnings per share (Rs.)	0.18	0.22

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

24 Income Tax

Particulars	(Rs. in Lacs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
The major components of income tax expense for the year ended March 31, 2023 and March 31, 2022 :		
Current income tax :		
Current tax	-	-
Income tax for earlier year	4.17	77.82
Deferred tax :		
Relating to origination and reversal of temporary differences	135.84	275.06
Income tax expense reported in the statement of profit and loss	140.01	352.88
Deferred tax relates to the following:		
Deferred tax liabilities		
Differences in depreciation in block of fixed assets as per tax books and financial books	1,071.48	885.76
Other items giving rise to temporary differences	-	-
Gross deferred tax liabilities (a)	1,071.48	885.76
Deferred tax assets		
Effect of expenditure debited to the statement of Profit and Loss in the current period/earlier periods but allowed for tax purposes in following periods	540.28	494.57
Gross deferred tax assets (b)	540.28	494.57
Deferred tax liabilities (net)	531.20	391.19
Reflected in the balance sheet as follows:		
Reconciliation of deferred tax liabilities (net):		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance	391.19	38.31
Tax expense/(income) during the period recognised in profit or loss	140.01	352.88
Tax expense/(income) during the period recognised in OCI	-	-
Closing balance	531.20	391.19

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

25 Commitments and contingencies

Other commitments

(Rs. In lacs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Estimated amount of contracts remaining to be executed and not accounted for	-	50.34
Less Capital advances	-	5.81
Net commitments	-	44.54

Contingent Liability

During the year, the Company received an assessment order under Income Tax for AY 2020-21 wherein the assessing authority has disallowed an amount of Rs. 336 Lakhs, being amortisation of leasehold land premium. The Company has replied to the above order and has assessed that it is only possible, but not probable, that outflow of economic resources will be required. Hence, no impact thereof has been taken in these Ind AS financial statements for the year ended March 31, 2023. The demand amount of Rs. 50.21 Lacs against the above-mentioned disallowance has been adjusted against a refund amount due from the Income tax department.

Max Towers Private Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

25a Disclosure pursuant to amendment to Ind AS 7 (Statement of Cash flows)

Particulars	Opening balance April 1, 2022	Cash flows		Others	(Rs. in Lakhs)
		Proceeds	Repayment		Closing balance
		March 31, 2023			
Non-current borrowings	7,585.60	24,335.83	(26,060.57)	25,005.25	30,866.11
Current maturity of non-current borrowings	346.58	564.17	(346.58)	-	564.17
Loan from related party	187.55	2,314.28	(1,641.24)	-	860.59
Total liabilities from financing activities	8,119.73	27,214.28	(28,048.39)	25,005.25	32,290.87

Particulars	Opening balance April 1, 2021	Cash flows		Others	(Rs. in Lakhs)
		Proceeds	Repayment		Closing balance
		March 31, 2022			
Non-current borrowings	7,931.32	-	(357.53)	11.81	7,585.60
Current maturity of borrowings	281.75	64.83	-	-	346.58
Loan from related party	95.49	1,102.02	(1,009.96)	-	187.55
Total liabilities from financing activities	8,308.56	1,166.85	(1,367.49)	11.81	8,119.73

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Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

26 Gratuity

The Company has a defined benefit gratuity plan. Under Gratuity Plan, every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

	(Rs. in lacs)	
	As at March 31, 2023	As at March 31, 2022
a) Reconciliation of opening and closing balances of defined benefit obligation		
Defined benefit obligation at the beginning of the year	0.32	0.10
Current service cost	-	0.23
Interest expense	-	0.01
Benefit paid	(0.32)	-
Acquisition adjustment	-	-
Remeasurement of (Gain)/loss in other comprehensive income	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	(0.02)
Actuarial changes arising from changes in experience adjustments	-	-
Defined benefit obligation at year end	-	0.32
b) Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at beginning of the year	-	-
Expected return on plan assets	-	-
Employer contribution	-	-
Remeasurement of (Gain)/loss in other comprehensive income	-	-
Fair value of plan assets at year end	-	-
c) Net defined benefit asset/ (liability) recognized in the balance sheet		
Fair value of plan assets	-	-
Present value of defined benefit obligation	-	0.32
Amount recognized in balance sheet- asset / (liability)	-	0.32
d) Net defined benefit expense (recognized in the statement of profit and loss for the year)		
Current service cost	-	0.23
Past service cost	-	-
Interest cost on benefit obligation	-	0.01
Expected return on plan assets	-	-
Net defined benefit expense debited to statement of profit and loss	-	0.24
(e) Remeasurement gain/(loss) recognised in other comprehensive income		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	(0.02)
Actuarial changes arising from changes in experience adjustments	-	-
Recognised in other comprehensive income	-	(0.02)
f) Principal assumptions used in determining defined benefit obligation		
Assumption particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.26%	7.26%
Salary escalation rate	10.00%	10.00%
Mortality Rate (% of IALM 06-08)	100.00%	100.00%
g) Quantitative sensitivity analysis for significant assumptions is as below:	For the year ended March 31, 2023	For the year ended March 31, 2022
Increase / (decrease) on present value of defined benefits obligations at the end of the year		
<u>Discount rate</u>		
Increase by 0.50%	-	(31.55)
Decrease by 0.50%	-	35.70
<u>Salary growth rate</u>		
Increase by 0.50%	-	34.59
Decrease by 0.50%	-	(30.95)

