ANNUAL REPORT

of

New Town Telecom Infrastructure Development Company Ltd.

New Town Telecom Infrastructure Development Co. Ltd.

Board of Directors as on 31.03.2020

Shri Ananda Ganguly
Chairman

Shri Prosanta Dutta
Non-Executive Director

Shri Supriya Kumar Bagchi
Non-Executive Director
▲

Shri Soumya Ray
Non-Executive Director
▲

Shri Anirban Gupta
Non-Executive Director
▲

Shri Jayanta Kumar Datta
Non-Executive Director

▲ CSR Committee

HIGHLIGHTS FY 2019-20

Rs. 11.63 Crore
Turnover

Rs. 3.67 Crore
Profit After Tax

Rs. 1.05 Crore
Share Capital

Rs. 23.35 Crore
Net Worth

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Corporate **Information**

Board of Directors

Shri Ananda Ganguly
Shri Prosanta Dutta
Shri Supriya Kumar Bagchi
Shri Soumya Ray
Shri Anirban Gupta
Shri Jayanta Kumar Datta

Chief Operating Officer

Shri Debasish Datta

Advisor-Corporate Affairs

Ms. Sujata Basu

Statutory Auditors

Rahman & Mondal
Chartered Accountants

Internal Auditors

K. Ray & Co.,
Chartered Accountants

Registered & Corporate Office

CD-6&7, 04-2222, Biswa Bangla Sarani (SE),
Action Area-IC, New Town, Rajarhat,
Kolkata – 700 156.
Telephone: 2324-2513, 9432668899
FAX : 2324-2513
e-mail : nttidco@gmail.com

CSR Committee
Shri Soumya Ray – Chairman Shri Supriya Kumar Bagchi – Member Shri Anirban Gupta – Member Ms Sujata Basu – Secretary

Directors' Report

Report of the Directors to the Shareholders for the year ended 31st March, 2020

Your Directors have the pleasure in presenting the 14th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2020.

New Town Project at Rajarhat, Kolkata is being implemented by the Urban Development Department (previously Housing Department), Government of West Bengal through a wholly-owned State Government Company (incorporated under the Companies Act, 1956) known as "West Bengal Housing Infrastructure Development Corporation Ltd." (WBHIDCO Ltd.) with well planned futuristic out look to provide all basic infrastructural facilities as are available in any modern green township.

A Memorandum of Understanding/Joint Venture Agreement was executed on 1st day of April, 2006 between WBHIDCO Ltd. and WEBFIL Ltd. for formation of a Company under the Companies Act, 1956 on a 51:49 partnership basis in equity participation and accordingly, New Town Telecom Infrastructure Development Co. Ltd. (NTTIDCO Ltd.) was incorporated with the Registrar of Companies, West Bengal on 12th May, 2006 under the Companies Act, 1956 and Certificate of Commencement of Business was issued by the Registrar of Companies, West Bengal on 23rd May, 2006 with objectives of carrying on business activities relating to creation of Telecom Infrastructure.

Your Company is registered with Government of India, Ministry of Communications and IT Department of Telecommunications, New Delhi under Registration Certification No.124/2006 dated 18th September, 2006 for Infrastructure Provider Category-I (IP-I).

Achievements and Developments during 2019-20

The underground infrastructure has already covered about 1,543.69 Duct Kilometers spread over Action Area-I, Action Area-II and Action Area-III. The underground duct has now reached at most of the buildings, which are either already constructed or nearing completion based on Demand raised. Particular emphasis has been given towards underground duct for IT Parks with the Ring Formation which ensures greater availability and alternate routing.

Now that almost all the Service Operators in the field of Telecom and allied services have utilized the underground duct consuming about 807.19 Duct Kilometers till date. Total road length covered in New Town is 153.412 K.M. as on 31-03-2020.

To ensure and encourage more participation from all the Service Providers, as a promotional measure and as advised by the Parent Body (i.e. WBHIDCO Ltd.), upfront payment fees were slashed down to Rs.3.75 lakhs compared to the existing rate of Rs.5.0 lakhs per Duct K.M. and the applicable rate of Rs.4.0 lakhs per Duct K.M. to Rs.3.0 lakhs, both effective from 1st October, 2012 and shall remain in force for 3 years i.e. upto 30th September, 2015. However, your Board considered the issue and taking into consideration all the aspects particularly inclusion of New Town by State Government in the list of cities under its Green Cities Mission, it was decided to continue the existing rates.

As desired by WBHIDCO Ltd, implementation of Wi-Fi System in New Town has since been effective May, 2015. Such Wi-Fi System from New Town end covering NABA DIGANTA Industrial

Estate upto Chingrihata has since been completed under Phase-I and additional roads in Sector-V within Nabadiganta Industrial Township Authority are being covered under Wi-Fi System in Phase-II. Nabadiganta Authority has not approved further AMC of Wi-Fi system which was expired on Aug'2019. Thus, the agency is not maintaining and supervising the Wi-Fi Network System since 23rd March'2020 and also shut down the system on the same date due to Covid-19 pandemic lock down announcement.

You feel happy that your Company has executed High Speed Internet connection through underground duct from the existing Wi-Fi Network at some specific spots/office premises in New Town under the direction of WBHIDCO, like HIDCO Bhaban, Kolkata Gate, Business Club, NKDA office (AA - IA), Utility Building(AA-II), Nazrul Tirtha, Nazrul Tirtha-2, e-Health Centre (Senior Citizen Park), e-Health Centre (AA-III), Convention Centre-Main Building, NKDA Utility Centre GAUTAM'S Restaurant (AA-I), Snehodiya, e-Health Center(Eco Park), Eco Island etc.

Your Company has started implementing Wi-Fi Hotspots zone at 10 places in New Town, Rajarhat using existing WBHIDCO Wi-Fi Network. Consequently, installation of two Wi-Fi Hotspots has been completed at Smart Street and at Unbox Park using existing spare equipment. Rest will be executed on procurement of new equipments and accessories.

Your Company has started to lay new duct path for implementing CCTV Surveillance project all over the New Town under Bidhannagar Police. The CCTV project will be implemented by NIS under WEBEL.

Right of Way

Appropriate Lease Agreement conferring title to the strips of land all through New Town has been executed between WBHIDCO Ltd. and NTTIDCO Ltd. on 07-02-2009.

