



Statement of Audited Standalone Financial Results for the year ended 31 March, 2022

(Amount in INR Lakh, unless otherwise stated)

Sr. No.	Particulars	Notes to Annexure A	Standalone				
			Quarter ended		Year ended		
			31.03.2022 (Audited)	31.12.2021 (Unaudited)	31.03.2021 (Audited)	31.03.2022 (Audited)	31.03.2021 (Audited)
1.	Income						
a.	Revenue from operations	1	5,66,146	3,84,906	4,86,673	16,80,922	17,45,180
b.	Other income	2	1,04,639	42,819	77,907	2,24,337	1,19,379
	Total income		6,70,785	4,27,725	5,64,580	19,05,259	18,64,559
2.	Expenses						
a.	License and spectrum fee		36,890	47,976	31,407	1,44,142	1,25,761
b.	Employee benefits expense	3	1,90,556	1,79,138	1,72,222	7,16,887	6,67,916
c.	Finance costs	4	66,809	67,069	65,627	2,61,729	2,56,707
d.	Depreciation and amortisation expense	5	1,34,827	1,34,293	1,58,454	5,30,804	6,05,100
e.	Other expenses	6	3,97,439	1,95,873	3,31,546	9,49,879	9,53,187
	Total expenses		8,26,521	6,24,349	7,59,256	26,03,421	26,08,671
3.	Profit before share of net profits / (losses) of associates accounted for using the equity method and tax (1-2)		(1,55,736)	(1,96,624)	(1,94,676)	(6,98,162)	(7,44,112)
4.	Share of net profits / (losses) of associates accounted for using equity method		-	-	-	-	-
5.	Profit before tax (3+4)		(1,55,736)	(1,96,624)	(1,94,676)	(6,98,162)	(7,44,112)
6.	Income tax expense						
a)	Current tax		-	-	-	-	-
b)	Deferred tax		-	-	-	-	-
	Total tax expense		-	-	-	-	-
7.	Profit after tax (5-6)		(1,55,736)	(1,96,624)	(1,94,676)	(6,98,162)	(7,44,112)
8.	Other comprehensive income, net of income tax						
	Items that will not be reclassified to profit or loss						
	- Remeasurements of post-employment benefit obligations (net of tax)		(1,027)	(34)	1,438	(1,130)	(1,189)
	Other comprehensive income for the period, net of tax		(1,027)	(34)	1,438	(1,130)	(1,189)
9.	Total comprehensive income for the period (7+8)		(1,56,763)	(1,96,658)	(1,93,238)	(6,99,292)	(7,45,301)
10.	Profit after tax is attributable to:						
	Owners of the Company		(1,55,736)	(1,96,624)	(1,94,676)	(6,98,162)	(7,44,112)
	Non-controlling interest		-	-	-	-	-
	Other comprehensive income is attributable to:						
	Owners of the Company		(1,027)	(34)	1,438	(1,130)	(1,189)
	Non-controlling interest		-	-	-	-	-
	Total comprehensive income attributable to:						
	Owners of the Company		(1,56,763)	(1,96,658)	(1,93,238)	(6,99,292)	(7,45,301)
	Non-controlling interest		-	-	-	-	-
	Total comprehensive income attributable to:		(1,56,763)	(1,96,658)	(1,93,238)	(6,99,292)	(7,45,301)
11.	Paid-up equity share capital (Face Value of Rs. 10/- each)		5,00,000	5,00,000	5,00,000	5,00,000	5,00,000
12.	Paid-up debt capital/ outstanding long term debts		29,44,188	29,22,671	27,03,360	29,44,188	27,03,360
13.	9% non-cumulative preference shares (Face Value of Rs. 10/- each)		7,50,000	7,50,000	7,50,000	7,50,000	7,50,000
14.	Other equity excluding Revaluation Reserves		39,69,645	41,26,432	46,68,962	39,69,645	46,68,962
15.	Net Worth		44,69,645	46,26,432	51,68,962	44,69,645	51,68,962
16.	Earnings per share (INR)						
	(Of Face Value of Rs. 10/- each) (not annualised)						
(a)	Basic		(3.11)	(3.93)	(3.89)	(13.96)	(14.88)
(b)	Diluted		(3.11)	(3.93)	(3.89)	(13.96)	(14.88)
17.	Debt Equity Ratio		0.90	0.87	0.73	0.90	0.73
18.	Interest Service Coverage Ratio		0.69	0.07	0.45	0.36	0.46
19.	Debt Service Coverage Ratio		0.05	0.00	0.16	0.06	0.10
20.	Current ratio		0.57	0.56	0.68	0.57	0.68
21.	Long term debt to working capital		(4.84)	(3.22)	(3.83)	(4.84)	(3.83)
22.	Bad debts to Account receivable ratio		0.07	0.02	0.07	0.10	0.11
23.	Current liability ratio		0.61	0.66	0.54	0.61	0.54
24.	Total debts to total assets ratio		0.35	0.33	0.31	0.35	0.31
25.	Debtors turnover		5.74	4.44	5.24	4.26	3.93
26.	Operating margin (%)		-34%	-45%	-43%	-39%	-35%
27.	Net profit margin (%)		-28%	-51%	-40%	-42%	-43%

In terms of our report attached
For Ramesh C Agrawal & Co.
Chartered Accountants
Firm Registration No. : 001770C



R.C. Agrawal
Partner
Membership No. : 070229

Place: New Delhi
Date: May 25, 2022

UIN: 220702294JPNR1673

For and on behalf of Board of Directors of Bharat Sanchar Nigam Limited

P.K. Purwar
P.K. Purwar
Chairman and Managing Director
DIN: 06619050

Surajit Mandal
Surajit Mandal
Senior General Manager
(Corporate Accounts)
Place: New Delhi
Date:

Yojana Das
Yojana Das
Director (Finance)
DIN: 08987456

J.P. Chowdhary
J.P. Chowdhary
Company Secretary
and
M. No. F- 3726



Statement of Audited Standalone Assets and Liabilities as at 31 March, 2022

(Amount in INR Lakh, unless otherwise stated)

Particulars	Standalone	
	As at 31.03.2022	As at 31.03.2021
	(Audited)	(Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	86,84,157	89,87,799
Capital work-in-progress	2,83,453	3,77,584
Intangible assets	4,51,356	5,13,564
Right-of-use assets	3,09,662	3,39,113
Financial assets		
(i) Investment in subsidiary	-	-
(ii) Investments	-	-
(iii) Trade receivables	-	-
(iv) Loans	121	158
(v) Other financial assets	36,106	37,070
Deferred tax assets (net)	-	-
Other non-current assets	61,192	54,807
Total non-current assets	98,26,047	103,10,095
Current assets		
Inventories	1,24,041	1,79,583
Financial assets		
(i) Investments	-	-
(ii) Trade receivables	4,01,522	3,86,939
(iii) Cash and cash equivalents	86,456	74,667
(iv) Bank balances other than (iii) above	2,14,292	3,64,155
(v) Loans	29	30
(vi) Other financial assets	7,22,248	7,75,134
Current tax assets (net)	15,677	53,338
Other current assets	5,14,930	4,06,972
Assets classified as held for sale	7,34,288	7,33,618
Total current assets	28,13,483	29,74,436
Total assets	126,39,530	132,84,531
EQUITY AND LIABILITIES		
Equity		
Equity share capital	5,00,000	5,00,000
Other equity	39,69,645	46,68,962
Total equity	44,69,645	51,68,962
LIABILITIES		
Non-current liabilities		
Financial liabilities		
i. Borrowings	23,23,963	29,73,394
ii. Lease liabilities	2,76,658	2,90,006
(iii) Trade payables		
-total outstanding dues of micro enterprises and small enterprises	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
iii. Other financial liabilities	5,01,198	3,43,067
Deferred tax liability	-	-
Provisions	71,015	93,763
Other non-current liabilities	50,798	60,220
Total non-current liabilities	32,23,632	37,60,450
Current liabilities		
Financial liabilities		
i. Borrowings	17,16,050	7,74,406
ii. Lease liabilities	66,310	75,448
iii. Trade payables		
- Total outstanding dues of micro enterprise and small enterprises	71,231	95,682
- Total outstanding dues of creditors other than micro enterprise and small enterprises	8,32,538	10,52,042
iv. Other financial liabilities	12,17,626	12,16,654
Other current liabilities	9,57,746	10,99,629
Provisions	84,751	41,258
Current tax liabilities (net)	-	-
Total current liabilities	49,46,252	43,55,119
Total liabilities	81,69,884	81,15,569
Total equity and liabilities	126,39,530	132,84,531

In terms of our report attached
For Ramesh C Agrawal & Co.
Chartered Accountants
Firm Registration No.: 001770C

R.C. Agrawal
Partner
Membership No.: 070229



Place: New Delhi

Date: 27.04.2022

For and on behalf of Board of Directors of Bharat Sanchar Nigam Limited

P.K. Purwar
Chairman and Managing Director
DIN: 06619060

Surajit Mandol
Senior General Manager
(Corporate Accounts)
Place: New Delhi
Date:

Yojana Das
Director (F&M)
DIN: 08987456

J.P. Chowdhary
Company Secretary and
General Manager (Legal)
M. No. F- 3726

UDIN: 22070229AJPNR11673



Audited Standalone Cash Flow Statement for the year ended 31 March 2022

(All amounts are in INR lakh, unless otherwise stated)

Particulars	For the year ended 31 March 2022 (Audited)	For the year ended 31 March 2021 (Audited)
Profit/ (loss) before tax	(6,98,162)	(7,44,112)
Adjustments for:		
Depreciation and amortisation expense	5,30,804	6,05,100
Bad-debt written off	41,119	43,829
Provision for obsolete inventory/short inventory	283	59,956
Provision for doubtful debts and disputed bills	20,138	5,461
Bad-debt provision other than services	1,735	45,753
Write off and losses other than bad debts	27,308	2,653
Write off of unrecovered service tax/ GST	2,007	(82,073)
Excess liabilities written back no longer required	(1,79,715)	(225)
Profit on termination of lease contract(s)	(755)	271
Unrealised Gain/Loss on Forex fluctuation (net)	(96)	7,624
Grant in aid (net)	(9,422)	2,49,577
Finance costs	2,57,247	7,130
Unwinding of discount on decommissioning liabilities	4,482	(5,170)
Interest income	(9,184)	(3,418)
Profit on sale of property, plant and equipment (net)	(1,926)	(9,507)
Capitalisation of overheads	(8,914)	
Operating cash flows before working capital changes	(23,050)	1,82,849
Net change in working capital:		
Loans	37	102
Trade receivables	(75,840)	11,495
Inventories	55,259	(38,771)
Other financial assets	53,696	9,37,953
Other assets	(1,16,136)	202
Trade payables	(2,43,859)	(3,19,995)
Other financial liabilities	3,38,818	(8,90,555)
Provisions	43,981	10,144
Other liabilities	(1,72,933)	(13,952)
Cash from operating activities	(1,40,027)	(1,20,528)
Net income tax refund (paid)	37,661	(8,669)
Net cash generated from/ (used in) operating activities	(1,02,366)	(1,29,197)
B. Cash flows from investing activities		
Acquisition of property, plant and equipment	(3,98,552)	(81,534)
Proceeds from sale of property, plant and equipment	3,80,730	1,18,505
Proceeds from sale of investments	-	2,500
Interest received	9,334	4,978
Proceeds from / (investment in) deposits with banks	1,49,863	(2,76,710)
Net cash generated from/ (used in) investing activities	1,41,375	(2,32,261)



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Audited Standalone Cash Flow Statement for the year ended 31 March 2022

(All amounts are in INR lakh, unless otherwise stated)

Particulars	For the year ended 31 March 2022 (Audited)	For the year ended 31 March 2021 (Audited)
C. Cash flows from financing activities		
Interest paid	(2,20,389)	(2,09,187)
Payments for principal portion of lease liability	(99,019)	(70,083)
Payments for Interest portion of lease liability	-	(32,065)
Expenses incurred for increase in authorised share capital	(25)	-
Proceeds from/ (repayment) of long term loans (net)	2,40,828	5,15,886
Net cash generated from/ (used in) financing activities	(78,605)	2,04,551
Net increase/ (decrease) in cash and cash equivalents	(39,596)	(1,56,907)
Cash and cash equivalents at the beginning of the year	(2,19,773)	(62,866)
Cash and cash equivalents at the end of the year	(2,59,369)	(2,19,773)
Cash and cash equivalents:		
Balances with banks in current account including sweep In deposit	85,177	73,245
Deposits with original maturity of less than three months	277	275
Cheques on hand	431	313
Cash on hand	571	834
Bank overdraft	(3,45,825)	(2,94,440)
Total cash and cash equivalents	(2,59,369)	(2,19,773)

Notes:

- (a) The cash flow statement has been prepared in accordance with "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) on "Cash flow statement", specified under section 133 of the Companies Act, 2013, as applicable.
(b) Figures in the bracket represent cash outflow.