- h) The average duration of the defined benefit plan obligation at the end of the reporting year is Nil Years (March 31, 2022 :19.28 years)
- i) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary. As there are no employees in the Company as on March 31, 2023, the values are Nil.
- j) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.
- k) The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year. As there are no employees in the Company, the values are Nil.

27 Segment reporting

The Company is a one segment company in the business of leasing. All its operations are located in India , accordingly, the Company views these activities as one business segment, there are no additional disclosures to be provided in terms of Ind AS 108 on 'Segment Reporting'.

28 Financial instruments

The comparison of carrying value and fair value of financial instruments by categories that are not measured at fair value are as follows:

Category	Carrying value		Fair Value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1) Financial asset at amortized cost				
Non current & current				
Other financial assets (including other Bank balances)	1,107.58	1,117.89	1,107.58	1,117.89
Trade receivables	317.43	125.50	317.43	125.50
Cash and cash equivalents	172.71	109.21	172.71	109.21
2) Financial liabilities at amortized cost				
Non current & current				
Borrowings	32,290.87	8,119.73	32,290.87	8,119.73
Other financial liabilities	57.89	90.13	57.89	90.13
Trade payables	188.48	672.99	188.48	672.99

The Company assessed that trade receivables, cash and cash equivalents, other bank balances, interest receivable, trade payables are considered to be the same as their fair values, due to their short term nature.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Long-term fixed-rate borrowings are evaluated by the Company based on parameters such as interest rates individual credit worthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair value of loans from banks and other financial liabilities as well as other noncurrent financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use observable and unobservable inputs in the model, of which the significant observable and unobservable inputs are disclosed in the table below. Management regularly assesses a range of reasonably possible alternatives for those significant observable and unobservable inputs and determines their impact on the total fair value.

The fair values of the Company's interest-bearing borrowings and other non-current financial liabilities are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

29 Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

(i) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2023

Particulars	Carrying value March 31, 2023	Fair value		
		Level 1	Level 2	Level 3
Other financial assets	1,107.58	-	-	1,107.58
Trade receivables	317.43	-	-	317.43
Cash and cash equivalents	172.71	-	-	172.71

(ii) Quantitative disclosure of fair value measurement hierarchy for financial assets as on March 31, 2022

Particulars	Carrying value March 31, 2022	Fair value		
		Level 1	Level 2	Level 3
Other financial assets	1,117.89	-	-	1,117.89
Trade receivables	125.50	-	-	125.50
Cash and cash equivalents	109.21	-	-	109.21

(iii) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2023

Particulars	Carrying value March 31, 2023	Fair value		
		Level 1	Level 2	Level 3
Non current & current				
Borrowings	32,290.87	-	-	32,290.87
Other financial liabilities	57.89	-	-	57.89
Trade payables	188.48	-	-	188.48

(iv) Quantitative disclosure of fair value measurement hierarchy for financial liabilities as on March 31, 2022

Particulars	Carrying value March 31, 2022	Fair value		
		Level 1	Level 2	Level 3
Borrowings	8,119.73	-	-	8,119.73
Other financial liabilities	90.13	-	-	90.13
Trade payables	672.99	-	-	672.99

30 Financial risk management objectives and policies

The Company has instituted an overall risk management programme which also focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Corporate Finance department, evaluates financial risks in close co-operation with the various stakeholders.

The Company is exposed to capital risk, credit risk, market risk and liquidity risk. These risks are managed pro-actively by the Senior Management of the Company, duly supported by various Groups and Committees.

a) Capital risk

The Company's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns to its shareholders and benefits for other stakeholders and to provide for sufficient capital expansion. The capital structure of the Company consists of debt, which includes the borrowings, cash and cash equivalents and equity.

b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company employs prudent liquidity risk management practices which inter alia means maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Given the nature of the underlying businesses, the corporate finance maintains flexibility in funding by maintaining availability under committed credit lines and this way liquidity risk is mitigated by the availability of funds to cover future commitments. The Company while borrowing funds for large capital project, negotiates the repayment schedule in such a manner that these match with the generation of cash on such investment.