Scope of Business

The following Service Providers are utilizing underground duct infrastructure which has already been created by NTTIDCO Ltd:-

1. Tata Communications Limited (erstwhile VSNL)
2. Bharti Airtel Ltd.
3. Bharat Sanchar Nigam Limited (BSNL)
4. Vodafone Idea Limited.
5. Tata Teleservices Ltd.
6. Hitech Visual Channel
7. Reliance Communication Ltd.
8. Power Grid Corporation of India Ltd.
9. Indian Cable Net Company Ltd.
10. Insat (II) Cable TV Centre
11. JIO Digital Fibre Pvt. Ltd (erstwhile Reliance Jio Infocom Ltd.)
12. Hathway Cable & Data Com Ltd.

13. Tele 2 Vision Cable and Broadband Services Pvt. Ltd.
14. Octagon Cable & Broadband Services Pvt. Ltd.
15. New Town Kolkata Development Authority (NKDA).
16. West Bengal Housing Infrastructure Development Corporation (WBHIDCO Ltd).
17. West Bengal State Electricity Transmission Co. Ltd.
18. Alliance Broadband Services Pvt. Ltd.
19. Tata Sky Broadband Pvt. Ltd.
20. Sify Technologies Ltd.

Accounts and Finance

From the Final Accounts for the period ended 31st March, 2020, you may observe that the Company is in full swing engaged in creation of Telecom Infrastructure facilities in New Town, Rajarhat, Kolkata. The expenditure incurred by the Company during the year 2019-20 amounted to Rs. 2,81,99,185/- against Income from Operation and also other Income in totality of Rs. 11,63,06,308/-. Profit Before Tax (PBT) exhibited Profit of Rs. 8,81,07,123/- and Profit After Tax (PAT) becomes Rs. 3,67,00,607/- during the Financial Year 2019-20.

Dividend

Keeping in view of steady profitability and in view of a net profit of Rs. 3,67,00,607/- during the year, your Board has recommended payment of dividend @ 25% (i.e. Rs. 25/- per share) for the year ended 31st March, 2020.

Capital

The paid-up capital of the Company at the end of 31st March, 2020 remains at Rs.105 lakhs contributed by WBHIDCO Ltd. (Rs. 53.55 lakhs) and WEBFIL Ltd. (Rs.51.45 lakhs). WBHIDCO Ltd. (the Holding Company) is a wholly-owned Government of West Bengal Company and WEBFIL Ltd. being an associate Company of Andrew Yule & Co. Ltd. (a Government of India Enterprise). NTTIDCO Ltd. was incorporated as a State Government Company of West Bengal.

Directors

Out of Seven Directors on the Board, Four Directors are to be nominated by WBHIDCO Ltd. and Three Directors are to be nominated by WEBFIL Ltd as per Article 79 of the Articles of Association of your Company. Hence, no Director(s) is/are required to retire by rotation during his/their tenure.

During the Financial Year 2019-20, WBHIDCO Ltd has nominated Shri Ananda Ganguly, Chairman, Shri Soumya Ray, Shri Supriya Kumar Bagchi and Shri Prosanta Dutta being the Directors on the Board of NTTIDCO Ltd.

Shri Gopal Chandra Ghose has been nominated as Chairman-Director by WBHIDCO Ltd on the Board of NTTIDCO Ltd vice Shri Ananda Ganguly effective 26th August, 2020.

WEBFIL Ltd has nominated Shri Anirban Gupta as a Director and Shri Jayanta Kumar Datta as a Director on the Board of NTTIDCO Ltd during the Financial Year 2019-20.

Employees

Since, no employee is in receipt of remuneration of Rs. 5.00 lakhs or more per month or Rs.60.00 lakhs or more during the Financial Year, Section 134 of the Companies Act, 2013 is not attracted. Total number of staff engaged by the Company was only nine as on 31st March, 2020.

Fund projection

Your Company has been generating income and fund in execution of Lease Agreement with Service Providers through Onetime Upfront fees and Annual Lease Rental charges.

WBHIDCO Limited, Parent Company has granted Loan worth of Rs. 5.00 Crores for execution of Project Work in 2014 which is being re-paid quarterly and in the month of June, 2021, the entire loan would be fully re-paid.

Directors' Responsibility Statement pursuant to Section 134 of the Companies Act, 2013.

Your Directors confirm that:

i) In the preparation of the Annual Accounts, the applicable Indian Accounting Standards had been followed along with proper explanation relating to material disclosures.

ii) That, the Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the Profit and Loss Account of the Company for the period ended 31st March, 2020.

iii) That, the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) That, the Directors had prepared the Annual Accounts on a 'going concern' basis.

v) That, the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Corporate Governance

Company's philosophy on Corporate Governance –

The philosophy of this Company in relation to Corporate Governance is to ensure transparent disclosures and reporting that conforms fully to all related laws, regulations and guidelines and to promote ethical conduct throughout the Organisation.

Your Company believes that good Corporate Governance consists of business practices which results in enhancement of the values of the Company and simultaneously enables the Company to fulfill its obligations to its stakeholders such as, shareholders, customers, vendors, employees and financiers and to the society at large. Your Company further believes that, such practices are reflected upon the core values of transparency, empowerment, accountability, independent monitoring and environment consciousness.

The company makes its best endeavours to uphold and nurture these core values in all aspects of its operations and is committed to attain the highest standards of Corporate Governance.

During the Financial Year 2019-20, Four Meetings of the Board of Directors of NTTIDCO Ltd. were held, the details of which are furnished below:

Name of the Directors	Status	Dates of Board Meetings			
		21-06-2019	13-09-2019	27-12-2019	20-03-2020
Shri Ananda Ganguly	Chairman	√	√	√	√
Shri Soumya Ray	Director	√	√	√	√
Shri Prosanta Dutta	Director	√	√	√	√
Shri Supriya Kumar Bagchi	Director	√	√	√	√
Shri Anirban Gupta	Director	X	√	X	√
Shri Sanjay Bhattacharya (Ceased to be a Director w.e.f. 01-08-2019)	Director	X	Ceased	Ceased	Ceased
Shri Debasis Jana (Ceased to be a Director w.e.f. 21-06-2019)	Director	Ceased	Ceased	Ceased	Ceased
Shri Jayanta Kumar Datta (Became a Director w.e.f. 27-12-2019)	Director	Not Appointed	Not Appointed	√	X

(√) indicates present & (X) indicates absent

Details of Directorships on the Board of other Companies as on 31-03-2020

Name of Directors	no. of other Companies in which Directorship/ Chairmanship is held	
	Directorship	Chairmanship
Shri Ananda Ganguly	1	-
Shri Soumya Ray	1	-
Shri Prosanta Dutta	-	-
Shri Supriya Kumar Bagchi	-	-
Shri Anirban Gupta	-	-
Shri Jayanta Kumar Datta	-	-

Annual General Meetings:

The details of last three Annual General Meetings are mentioned below:

Years	2016-17	2017-18	2018-19
Dates	30th August, 2017	7th September, 2018	27th December, 2019
Time	1-30 PM	3-30 PM	5-00 PM
Venue	HIDCO Bhaban, 35-1111 MAR, New Town, Kolkata – 700 156		

Extra Ordinary General Meeting(s)

During the Financial Year 2019-20, no Extraordinary General Meeting was held.