In terms of our report attached
For Ramesh C Agrawal & Co.
Chartered Accountants
Firm Registration No. : 001770C



For and on behalf of Board of Directors of Bharat Sanchar Nigam Limited

R.C. Agrawal
Partner
Membership No. : 070229

Place: New Delhi
Date: 31 May 2022

P.K. Purwar
Chairman and Managing Director
DIN: 06619060

Surajit Mandal
Senior General Manager
(Corporate Accounts)
Place: New Delhi
Date:

Yojana Das
Director (HR) (FINANCE)
DIN: 08987456

J.P. Chowdhary
Company Secretary and
General Manager (Legal)

UIN: 220702294JPNRI1673

Annexure A: Details of Statement of Audited Standalone Financial Results for Year ended 31st March 2022

1 Revenue from operations

(Amount in INR Lakh, unless otherwise stated)

Particulars	Standalone				
	Quarter ended		Year ended		
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Revenue from sale of services					
Telephones (other than Wireless in Local Loop)	28,257	38,131	33,182	1,35,646	1,53,474
Cellular	1,36,717	1,37,101	1,36,688	5,27,051	5,46,240
Broad band services	21,789	32,699	32,865	1,23,739	1,91,743
Leased Lines	1,04,007	68,805	1,13,792	3,15,681	3,39,301
Leasing of fiber infra	13,454	15,665	29,115	51,510	54,071
Other enterprise services	11,651	1,366	8,712	14,338	11,122
FTTH	47,073	41,072	29,594	1,59,016	93,777
Lease income from passive infrastructure	25,183	23,966	27,660	1,01,558	96,430
Interconnection usage charges (IUC) from other service providers	11,068	13,711	21,150	54,892	1,38,012
	3,99,199	3,72,516	4,32,758	14,83,431	16,24,170
Other operating revenue					
Sale to third party from telecom factories	-	-	0	208	295
Profit from manufacturing activities of factories	258	-	2,356	266	4,147
Other operating income	1,61,067	9,363	48,697	1,82,451	1,04,756
Other	5,622	3,027	2,862	14,566	11,812
	1,66,947	12,390	53,915	1,97,491	1,21,010
Total	5,66,146	3,84,906	4,86,673	16,80,922	17,45,180

2 Other income

Particulars	Standalone				
	Quarter ended		Year ended		
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Interest income on					
Financial assets at amortised cost:					
Deposits with banks	245	324	466	1,323	1,319
Loans	78	66	143	274	557
Other	392	100	549	599	1,263
Income tax refund	1,595	-	2,031	6,988	2,031
	2,310	490	3,189	9,184	5,170
Other non-operating income					
Profit on sale of property, plant and equipment (net)	684	429	2,983	1,926	3,418
Income from liquidated damages	-	-	(0)	-	1,047
Excess liabilities written back no longer required	90,502	31,909	61,305	1,79,715	82,073
Profit on termination of lease contract(s)	457	119	115	755	225
Rent on staff quarters	6,985	5,101	6,112	21,777	16,566
Foreign exchange fluctuation gain (net)	-	-	(56)	-	-
Sale of scrap	-	2,460	-	-	-
Others	3,701	2,311	4,259	10,980	10,880
	1,02,329	42,329	74,718	2,15,153	1,14,209
Total	1,04,639	42,819	77,907	2,24,337	1,19,379

3 Employee benefits expense

Particulars	Standalone				
	Quarter ended		Year ended		
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Salaries, wages, allowances and other benefits	1,51,134	1,49,523	1,38,239	5,82,389	5,59,999
Expenses related to compensated absences	8,636	3,478	96	22,227	1,434
Contribution towards pension	4,556	4,495	4,746	18,223	19,344
Contribution towards superannuation	3,660	3,610	3,276	13,989	13,002
Contribution towards employees provident fund	9,608	9,480	8,665	36,765	34,289
Contribution towards Employees State Insurance	46	46	43	181	171
Expense related to post-employment defined benefit plans	3,166	2,673	1,531	11,290	10,611
Contribution towards leave salary	206	225	227	862	970
Half pay leaves	536	-	-	536	-
Medical expenses	12,326	6,591	18,616	37,878	35,817
Staff welfare expenses	46	53	457	157	480
	1,93,920	1,80,174	1,75,896	7,24,497	6,76,117
Less : Allocated to capital work-in-progress and others	3,364	1,036	3,674	7,630	8,201
Total	1,90,556	1,79,138	1,72,222	7,16,867	6,67,916



Annexure A: Details of Statement of Audited Standalone Financial Results for Year ended 31st March 2022

4 Finance costs

Particulars	Standalone				
	Quarter ended		Year ended		
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Interest expense on					
Financial liabilities at amortised cost:					
6.79% Bonds	17,620	16,731	16,493	67,448	34,514
Loans	37,533	39,768	35,779	1,52,890	1,77,256
Less: Moratorium gain	-	-	294	-	294
Less: Capitalised	1,711	961	1,330	4,692	4,606
	53,444	55,538	50,648	2,15,646	2,06,870
Subscriber deposits	-	-	1	-	1
Others	2,338	805	1,648	4,743	3,739
Lease liabilities	9,784	9,810	11,134	36,858	38,968
Unwinding of discount on decommissioning liabilities	1,244	916	2,196	4,482	7,129
Total	66,809	67,069	65,627	2,61,729	2,56,707

5 Depreciation and amortisation expense

Particulars	Standalone				
	Quarter ended		Year ended		
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Depreciation on property, plant and equipment	1,02,980	1,00,018	1,21,310	3,98,122	4,60,721
Amortisation on intangible assets	15,482	15,834	15,648	62,801	63,247
Amortisation on Right to use assets	16,365	18,441	21,496	69,881	81,132
Total	1,34,827	1,34,293	1,58,454	5,30,804	6,05,100

6 Other expenses

Particulars	Standalone				
	Quarter ended		Year ended		
	31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Rent	2,399	767	2,042	9,684	8,636
Lease charges	874	346	2,064	3,661	7,144
Rates and taxes	3,273	1,795	4,439	7,040	6,892
Power and fuel	48,686	47,427	52,343	1,91,102	2,06,288
Insurance	20	9	(29)	124	158
Bank charges	64	118	1,116	261	1,524
Repairs and maintenance on:					
Buildings	1,838	1,255	2,464	5,399	6,797
Plant and machinery	27,450	14,999	33,065	75,852	86,313
Cables	7,491	5,079	6,005	19,292	17,023
Others	12,642	9,255	13,073	42,112	39,351
Consumption of stores and spare parts	6,136	6,050	7,294	18,222	18,659
Professional and consultancy charges	1,266	421	521	2,028	2,188
Audit fees	282	35	399	477	474
Printing and stationery	176	109	461	530	1,560
Commission on franchise services	13,362	6,804	7,164	31,444	18,660
Advertisement	17	12	13	31	42
Business promotion and marketing expenses	225	170	666	424	860
Travelling expenses	444	425	686	2,259	1,745
Postage and courier charges	76	56	112	200	271
Security services	3,148	1,804	3,051	8,756	9,356
Vehicle running expenses (including hired vehicles)	3,494	3,253	4,063	12,269	13,520
Interconnection usage charges (IUC) to other service providers	23,516	22,591	19,285	71,465	1,13,557
Lease expense on passive infrastructure	14,961	13,827	10,612	54,454	53,358
Expenditure on services, goods and other expenses	38,450	27,515	15,977	1,15,802	82,654
Housekeeping charges	6,450	3,572	7,021	17,943	26,650
Transponder charges	9,492	9,346	10,638	37,378	42,790
Expenditure on LWEE operation	2,145	5,511	9,172	15,271	20,121
Penalty for customer application form (CAF) verification	90	26	32	240	100
Write off and losses (other than bad debts)	11,521	2,720	32,813	27,308	45,753
Bad debt provision other than services	1,147	195	1,175	1,735	5,461
Bad debt written off	26,856	7,171	25,841	41,119	43,829
Loss allowance for trade receivables and disputed bills	7,108	2,590	48,173	20,138	59,956
Write off of unrecovered service tax/ GST	1,321	345	1,580	2,007	2,653
Foreign exchange fluctuation loss (net)	24	23	(43)	90	271
Loss from manufacturing activities of factories	-	146	-	-	-
Expenditure on construction contracts	1,07,184	228	1,894	1,08,770	4,648
Hiring charges of machinery lines	(1)	27	54	63	154
Loss on sale of scrap	14,355	-	7,151	6,213	5,078
	3,97,982	1,96,022	3,32,389	9,51,163	9,54,494
Less : Allocated to capital project works and others	543	149	843	1,284	1,306
Total	3,97,439	1,95,873	3,31,546	9,49,879	9,53,188



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Annexure B: Segment Information

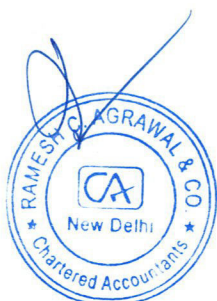
An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company other components, and for which discrete financial information is available. All operating segments and operating results are reviewed regularly by the Board of directors of the Company, which is defined as chief operating decision maker ('CODM') to make decisions about resources to be allocated to the segments and assess their performance.

For management purposes, the business is organized into following business segments based on its products and services identified:

(i) Basic; (ii) Cellular; (iii) Broadband; and (iv) Enterprise

Accordingly, the standalone segment information is presented below:

Sr. No.	Particulars	(Amount in INR Lakh, unless otherwise stated)				
		Standalone				
		Quarter ended		Year ended	Year ended	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue					
	(a) Revenue from operations					
	- Basic	1,69,044	46,591	62,679	3,00,663	2,38,168
	- Cellular	1,65,757	1,75,843	1,78,167	6,66,395	7,88,399
	- Broadband	82,348	75,055	77,628	3,03,775	2,85,523
	- Enterprise	1,48,997	87,416	1,68,200	4,10,089	4,33,090
	- Unallocated	-	-	-	-	-
	Total	5,66,146	3,84,905	4,86,674	16,80,922	17,45,180
	(b) Other income					
	- Basic	76,017	38,417	60,578	1,73,145	95,366
	- Cellular	6,867	1,739	9,011	21,439	11,531
	- Broadband	4,005	365	211	4,422	322
	- Enterprise	15,438	1,806	4,911	16,135	6,977
	- Unallocated	2	2	7	10	13
	Total	1,02,329	42,328	74,718	2,15,151	1,14,209
	Net segment revenue	6,68,475	4,27,233	5,61,392	18,96,073	18,59,389
2	Segment results					
	(a) Operating profit/(loss) before interest, depreciation and taxes					
	- Basic	(1,35,900)	(1,41,148)	(1,81,204)	(5,53,814)	(3,36,290)
	- Cellular	8,793	45,839	25,460	1,59,657	79,697
	- Broadband	62,411	45,950	61,651	2,29,636	1,47,634
	- Enterprise	1,06,351	54,206	1,22,020	2,50,233	2,26,380
	- Unallocated	(613)	(599)	(1,708)	(3,073)	(4,897)
	Total	41,042	4,248	26,219	82,639	1,12,524
	(b) Depreciation and amortisation	(1,34,827)	(1,34,292)	(1,58,455)	(5,30,804)	(6,05,100)
	(c) Interest income	2,310	490	3,188	9,185	5,170
	(d) Interest expenses	(64,261)	(67,070)	(65,628)	(2,59,182)	(2,56,707)
	Profit/(loss) before tax	(1,55,736)	(1,96,624)	(1,94,676)	(6,98,162)	(7,44,112)
	Tax expense	-	-	-	-	-
	Profit/(loss) after tax	(1,55,736)	(1,96,624)	(1,94,676)	(6,98,162)	(7,44,112)
3	Segment assets					
	- Basic	8,74,281	11,74,952	19,44,067	8,74,281	19,44,067
	- Cellular	33,00,256	34,76,362	34,73,380	33,00,256	34,73,380
	- Broadband	24,62,325	24,69,942	22,31,112	24,62,325	22,31,112
	- Enterprise	24,71,279	21,80,214	21,83,503	24,71,279	21,83,503
	- Unallocated	35,31,390	37,20,984	34,52,469	35,31,390	34,52,469
	Total	126,39,531	130,22,454	132,84,531	126,39,531	132,84,531
4	Segment liabilities					
	- Basic	24,58,332	26,07,495	27,18,924	24,58,332	27,18,924
	- Cellular	9,04,785	9,57,151	9,28,354	9,04,785	9,28,354
	- Broadband	97,433	83,750	39,243	97,433	39,243
	- Enterprise	12,99,406	10,76,285	10,84,895	12,99,406	10,84,895
	- Unallocated	34,09,929	36,71,339	33,44,153	34,09,929	33,44,153
	Total	81,69,885	83,96,020	81,15,569	81,69,885	81,15,569



Annexure C: Related Party Information

i. Key Management Personnel

Designation	Name of incumbent	Remarks
Chairman and Managing Director ('CMD')	Shri P. K. Purwar	From 01 July 2019 onwards
Director (Finance & CFO)	Ms. Yojana Das	From 16 November 2020 onwards
Director (Enterprise)	Shri Suresh Kumar Gupta	From 29 April 2019 to 16 November 2020
	Shri V. Ramesh	From 03 June 2020 onwards
	Shri Arvind Vadnerkar	From 27 April 2020 to 02 June 2020
	Shri B. L. Varshney	From 29 April 2019 to 27 April 2020
Director (Consumer Fixed Access)	Shri Vivek Banzal	From October 18, 2018 onwards
Director (Consumer Mobility)	Shri Sushil Kumar Mishra	From 06 March 2020 to 31 March 2022
Director (Human Resource)	Shri Arvind Vadnerkar	From 14 October 2019 onwards
Government Director	Ms. Yashashri shukla	From 14 February 2022 onwards
Non-official part - time Director	Ms. Trupti Kamlesh Patel	From 01 November 2021 onwards
	Shri Manoj Kumar	From 01 November 2021 onwards
	Shri Ravindra Ramadas Boarawake	From 01 November 2021 onwards
	Shri Seikhojam Kipgen	From 01 November 2021 onwards
Company Secretary and Chief General Manager (Legal)	Shri J. P. Chowdhary	From 01 February 2021 onwards
	Shri H. C. Pant	From 28 November 2000 to 31 January 2021

ii. Subsidiary

BSNL Tower Corporation Limited

iii. Entities under the control of the same Government

The Company is a Central Public Sector Undertaking (CPSU) controlled directly or indirectly by Central Government. Pursuant to paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for government related entities and have made limited disclosures in the Consolidated financial statements. Such entities with which the Company has significant transactions include but not limited to Department of Telecom ('DoT'), Department of Posts, Mahanagar Telephone Nigam Limited, Indian Telephone Industries, Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited, Union Bank of India, United Bank of India, State Bank of India, Bank of Maharashtra, Punjab National Bank, Canara Bank and Bank of Baroda.

iv. Post employment benefit plans

BSNL Employees Gratuity Fund Trust

BSNL Employees Superannuation Pension Fund Trust



5

Notes to the Audited standalone financial results for year ended March 31, 2022:

1. Bharat Sanchar Nigam Limited (the 'Company' or 'BSNL') is a Public Sector Company fully owned by the Government of India and was formed on 15 September 2000 in pursuance to the Telecom Policy 1999, to takeover the ongoing business of the Department of Telecom Services (DTS) and Department of Telecom Operations (DTO) from 1 October 2000. The Company has been incorporated under the erstwhile Companies Act, 1956 with its registered corporate office in New Delhi.
2. The above Audited financial results of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 25, 2022. The statutory auditors have carried out audit of above financial results for the year ended March 31, 2022.
3. These financial results have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India.