The table below represents the maturity profile of Company's financial liabilities at the end of respective year based on contractual undiscounted payments :-

March 31, 2023	0-1 Years	1-5 Years	More than 5 Years	Total
Interest bearing borrowings	1,424.76	30,866.11	-	32,290.87
Trade payable	188.48	-	-	188.48
Other financial liabilities	57.89	-	-	57.89
% to Total	5.14%	94.86%	0.00%	100.00%

March 31, 2022	0-1 Years	1-5 Years	More than 5 Years	Total
Interest bearing borrowings	880.71	7,585.60	-	8,466.31
Trade payable	672.99	-	-	672.99
Other financial liabilities	90.13	-	-	90.13
% to Total	17.81%	82.19%	0.00%	100.00%

c) Credit risk

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

(i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Management evaluate credit risk relating to customers on an ongoing basis. Receivable control management Department assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The Company provides credit to individuals on exceptional basis only. An impairment analysis is performed at each reporting date on an individual basis.

Trade receivables

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Neither past due or impaired	32.93	28.37
0 to 180 days due past due date	208.95	25.29
More than 180 days due past due date	4.68	7.10
Total trade receivables	246.56	60.76

d) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at March 31, 2023. The analyses exclude the impact of movements in market variables on; the carrying values of provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2023.

(i) Interest rate risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligation at fixed interest rate (including impact of interest on non convertible debentures).

Year	(Rs. in Lacs)	
	Increase/decrease in interest rate	Effect on Profit before tax
March 31, 2023	0.50%	161.45
March 31, 2022	0.50%	42.33

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

31 Related party disclosures

Names of related parties where control exists irrespective of whether transactions have occurred or not	
Ultimate Holding Company	Max Ventures & Industries Limited
Holding Company	Max Estates Limited
Fellow Subsidiary Company	Pharmax Corporation Limited
	Max Square Limited (formerly known as Northern Propmart Solutions Limited)
Names of other related parties with whom transactions have taken place during the year	
Directors and Key management personnel	Mr. Kishansingh Ramsinghaney (Director) Ms. Gauri Padmanabhan (Director) Mr. Anshul Gaurav (Director) Mr. Bishwajit Das (Director) Ms. Neha Yadav - Company Secretary (upto 29-11-2022)
Relatives of Key Management personnel	Sahil Vachani
Entities controlled or jointly controlled by person or entities where person has significantly influence or entities where person having control is Key Management personnel	Max India Limited Max Life Insurance Co. Limited Riga Foods LLP Antara Senior Living Limited New Delhi House Services Limited Max Asset Services Limited Vanavastra Private Limited Max India Foundation Routes to roots Max Ventures Private Limited Azure Hospitality Private Limited Antara Assisted Care Services Limited Max Financials Services Limited Max Skill First Limited Piveta Estates Private Limited Max Asset Services Limited Max Bupa Health Insurance Company Limited Max Learning Ventures Private Limited