Corporate Social Responsibility

Your Company has formed one Corporate Social Responsibility (CSR) Committee comprising of three Directors as under:-

Shri. Soumya Ray	- Chairman of the Committee
Shri. Anirban Gupta	- Member
Shri. Supriya Kumar Bagchi	- Member
Ms. Sujata Basu	- Advisor Corporate Affairs as Convener

The Board has delegated power to CSR Committee to frame Policy regarding areas and amount of contribution to be made.

CSR Committee has invited Chief Operating Officer to attend the Meeting.

Your Company has made provision for an amount of Rs. 12,54,870/- during the Financial Year 2019-20 as CSR Contribution.

Disclosure

During the Financial Year 2019-20 no material transactions with the Directors or the Management, their subsidiaries or relatives etc. have taken place, as a result, there was no question of conflict with the Director(s) in the interest of the Company except the fact that M/s WEBFIL LIMITED being the Executing Agency has been doing business activities at standard market rates and as such the Nominee Directors of M/s WEBFIL LIMITED may be deemed to be interested.

Auditors

Rahman & Mondal, Chartered Accountants (FRN-315068E, PAN-AADFR9079B) of 9, Lalbazar Street, Mercantile Building, 3rd Floor, Kolkata-700001 were appointed by the Comptroller and Auditor General of India, as Statutory Auditors for F.Y. 2019-20. The Comments of the Comptroller and Auditor General of India on the Accounts of the Company for the year ended 31st March, 2020 shall be forwarded to the Statutory Auditors on receipt of the same together with replies thereof.

Public Deposits

The Company has not accepted any public deposit under Sections 73 & 74 of the Companies Act, 2013.

Conservation of energy, technology Absorption and Foreign exchange earnings and outgo

Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo are not applicable to the Company.

Acknowledgement

Your Directors wish to place on record their appreciation for valuable contribution/co-operation and support given by Urban Development Department, Government of West Bengal, WBHIDCO Ltd. (Holding Company) and the Executing Agency i.e., WEBFIL Limited. The Board also acknowledges devoted services rendered by the employees of the Company at all levels, which enables the Company towards successfully completion / execution of the project work during the Financial Year 2019-20.

For and on behalf of the Board of Directors

Kolkata (Gopal Chandra Ghose)

Dated, this 25th Day of February, 2021. Chairman.

By Speed Post

लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

सत्यमेव जयते

कार्यालय प्रधान महालेखाकार
(लेखापरीक्षा II)
पश्चिम बंगाल
OFFICE OF THE
PRINCIPAL ACCOUNTANT GENERAL
(Audit-II)
West Bengal

No.: OA(AMG-II)/Accounts/NTTIDCL /2019-20/29
Date:- 25.02.2021

To
The Managing Director,
New Town Telecom Infrastructure Development Company,
CD-6 & 7, 04-2222, MAR(SE) 1st & 2nd Floor, Action Area-IC
New Twon, Kolkata- 700156

Sub: Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of New Town Telecom Infrastructure Development Company Limited for the year ended 31 March 2020

Sir,

I am to forward herewith the Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of New Town Telecom Infrastructure Development Company Limited for the year ended 31 March 2020.

Yours faithfully,

Encl: As stated.

Deputy Accountant General (AMG-II)
West Bengal

सी. जी. ओ. कम्प्लेक्स, डी. एफ. ब्लॉक, साल्ट लेक, कोलकाता – 700 064
3rd MSO Building, 5th Floor, CGO Complex, DF Block, Salt Lake, Kolkata – 700 064.
Phone: (033) 2337-4916; FAX: (033) 2334-7854, e-mail: agauwestbengal2@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NEW TOWN TELECOM INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of financial statements of New Town Telecom Infrastructure Development Company Limited for the year ended 31 March 2020, in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act), is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27.11.2020.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of New Town Telecom Infrastructure Development Company Limited for the year ended 31 March 2020 under section 143(6)(a) of the Act.

For and on behalf of the Comptroller & Auditor General of India

(Reena Saha)
Principal Accountant General (Audit-II)
West Bengal

24/02/2021

Dated at Kolkata

Addendum to the Directors' Report

Office of the Principal Accountant General (Audit-II), West Bengal has decided not to conduct the Supplementary Audit of the Financial Statements of New Town Telecom Infrastructure Development Company Limited for the year ended 31st March, 2020 Under Section 143(6)(a) of the Companies Act, 2013 vide Letter Ref. No. OA(AMG-II)/Accounts/ NTTIDCL/2019-20/29 dated 25-02-2021.

As a result no Supplementary Audit has been conducted for Financial Year 2019-20.

For and on behalf of the Board of Directors

(Gopal Chandra Ghose)

Chairman

Dated - 25th Day of February, 2021.

Form No.MGT-9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	**CIN**	U45204WB2006SGC109325
	Registration Date	12/05/2006
	Name of the Company	NEW TOWN TELECOM INFRSTRUCTURE DEVELOPMENT COMPANY LIMITED
	Category/Sub-Category of the Company	PUBLIC LIMITED COMPANY (STATE GOVERNMENT COMPANY)
	Address of the Registered office and contact details	CD-6/7, 04-2222, MAR (SE), 1ST & 2ND FLOOR, ACTION AREA- IC, NEW TOWN, KOLKATA-700156
	Whether listed company	NO
	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