The financial results have been prepared on the accrual basis and on going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. There is no significant change in accounting policies as compared to accounting policies applied during the year ended March 31, 2021.

4. Other Disclosures:

- (i) No dividends have been paid during the period for equity shares and preference shares.
- (ii) The carrying amounts of trade receivables, trade payables, cash and cash equivalents, investments, bank balances other than cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. The other non-current financial assets represents bank deposits (due for maturity after twelve months from the reporting date) and security deposits given to various parties, and other non-current financial liabilities, the carrying value of which approximates the fair values as on the reporting date.
Specific valuation techniques used to value non current financial assets and liabilities for whom the fair values have been determined based on present values and the appropriate discount rates at each balance sheet date. The discount rate is based on the weighted average cost of borrowings of the Company at each balance sheet date.

5. The disclosure required as per the provisions of Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

a. The NCDs are secured by way of unconditional and irrevocable guarantee and continuing obligation for payment of principal amount of the Bonds issued by the Company, normal Interest thereon as agreed to be guaranteed by the Government of India.

b. The capital structure conveyed through DoT UO No 1-2/2000-B(Plt) -dated 13 December 2001 includes 9% non-cumulative preference shares of INR 750,000 lakh and were accounted for as "preference share capital pending allotment" during the FY 2000-01. The shares were issued to the Central Government of India as fully paid with a par value of INR 10 per share on 2nd May 2002. In terms of section 55(2) of the Companies Act, 2013, the preference shares are mandatorily redeemable at par not later than twenty years from the date of issue of such shares and the Company is obliged to pay holders of these shares dividends at the rate of 9% of the par amount per annum, subject to availability of distributable profits.

These preference shares had fallen due for redemption on before 2 May, 2022, upon completion of 20 years from the date of issue. The Company has not been able to redeem these preference shares on the due date due to lack of funds and distributable profits. During the financial year 2021-22, the Company has submitted proposal for fresh issue of redeemable preference shares to Department of Telecom (DoT) and awaiting approval for the same. The proceeds of fresh issue will be used for redemption of existing 9% non-cumulative preference shares. Further, the Company is in the process of convening meeting of the preference shareholders, who in the present case, is the government of India being the sole shareholder, to give consent for issuance of fresh shares and cost receipt of consent, the matter shall be submitted before the National Company Law Tribunal for required approval in this regard.

c. Other Information:

The basis of computation of ratios is provided in the table below:

Debt service coverage ratio	Earnings before tax, depreciation, interest and exceptional item/ (Interest Expenses + Scheduled principal repayment of long term debt, preference shares and lease liability during the period)
Interest service coverage ratio	Earnings before tax, depreciation, interest and exceptional item / Interest Expenses
Debt-equity ratio	(Long term borrowings + Short term borrowings + Current Maturities) / Total Equity *excluding lease liability
Net worth	Basis section 2(57) of the Companies Act, 2013
Current ratio	Current Assets / Current Liabilities
Long term debt to working capital	Non-Current Borrowings (Including Current Maturities of Non-Current Borrowings) / Current Assets Less Current Liabilities (Excluding Current Maturities of Non-Current Borrowings)
Bad debts to Account receivable ratio	Bad debts / Average Trade receivables
Current liability ratio	Total Current Liabilities / Total Liabilities
Total debts to total assets	(Non current borrowings+ current borrowings+lease liabilities) / Total assets
Debtors turnover	Revenue from operations / Average Trade Receivables
Operating margin (%)	EBIT – Other Income / Revenue from operations
Net profit margin (%)	Profit After Tax / Revenue from operations

6. Bank balances other than cash & cash equivalent includes balance related to Government Projects shown as earmarked bank balance excluding Rs 4,000 lakh parked in Bank OD account.
7. a. Pending resolution of various arithmetic errors and other issues by the DoT/CCAs the demands amounting to INR 996,794 lakh (for LF) (31 March 2021 INR 990,974 lakh) and INR 583,551 (31 March 2021 INR 573,240 lakh) (for SUC) are being carried as contingent liabilities.
b. The Company is carrying INR 583,585 lakh (31 March 2021 INR 583,585) as contingent liability, in view of Hon'ble Supreme Court Judgment in AGR matter Civil Appeal No. 6328-6399 of 2015. The additional interest for the period from October 2019 to March, 2022 on the amount of INR 583,585 lakh has been estimated at INR 205,526 lakh (31 March 21-Nil) and disclosed as contingent liability.
c. An estimated amount of INR 360,469 (31 March 2021 INR 210,866 lakh) lakh towards interest and penalty on the unpaid amount of self assessed License Fee and SUC has not been provided for but recognised as Contingent Liability pending further decision from DoT with regard to the matter of adjustment of the unpaid amount of LF/SUC against various other receivable amounts from DoT.



Notes to the Audited standalone financial results for year ended March 31, 2022:

8. The Union Cabinet in its meeting held on 23 October 2019 considered and approved the proposal of DoT for "Revival of BSNL and MTNL" (Cabinet Note dated 22 October 2019). The Union Cabinet has approved the revival package that includes reduction in employee cost by immediately offering Voluntary Retirement Scheme (VRS) to the employees of age 50 Years and above, with payment of ex-gratia to be supported through budgetary allocation of Government of India, administrative allotment of spectrum for providing 4G services through capital infusion by the Government, Sovereign bonds for a tenure of 10 years or more, for the purpose of debt restructuring, monetization of land/building following DIPAM guidelines, monetization of tower and fibre assets with the aim to maximize the return, in-principle approval of merger of BSNL and MTNL.
- VRS has been implemented by the Company and INR 8,50,000 lakhs has been received on account of issuance of Sovereign Bonds. Land monetization is in progress in keeping with DIPAM guidelines. Efforts are ongoing for monetization of tower and fibre assets. The matter of merger of MTNL into BSNL is under deliberations with the Department of Telecom.

9. Below is the break up of borrowings and loans of the Company excluding preference shares:-

Particulars	(Amount in INR lakhs)	
	31-03-2022	31-03-2021
Bonds	8,42,254	8,41,023
Bank Overdraft	3,45,825	2,94,440
Loans	21,01,934	18,62,337
Total	32,90,013	29,97,800

10. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
11. Due to COVID pandemic, the whole of the country was under lockdown for substantial period of time. BSNL continued to provide services and its network utilization increased during this period. The Company has launched Work from Home scheme for customers, INSTA PAY platform to sell the stock online to Channel Partners 24 x 7. No significant reduction in revenue generation is seen due to COVID 19 pandemic. The Company, assessed that there is no major impact of COVID 19 on its business and accounting matters. The Company has reversed the impairment allowance on trade receivables by INR 19,000 lakh during the year ended March 31, 2022, out of the provision of INR 38,900 lakh created in FY 2020-21, considering the same is no longer required.
12. During the year, the asset retirement obligation liability has been reassessed and for certain assets it was noted that the liability is no longer required and accordingly the same has been reversed. The impact of the same is INR 27,148 lakh.
13. Department of Telecom has sanctioned an amount of Rs. 18,640 lakh (including of GST Rs. 2,842 lakh) on provisional basis against telecom facilities provided to DoT offices / officers / officials from 01.10.2000 to 31.03.2020 accrued revenue has been accounted in the current year.
14. The figures for the quarter ended 31 March 2022 and 31 March 2021 are the balancing figures between the audited figures in respect of the full financial years and the published unaudited year to date figures upto third quarter of the respective financial years, which were subject to limited review.
15. Previous period/ year figures have been re-grouped or reclassified, to conform to such current period's classification.

In terms of our report attached
For Ramesh C Agrawal & Co.
Chartered Accountants
Firm Registration No. : 001770C

R.C. Agrawal
Partner
Membership No. : 070229

Place: New Delhi

Date: 25/05/2022

UDIN: 22070229AJPNRI1673



For and on behalf of Board of Directors of Bharat Sanchar Nigam Limited

P.K. Purwar
Chairman and Managing Director
DIN: 06619060

Surajit Mandal
Senior General Manager
(Corporate Accounts)
Place: New Delhi
Date:

Yojana Das
Director (FINANCE)
DIN: 08987456

J.P. Chowdhary
Company Secretary and
General Manager (Legal)
M. No. F- 3726



Statement of Audited Consolidated Financial Results for the year ended 31 March 2022

(Amount in INR Lakh, unless otherwise stated)

Sr. No.	Particulars	Notes to Annexure A	Consolidated				
			Quarter ended		Year ended		
			31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
			(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1.	Income						
a.	Revenue from operations	1	5,66,231	3,84,938	4,86,704	16,81,126	17,45,211
b.	Other income	2	1,04,638	42,819	77,907	2,24,337	1,19,379
	Total income		6,70,869	4,27,757	5,64,611	19,05,463	18,64,590
2.	Expenses						
a.	License and spectrum fee		36,890	47,976	31,407	1,44,142	1,25,761
b.	Employee benefits expense	3	1,90,556	1,79,137	1,72,222	7,16,867	6,67,916
c.	Finance costs	4	66,808	67,069	65,628	2,61,729	2,56,707
d.	Depreciation and amortisation expense	5	1,34,827	1,34,291	1,58,455	5,30,804	6,05,100
e.	Other expenses	6	3,97,552	1,95,894	3,31,575	9,50,084	9,53,217
	Total expenses		8,26,633	6,24,367	7,59,287	26,03,626	26,08,701
3.	Profit before share of net profits / (losses) of associates accounted for using the equity method and tax (1-2)		(1,55,764)	(1,96,610)	(1,94,676)	(6,98,163)	(7,44,111)
4.	Share of net profits / (losses) of associates accounted for using equity method		-	-	-	-	-
5.	Profit before tax (3+4)		(1,55,764)	(1,96,610)	(1,94,676)	(6,98,163)	(7,44,111)
6.	Income tax expense						
a)	Current tax		-	-	-	-	-
b)	Deferred tax		-	-	-	(1)	-
	Total tax expense		-	-	-	(1)	-
7.	Profit after tax (5-6)		(1,55,764)	(1,96,610)	(1,94,676)	(6,98,162)	(7,44,111)
8.	Other comprehensive income, net of income tax						
	Items that will not be reclassified to profit or loss						
	- Remeasurements of post-employment benefit obligations (net of tax)		(1,027)	(34)	1,438	(1,130)	(1,189)
	Other comprehensive income for the period, net of tax		(1,027)	(34)	1,438	(1,130)	(1,189)
9.	Total comprehensive income for the period (7+8)		(1,56,791)	(1,96,644)	(1,93,238)	(6,99,292)	(7,45,300)
10.	Profit after tax is attributable to:						
	Owners of the Company		(1,55,764)	(1,96,610)	(1,94,676)	(6,98,162)	(7,44,111)
	Non-controlling interest		-	-	-	-	-
	Other comprehensive income is attributable to:						
	Owners of the Company		(1,027)	(34)	1,438	(1,130)	(1,189)
	Non-controlling interest		-	-	-	-	-
	Total comprehensive income attributable to:						
	Owners of the Company		(1,56,791)	(1,96,644)	(1,93,238)	(6,99,292)	(7,45,300)
	Non-controlling interest		-	-	-	-	-
			(1,56,791)	(1,96,644)	(1,93,238)	(6,99,292)	(7,45,300)
11.	Paid-up equity share capital (Face Value of Rs. 10/- each)		5,00,000	5,00,000	5,00,000	5,00,000	5,00,000
12.	Paid-up debt capital/ outstanding long term debts		29,44,188	29,22,671	27,03,360	29,44,188	27,03,360
13.	9% non-cumulative preference shares (Face Value of Rs. 10/- each)		7,50,000	7,50,000	7,50,000	7,50,000	7,50,000
14.	Other equity excluding Revaluation Reserves		39,69,363	41,26,432	46,68,680	39,69,363	46,68,680
15.	Net Worth		44,69,363	46,26,432	51,68,680	44,69,363	51,68,680
16.	Earnings per share (INR)						
	(Of Face Value of Rs. 10/- each) (not annualised)						
(a)	Basic		(3.12)	(3.93)	(3.89)	(13.96)	(14.88)
(b)	Diluted		(3.12)	(3.93)	(3.89)	(13.96)	(14.88)
17.	Debt Equity Ratio		0.90	0.87	0.73	0.90	0.73
18.	Interest Service Coverage Ratio		0.69	0.07	0.45	0.36	0.46
19.	Debt Service Coverage Ratio		0.05	0.00	0.16	0.06	0.10
20.	Current ratio		0.57	0.56	0.68	0.57	0.68
21.	Long term debt to working capital		(4.84)	(3.22)	(3.83)	(4.84)	(3.83)
22.	Bad debts to Account receivable ratio		0.07	0.02	0.07	0.10	0.11
23.	Current liability ratio		0.61	0.66	0.54	0.61	0.54
24.	Total debts to total assets ratio		0.35	0.33	0.31	0.35	0.31
25.	Debtors turnover		5.74	4.44	5.24	4.26	3.93
26.	Operating margin (%)		-34%	-45%	-43%	-39%	-35%
27.	Net profit margin (%)		-28%	-51%	-40%	-42%	-43%

The accompanying notes are an integral part of these audited consolidated financial results.