31 (a) Details of transactions with related parties

S.No	Nature of transaction	Particulars	(Rs. In lacs)			
			For the year ended March 31, 2023	For the year ended March 31, 2022		
1	Reimbursement of Expenses	Max Ventures & Industries Limited	0.03	-		
		Max Estates Limited (Shared services)	45.20	63.36		
		Max Estates Limited	-	13.61		
		Neha Yadav	0.09	0.05		
		Max Asset Services Limited	2.00	-		
		RIGA Foods LLP	8.00	0.32		
	Total	55.32	77.34			
2	Revenue from Other Charges	Venavastra Private Limited	-	8.97		
		Max Learning Ventures Private Limited	58.90	-		
		Routes to roots	1.17	1.08		
	Total	60.07	10.05			
3	Revenue from Rental Charges	Max Asset Services Limited	42.89	0.93		
		Antara Senior Living Limited	5.20	5.20		
		Routes to roots	23.57	20.75		
		RIGA Foods LLP	21.50	0.90		
		Total	93.16	27.78		
4	Revenue from Covid Vaccination Charges	Max Square Limited	-	0.27		
		Max Ventures & Industries Limited	-	0.29		
		Max Ventures Private Limited	-	0.03		
		Routes to Roots	-	0.43		
		Max India Limited	-	0.13		
		Max Life Insurance Company Limited	-	5.92		
		Azure Hospitality Private Limited	-	2.23		
		Antara Senior Living Limited	-	0.67		
		Antara Assisted Care Services Limited	-	0.51		
		Max Estates Limited	-	2.06		
		Max Financials Services Limited	-	0.20		
		Max India Foundation	-	1.79		
		Max Skill First Limited	-	0.05		
		New Delhi House Services Limited	-	1.49		
		Piveta Estates Private Limited	-	0.04		
		Max Speciality Films Limited	-	0.09		
		Max Asset Services Limited	-	1.82		
		Sahil Vachani	-	0.62		
		Max Bupa Health Insurance Company Limited	-	0.66		
		Total	-	19.30		
		5	Security Deposit Received	Max Asset Services Limited	-	0.90
				Max Learning Ventures Private Limited	-	23.87
				Routes to roots	-	0.44
Total	-			25.21		
6	Rent paid	Max Life Insurance Company Limited	-	256.10		
		Total	-	256.10		
7	Electricity Charges	Max Asset Services Limited	2.11	-		
		Total	2.11	-		
8	DG Power Back-up Charges	Max Asset Services Limited	0.04	-		
		Total	0.04	-		
9	Guarantee Fee	Max Ventures & Industries Limited	11.50	7.78		
		Total	11.50	7.78		
10	Loan taken	Max Estates Limited	2,314.28	1,102.02		
		Total	2,314.28	1,102.02		
11	Loan given / repaid	Max Estates Limited	1,641.23	1,009.96		
		Total	1,641.23	1,009.96		
12	Corporate Social Responsibility (Refer note 22a)	Max India Foundation	20.00	10.07		
		Total	20.00	10.07		
13	Inventory Transfer	Max Asset Services Limited	-	9.04		
		Total	-	9.04		
14	Assets transferred to	Max Square Limited	-	3.73		
		Total	-	3.73		
15	Director sitting fees	Ms. Gauri Padmanabhan	4.00	3.00		
		Total	4.00	3.00		
16	Non Convertible Debentures repaid	Max Estates Limited	18,261.00	-		
		Total	18,261.00	-		
17	Key managerial remuneration - employees cost	Neha Yadav	6.60	8.07		
		Total	6.60	8.07		

Max Towers Private Limited
Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

31 (b) Balances outstanding at year end

S.No	Nature of transaction	Particulars	(Rs. In lacs)			
			As at March 31, 2023	As at March 31, 2022		
1	Trade payables	Max Estates Limited	20.00	18.19		
		Max Life Insurance Company Limited	-	91.78		
		Max Asset Services Limited	24.93	-		
		Neha Yadav	-	0.01		
		Mrs Gauri Padmnabhan	1.80	-		
		Antara Assisted Care Services Limited	-	0.13		
		Total	46.73	110.11		
2	Trade receivables	Max Square Limited	3.44	-		
		Antara Senior Living Limited	2.27	1.67		
		Max Asset Services Limited	47.27	-		
		Max Speciality Films Limited	-	0.10		
		Max Skill First Limited	-	0.06		
		RIGA Foods LLP	3.53	-		
		Max Learning Ventures Private Limited	20.06	-		
		Route 2 route	2.34	1.93		
		Total	78.91	3.76		
		3	Borrowings	Max Estates Limited	860.59	187.55
				Total	860.59	187.55
4	Security Deposits received	Max Asset Services Limited	311.38	311.38		
		Route 2 route	4.38	4.38		
		Max Learning Ventures Private Limited	23.87	23.87		
		Total	339.63	339.63		
5	Deferred guarantee fees	Max Ventures & Industries Limited	250.03	77.28		
		Total	250.03	77.28		
6	Compulsory Convertible Debentures	Max Estates Limited	-	26,020.00		
		Total	-	26,020.00		
7	Non Convertible Debentures	Max Estates Limited	6,826.94	-		
		Total	6,826.94	-		

Terms and conditions of transactions with related parties

a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

32 Capital Management

For the purpose of the Company's capital management, capital includes issued equity attributable to the equity shareholders of the Company, share premium and all other equity reserves. The primary objective of the Company's capital management is that it maintain an efficient capital structure and maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	Rs. In lacs	
	As at March 31, 2023	As at March 31, 2022
Borrowings	32,290.87	8,119.73
Trade payables	188.48	672.99
Less: Cash and Cash equivalents	(172.71)	(109.21)
Net Debt	32,306.64	8,683.51
Equity	10,295.99	34,305.50
Total Equity	10,295.99	34,305.50
Total Capital and net debt	42,602.63	42,989.01
Gearing ratio	76%	20%