SL. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	LEASING & RENTAL SERVICES (REGARDING UNDERGROUND TELECOM INFRASTRUCTURE ACTIVITIES)	99731251 & 99731252	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SL. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	WBHIDCO LTD	U70101WB1999SGC089276	HOLDING	51	2(87)(ii)
2.	WEBFIL LTD	L36900WB1979PLC032046	ASSOCIATES	49	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2019)				No. of Shares held at the end of the year (31/03/2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1. Indian									
a. Individual/ HUF	-	-	-	-	-	-	-	-	-
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt(s)	-	1,05,000	-	**100%**	-	1,05,000	-	**100%**	NO CHANGE
d. Bodies Corp	-	-	-	-	-	-	-	-	-
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	-	-	-	-	-	-	-	-	-
2. Foreign									
g. NRIs-Individuals	-	-	-	-	-	-	-	-	-
h. Other-Individuals	-	-	-	-	-	-	-	-	-
i. Bodies Corp.	-	-	-	-	-	-	-	-	-
j. Banks / FI	-	-	-	-	-	-	-	-	-
k. Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):	-	-	-	-	-	-	-	-	-
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Banks / FI	-	-	-	-	-	-	-	-	-
c. Central Govt	-	-	-	-	-	-	-	-	-
d. State Govt(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions									
b. Bodies Corp. (i) Indian (ii) Overseas	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2019)				No. of Shares held at the end of the year (31/03/2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b. Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c. Others(Specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1,05,000	-	-	-	1,05,000	-	-	-

ii. Share holding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01/04/2019)			Shareholding at the end of the year (31/03/2020)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	WBHIDCO LTD	53550	51	-	53550	51	-	-
2.	WEBFIL LTD	51450	49	-	51450	49	-	-
	Total	**105000**	**100**	-	**105000**	**100**	-	-

iii. Change in Promoters' Shareholding (please specify, if there is no change)

	Shareholding at the beginning of the year (01/04/2019)		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	**105000**	**100**	**105000**	**100**
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	**NO SHARE ALLOTMENT DURING THE YEAR**		**NO SHARE ALLOTMENT DURING THE YEAR**	
At the End of the year	**105000**	**100**	**105000**	**100**

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01/04/2019)		Shareholding at the end of the year (31/03/2020)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	WBHIDCO LTD	53546	51	53546	51
2.	WEBFIL LTD	51447	49	51447	49

V. Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors	Shareholding at the beginning of the year (01/04/2019)		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year :-				
a) SHRI. ANANDA GANGULY	01			
b) SHRI PROSANTA DUTTA	01			
c) SHRI. SOUMYA RAY	01			
d) SHRI SUPRIYA KUMAR BAGCHI	01			
e) SHRI SANJAY BHATTACHARYA	01			
f) SHRI. ANIRBAN GUPTA	01			
g) SHRI. DEBASIS JANA	01			
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Transfer during the Year: a. SHRI. DEBASIS JANA			01	
At the ending of the year:-				
a) SHRI. ANANDA GANGULY	01			
b) SHRI. PROSANTA DUTTA	01			
c) SHRI. SOUMYA RAY	01			
d) SHRI SUPRIYA KUMAR BAGCHI	01			
e) SHRI SANJAY BHATTACHARYA	01			
f) ANIRBAN GUPTA	01			
g) JAYANTA KUMAR DATTA	01			

VI. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not	–	2,25,00,000	-	2,25,00,000
Total(I + ii + iii)	–	2,25,00,000	-	2,25,00,000
Change in Indebtedness during the financial year - Addition - Reduction	–	1,00,00,000	-	1,00,00,000
Net Change	–	1,00,00,000	-	1,00,00,000
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	–	1,25,00,000	-	1,25,00,000
Total (i +ii +iii)	–	1,25,00,000	-	1,25,00,000

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17(2)Income-Tax Act, 1961 (c) Profits in lieu of salary undersection17(3) Income- Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
	Commission - as % of profit - others, specify...	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total(A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. *Remuneration to other directors:*

Sl. No.	Particulars of Remuneration	Name of Director	Total Amount
	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-
	Total(1)	-	-
	Other Non-Executive Directors • Fee for attending Board /Committee Meetings • Commission • Others, please specify	SHRI. SOUMYA RAY	Rs. 23,000
	Total (2)	-	Rs. 23,000
	Total(B)=(1+2)	-	Rs. 23,000
	Total Managerial Remuneration	-	Rs. 23,000
	Overall Ceiling as per the Act		

C. *Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD*

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
	Gross salary (a) Salary as per provisions contained in section 17(1)of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2)Income-tax Act,1961 (c) Profits in lieu of salary under section 17(3)Income-tax Act,1961	-	-	-	-
	Stock Option	-	-	-	-
	Sweat Equity	-	-	-	-
	Commission - as % of profit - others, specify...	-	-	-	-
	Others, please specify	-	-	-	-
	Total	-	-	-	-

VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers In Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors

Kolkata

Dated, 25th February, 2021.

(Gopal Chandra Ghose)

Chairman

Independent Auditors' Report

To the Members of New Town Telecom Infrastructure Development Company Limited

Report on the Audit of Ind AS Financial Statements

Qualified Opinion

1. We have audited the accompanying Ind AS financial statements of **New Town Telecom Infrastructure Development Company Limited** (hereinafter referred to as "the Company"), comprising of the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss including other comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity, for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, its profit, and its cash flows for the year ended on that date.

Basis for Qualified Opinion

2.1 Attention is drawn that year wise details in respect of income tax provisions and advances with completion/pending of income tax assessment and demand raised/refundable by the Department are not kept systematically for our verification. Attention is also drawn on computation of tax liability wherein taxable income is computed by adding income received in advance which is subsequently credited in the accounts over the years of lease period during the earlier years. The impact thereof on the year's profit and year end shareholders' fund is not ascertainable. [Refer Note No. 41]

2.2 CSR contribution of Rs.12,54,870 has been provided in the accounts during the year under audit but not paid till the signing of this report. CSR contribution for the earlier years, though attracted, but neither provided in the accounts nor paid by the Company as per the provisions of Section 135 of the Companies Act, 2013. The impact thereof on the year's profit and year end shareholders' fund is not ascertainable. [Refer Note No. 42]

2.3 We conducted our audit 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 Ind AS Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements 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 is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

3. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in management report but does not include the Ind AS financial statements and our auditor's report thereon.
4. Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
5. In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information Is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
6. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Ind AS Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including 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 accounting policies; making judgements 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 Ind AS financial statements that give a true and fair view and are free from material misstatement , whether due to fraud or error.
8. In preparing the Ind AS financial statements, management is responsible for assessing the ability of the Company 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.
9. The Board of Directors of the Company is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

11. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also;

- Identity and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtained 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind As financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate and overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether such financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear

on our independence, and where applicable, related safeguards.

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

12. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable use of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the result of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure - A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. Subject to our comments under 'Basis for Qualified Opinion' (Refer Note Nos. 41 & 42) as required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit & Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

e) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure – B.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 of the Companies Act, 2013 are not applicable to the company since no remuneration has been paid to the Directors.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   I. The Company has no pending litigations which would impact its financial position to Ind AS financial statements.