In terms of our report attached
For Ramesh C Agrawal & Co.
Chartered Accountants
Firm Registration No. : 001770C

R.C. Agrawal
Partner
Membership No. : 070229

Place: New Delhi

Date:

May 25, 2022

UDIN: 22070229AP0BH9461



For and on behalf of Board of Directors of Bharat
Sanchar Nigam Limited

P.K. Purwar
Chairman and Managing Director
DIN: 06619060

Surajit Mandal
Senior General Manager
(Corporate Accounts)

Place: New Delhi

Date:

Yojana Das
Director (Finance)
DIN: 08987456

J.P. Chowdhary
Company Secretary and
General Manager (Legal)

M. No. F- 3726



Statement of Audited Consolidated Assets and Liabilities as at 31 March 2022

(Amount in INR Lakh, unless otherwise stated)

Particulars	Consolidated	
	As at	As at
	31.03.2022 (Audited)	31.03.2021 (Audited)
ASSETS		
Non-Current Assets		
Property, plant and equipment	86,84,157	89,87,799
Capital work-in-progress	2,83,452	3,77,584
Intangible assets	4,51,358	5,13,564
Right-of-use assets	3,09,662	3,39,113
Financial assets		
(i) Investments	-	-
(ii) Trade receivables	-	-
(iii) Loans	121	158
(iv) Other financial assets	36,108	37,070
Deferred tax assets (net)	1	-
Other non-current assets	61,192	54,807
Total non-current assets	98,26,051	103,10,095
Current assets		
Inventories	1,24,041	1,79,583
Financial assets		
i. Investments	-	-
ii. Trade receivables	4,01,599	3,86,943
iii. Cash and cash equivalents	90,255	74,929
iv. Bank balances other than (iii) above	2,14,292	3,64,155
v. Loans	29	30
vi. Other financial assets	7,21,914	7,74,837
Current tax assets (net)	15,677	53,338
Other current assets	5,14,965	4,06,972
Assets classified as held for sale	7,34,288	7,33,618
Total current assets	28,17,060	29,74,405
Total assets	126,43,111	132,84,499
EQUITY AND LIABILITIES		
Equity		
Equity share capital	5,00,000	5,00,000
Other equity	39,69,363	46,68,680
Equity attributable to owners of the Company	44,69,363	51,68,680
Non-controlling interests	-	-
Total equity	44,69,363	51,68,680
LIABILITIES		
Non-current liabilities		
Financial liabilities		
i. Borrowings	23,23,963	29,73,394
ii. Lease liabilities	2,76,658	2,90,006
iii. Trade Payables		
-total outstanding dues of micro enterprises and small enterprises	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
iv. Other financial liabilities	5,01,198	3,43,067
Deferred tax liability	-	-
Provisions	71,015	93,763
Other non-current liabilities	50,798	60,220
Total non-current liabilities	32,23,632	37,60,450
Current liabilities		
Financial liabilities		
i. Borrowings	17,16,050	7,74,406
ii. Lease liabilities	66,310	75,448
iii. Trade payables		
- Total outstanding dues of micro enterprise and small enterprises	71,231	95,682
- Total outstanding dues of creditors other than micro enterprise and small enterprises	8,32,621	10,52,078
iv. Other financial liabilities	12,17,664	12,16,654
Other current liabilities	9,61,489	10,99,843
Provisions	84,751	41,258
Current tax liabilities (net)	-	-
Total current liabilities	49,50,116	43,55,369
Total liabilities	81,73,748	81,15,819
Total equity and liabilities	126,43,111	132,84,499

The accompanying notes are an integral part of these audited consolidated financial results.

In terms of our report attached
For **Ramesh C Agrawal & Co.**
Chartered Accountants
Firm Registration No. : 001770C

R.C. Agrawal
Partner
Membership No. : 070229



Place: New Delhi

Date: May 25, 2022

UDIN: 22070229AJPOBH9461

For and on behalf of Board of Directors of Bharat Sanchar Nigam Limited

P.K. Purwar
Chairman and Managing Director
DIN: 06619060

Surajit Mandol
Senior General Manager
(Corporate Accounts)

Place: New Delhi
Date:

Yojana Das
Director (HR)
DIN: 08987456

J.P. Chowdhary
Company Secretary and
General Manager (Legal)
M. No. F- 3726

Bharat Sanchar Nigam Limited

CIN: U74899DL2000GOI107739

Registered Office: Bharat Sanchar Bhawan, Harish Chandra Mathur Lane, Janpath, New Delhi - 110001

Tel: 011 2355 5395, Fax: 011 2355 3389, Website: www.bsnl.co.in, email: jp_chowdhary@bsnl.co.in



Audited Cash Flow Statement for the year ended March 31, 2022

(All amounts are in INR lakh, unless otherwise stated)

Particulars	For the year ended 31 March 2022 (Audited)	For the year ended 31 March 2021 (Audited)
Profit/ (loss) before tax	(6,98,163)	(7,44,111)
Adjustments for:		
Depreciation and amortisation expense	5,30,804	6,05,100
Provision for obsolete inventory/short inventory	283	
Bad-debt written off	41,119	43,829
Provision for doubtful debts and disputed bills	20,138	59,956
Bad-debt provision other than services	1,735	5,461
Write off and losses other than bad debts	27,308	45,753
Write off of unrecovered service tax/ GST	2,007	2,653
Excess liabilities written back no longer required	(1,79,715)	(82,073)
Profit on termination of lease contract(s)	(755)	(225)
Unrealised Gain/Loss on Forex fluctuation (net)	(96)	271
Grant in aid (net)	(9,422)	7,624
Finance costs	2,57,247	2,49,577
Unwinding of discount on decommissioning liabilities	4,482	7,130
Interest income	(9,184)	(5,170)
Profit on sale of property, plant and equipment (net)	(1,926)	(3,418)
Capitalisation of overheads	(8,914)	(9,507)
Operating cash flows before working capital changes	(23,052)	1,82,850
Net change in working capital:		
Loans	37	102
Trade receivables	(75,914)	11,492
Inventories	55,259	(38,771)
Other financial assets	53,732	9,37,969
Other assets	(1,16,171)	202
Trade payables	(2,43,813)	(3,19,960)
Other financial liabilities	3,38,856	(8,90,555)
Provisions	43,981	10,144
Other liabilities	(1,69,403)	(13,738)
Cash from operating activities	(1,36,488)	(1,20,265)
Net income tax refund (paid)	37,661	(8,669)
Net cash generated from/ (used in) operating activities	(98,827)	(1,28,934)
B. Cash flows from investing activities		
Acquisition of property, plant and equipment	(3,98,553)	(81,533)
Proceeds from sale of property, plant and equipment	3,80,730	1,18,505
Proceeds from sale of investments	-	2,500
Interest received	9,335	4,978
Proceeds from / (investment in) deposits with banks	1,49,861	(2,76,710)
Net cash generated from/ (used in) investing activities	1,41,373	(2,32,260)



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Audited Cash Flow Statement for the year ended March 31, 2022

(All amounts are in INR lakh, unless otherwise stated)

Particulars	For the year ended 31 March 2022 (Audited)	For the year ended 31 March 2021 (Audited)
C. Cash flows from financing activities		
Interest paid	(2,20,389)	(2,09,187)
Payments for principal portion of lease liability	(99,019)	(70,084)
Payments for Interest portion of lease liability	-	(32,065)
Expenses incurred for increase in authorised share capital	(25)	
Proceeds from/ (repayment) of long term loans (net)	2,40,828	5,15,886
	(78,605)	2,04,550
Net cash generated from/ (used in) financing activities		
	(36,059)	(1,56,645)
Net increase/ (decrease) in cash and cash equivalents		
Cash and cash equivalents at the beginning of the year	(2,19,511)	(62,866)
Cash and cash equivalents at the end of the year	(2,55,570)	(2,19,511)
Cash and cash equivalents:		
Balances with banks in current account including sweep In deposit	88,976	73,507
Deposits with original maturity of less than three months	277	275
Cheques on hand	431	313
Cash on hand	571	834
Bank overdraft	(3,45,825)	(2,94,440)
Total cash and cash equivalents	(2,55,570)	(2,19,511)

Notes:

- (a) The cash flow statement has been prepared in accordance with "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) on "Cash flow statement", specified under section 133 of the Companies Act, 2013, as applicable.
- (b) Figures in the bracket represent cash outflow.

In terms of our report attached
For Ramesh C Agrawal & Co.
Chartered Accountants
Firm Registration No.: 001770C

R.C. Agrawal
Partner
Membership No.: 070229



Place: New Delhi

Date: May 25, 2022

UIN: 22070229AJPOBH9461

For and on behalf of Board of Directors of Bharat Sanchar Nigam Limited

P.K. Purwar
Chairman and Managing Director
DIN: 06619060

Surajit Mandol
Senior General Manager
(Corporate Accounts)
Place: New Delhi
Date:

Yojana Das
Director (Finance)
DIN: 08987456

J.P. Chowdhary
Company Secretary and General
Manager (Legal)
M. No. F- 3726

Annexure A: Details of Statement of Audited Consolidated Financial Results for Year ended 31 March 2022

1 Revenue from operations

(Amount in INR Lakh, unless otherwise stated)

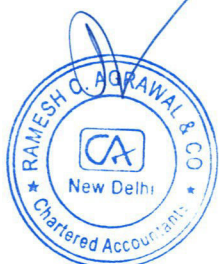
Particulars	Consolidated				
	Quarter ended		31.03.2021	Year ended	
	31.03.2022	31.12.2021		31.03.2022	31.03.2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
Revenue from sale of services					
Telephones (other than Wireless in Local Loop)	28,257	38,131	33,182	1,35,646	1,53,474
Cellular	1,36,717	1,37,101	1,36,688	5,27,051	5,46,240
Broad band services	21,789	32,699	32,865	1,23,739	1,91,743
Leased Lines	1,04,007	68,805	1,13,792	3,15,681	3,39,301
Leasing of fiber infra	13,454	15,665	29,115	51,510	54,071
Other enterprise services	11,651	1,366	8,712	14,338	11,122
FTTH	47,073	41,072	29,594	1,59,016	93,777
Lease income from passive infrastructure	25,183	23,966	27,660	1,01,558	96,430
Interconnection usage charges (IUC) from other service providers	11,068	13,711	21,150	54,892	1,38,012
	3,99,199	3,72,516	4,32,758	14,83,431	16,24,170
Other operating revenue					
Sale to third party from telecom factories	-	-	0	208	295
Profit from manufacturing activities of factories	258	-	2,356	266	4,147
Other operating income	1,60,948	9,396	48,697	1,82,451	1,04,756
Other	5,826	3,027	2,893	14,770	11,843
	1,67,032	12,422	53,946	1,97,695	1,21,041
Total	5,66,231	3,84,938	4,86,704	16,81,126	17,45,211

2 Other income

Particulars	Consolidated				
	Quarter ended		31.03.2021	Year ended	
	31.03.2022	31.12.2021		31.03.2022	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Interest income on					
Financial assets at amortised cost:					
Deposits with banks	245	324	466	1,323	1,319
Loans	78	66	143	274	557
Other	392	100	549	599	1,263
Income tax refund	1,595	-	2,031	6,988	2,031
	2,310	490	3,188	9,184	5,170
Other non-operating income					
Profit on sale of property, plant and equipment (net)	684	429	2,983	1,926	3,418
Income from liquidated damages	-	-	(0)	-	1,047
Excess liabilities written back no longer required	90,502	31,909	61,305	1,79,715	82,073
Profit on termination of lease contract(s)	457	119	115	755	225
Rent on staff quarters	6,985	5,101	6,112	21,777	16,566
Foreign exchange fluctuation gain (net)	-	-	(56)	-	-
Sale of scrap	-	2,460	-	-	-
Others	3,700	2,311	4,259	10,980	10,880
	1,02,328	42,329	74,719	2,15,153	1,14,209
Total	1,04,638	42,819	77,907	2,24,337	1,19,379

3 Employee benefits expense

Particulars	Consolidated				
	Quarter ended		31.03.2021	Year ended	
	31.03.2022	31.12.2021		31.03.2022	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Salaries, wages, allowances and other benefits	1,51,134	1,49,523	1,38,239	5,82,389	5,59,999
Expenses related to compensated absences	8,636	3,478	96	22,227	1,434
Contribution towards pension	4,556	4,495	4,746	18,223	19,344
Contribution towards superannuation	3,660	3,610	3,276	13,989	13,002
Contribution towards employees provident fund	9,608	9,480	8,665	36,765	34,289
Contribution towards Employees State Insurance	46	46	43	181	171
Expense related to post-employment defined benefit plans	3,166	2,673	1,531	11,290	10,611
Contribution towards leave salary	206	225	227	862	970
Medical expenses	12,326	6,591	18,616	37,878	35,817
Staff welfare expenses	46	53	457	157	480
	1,93,921	1,80,174	1,75,896	7,24,497	6,76,117
Less : Allocated to capital work-in-progress and others	3,364	1,036	3,674	7,630	8,201
Total	1,90,556	1,79,137	1,72,222	7,16,867	6,67,916



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Annexure A: Details of Statement of Audited Consolidated Financial Results for Year ended 31 March 2022

4 Finance costs

Particulars	Consolidated				
	Quarter ended			Year ended	
	31.03.2022 (Unaudited)	31.12.2021 (Unaudited)	31.03.2021 (Unaudited)	31.03.2022 (Audited)	31.03.2021 (Audited)
Interest expense on					
Financial liabilities at amortised cost:					
6.79% Bonds	17,620	16,731	16,493	67,448	34,514
Loans	37,533	39,768	35,779	1,52,890	1,77,256
Less: Moratorium gain	-	-	294	-	294
Less: Capitalised	1,711	961	1,330	4,692	4,606
	53,443	55,538	50,648	2,15,646	2,06,870
Subscriber deposits	-	-	1	-	1
Others	2,338	805	1,648	4,743	3,739
Lease liabilities	9,784	9,810	11,134	36,858	38,968
Unwinding of discount on decommissioning liabilities	1,244	916	2,196	4,482	7,129
Total	66,808	67,069	65,628	2,61,729	2,56,707

5 Depreciation and amortisation expense

Particulars	Consolidated				
	Quarter ended			Year ended	
	31.03.2022 (Unaudited)	31.12.2021 (Unaudited)	31.03.2021 (Unaudited)	31.03.2022 (Audited)	31.03.2021 (Audited)
Depreciation on property, plant and equipment	1,02,980	1,00,018	1,21,310	3,98,122	4,60,721
Amortisation on intangible assets	15,482	15,834	15,648	62,801	63,247
Amortisation on Right to use assets	16,365	18,441	21,496	69,881	81,132
Total	1,34,827	1,34,291	1,58,455	5,30,804	6,05,100