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

33	Ratio analysis and its elements	Rs. In lacs		% Change	Reason for variance if more than 25% change from previous year
		As at March 31, 2023	As at March 31, 2022		
	Current asset	752.51	695.60		
	Current liability	1,741.78	1,389.52		
(i)	Current Ratio	0.43	0.50	-14%	NA
	Debt	32,290.87	8,119.73		
	Shareholder equity	10,295.99	34,305.50		
(ii)	Debt-Equity ratio	3.14	0.24	1225%	The Company converted compulsorily convertible debentures into non convertible debentures during the year resulting in an increase in debt and decrease in shareholder equity
	Earnings available for debt service	3,194.64	2,396.37		
	Interest	1,337.15	843.16		
	Principal	8,146.16	292.69		
(iii)	Debt service coverage ratio	0.34	2.11	-84%	The principle amount of loan repaid increased since the Company fully prepaid a not due term loan during the year thereby increasing the principle of loan.
	Net Income (annual)	310.41	705.06		
	Shareholder Equity	10,295.99	34,305.50		
(iv)	Return on Equity Ratio	0.03	0.02	47%	The Company converted compulsorily convertible debentures into non convertible debentures during the year resulting in a decrease in shareholder equity. Correspondingly, the decrease is set off by an increase in finance cost thereby reducing the net profit in the current year.
	Cost of Goods sold/sale	NA	NA		
	Average inventory	NA	NA		
(v)	Inventory Turnover Ratio	NA	NA	NA	NA
	Net Credit Sale	NA	NA		
	Average Trade Receivable	NA	NA		
(vi)	Trade Receivables Turnover Ratio	NA	NA	NA	NA
	Net Credit Purchase	NA	NA		
	Average Trade payable	NA	NA		
(vii)	Trade Payable Turnover Ratio	NA	NA	NA	NA
	Revenue from Operations	3,396.81	3,018.73		
	Working Capital	(989.28)	(693.92)		
(viii)	Net Capital Turnover ratio	(3.43)	(4.35)	-21%	NA
	Net Profit	310.41	705.06		
	Revenue from Operation	3,396.81	3,018.73		
(ix)	Net Profit Ratio	0.09	0.23	-61%	The variance is due to increased finance cost thereby reducing the net profit in the current year
	Earning before interest and tax (EBIT)	2,467.48	1,901.09		
	Capital Employed	43,177.47	43,704.76		
(x)	Return on Capital employed	0.06	0.04	31%	The variance is due to increased revenue thereby increasing the EBIT in the current year.
	Profit (PAT)	310.41	705.06		
	Investment	43,177.47	43,704.76		
(xi)	Return on Investment	0.72%	1.61%	-55%	The variance is due to increased finance cost thereby reducing the net profit in the current year.

Max Towers Private Limited

Notes forming part of the Ind AS financial statements for the year ended March 31, 2023

34 Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium enterprises Development (MSMED) Act, 2006

The micro, small and medium enterprises have been identified by the Company from the available information. According to such identification, the disclosures as per Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 are as follows:

	(Rs. In lacs)	
	As at March 31, 2023	As at March 31, 2022
i) The principal amount and the interest due thereon remaining unpaid to any supplier		
- Principal amount	1.15	85.71
- Interest thereon	Nil	Nil
ii) The amount of interest paid by the buyer in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day.	Nil	Nil
iii) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act.	Nil	Nil
iv) The amount of interest accrued and remaining unpaid.	Nil	Nil
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor.	Nil	Nil

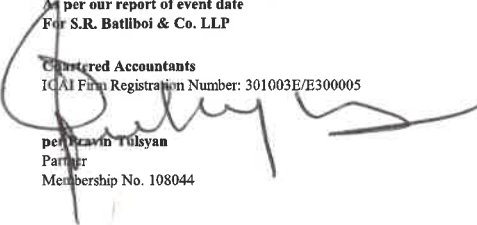
The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED.

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- (i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
 - (ii) The Company does not have any transactions with companies that are struck off.
 - (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
 - (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
 - (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (vii) The Company has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
 - (viii) The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.
 - (ix) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - (x) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
 - (xi) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

- 36 The previous year figures have been regrouped/rearranged wherever necessary to make them comparable to current year's classification.

As per our report of event date
For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per 
Parvin Tulsyan
Partner
Membership No. 108044


Place: Gurugram
Date: May 18, 2023

For and on behalf of the Board of Directors of Max Towers Private Limited


Bishwajit Das
(Director)
(DIN 00029455)


Archit Goyal
(Chief Financial Officer)

Place : Noida
Date: May 18, 2023


Kishansingh Ramsinghancy
(Director)
(DIN 00329411)


Savi Madaan
(Company Secretary)