   II. The Company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses.

   III. There have been no delays in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For **Rahman & Mondal**
Chartered Accountants
FRN : 315068E

(S. Rahman)
Partner
M No. 071122
UDIN : 20071122AAAAAQ7199

Date : 27.11.2020
Place: Kolkata

Annexure – A: To the Independent Auditor's Report to the Members of New Town Telecom Infrastructure Development Company Limited

[Referred to in paragraph 13 of the Independent Auditor's Report of even date]

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of its fixed assets.

   (b) As explained to us, Fixed Assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management, which, in our opinion, is reasonable, having regard to the size of the Company and the nature of its business. According to information and explanations given to us, no material discrepancies were noticed on such verification.

   (c) The Company does not have any immovable property. Hence, sub-clause (c) of clause (i) of paragraph 3 of the Order is not applicable to the Company.

2. The Company does not have any inventory. Thus, clause (ii) of paragraph 3 of the Order is not applicable to the Company.

3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Thus, sub-clauses (a), (b) & (c) of clause (iii) of paragraph 3 of the Order is not applicable to the Company.

4. According to the information and explanations given to us and the records of the Company examined by us, there are no loans, investments, guarantee and securities granted in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013, are applicable. Accordingly, the reporting requirements under clause (iv) of paragraph 3 of the Order are not applicable to the Company.

5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Rules framed there under. Therefore, clause (v) of paragraph 3 of the Order is not applicable to the Company.

6. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, for any of the services rendered by the Company.

7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax/goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable with the appropriate authorities and there are no undisputed amounts payable in respect of aforesaid statutory dues which in arrears as at 31st March, 2020, for a period of more than six months from the date they became payable.

   (b) Subject to Note No. 41 regarding non-availability of the documents/supporting evidences of year wise income tax provisions and advances, completion/pending of assessment and the demand raised, if any, according to the information and explanations given to us there are no dues of Sales Tax, Service Tax/Goods and Service Tax, Duty of Customs, Duty of Excise or Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute, except the following dues in respect of Income Tax which have not been deposited on account of dispute.

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which it relates	Forum where the dispute is pending
Income Tax Act, 1961	Demand u/s 143 (3) of I Tax Act	2,43,71,320	A.Y. 2009-10	CIT (Appeals)
Income Tax Act, 1961	Demand u/s 143 (1) of I Tax Act	8,47,548	A.Y. 2010-11	CIT (Appeals)
Income Tax Act, 1961	Demand u/s 143 (3) of I Tax Act	7,65,763	A.Y. 2011-12	CIT (Appeals)
Income Tax Act, 1961	Demand u/s 143 (3) of I Tax Act	3,123	A.Y. 2012-13	CIT (Appeals)

8. Based on the audit procedures and as per the information and explanations given to us, we are of the opinion that the Company has not defaulted any repayment of dues to banks. The Company has neither taken any loan from financial institutions or Government nor issued any debentures.
9. According to the information and explanations given to us, no term loans has been taken by the Company during the year. Further, the Company has not raised any funds by way of initial/further public offer (including debt instruments).
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. According to the information and explanations given to us, the Company has not paid any managerial remuneration during the year. Hence the reporting requirements under clause (xi) of paragraph 3 of the Order are not applicable to the Company.
12. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable to the Company.
13. According to the information and explanations given to us, the Company has duly complied with relevant provisions of Section 188 of the Companies Act, 2013 in respect of transactions with related parties. Provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations provided to us, the Company has not entered into any non-cash transactions with Directors or persons connected with them.
16. In our opinion, and according to the information and explanations given to us, not being a Non-Banking Financial Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Rahman & Mondal**
Chartered Accountants
FRN : 315068E

(S. Rahman)
Partner
M No. 071122
UDIN : 20071122AAAAAQ7199

Date : 27.11.2020
Place: Kolkata

Annexure - B to the Independent Auditors' Report

To the Members

New Town Telecom Infrastructure Development Company Limited

[Referred to in paragraph 14(f) under 'Report on Other Legal and Regulatory Requirements' of our Report of even date]

Report on the Internal Financial Control under Clause (i) of Sub –sections 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of **New Town Telecom Infrastructure Development Company Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Control

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the "Guidance Note" and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintaining and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of internal financial control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedure selected depends on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Control over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

   1) pertain to the maintenance of the records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

   2) provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorization of management and directors of company; and

   3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statement.

Inherent Limitations of Internal Financial Control over Financial Reporting

7. Because of inherent limitation of internal financial control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to errors or fraud may occur and not be detected. Also, projections of any evaluations of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respect, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the company considering, the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting, issued by the Institute of Chartered Accountants of India.

For **Rahman & Mondal**
Chartered Accountants
FRN : 315068E

(S. Rahman)
Partner
M No. 071122

Date : 27.11.2020
Place: Kolkata

Auditors Compliance Report under Section 143(5)7

As per directions under 143(5) of the Companies Act, 2013 we are giving our impression/ comments of New Town Telecom Infrastructure Development Company Limited on the areas as mentioned below:

GENERAL DIRECTIONS:

I. Valuation of Assets & Liabilities:

As reported to us by the management, the Company has not been selected for or made any disinvestment. Thus, the provisions of reporting on disinvestment are not applicable.

II. Waiver/Write off of debts/Loan/Interest:

No case of waiver of debts/loans/interest etc. could be identified during the F.Y. 2019-20. Thus, the provisions of reporting on Waiver/Write off of debts/loan/interest are not applicable.

III. Inventories:

1. The Company does not have stores/inventory. Thus, the provisions of reporting on inventories lying with the third parties are not applicable.
2. As reported to us by the management, no assets have been received as gift/grant from Government or other authorities.

IV. Legal/Arbitration Cases:

1. As per information given to us the following Income Tax cases for A.Y. 2010-11 and A.Y. 2011-12 are pending under CIT (Appeals) as on date.

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which it relates	Forum where the dispute is pending
Income Tax Act, 1961	Demand u/s 143 (3) of I Tax Act	2,43,71,320	A.Y. 2009-10	CIT (Appeals)
Income Tax Act, 1961	Demand u/s 143 (1) of I Tax Act	8,47,548	A.Y. 2010-11	CIT (Appeals)
Income Tax Act, 1961	Demand u/s 143 (3) of I Tax Act	7,65,763	A.Y. 2011-12	CIT (Appeals)
Income Tax Act, 1961	Demand u/s 143 (3) of I Tax Act	3,123	A.Y. 2012-13	CIT (Appeals)

2. There are no large legal expenses. However, norms/procedures to identify them exist.
3. Contingent Liabilities are not recognized but are disclosed by way of notes in the accounts.
4. There is no system to ensure proper documentation before entering into agreement with parties.