6 Other expenses

Particulars	Consolidated				
	Quarter ended			Year ended	
	31.03.2022 (Unaudited)	31.12.2021 (Unaudited)	31.03.2021 (Unaudited)	31.03.2022 (Audited)	31.03.2021 (Audited)
Rent	2,399	767	2,042	9,684	8,636
Lease charges	874	346	2,064	3,661	7,144
Rates and taxes	3,273	1,795	4,439	7,040	6,892
Power and fuel	48,686	47,427	52,343	1,91,102	2,06,288
Insurance	20	9	(29)	124	158
Bank charges	64	118	1,116	261	1,524
Repairs and maintenance on:					
Buildings	1,838	1,255	2,464	5,399	6,797
Plant and machinery	27,450	14,999	33,065	75,852	86,313
Cables	7,491	5,079	6,005	19,292	17,023
Others	12,642	9,255	13,073	42,112	39,351
Consumption of stores and spare parts	6,136	6,050	7,294	18,222	18,659
Professional and consultancy charges	1,267	421	521	2,029	2,189
Audit fees	283	35	401	479	475
Printing and stationery	176	109	461	530	1,560
Commission on franchise services	13,362	6,804	7,164	31,444	18,660
Advertisement	17	12	13	31	42
Business promotion and marketing expenses	225	170	666	424	860
Travelling expenses	444	425	686	2,259	1,745
Postage and courier charges	76	56	112	200	271
Security services	3,148	1,804	3,051	8,756	9,356
Vehicle running expenses (including hired vehicles)	3,494	3,253	4,063	12,269	13,520
Interconnection usage charges (IUC) to other service providers	23,516	22,591	19,285	71,465	1,13,557
Lease expense on passive infrastructure	14,961	13,827	10,612	54,454	53,358
Expenditure on services, goods and other expenses	38,558	27,537	16,006	1,16,004	82,682
Housekeeping charges	6,450	3,572	7,021	17,943	26,650
Transponder charges	9,492	9,346	10,638	37,378	42,790
Expenditure on LWE operation	2,145	5,511	9,172	15,271	20,121
Penalty for customer application form (CAF) verification	90	26	32	240	100
Write off and losses (other than bad debts)	11,521	2,720	32,813	27,308	45,753
Bad debt provision other than services	1,147	195	1,175	1,735	5,461
Bad debt written off	26,856	7,171	25,841	41,119	43,829
Loss allowance for trade receivables and disputed bills	7,108	2,590	48,173	20,138	59,956
Write off of unrecovered service tax/ GST	1,321	345	1,580	2,007	2,653
Foreign exchange fluctuation loss (net)	24	23	(43)	90	271
Loss from manufacturing activities of factories	-	146	-	-	-
Expenditure on construction contracts	1,07,184	228	1,894	1,08,770	4,648
Hiring charges of machinery lines	-	27	54	64	154
Sale of scrap	14,354	-	7,151	6,212	5,078
	3,98,095	1,96,043	3,32,418	9,51,368	9,54,524
Less : Allocated to capital project works and others	543	149	843	1,284	1,306
Total	3,97,552	1,95,894	3,31,575	9,50,084	9,53,218



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Annexure B: Segment Information

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments and operating results are reviewed regularly by the Board of directors of the Group, which is defined as chief operating decision maker ('CODM') to make decisions about resources to be allocated to the segments and assess their performance.

For management purposes, the business is organized into following business segments based on its products and services identified:

(i) Basic; (ii) Cellular; (iii) Broadband; and (iv) Enterprise

Accordingly, the consolidated segment information is presented below:

Sr. No.	Particulars	(Amount in INR Lakh, unless otherwise stated)				
		Consolidated				
		Quarter ended			Year ended	Year ended
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue					
	(a) Revenue from operations					
	- Basic	1,69,044	46,591	62,679	3,00,663	2,38,168
	- Cellular	1,65,757	1,75,843	1,78,167	6,66,395	7,88,399
	- Broadband	82,348	75,055	77,628	3,03,775	2,85,523
	- Enterprise	1,48,997	87,417	1,68,200	4,10,089	4,33,090
	- Unallocated	85	32	31	204	31
	Total	5,66,231	3,84,938	4,86,705	16,81,126	17,45,211
	(b) Other income					
	- Basic	76,017	38,417	60,578	1,73,145	95,366
	- Cellular	6,867	1,739	9,011	21,439	11,531
	- Broadband	4,005	365	211	4,422	322
	- Enterprise	15,438	1,806	4,911	16,135	6,977
	- Unallocated	2	2	7	10	13
	Total	1,02,329	42,329	74,718	2,15,152	1,14,209
	Net segment revenue	6,68,560	4,27,267	5,61,423	18,96,278	18,59,420
2	Segment results					
	(a) Operating profit/(loss) before interest, depreciation and taxes					
	- Basic	(1,35,904)	(1,41,146)	(1,81,204)	(5,53,814)	(3,36,290)
	- Cellular	8,793	45,839	25,460	1,59,657	79,697
	- Broadband	62,411	45,950	61,651	2,29,636	1,47,634
	- Enterprise	1,06,351	54,206	1,22,020	2,50,233	2,26,380
	- Unallocated	(638)	(590)	(1,708)	(3,073)	(4,897)
	Total	41,013	4,260	26,219	82,639	1,12,524
	(b) Depreciation and amortisation	(1,34,827)	(1,34,292)	(1,58,455)	(5,30,804)	(6,05,100)
	(c) Interest income	2,311	490	3,188	9,185	5,170
	(d) Interest expenses	(64,261)	(67,070)	(65,628)	(2,59,182)	(2,56,707)
	Profit/(loss) before tax	(1,55,764)	(1,96,610)	(1,94,676)	(6,98,163)	(7,44,111)
	Tax expense	-	-	-	(1)	-
	Profit/(loss) after tax	(1,55,764)	(1,96,610)	(1,94,676)	(6,98,162)	(7,44,111)
3	Segment assets					
	- Basic	8,52,184	11,74,949	60,30,365	8,52,184	60,30,365
	- Cellular	32,17,921	34,76,362	11,57,021	32,17,921	11,57,021
	- Broadband	23,98,027	24,69,942	18,23,952	23,98,027	18,23,952
	- Enterprise	24,06,840	21,80,214	17,17,807	24,06,840	17,17,807
	- Unallocated	37,68,139	37,21,633	25,55,354	37,68,139	25,55,354
	Total	126,43,111	130,23,099	132,84,499	126,43,111	132,84,499
4	Segment liabilities					
	- Basic	23,60,393	26,07,491	27,16,333	23,60,393	27,16,333
	- Cellular	8,68,923	9,57,151	9,27,973	8,68,923	9,27,973
	- Broadband	93,571	83,750	39,275	93,571	39,275
	- Enterprise	12,48,179	10,76,285	10,85,678	12,48,179	10,85,678
	- Unallocated	36,02,684	36,72,241	33,46,560	36,02,684	33,46,560
	Total	81,73,748	83,96,918	81,15,819	81,73,748	81,15,819



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Bharat Sanchar Nigam Limited

CIN: U74899DL2000GOI107739

Registered Office: Bharat Sanchar Bhawan, Harish Chandra Mathur Lane, Janpath, New Delhi - 110001

Tel: 011 2355 5395, Fax: 011 2355 3389, Website: www.bsnl.co.in, email: jp_chowdhary@bsnl.co.in

Annexure C: Related Party Information

i. Key Management Personnel

Designation	Name of incumbent	Remarks
Chairman and Managing Director ('CMD')	Shri P. K. Purwar	From 01 July 2019 onwards
Director (Finance & CFO)	Ms. Yojana Das	From 16 November 2020 onwards
	Shri Suresh Kumar Gupta	From 29 April 2019 to 16 November 2020
Director (Enterprise)	Shri V. Ramesh	From 03 June 2020 onwards
	Shri Arvind Vadnerkar	From 27 April 2020 to 02 June 2020
	Shri B. L. Varshney	From 29 April 2019 to 27 April 2020
Director (Consumer Fixed Access)	Shri Vivek Banzal	From October 18, 2018 onwards
Director (Consumer Mobility)	Shri Sushil Kumar Mishra	From 06 March 2020 to 31 March 2022
Director (Human Resource)	Shri Arvind Vadnerkar	From 14 October 2019 onwards
Government Director	Ms. Yashashri shukla	From 14 February 2022 onwards
Non-official part - time Director	Ms. Trupti Kamlesh Patel	From 01 November 2021 onwards
	Shri Manoj Kumar	From 01 November 2021 onwards
	Shri Ravindra Ramadas Boarawake	From 01 November 2021 onwards
	Shri Seikhojam Kipgen	From 01 November 2021 onwards
Company Secretary and Chief General Manager (Legal)	Shri J. P. Chowdhary	From 01 February 2021 onwards
	Shri H. C. Pant	From 28 November 2000 to 31 January 2021

ii. Subsidiary

BSNL Tower Corporation Limited

iii. Entities under the control of the same Government

The Group is a Central Public Sector Undertaking (CPSU) controlled directly or indirectly by Central Government. Pursuant to paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Group has applied the exemption available for government related entities and have made limited disclosures in the Consolidated financial statements. Such entities with which the Group has significant transactions include but not limited to Department of Telecom ('DoT'), Department of Posts, Mahanagar Telephone Nigam Limited, Indian Telephone Industries, Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited, Union Bank of India, United Bank of India, State Bank of India, Bank of Maharashtra, Punjab National Bank, Canara Bank and Bank of Baroda.

iv. Post employment benefit plans

BSNL Employees Gratuity Fund Trust

BSNL Employees Superannuation Pension Fund Trust



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Notes to the Audited consolidated financial results for year ended 31 March 2022:

1. Bharat Sanchar Nigam Limited (the 'Company' or 'BSNL') is a Public Sector Group fully owned by the Government of India and was formed on 15 September 2000 in pursuance to the Telecom Policy 1999, to takeover the ongoing business of the Department of Telecom Services (DTS) and Department of Telecom Operations (DTO) from 1 October 2000. The Group has been incorporated under the erstwhile Companies Act, 1956 with its registered corporate office in New Delhi.

The subsidiary of the Company, i.e. BSNL Tower Corporation Limited (BTCL) has been incorporated on 4 January 2018. BSNL together with its subsidiary is hereinafter referred to as the 'Group'.

2. The above Audited financial results of the Group have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 25, 2022. The statutory auditors have carried out audit of above financial results for the period ended March 31, 2022.
3. These financial results have been prepared in accordance with recognition and measurement principles laid down in the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India.

The financial results have been prepared on the accrual basis and on going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. There is no significant change in accounting policies as compared to accounting policies applied during the year ended March 31, 2021.

4. Other Disclosures:

(i) No dividends have been paid during the period for equity shares and preference shares.

(ii) The carrying amounts of trade receivables, trade payables, cash and cash equivalents, investments, bank balances other than cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. The other non-current financial assets represents bank deposits (due for maturity after twelve months from the reporting date) and security deposits given to various parties, and other non-current financial liabilities, the carrying value of which approximates the fair values as on the reporting date.

Specific valuation techniques used to value non current financial assets and liabilities for whom the fair values have been determined based on present values and the appropriate discount rates at each balance sheet date. The discount rate is based on the weighted average cost of borrowings of the Group at each balance sheet date.

5. The disclosure required as per the provisions of Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

a. The NCDs are secured by way of unconditional and irrevocable guarantee and continuing obligation for payment of principal amount of the Bonds issued by the Group, normal interest thereon as agreed to be guaranteed by the Government of India.

b. The capital structure conveyed through DoT UO No 1-2/2000-B(Pl.) - dated 13 December 2001 includes 9% non-cumulative preference shares of INR 750,000 lakh and were accounted for as "preference share capital pending allotment" during the FY 2000-01. The shares were issued to the Central Government of India as fully paid with a par value of INR 10 per share on 2nd May 2002. In terms of section 55(2) of the Companies Act, 2013, the preference shares are mandatorily redeemable at par not later than twenty years from the date of issue of such shares and the Company is obliged to pay holders of these shares dividends at the rate of 9% of the par amount per annum, subject to availability of distributable profits. These preference shares had fallen due for redemption on before 2 May, 2022, upon completion of 20 years from the date of issue. The Company has not been able to redeem these preference shares on the due date due to lack of funds and distributable profits. During the financial year 2021-22, the Company has submitted proposal for fresh issue of redeemable preference shares to Department of Telecom (DoT) and awaiting approval for the same. The proceeds of fresh issue will be used for redemption of existing 9% non-cumulative preference shares. Further, the Company is in the process of convening meeting of the preference shareholders, who in the present case, is the government of India being the sole shareholder, to give consent for issuance of fresh shares and cost receipt of consent, the matter shall be submitted before the National Company Law Tribunal for required approval in this regard.

c. Other Information:

The basis of computation of ratios is provided in the table below:

Debt service coverage ratio	Earnings before tax, depreciation, interest and exceptional item/ (Interest Expenses + Scheduled principal repayment of long term debt, preference shares and lease liability during the period)
Interest service coverage ratio	Earnings before tax, depreciation, interest and exceptional item / Interest Expenses
Debt-equity ratio	(Long term borrowings + Short term borrowings + Current Maturities) / Total Equity *excluding lease liability
Net worth	Basis section 2(57) of the Companies Act, 2013
Current ratio	Current Assets / Current Liabilities
Long term debt to working capital	Non-Current Borrowings (Including Current Maturities of Non-Current Borrowings) / Current Assets Less Current Liabilities (Excluding Current Maturities of Non-Current Borrowings)
Bad debts to Account receivable ratio	Bad debts / Average Trade receivables
Current liability ratio	Total Current Liabilities / Total Liabilities
Total debts to total assets	(Non current borrowings+ current borrowings+lease liabilities) / Total assets
Debtors turnover	Value of Sales & Services / Average Trade Receivables
Operating margin (%)	EBIT – Other Income / Revenue from operations
Net profit margin (%)	Profit After Tax / Revenue from operations

6. Bank balances other than cash & cash equivalent includes balance related to Government Projects shown as earmarked bank balance excluding Rs 4,000 lakh parked in Bank OD account.

7. a. Pending resolution of various arithmetic errors and other issues by the DoT/CCAs the demands amounting to INR 996,794 lakh (for LF) (31 March 2021 INR 990,974 lakh) and INR 583,551 (31 March 2021 INR 573,240 lakh) (for SUC) are being carried as contingent liabilities.

b. The Company is carrying INR 583,585 lakh (31 March 2021 INR 583,585) as contingent liability, in view of Hon'ble Supreme Court Judgment in AGR matter Civil Appeal No. 6328-6399 of 2015. The additional interest for the period from October 2019 to March, 2022 on the amount of INR 583,585 lakh has been estimated at INR 205,526 lakh (31 March 21-Nil) and disclosed as contingent liability.

c. An estimated amount of INR 360,469 (31 March 2021 INR 210,866 lakh) lakh towards interest and penalty on the unpaid amount of self assessed License Fee and SUC has not been provided for but recognised as Contingent Liability pending further decision from DoT with regard to the matter of adjustment of the unpaid amount of LF/SUC against various other receivable amounts from DoT.



Notes to the Audited consolidated financial results for year ended 31 March 2022:

8. The Union Cabinet in its meeting held on 23 October 2019 considered and approved the proposal of DoT for "Revival of BSNL and MTNL" (Cabinet Note dated 22 October 2019). The Union Cabinet has approved the revival package that includes reduction in employee cost by immediately offering Voluntary Retirement Scheme (VRS) to the employees of age 50 Years and above, with payment of ex-gratia to be supported through budgetary allocation of Government of India, administrative allotment of spectrum for providing 4G services through capital infusion by the Government, Sovereign bonds for a tenure of 10 years or more, for the purpose of debt restructuring, monetization of land/ building following DIPAM guidelines, monetization of tower and fibre assets with the aim to maximize the return, in-principle approval of merger of BSNL and MTNL. VRS has been implemented by the Group and INR 8,50,000 lakhs has been received on account of issuance of Sovereign Bonds. Land monetization is in progress in keeping with DIPAM guidelines. Efforts are ongoing for monetization of tower and fibre assets. The matter of merger of MTNL into BSNL is under deliberations with the Department of Telecom.

9. Below is the break up of borrowings and loans of the Company excluding preference shares:-

Particulars	(Amount in INR lakhs)	
	31-03-2022	31-03-2021
Bonds	8,42,254	8,41,023
Bank Overdraft	3,45,825	2,94,440
Loans	21,01,934	18,62,337
Total	32,90,013	29,97,800

10. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
11. Due to COVID pandemic, the whole of the country was under lockdown for substantial period of time. BSNL continued to provide services and its network utilization increased during this period. The Group has launched Work from Home scheme for customers, INSTA PAY platform to sell the stock online to Channel Partners 24 x 7. No significant reduction in revenue generation is seen due to COVID 19 pandemic. The Group, assessed that there is no major impact of COVID 19 on its business and accounting matters. The Group has reversed the impairment allowance on trade receivables by INR 19,000 lakh during the year ended March 31, 2022, out of the provision of INR 38,900 lakh created in FY 2020-21, considering the same is no longer required.
12. During the year, the asset retirement obligation liability has been reassessed and for certain assets it was noted that the liability is no longer required and accordingly the same has been reversed. The impact of the same is INR 27,148 lakh.
13. Department of Telecom has sanctioned an amount of Rs. 18,640 lakh (including of GST Rs. 2,842 lakh) on provisional basis against telecom facilities provided to DoT offices / officers / officials from 01.10.2000 to 31.03.2020 accrued revenue has been accounted in the current year.
14. The figures for the quarter ended 31 March 2022 and 31 March 2021 are the balancing figures between the audited figures in respect of the full financial years and the published unaudited year to date figures upto third quarter of the respective financial years, which were subject to limited review.
15. Previous period/ year figures have been re-grouped or reclassified, to confirm to such current period's classification.

In terms of our report attached
For Ramesh C Agrawal & Co.
Chartered Accountants
Firm Registration No. : 001770C
R.C. Agrawal
Partner
Membership No. : 070229



For and on behalf of Board of Directors of Bharat Sanchar Nigam Limited

P.K. Purwar
Chairman and Managing Director
DIN: 06619060

Surajit Mandol
Senior General Manager
(Corporate Accounts)
Place: New Delhi
Date:

Yojana Das
Director (FINANCE)
DIN: 08987456

J.P. Chowdhary
Company Secretary and
General Manager (Legal)
M. No. F- 3726

Place: New Delhi
Date: 25/03/2022

UDIN: 220770229AJPOBH9461

Independent Auditors Report on Annual Financial Results pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

To the Board of Directors of Bharat Sanchar Nigam Limited

Report on the Audit of the Standalone Financial Results

Qualified Opinion

We have audited the accompanying Standalone Financial Results of Bharat Sanchar Nigam Limited ("the Company"), for the year ended 31st March, 2022 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

In our opinion and to the best of our information and according to the explanations given to us, the statements-

- i. Are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- ii. Give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

Basis for Qualified Opinion

1. We conducted our audit of the Standalone Financial Results in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 Standalone Financial Results under the provisions of the Companies Act, 2013 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, and the audit evidence obtained by other Auditors in terms of their reports referred in Other Matter Para is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Results.



Assets and Liabilities taken over from Department of Telecommunication ('DoT') and the amounts receivable and payable to DoT

- 2.1 The assets and liabilities (including contingent liabilities) taken over from DoT on 1 October 2000 have been verified and valued by the management based on internal calculations. The consequential impact on the Standalone Financial Results, if any, as a result of the same is presently not ascertainable.
- 2.2 The amounts due from and due to DoT, included in current assets and current liabilities aggregating to Rs. 2,31,235 lakhs (31st March 2021 Rs. 2,70,684 lakhs) and Rs. 1,09,104 (31st March 2021 Rs. 1,11,362 lakhs), are subject to confirmation, reconciliation and consequential adjustment. The impact of the adjustments, if any, on the Standalone Financial Results is presently not quantifiable.

Revenue

- 3.1 The Company has not applied definition of "Default" and "Assessment of Credit Risk" consistently to all the financial instruments in terms of Ind AS 109 Financial Instruments. Further, there is no renegotiation or modification of the contractual cash flows on Claim Recoverable from DoT and trade receivables from Other Government and/ or PSU sector entities. We have not been provided with reasonable and supportable information about past events, current conditions, forecasts of future economic conditions including any demonstrable recovery pattern and indicators that led the management to conclude that claims recoverable from DoT, Trade Receivables, from Other Government and/ or PSUs sector entities, are having low credit risk.

We accordingly conclude that the credit risk on such financial instruments (i.e. claims recoverable from DoT, Trade Receivables from Government and/ or PSU sector entities) has not decreased significantly since initial recognition.

We were not supplied the audit evidence to verify such balances as at March 31, 2022 and also about the write back of loss allowance in respect of such trade receivables as at March 31, 2022 and accordingly we are unable to comment upon the impact of adjustments made for these amounts by the management.

- 3.2 Amount recoverable from Mahanagar Telephone Nigam Limited (MTNL) as per the Standalone Financial Results is Rs 3,66,077 lakhs (31 March 2021 Rs 3,64,568 lakhs), is subject to confirmation and reconciliation by MTNL. We were not supplied the audit evidence to verify such balances as at March 31, 2022 and reconciliation of differences have not been concluded. Hence in our opinion, based upon the MTNL's counter claim for recovery, its liquidity and financial position and the recovery pattern, the provision of Rs 1,77,995 lakhs standing in the books of the holding company is insufficient. In our opinion the loss of the Company and the provision for loss allowance have been understated. However, in the absence of proper reconciliation the consequential impact of such understatement, if any, on the Standalone Financial Results is not quantifiable.



- 3.3 Two Circle Auditors have reported that Ind AS 115 'Revenue from Contracts with Customers', provisions have not been complied with. In the absence of adequate details and documents the consequential impact of the adjustments/ disclosures, if any, due to non-compliance, on the Standalone Financial Results is presently not ascertainable.

Government Projects

- 4.1 The Company has booked total income of Rs 4,255 lakhs (Previous Year Rs 23,850 lakhs), in respect of the various ongoing Government Projects. Auditors of the circle, where such Government projects are running, have reported that Income on these government projects has been booked based upon the communication received from the Head Office. These Auditors have expressed their inability to verify the correctness of the Income booked in the absence of the calculations/ details. The consequential impact on the Standalone Financial Results, if any, as a result of the same is presently not ascertainable.
- 4.2 In respect of 'Network For Spectrum Project' (NFS), the project balance at the year end is Rs 1,95,205 lakhs, whereas, as per these Financial Statements, the balance as at the year end is Rs 75,749 lakhs. There is a difference of Rs 1,19,456 lakhs, between the project balance and the balance shown in the Financial Statements. Management has represented us that the same is under reconciliation. The consequential impact on the Standalone Financial Results, if any, as a result of the same is presently not ascertainable.
- 4.3 As per the information and explanations given to us, the Company has unutilized balance of Rs 3,55,441 lakhs out of the funds received from the Government of India for the execution of various Government Projects. The balance in Bank Accounts maintained for Govt Projects as at 31st March 2022 are only Rs. 2,01,969 lakhs which signifies the utilization of funds by the Company for the purposes other than the execution of Government Projects.

Property, Plant and Equipment

- 5.1 As reported by Auditors of six Circles Capital Work-in-Progress, inter alia, includes balances pending capitalization for long-periods of time owing to pending analysis of status, value and obtaining of commissioning certificates. The consequential impact on the Capital Work-in-Progress, Property Plant and Equipment, depreciation and amortization and loss for the year, if any, has not been worked out and quantified by the respective Circle Auditors.
- 5.2 Two Circle Auditors have reported non-availability of requisite details about the status of Capital Work-in-Progress pending for completion for more than Two Years amounting to Rs 547.78 lakhs. This has resulted in overstatement of Capital Work in Progress, and understatement of Property, Plant and Equipment to that extent.
- 5.3 One Circle Auditor has reported non-compliance of Ind-116 "Leases" due to non-receipt of supporting evidence to determine the freehold/leasehold land status, in respect of



tenure/expiry/non-renewal of lease, relevant records in respect of land taken over from DOT, renewal of lease under dispute. The consequential impact on value of Lease Liability, Right of Use Assets forming part of Property Plant & Equipment, Depreciation on Right of Use Asset, Finance Cost (unwinding of Interest) and loss for the year, if any, could not be ascertained by the Circle Auditors.

- 5.4 Two Circle Auditors have reported on the expired/ non-renewal of leases on lands on which the Company had constructed buildings and the fact that management has not made any provision for the surrender value/ written down value of the aforementioned buildings in the anticipation of the ultimate renewal of the leases, the consequential impact of adjustment on Property Plant and Equipment, depreciation and amortization and loss for the year, if any, is presently not ascertainable.
- 5.5 Property Plant and Equipment, inter alia, includes land pertaining to purchased/ acquired on leasehold/ freehold basis through various authorities including DOT, the deeds of which are yet to be executed in the name of the Company.
- 5.6 The accounting policy of the Company with respect to Asset held for sale – has not been uniformly applied across all circles. In seven have made specific reference of the same.

Inventories

- 6 Capital Work in Progress (Stores) amounting to Rs. 2,77,649 lakhs (Previous Year Rs. 353,278 lakhs) also includes Inventory items which are also being used in the repair and maintenance of the projects. Such Inventories have not been separately classified under the head Current Assets. In the absence of sufficient audit evidence, we are unable to comment upon the impact of the same on the Capital Work in Progress (Stores) and Inventory in Current Assets.

Current Assets and Current Liabilities

- 7.1 The Company has initiated a system of obtaining balance confirmations of balances in respect of trade receivable, deposits with government departments/ companies (inter-alia, including Mahanagar Telephone Nigam Limited and Bharat Broadband Network Limited), claims recoverable from/ payable to DoT (including license fees payable) or to/ from other government departments/ authorities, subscriber/ customer deposit accounts, trade payable and claims payable for the balances of Rs. 25 lakhs and above. However, the said system is in a nascent stage. Confirmation letters have been issued in a very few cases and response is also very poor. Due to non-availability of confirmation and reconciliations of the aforementioned account balances, we are unable to quantify the impact of the adjustments, if any, on the Financial Statements.
- 7.2 As reported by Auditors of certain circles, there are differences between the general ledger/ trial and accounting records pertaining to loans and advances, current assets and current liabilities due to non-reconciliations. As the relevant information were not made available to them, the



respective circle officers could not quantify the impact of the above mentioned non reconciliations on the Standalone Financial Results.

- 7.3 The differences in General Ledger Balance and Subsidiary ledger of Receivables is Rs 23,415 lakhs (Previous Year Rs 16,966 lakhs)). The difference of balances is incorrectly stated since only the net differences have been stated. The gross differences amount to Rs. 40,455 lakhs (Previous Year Rs 17,656 lakh). The impact of such difference on Revenues, Trade Receivables, License Fees and Spectrum Charges Payable, and GST liability on account of the same cannot be quantified.
- 7.4 Nine Circles Auditors have reported that physical verification of inventory has not been carried out/ physical verification report has not been produced for verification.
- 7.5 Three Circles Auditors have reported non-provision against slow-moving, non-moving, obsolete and damaged items of Inventory of Rs. 1385.86 lakhs. In the absence of relevant information being made available to them, the respective Circle Auditors could not quantify its impact if any, on inventory, consumption, provisions and loss for the year.

Inter/ Intra Circle Remittance Account

- 8 Inter-Circle/ Unit remittance balances amounting to Rs 15,146 lakhs (Credit) (previous year Rs. 11,764 lakhs (Credit) are yet to be reconciled. Pending such reconciliations, the possible cumulative impact of the adjustments, if any, on assets and liabilities and the current and prior year(s) income and expenditure is presently not ascertainable.

License Fee, Spectrum Charges and Inter-Connect Usage Charges

- 9.1 The Company has not provided for the demands of Rs. 9,96,794 lakhs (previous year Rs. 9,90,974 lakhs) for License Fee and Rs. 5,83,551 lakhs for Spectrum Charges (previous year Rs.5,73,240 lakhs), pending resolutions of various arithmetic errors and other reasons. Had this amount been provided for, the corresponding net loss and current liabilities would have increased by the said amount. Also, Interest liability payable on the same is unascertainable and not provided for.
- 9.2 The company has not provided Rs. 5,83,585 with reference to Hon'ble Supreme Court judgement dated 01.09.2021 which resulted into understatement of net loss as well as current liabilities by the said amount.
- 9.3 The Company has also not provided the amount of Interest and Penalty Charges on License Fee and Spectrum Charges, in deference to the decision of the Hon'ble Supreme Court amounting to Rs 2,05,526 lakhs (previous year Rs. Nil), and instead has shown the same as the Contingent Liability. Had the aforesaid expenditure been accounted for the loss for the year ended 31st March, 2022 and current liabilities as at that date would have been higher by the said amount.
- 9.4 The Company has not deposited License Fee and spectrum Charges from September 2018 onwards to DoT. The amount of Interest and Penalty Payable to DoT for the delay has not been provided in the accounts and has instead been shown as contingent Liability. Had the aforesaid



expenditure, amounting to Rs 3,60,469 lakh (previous year Rs. 2,10,866 lakhs) been accounted for, loss for the year ended 31 March 2022 and current liabilities as at that date would have been higher by the said amount.