V. Title/Lease deeds:

As no freehold or leasehold land has been in possession of the Company, the provisions for reporting on the same are not applicable.

VI. Sub Directions under Section 143(5) of the Companies Act, 2013 for infrastructure Sector:

1. As reported to us by the management, no projects have been undertaken in collaboration with private enterprises. The Company is a subsidiary of West Bengal Housing Infrastructure Development Corporation Limited And follows the policy set out by it for identification of projects.

2. The Company has an efficient system of monitoring and adjusting, including the aspect of cost escalation, in its contracts. However, the Company does not have a system of the recording contingent liabilities for the same in the books of accounts. The Company has settled issues viz. Performance Guarantee tests, recovery of Liquidity Damages and final payment etc. soon after the commissioning of the project. No cost of inordinate delay has been noticed during the period under audit.
3. No funds have been received from any Central or State Agencies. Therefore, deviation for the same does not arise.
4. No Bank Guarantees have been taken by the Company.
5. The Company generally obtained balance confirmations from parties through mail, post and direct correspondence. Also, balance confirmations from banks regarding bank balances and term deposits and from the Company regarding cash balance has been obtained and verifies.
6. As reported to us by the management, there are no abandoned projects.
7. Provision for the CSR is applicable and provided in the accounts of the Company.
8. As observed by us Pricing Policy duly takes care of all Fixed/Variable cost and other allocation of overheads.
9. As informed to us the clause is not presently applicable to the Company.
10. Yes, the Company has an effective system for recovery of revenue as per contractual terms and the revenue is properly accounted for in the books of accounts in compliance with the applicable accounting standards.
11. No such cases reported/observed by us.

VII. Other General Observations:

1. No MOU has been entered into by the Company with the administrative ministry. As reported to us by the management, the same is taken care of the holding Company.
2. Regular contribution is being made by the employer and the employees towards the PF and the fund is being separately maintained and proper safeguards are being taken to maintain the fund.
3. The Company does not have any energy audit.
4. The Company has not done any merger or acquisition during the period under audit.

For **Rahman & Mondal**
Chartered Accountants
FRN : 315068E

(S. Rahman)
Partner
M No. 071122

Date : 27.11.2020
Place: Kolkata

Balance Sheet as at 31 March 2020

(Amount in Rupees)

Particulars	Note no.	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	1819,91,854	1698,73,035
Financial assets			
Loans	4	1,09,820	1,09,820
Other financial assets	5	450,00,000	-
Non-current tax assets (net)	6	333,76,680	266,19,821
Other non-current assets	7	11,12,753	10,81,195
Total non-current assets		**2615,91,107**	**1976,83,871**
Current assets			
Financial assets			
Trade receivables	8	236,88,451	136,25,622
Cash and cash equivalents	9	142,71,954	9,45,766
Bank balances other than cash and cash equivalents	10	1989,87,945	2410,21,303
Other financial assets	11	77,44,011	73,69,571
Other current assets	12	1258,78,567	1212,87,512
Total current assets		**3705,70,929**	**3842,49,774**
Total assets		**6321,62,035**	**5819,33,645**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	105,00,000	105,00,000
Other equity	14	2230,36,526	1863,35,919
Total equity		**2335,36,526**	**1968,35,919**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	25,00,000	125,00,000
Other financial liabilities	16	1,00,000	-

Particulars	Note no.	As at 31 March 2020	As at 31 March 2019
Deferred tax liabilities (net)	17	158,20,866	156,46,309
Other non-current liabilities	18	1681,53,468	1623,57,816
Total non-current liabilities		**1865,74,334**	**1905,04,125**
Current liabilities			
Financial liabilities			
Borrowings	19	10,98,363	20,43,182
Other financial liabilities	20	169,96,146	138,42,404
Current tax liabilities (net)	21	97,09,548	1,56,276
Other current liabilities	22	1842,47,118	1785,51,739
Total current liabilities		**2120,51,175**	**1945,93,601**
Total liabilities		**3986,25,509**	**3850,97,726**
Total equity and liabilities		**6321,62,035**	**5819,33,645**

The above balance sheet shall be read in conjunction with the accompanying notes.

For & on behalf of Board
In terms of our report of even date
For **Rahman & Mondal**
Chartered Accountants
FRN. 315068E

(S. Rahman)
Partner
M No. 071122

Date : 27.11.2020
Place: Kolkata

Statement of Profit & Loss for the year ended 31 March 2020

(Amount in Rupees)

Particulars	Note no.	For the year ended 31 March 2020	For the year ended 31 March 2019
Income:			
Revenue from operations	23	981,78,993	840,31,566
Other income	24	181,27,315	136,92,650
Total income		**1163,06,308**	**977,24,216**
Expenses:			
Employee benefits expense	25	52,57,123	45,22,524
Finance costs	26	17,27,721	21,65,392
Depreciation and amortisation expense	27	114,19,821	136,60,466
Other expenses	28	97,94,520	49,89,371
Total expenses		**281,99,185**	**253,37,753**
Profit/(loss) before tax		**881,07,123**	**723,86,463**
Tax expense :	29		
Current tax		512,31,959	194,81,920
Deferred tax		1,74,558	31,75,591
Total tax expenses		**514,06,517**	**226,57,511**
Profit/(loss) for the year		**367,00,607**	**497,28,953**
Total comprehensive income for the year		**367,00,607**	**497,28,953**
Earnings per equity share of face value of 100 each			
Basic and diluted	30	349.53	473.61

The above statement of profit or loss shall be read in conjunction with the accompanying notes.

For & on behalf of Board
In terms of our report of even date
For **Rahman & Mondal**
Chartered Accountants
FRN. 315068E

(S. Rahman)
Partner
M No. 071122

Date : 27.11.2020
Place: Kolkata

Cash Flow Statement for the year ended 31 March 2020

(Amount in Rupees)