Provisions, Contingent Liabilities, Commitments and Contingent Assets

- 10.1 The provisions and the disclosures with regard to matters under litigations, Commitments and Contingent Assets are been made based upon the management estimates. In the absence of the adequate details and documents and pending the responses to our confirmation requests in respect of the litigations, Commitments and Contingent Assets, the impact of adjustments/disclosure, if any, on the Standalone Financial Results is presently not ascertainable.
- 10.2 As reported by Circle Auditors of nine circles, the circles have not made provision for the disallowance of subsidy claimed from Universal Service Obligation Fund ('USOF'). The impact of the adjustment, if any, in respect thereof on current assets and loss for the year could not be ascertained by the respective Circle Auditors.

Miscellaneous

- 11 The Company has not complied in respect of the following Ind AS notified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- i. The Company has not carried out any techno-economic assessment during the year ended 31 March 2022 and hence identification of impairment loss and provision thereof, if any, has not been made. The same is not in accordance with the notified Ind AS 36 "Impairment of Assets". The consequential impact of adjustment, if any, on the Standalone Financial Results is currently not ascertainable.
- ii. The company claims that it's accounting for capital and revenue grant is in accordance with the notified Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance". However, in the absence of the relevant audit evidences being made available to us, we could not verify the veracity of the claim and its consequential impact on the Standalone Financial Results is presently not ascertainable.
- iii. The accounting policy with respect to the liability on account of post-retirement medical benefits of employees including retired employees, a defined benefit plan, is recognized on actual basis in respect of bills received by the Company instead of recognizing the liability for the same as the present value of the defined benefit obligation at the balance sheet date calculated on the basis of actuarial valuation in accordance with the notified Ind AS-19 "Employee Benefits". The consequential impact of adjustment, if any, owing to this non-compliance on the Standalone Financial Results is presently not ascertainable.



- iv. The Company has not accounted for claim raised on DoT for excess payment of Spectrum Charges on Mobile services in respect of previous years amounting to Rs 14,676 lakhs (Previous Year- Rs 14,676 lakhs), as the claim is still under pursuance of DoT.
- v. The Company has not complied with Ind AS 109 "Financial Instruments", for recognition at and measurement at fair value of financial assets. The consequential impact of adjustment, if any, owing to this non-compliance on the Standalone Financial Results is presently not ascertainable.
- vi. The Company has partly complied with Ind AS 16 "Property, Plant and Equipment" by not attributing the dismantling costs to each part of an item of Property, Plant and Equipment with the cost that is significant in relation to the total cost of the item. The value considered for Asset Retirement Obligation has been generated by internal department which is neither certified by any Certified Value, nor calculated in appropriate method and the same has been calculated on estimated basis. The impact of the adjustment, if any, in respect thereof on asset, depreciation and loss for the year is presently not ascertainable.
- vii. The Company has not identified and restated the prior year Financial Statements with regard to prior period transaction recorded in the current financial year in violation of Ind AS-8 Prior Period items. In the absence of specific details, the consequential impact of adjustments, if any, on the Standalone Financial Results is presently not ascertainable.
- viii. Individual transactions of income/ expenditure exceeding Rs. 5 lakhs, are considered for evaluation as prior-period items. The revenue and expenditure for the current year, inter alia, includes amount pertaining to prior period(s). This is not in accordance with the Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Circle Auditors of six have reported prior period income amounting to Rs. 2868.75 lakhs and prior period expense amounting to Rs. 6731.06 lakhs. However, Circle Auditors of four have reported non-compliance to the same. In lieu of the aforementioned the impact of prior period items as a whole is unascertainable.
- 12 The Company has not identified amounts due to MSME sector in GR-IR balance of Rs. 86,458 lakhs (Previous year Rs 1,20,327 lakhs). Consequently, the disclosure of dues to MSME and interest due on overdue balances to MSME are under-reported to that extent.
- 13 The disclosure requirements of the Schedule III, Division II of the Act and the disclosure requirements of applicable Ind AS have not been properly adhered to in the presentation and disclosure of Standalone Financial Results of the Company in respect of classification of assets/ liabilities into current and non-current and secured and unsecured, where applicable; capital and other commitments and expenditure and earnings in foreign currency.
- 14 Seven Circle Auditors have reported non-compliance of Goods and Service Tax (GST) provisions with regard to charging, deposition, availing Input Tax Credit, reconciliation of GST returns with books of accounts. In the absence of the appropriate details, we are presently unable to ascertain



the impact, if any, on the adjustment or disclosures to be included in these Standalone Financial Results.

- 15 Certain assumption have been made for the purpose of preparation of the Cash Flow Statement. In the absence of the appropriate details, we are presently unable to ascertain the impact, if any, on the adjustment/ disclosures in the Cash Flow Statement.
- 16 Certain subsequent events or circumstances may have occurred between the auditor's report date of the respective circles of the Company and that of this audit report. Such events or circumstances could significantly affect the accompanying Standalone Financial Results or the related disclosures forming part of these Standalone Financial Results of the Company. In the absence of sufficient appropriate audit evidence in respect of the other circles, the impact of adjustments, if any, or disclosures to be included in these Standalone Financial Results of the Company cannot be ascertained
- 17 The Standalone Financial Results for the previous year ended 31st March, 2021 were also qualified in respect of the matters stated in paragraphs 2.1, 2.2, 3.1, 3.2, 4.3, 5.1, 5.2, 5.4, 5.5, 5.6, 6, 7.1, 7.2, 7.5, 8, 10.1, 10.2, 11(i), 11(ii), 11(iii), 11(vi), 11(viii), 13, 14, 15, and 16.

Emphasis of Matter

- 18 In terms of the decision of the Union Cabinet, the Fiber Assets of the company are to be monetized. This monetization may have an adverse effect on the gross revenues and profitability of the company.

Our report is not qualified on that matter.

- 19 The Company has not redeemed 9% Preference Share Capital amounting to Rs. 7500 Crores due for redemption on 02.05.2022 (Refer Note no.23 to the Standalone Financial Results).

Key Audit Matters

- 20 Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of Standalone Financial Results of the current period. These matters were addressed in the context of our audit of the Standalone Financial Results as a whole, and in forming our opinion there on, and we do not provide a separate opinion on these matters. In addition to the matters describe the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1.	Standalone Financial Results include Financial Statements of 37 circles audited by the respective Circle Auditors and 1 circle audited by us.	The company has compiled and consolidated from the respective Financial Statements of 38 circles in order to arrive at the numbers of Standalone Financial Results. We have verified



	Hence, numbers in the Standalone Financial Results are consolidated figures of 38 circles of the company.	the compilation on test check basis and the figures have been reclassified, rearranged and regrouped wherever considered necessary.
2.	Auditors' Report on the Standalone Financial Results include the comments and qualifications of 37 circles audited by the respective Circle Auditors and 1 circle audited by us.	In compiling our audit report on the Standalone Financial Results we have taken into consideration the reports of the Circle Auditors. The qualifications and comments of the respective Circle Auditors have been reviewed, rephrased and revisited after analyzing the same and obtaining explanation from those charged with governance.

Information other than the Standalone Financial Results and Auditor's Report Thereon

- 21 The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Report on Corporate Governance but does not include the Standalone Financial Results and our Auditors' Report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

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

In connection with our audit of the Standalone Financial Results, our responsibility is to read the other information identified above when it becomes available, and in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Results or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed we conclude that there is a material misstatement of this other information we are required to report that fact.

When we read the other information if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibility of Management and those charged with Governance for Standalone Financial Results

- 22 The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Financial Results that give a true and fair view of the Net Loss and other Comprehensive Income in accordance with the accounting principles generally accepted in India,



including the Indian Accounting Standards 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- 23 In preparing the Standalone Financial Results, the Board of Directors of the Company are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- 24 The Board of Directors the Company are also responsible for overseeing the Company's financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

- 25 Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Results.
- 26 As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Financial Results, 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Results 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 Standalone Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- 27 We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For Ramesh C Agrawal & Co.

Chartered Accountants

Firm's Registration No.: 001770C


(R.C. Agrawal)

Partner

Membership No.: 070229

UDIN: 22070229AJPNRI1673



Place: New Delhi

Date: 25th May, 2022

Independent Auditors Report on Annual Financial Results pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

To the Board of Directors of Bharat Sanchar Nigam Limited

Report on the Audit of the Consolidated Financial Results

Qualified Opinion

We have audited the accompanying Consolidated Financial Results of Bharat Sanchar Nigam Limited ("the Holding Company") and its one subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), for the year ended 31st March, 2022 ("the Statement") attached herewith, being submitted by the Group pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statements-

- i. Are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- ii. Give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

Basis for Qualified Opinion

1. We conducted our audit of the Consolidated Financial Results in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results 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 Consolidated Financial Results under the provisions of the Companies Act, 2013 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, and the audit evidence obtained by other Auditors in terms of their reports referred in Other Matter Para is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Results.



Assets and Liabilities taken over from Department of Telecommunication ('DoT') and the amounts receivable and payable to DoT

- 2.1 The assets and liabilities (including contingent liabilities) taken over from DoT on 1 October 2000 have been verified and valued by the management based on internal calculations. The consequential impact on the Consolidated Financial Results, if any, as a result of the same is presently not ascertainable.
- 2.2 The amounts due from and due to DoT, included in current assets and current liabilities aggregating to Rs. 2,31,235 lakhs (31st March 2021 Rs. 2,70,684 lakhs) and Rs. 1,09,104 (31st March 2021 Rs. 1,11,362 lakhs), are subject to confirmation, reconciliation and consequential adjustment. The impact of the adjustments, if any, on the Consolidated Financial Results is presently not quantifiable.

Revenue

- 3.1 The Group has not applied definition of "Default" and "Assessment of Credit Risk" consistently to all the financial instruments in terms of Ind AS 109 "Financial Instruments". Further, there is no renegotiation or modification of the contractual cash flows on Claim Recoverable from DoT and trade receivables from Other Government and/ or PSU sector entities. We have not been provided with reasonable and supportable information about past events, current conditions, forecasts of future economic conditions including any demonstrable recovery pattern and indicators that led the management to conclude that claims recoverable from DoT, Trade Receivables, from Other Government and/ or PSUs sector entities, are having low credit risk.

We accordingly conclude that the credit risk on such financial instruments (i.e. claims recoverable from DoT, Trade Receivables from Government and/ or PSU sector entities) has not decreased significantly since initial recognition.

We were not supplied the audit evidence to verify such balances as at March 31, 2022 and also about the write back of loss allowance in respect of such trade receivables as at March 31, 2022 and accordingly we are unable to comment upon the impact of adjustments made for these amounts by the management.

- 3.2 Amount recoverable from Mahanagar Telephone Nigam Limited (MTNL) as per the Consolidated Financial Results is Rs 3,66,077 lakhs (31 March 2021 Rs 3,64,568 lakhs), is subject to confirmation and reconciliation by MTNL. We were not supplied the audit evidence to verify such balances as at March 31, 2022 and reconciliation of differences have not been concluded. Hence in our opinion, based upon the MTNL's counter claim for recovery, its liquidity and financial position and the recovery pattern, the provision of Rs 1,77,995 lakhs standing in the books of the holding company is insufficient. In our opinion the loss of the Holding Company and the provision for loss allowance have been understated. However, in the absence of proper reconciliation the



consequential impact of such understatement, if any, on the Consolidated Financial Results is not quantifiable.

- 3.3 Two Circle Auditors have reported that Ind AS 115 "Revenue from Contracts with Customers", provisions have not been complied with. In the absence of adequate details and documents the consequential impact of the adjustments/ disclosures, if any, due to non-compliance, on the Consolidated Financial Results is presently not ascertainable.

Government Projects

- 4.1 The Group has booked total income of Rs 4,255 lakhs (Previous Year Rs 23,850 lakhs), in respect of the various ongoing Government Projects. Auditors of the circle, where such Government projects are running, have reported that Income on these government projects has been booked based upon the communication received from the Head Office of the Holding Company. These Auditors have expressed their inability to verify the correctness of the Income booked in the absence of the calculations/ details. The consequential impact on the Consolidated Financial Results, if any, as a result of the same is presently not ascertainable.
- 4.2 In respect of 'Network For Spectrum Project' (NFS), the project balance at the year end is Rs 1,95,205 lakhs, whereas, as per these Financial Statements, the balance as at the year end is Rs 75,749 lakhs. There is a difference of Rs 1,19,456 lakhs, between the project balance and the balance shown in the Financial Statements. Management has represented us that the same is under reconciliation. The consequential impact on the Consolidated Financial Results, if any, as a result of the same is presently not ascertainable.
- 4.3 As per the information and explanations given to us, the Company has unutilized balance of Rs 3,55,441 lakhs out of the funds received from the Government of India for the execution of various Government Projects. The balance in Bank Accounts maintained for Government Projects as at 31st March 2022 are only Rs. 2,01,969 lakhs which signifies the utilization of funds by the Holding Company for the purposes other than the execution of Government Projects.

Property, Plant and Equipment

- 5.1 As reported by Auditors of six Circles Capital Work-in-Progress, inter alia, includes balances pending capitalization for long-periods of time owing to pending analysis of status, value and obtaining of commissioning certificates. The consequential impact on the Capital Work-in-Progress, Property Plant and Equipment, depreciation and amortization and loss for the year, if any, has not been worked out and quantified by the respective Circle Auditors.
- 5.2 Two Circle Auditors have reported non-availability of requisite details about the status of Capital Work-in-Progress pending for completion for more than Two Years amounting to Rs 547.78 lakhs. This has resulted in overstatement of Capital Work in Progress, and understatement of Property, Plant and Equipment to that extent.