		For the year ended 31 March 2020	For the year ended 31 March 2019
A	**Cash flow from operating activities**		
	Profit/(loss) before tax	**881,07,123**	**723,86,463**
	Adjustments for :		
	Depreciation	114,19,821	136,60,466
	Interest income	(179,03,963)	(136,83,036)
	Interest expense	14,16,515	21,57,020
	Cash generated from operations	**830,39,496**	**745,20,913**
	Operating profit before working capital changes:		
	(Increase)/decrease in trade receivables	(100,62,829)	41,56,451
	(Increase)/decrease in other current financial assets	(449,92,670)	449,92,670
	(Increase)/decrease in other non-current financial assets	-	-
	(Increase)/decrease in other current assets	(45,91,055)	(89,37,112)
	(Increase)/decrease in other non-current assets	(31,558)	(35,321)
	Increase/(decrease) in other non-current financial liabilities	1,00,000	-
	Increase/(decrease) in current financial liabilities	31,53,742	(45,91,180)
	Increase/(decrease) in other non-current liabilities	57,95,652	329,99,759
	Increase/(decrease) in other current liabilities	56,95,379	331,92,383
	Cash generated from Operations	**381,06,157**	**1762,98,563**
	Income tax paid	(484,35,546)	(331,35,381)
	Net cash inflow from operating activities	**(103,29,389)**	**1431,63,182**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	(235,38,640)	(225,72,950)
	Changes in fixed deposits	420,33,358	(1207,34,651)
	Interest received	175,22,193	111,45,775
	Net cash outflow from investing activities	**360,16,911**	**(1321,61,826)**
C	**Cash flow from financing activities**		
	Repayment of borrowings	(100,00,000)	(100,00,000)
	Interest paid	(14,16,515)	(21,57,020)
	Dividend paid (including DDT)	-	(32,66,265)
	Net cash outflow from financing activities	**(114,16,515)**	**(154,23,285)**
D	**Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)**	**142,71,007**	**(44,21,929)**
	Cash and cash equivalents at the beginning of the period	(10,97,416)	33,24,513
	Cash and cash equivalents at the end of the period	**131,73,591**	**(10,97,416)**

Reconciliation of cash and cash equivalents as per cash flow statement

	Note no.	31 March 2020	31 March 2019	1 April 2018
Cash and cash equivalents	**9**	142,71,954	9,45,766	59,00,922
Bank overdraft	**19**	(10,98,363)	(20,43,182)	(25,76,409)
		131,73,591	**(10,97,416)**	**33,24,513**

The above statement of cash flow shall be read in conjunction with the accompanying notes.

Figures in brackets indicate minus figure.

For & on behalf of Board
In terms of our report of even date
For **Rahman & Mondal**
Chartered Accountants
FRN. 315068E

(S. Rahman)
Partner
M No. 071122

Date : 27.11.2020
Place: Kolkata

Statement of Changes in Equity for the year ended 31 March 2020

(Amount in Rupees)

A. Equity share capital

	Amount
As at 1 April 2018	**105,00,000**
Changes in equity share capital	-
As at 31 March 2019	**105,00,000**
Changes in equity share capital	-
As at 31 March 2020	**105,00,000**

B. Other equity

	Retained earnings	Total other equity
Balance as at 1 April 2018	**1461,69,669**	1461,69,669
Restatement of prior period (net of tax)	(62,96,438)	(62,96,438)
Balance as at 1 April 2018 (restated)	**1398,73,231**	**1398,73,231**
Profit for the year	497,28,953	497,28,953
Other comprehensive income for the year (net of tax)	-	-
Dividends paid	(26,25,000)	(26,25,000)
Dividend distribution tax	(6,41,265)	(6,41,265)
Balance as at 31 March 2019	**1863,35,919**	**1863,35,919**
Balance as at 1 April 2019	1961,27,742	1961,27,742
Correction of errors (net of tax)	(97,91,823)	(97,91,823)
Balance as at 1 April 2019 (restated)	**1863,35,919**	**1863,35,919**
Profit for the year	367,00,607	367,00,607
Other comprehensive income for the year (net of tax)	-	-
Dividends paid	-	-
Dividend distribution tax	-	-
Balance as at 31 March 2020	**2230,36,526**	**2230,36,526**

The above statement of changes in equity shall be read in conjunction with the accompanying notes.

Notes to the Financial Statements as at and for the year ended 31st March, 2020.

1 Company background

New Town Telecom Infrastructure Development Company Limited (the 'Company') is a State Government Company incorporated in 2006 under the Companies Act, 1956. It is a joint venture company of WBHIDCO and WEBFIL. The Company is in civil engineering business, engaged in installation of underground ducts and maintenance pits as telecommunication infrastructure. It leases out such facilities to telecom operators. Its registered office is in Kolkata, India. It is a public unlisted Company and is classified as 'Company limited by shares'.

The financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 27-11-2020.

2 Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Accounting Standards) Rules, 2015] and other provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis.

(iii) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

a) expected to be realised or intended to be sold or consumed in the normal operating cycle,

b) held primarily for the purpose of trading,

c) expected to be realised within twelve months after the reporting period, or

d) cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

a) it is expected to be settled in the normal operating cycle,

b) it is held primarily for the purpose of trading,

c) it is due to be settled within twelve months after the reporting period, or

d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises of purchase price inclusive of duties (net of cenvat), taxes and any directly attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Grant received in respect of acquisition of Property, plant and equipment is adjusted against the cost of the related asset.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation method, estimated useful lives and residual values

Depreciation on property, plant and equipment is provided using the straight line method as per the useful lives of the assets prescribed under Schedule II to the Companies Act, 2013, prorated to the period of use of assets. No residual value has been considered for underground ducts & maintenance pits which are not verifiable.

The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within 'Other income'/'Other expenses'.

2.3 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). The Company's corporate assets (eg. central office building for providing support to various CGUs) do not generate independent cash flows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

2.4 Leases

Till 31 March 2019

As a lessee

Leases of property, plant and equipment where the Company, as a lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

With effect from 1 April 2019

As a lessee

From 1 April 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments) and variable lease payment, if any, that are based on an index or a rate, initially measured using the index or rate as at the commencement date. The lease payments are discounted using the interest rate implicit in the lease.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognzied as expense over the lease term on the same basis as lease income. The respective leased assets are included in the Balance Sheet based on their nature.

2.5 Financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Other income'.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within 'Other income' in the period in which it arises.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109,'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

(v) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(vi) Fair value of financial instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

2.6 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.10 Trade receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.11 Cash and cash equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.12 Trade payables

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

2.13 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.14 Revenue recognition

(i) Rentals

The Company provides duct space on long term basis to its customers. The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentives programs, including but not limited to discount, volume rebates etc.

- Upfront fees received during the year are recognized as revenue in the statement of profit or loss over the term of the contract on a straight line basis.
- Annual rentals are recognized as revenue in the statement of profit or loss over time on accrual basis.

(ii) Supervision and maintenance charges

Supervision charges and annual maintenance charges are recognized as revenue over time as the Company provides the services to the customers.

2.15 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

2.16 Employee benefits

(i) Short-term employee benefits

Short term employee benefit is recognized as an expense at the undiscounted amount in the Statement of Profit & Loss for the year in which the related service is rendered.