- 5.3 One Circle Auditor has reported non-compliance of Ind-116 "Leases" due to non-receipt of supporting evidence to determine the freehold/leasehold land status, in respect of tenure/expiry/non-renewal of lease, relevant records in respect of land taken over from DOT, renewal of lease under dispute. The consequential impact on value of Lease Liability, Right of Use Assets forming part of Property Plant & Equipment, Depreciation on Right of Use Asset, Finance Cost (unwinding of Interest) and loss for the year, if any, could not be ascertained by the Circle Auditors.
- 5.4 Two Circle Auditors have reported on the expired/ non-renewal of leases on lands on which the Holding Company had constructed buildings and the fact that management has not made any provision for the surrender value/ written down value of the aforementioned buildings in the anticipation of the ultimate renewal of the leases, the consequential impact of adjustment on Property Plant and Equipment, depreciation and amortization and loss for the year, if any, is presently not ascertainable.
- 5.5 Property Plant and Equipment, inter alia, includes land pertaining to purchased/ acquired on leasehold/ freehold basis through various authorities including DOT, the deeds of which are yet to be executed in the name of the Holding Company.
- 5.6 The accounting policy of the Holding Company with respect to Asset held for sale—has not been uniformly applied across all circles. In seven have made specific reference of the same.

Inventories

- 6 Capital Work in Progress (Stores) amounting to Rs. 2,77,649 lakhs (Previous Year Rs. 353,278 lakhs) also includes Inventory items which are also being used in the repair and maintenance of the projects. Such Inventories have not been separately classified under the head Current Assets. In the absence of sufficient audit evidence, we are unable to comment upon the impact of the same on the Capital Work in Progress (Stores) and Inventory in Current Assets.

Current Assets and Current Liabilities

- 7.1 The Group has initiated a system of obtaining balance confirmations of balances in respect of trade receivable, deposits with government departments/ companies (inter-alia, including Mahanagar Telephone Nigam Limited and Bharat Broadband Network Limited), claims recoverable from/ payable to DoT (including license fees payable) or to/ from other government departments/ authorities, subscriber/ customer deposit accounts, trade payable and claims payable for the balances of Rs. 25 lakhs and above. However, the said system is in a nascent stage. Confirmation letters have been issued in a very few cases and response is also very poor. Due to non-availability of confirmation and reconciliations of the aforementioned account balances, we are unable to quantify the impact of the adjustments, if any, on the Financial Statements.
- 7.2 As reported by Auditors of certain circles, there are differences between the general ledger/ trial and accounting records pertaining to loans and advances, current assets and current liabilities due



to non-reconciliations. As the relevant information were not made available to them, the respective circle officers could not quantify the impact of the above mentioned non reconciliations on the Consolidated Financial Results.

- 7.3 The differences in General Ledger Balance and Subsidiary ledger of Receivables is Rs 23,415 lakhs (Previous Year Rs 16,966 lakhs)). The difference of balances is incorrectly stated since only the net differences have been stated. The gross differences amount to Rs. 40,455 lakhs (Previous Year Rs 17,656 lakh). The impact of such difference on Revenues, Trade Receivables, License Fees and Spectrum Charges Payable, and GST liability on account of the same cannot be quantified.
- 7.4 Nine Circles Auditors have reported that physical verification of inventory has not been carried out/ physical verification report has not been produced for verification.
- 7.5 Three Circles Auditors have reported non-provision against slow-moving, non-moving, obsolete and damaged items of Inventory of Rs. 1385.86 lakhs. In the absence of relevant information being made available to them, the respective Circle Auditors could not quantify its impact if any, on inventory, consumption, provisions and loss for the year.

Inter/ Intra Circle Remittance Account

- 8 Inter-Circle/ Unit remittance balances amounting to Rs 15,146 lakhs (Credit) (previous year Rs. 11,764 lakhs (Credit) are yet to be reconciled. Pending such reconciliations, the possible cumulative impact of the adjustments, if any, on assets and liabilities and the current and prior year(s) income and expenditure is presently not ascertainable.

License Fee, Spectrum Charges and Inter-Connect Usage Charges

- 9.1 The Group has not provided for the demands of Rs. 9,96,794 lakhs (previous year Rs. 9,90,974 lakhs) for License Fee and Rs. 5,83,551 lakhs for Spectrum Charges (previous year Rs.5,73,240 lakhs), pending resolutions of various arithmetic errors and other reasons. Had this amount been provided for, the corresponding net loss and current liabilities would have increased by the said amount. Also, Interest liability payable on the same is unascertainable and not provided for.
- 9.2 The Group has not provided Rs. 5,83,585 with reference to Hon'ble Supreme Court judgement dated 01.09.2021 which resulted into understatement of net loss as well as current liabilities by the said amount.
- 9.3 The Group has also not provided the amount of Interest and Penalty Charges on License Fee and Spectrum Charges, in deference to the decision of the Hon'ble Supreme Court amounting to Rs 2,05,526 lakhs (previous year Rs. Nil), and instead has shown the same as the Contingent Liability. Had the aforesaid expenditure been accounted for the loss for the year ended 31st March, 2022 and current liabilities as at that date would have been higher by the said amount.
- 9.4 The Group has not deposited License Fee and spectrum Charges from September 2018 onwards to DoT. The amount of Interest and Penalty Payable to DoT for the delay has not been provided



in the accounts and has instead been shown as contingent Liability. Had the aforesaid expenditure, amounting to Rs 3,60,469 lakh (previous year Rs. 2,10,866 lakhs) been accounted for, loss for the year ended 31 March 2022 and current liabilities as at that date would have been higher by the said amount.

Provisions, Contingent Liabilities, Commitments and Contingent Assets

- 10.1 The provisions and the disclosures with regard to matters under litigations, Commitments and Contingent Assets are been made based upon the management estimates. In the absence of the adequate details and documents and pending the responses to our confirmation requests in respect of the litigations, Commitments and Contingent Assets, the impact of adjustments/disclosure, if any, on the Consolidated Financial Results is presently not ascertainable.
- 10.2 As reported by Circle Auditors of nine circles, the circles have not made provision for the disallowance of subsidy claimed from Universal Service Obligation Fund ('USOF'). The impact of the adjustment, if any, in respect thereof on current assets and loss for the year could not be ascertained by the respective Circle Auditors.

Miscellaneous

- 11 The Group has not complied in respect of the following Ind AS notified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- i. The Group has not carried out any techno-economic assessment during the year ended 31 March 2022 and hence identification of impairment loss and provision thereof, if any, has not been made. The same is not in accordance with the notified Ind AS 36 "Impairment of Assets". The consequential impact of adjustment, if any, on the Consolidated Financial Results is currently not ascertainable.
- ii. The Group claims that it's accounting for capital and revenue grant is in accordance with the notified Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance". However, in the absence of the relevant audit evidences being made available to us, we could not verify the veracity of the claim and its consequential impact on the Consolidated Financial Results is presently not ascertainable.
- iii. The accounting policy with respect to the liability on account of post-retirement medical benefits of employees including retired employees, a defined benefit plan, is recognized on actual basis in respect of bills received by the Company instead of recognizing the liability for the same as the present value of the defined benefit obligation at the balance sheet date calculated on the basis of actuarial valuation in accordance with the notified Ind AS-19 "Employee Benefits". The consequential impact of adjustment, if any, owing to this non-compliance on the Consolidated Financial Results is presently not ascertainable.



- iv. The Group has not accounted for claim raised on DoT for excess payment of Spectrum Charges on Mobile services in respect of previous years amounting to Rs 14,676 lakhs (Previous Year- Rs 14,676 lakhs), as the claim is still under pursuance of DoT.
- v. The Group has not complied with Ind AS 109 "Financial Instruments", for recognition at and measurement at fair value of financial assets. The consequential impact of adjustment, if any, owing to this non-compliance on the Consolidated Financial Results is presently not ascertainable.
- vi. The Group has partly complied with Ind AS 16 "Property, Plant and Equipment" by not attributing the dismantling costs to each part of an item of Property, Plant and Equipment with the cost that is significant in relation to the total cost of the item. The value considered for Asset Retirement Obligation has been generated by internal department which is neither certified by any Certified Value, nor calculated in appropriate method and the same has been calculated on estimated basis. The impact of the adjustment, if any, in respect thereof on asset, depreciation and loss for the year is presently not ascertainable.
- vii. The Group has not identified and restated the prior year Financial Statements with regard to prior period transaction recorded in the current financial year in violation of Ind AS-8 Prior Period items. In the absence of specific details, the consequential impact of adjustments, if any, on the Consolidated Financial Results is presently not ascertainable.
- viii. Individual transactions of income/ expenditure exceeding Rs. 5 lakhs, are considered for evaluation as prior-period items. The revenue and expenditure for the current year, inter alia, includes amount pertaining to prior period(s). This is not in accordance with the Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Circle Auditors of six have reported prior period income amounting to Rs. 2868.75 lakhs and prior period expense amounting to Rs. 6731.06 lakhs. However, Circle Auditors of four have reported non-compliance to the same. In lieu of the aforementioned the impact of prior period items as a whole is unascertainable.
- 12 The Group has not identified amounts due to MSME sector in GR-IR balance of Rs. 86,458 lakhs (Previous year Rs 1,20,327 lakhs). Consequently, the disclosure of dues to MSME and interest due on overdue balances to MSME are under-reported to that extent.
- 13 The disclosure requirements of the Schedule III, Division II of the Act and the disclosure requirements of applicable Ind AS have not been properly adhered to in the presentation and disclosure of Consolidated Financial Results of the Group in respect of classification of assets/ liabilities into current and non-current and secured and unsecured, where applicable; capital and other commitments and expenditure and earnings in foreign currency.
- 14 Seven Circle Auditors have reported non-compliance of Goods and Service Tax (GST) provisions with regard to charging, deposition, availing Input Tax Credit, reconciliation of GST returns with books of accounts. In the absence of the appropriate details, we are presently unable to ascertain



the impact, if any, on the adjustment or disclosures to be included in these Consolidated Financial Results.

- 15 Certain assumption have been made for the purpose of preparation of the Cash Flow Statement. In the absence of the appropriate details, we are presently unable to ascertain the impact, if any, on the adjustment/ disclosures in the Cash Flow Statement.
- 16 Certain subsequent events or circumstances may have occurred between the auditor's report date of the respective circles of the Company and that of this audit report. Such events or circumstances could significantly affect the accompanying Consolidated Financial Results or the related disclosures forming part of these Consolidated Financial Results of the Company. In the absence of sufficient appropriate audit evidence in respect of the other circles, the impact of adjustments, if any, or disclosures to be included in these Consolidated Financial Results of the Company cannot be ascertained
- 17 The Consolidated Financial Results for the previous year ended 31st March, 2021 were also qualified in respect of the matters stated in paragraphs 2.1, 2.2, 3.1, 3.2, 4.3, 5.1, 5.2, 5.4, 5.5, 5.6, 6, 7.1, 7.2, 7.5, 8, 10.1, 10.2, 11(i), 11(ii), 11(iii), 11(vi), 11(viii), 13, 14, 15, and 16.

Emphasis of Matter

- 18 In terms of the decision of the Union Cabinet, the Fiber Assets of the Holding Company are to be monetized. This monetization may have an adverse effect on the gross revenues and profitability of the company.

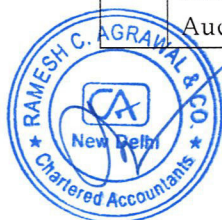
Our report is not qualified on that matter.

- 19 The Holding Company has not redeemed 9% Preference Share Capital amounting to Rs. 7500 Crores due for redemption on 02.05.2022 (Refer Note no.23 to the Consolidated Financial Results).

Key Audit Matters

- 20 Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of Consolidated Financial Results of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Results as a whole, and in forming our opinion there on, and we do not provide a separate opinion on these matters. In addition to the matters describe the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report

Sr. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1.	Consolidated Financial Results include Financial Statements of 37 circles audited by the respective Circle Auditors, 1 circle audited by us and	The company has compiled and consolidated from the respective Financial Statements of 38 circles and one subsidiary in order to arrive at the numbers of Consolidated Financial Results.



	one subsidiary audited by its Statutory Auditor. Hence, numbers in the Consolidated Financial Results are consolidated figures of 38 circles of the company and one subsidiary.	We have verified the compilation on test check basis and the figures have been reclassified, rearranged and regrouped wherever considered necessary.
2.	Auditors' Report on the Consolidated Financial Results include the comments and qualifications of 37 circles audited by the respective Circle Auditors, 1 circle audited by us and one subsidiary audited by its Statutory Auditor.	In compiling our audit report on the Consolidated Financial Results we have taken into consideration the reports of the Circle Auditors and subsidiary. The qualifications and comments of the respective Circle Auditors have been reviewed, rephrased and revisited after analyzing the same and obtaining explanation from those charged with governance.

Information other than the Consolidated Financial Results and Auditor's Report Thereon

- 21 The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and Report on Corporate Governance but does not include the Consolidated Financial Results and our Auditors' Report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

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

In connection with our audit of the Consolidated Financial Results, our responsibility is to read the other information identified above when it becomes available, and in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Results or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed we conclude that there is a material misstatement of this other information we are required to report that fact.

When we read the other information if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

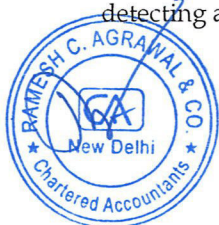


Responsibility of Management and those charged with Governance for Consolidated Financial Results

- 22 The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated Financial Results that give a true and fair view of the Net Loss and other Comprehensive Income in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act and in compliance with Regulation 52 of the Listing Regulations. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 23 In preparing the Consolidated Financial Results, the Board of Directors of the Company are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- 24 The Board of Directors the Company are also responsible for overseeing the Company's financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

- 25 Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results.
- 26 As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Financial Results, 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Results 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 Consolidated Financial Results 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 Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- 27 We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For Ramesh C Agrawal & Co.

Chartered Accountants

Firm's Registration No. 0017700

(R.C. Agrawal)

Partner

Membership No.: 070229

UDIN: 22070229AJPOBH9461



Place: New Delhi

Date: 25th May, 2022