(ii) Defined contribution plans

Contributions under defined contribution plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

2.17 Income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.18 Provisions and contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

2.19 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.20 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Chief Operating Officer of the Company. The company has identified a single operating segment.

2.22 New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 01 April 2019:

a) Ind AS 116, Leases

The amendment listed above did not have material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.23 Critical estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- **Estimation of expected useful lives of property, plant and equipment**

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

- **Contingencies**

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise difficult and complex factual and legal issues that are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. In the normal course of business, the Company consults with legal counsel and other experts on matters related to litigations. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

- **Valuation of deferred tax assets**

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

- **Fair value measurements**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

Note 3 : Property, plant and equipment

Particulars	Underground Ducts		Maintenance Pits		Computer	Furniture & Fixture	Plant & Machinery	Office Equipments	Total
	Others	S & P	Others	S & P					
Gross Carrying Amount as on April 01, 2018	**1961,65,293**	**176,22,739**	**51,15,862**	**19,67,060**	**1,97,373**	**2,22,073**	**9,500**	**30,500**	**2213,30,400**
Additions	218,80,274	6,92,676	-	-	-	-	-	-	225,72,950
Disposals	-	-	-	-	-	-	-	-	-
Gross Carrying Amount as on March 31, 2019	**2180,45,567**	**183,15,415**	**51,15,862**	**19,67,060**	**1,97,373**	**2,22,073**	**9,500**	**30,500**	**2439,03,350**
Additions	227,54,850	4,02,430	-	-	-	3,81,360	-	-	235,38,640
Disposals	-	-	-	-	-	-	-	-	-
Gross Carrying Amount as on March 31, 2020	**2408,00,417**	**187,17,845**	**51,15,862**	**19,67,060**	**1,97,373**	**6,03,433**	**9,500**	**30,500**	**2674,41,990**
Accumulated Depreciation as on April 01, 2018	**477,91,391**	**88,99,270**	**21,94,620**	**11,36,076**	**1,19,650**	**1,97,904**	**9,025**	**21,913**	**603,69,849**
Depreciation charge for the year	120,91,055	10,72,700	3,31,773	1,27,567	26,979	4,597	-	5,795	136,60,466
Disposals	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as on March 31, 2019	**598,82,446**	**99,71,970**	**25,26,393**	**12,63,643**	**1,46,629**	**2,02,501**	**9,025**	**27,708**	**740,30,315**
Depreciation charge for the year	129,94,850	6,85,506	3,61,153	98,105	24,193	18,911	-	1,267	141,83,985
Disposals	-	24,79,845	-	2,84,319	-	-	-	-	27,64,164
Accumulated Depreciation as on March 31, 2020	**728,77,296**	**81,77,631**	**28,87,546**	**10,77,429**	**1,70,822**	**2,21,412**	**9,025**	**28,975**	**854,50,136**
Net carrying amount									
As At March 31, 2020	**1679,23,121**	**105,40,214**	**22,28,316**	**8,89,631**	**26,551**	**3,82,021**	**475**	**1,525**	**1819,91,854**
As At March 31, 2019	1581,63,121	83,43,445	25,89,469	7,03,417	50,744	19,572	475	2,792	1698,73,035

Note: There is no residual value for underground ducts & maintenance pits.

Note 4 : Loans

Particulars	As at 31 March 2020	As at 31 March 2019
Security deposits	1,09,820	1,09,820
	1,09,820	**1,09,820**

Note 5 : Other financial assets (non-current)

Particulars	As at 31 March 2020	As at 31 March 2019
Fixed deposits	450,00,000	-
	450,00,000	-

Note 6 : Non-current tax assets (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Advance income tax [(Net of provision for tax Rs. 73,344,090 (31 March 2019: Rs. 64,445,486)]	333,76,680	266,19,821
	333,76,680	**266,19,821**

Note 7 : Other non-current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Prepaid rentals	11,12,753	10,81,195
	11,12,753	**10,81,195**

Note 8 : Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
Trade receivables from contract with customers	236,88,451	136,25,622
Less: Loss allowance	-	-
	236,88,451	**136,25,622**

Break-up of security details

Particulars	As at 31 March 2020	As at 31 March 2019
Secured, considered good	-	-
Unsecured, considered good	236,88,451	136,25,622
Significant increase in credit risk	-	-
Credit impaired	-	-

Note 9 : Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Cash on hand	15,212	9,215
Cash at bank	58,98,123	9,36,551
Fixed deposits (original maturity less than 3 months)	83,58,619	-
	142,71,954	**9,45,766**

Note 10 : Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Fixed deposits (original maturity of more than 3 months but less than 12 months)	1989,87,945	1960,21,303
Fixed deposits (original maturity of more than 12 months but remaining maturity of less than 12 months)	-	450,00,000
	1989,87,945	**2410,21,303**

Note 11 : Other financial assets (current)

Particulars	As at 31 March 2020	As at 31 March 2019
Interest accrued but not due on Deposits	77,44,011	73,62,241
Others	-	7,330
	77,44,011	**73,69,571**

Note 12 : Other current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Prepaid rentals	50,957	48,112
Advance to related party (WEBFIL Ltd.) - for Wi-Fi project	1252,40,145	1209,69,880
GST - ITC Receivable	5,60,373	2,39,920
GST - Tax Deducted at Sources	27,092	29,600
	1258,78,567	**1212,87,512**

Note 13 : Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised :		
5,00,000 Equity Shares of Rs.100/- each (Last year : 5,00,000)	500,00,000	500,00,000
Issued, subscribed and paid-up :		
1,05,000 Equity Shares of Rs.100/- each fully paid up (Last year 1,05,000)	105,00,000	105,00,000
	105,00,000	**105,00,000**

(i) Reconciliation of number of equity shares

Equity Shares		
At the beginning of the year	1,05,000	1,05,000
Issued during the year	-	-
At the end of the year	**1,05,000**	**1,05,000**

(ii) Rights, preferences and restrictions attached to shares

a) The Company has one class of shares referred to as Equity Shares having a par value of Rs.100/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in the proportion to their shareholdings.

b) Aggregate number of shares issued/ to be issued for consideration other than cash and/ or shares bought back during the period of five years immediately preceding reporting date : Nil

(iii) Details of shareholders holding more than 5% shares in the company :-

Equity Shares of Rs.100/- each fully paid up	Nos. | % of holding	Nos. | % of holding
West Bengal Housing Infrastructure Development Corporation Ltd.	53,546 | 51%	53,546 | 51%
WEBFIL Ltd.	51,447 | 49%	51,447 | 49%

Note 14 : Other equity

(i) Retained earnings

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance	**1863,35,919**	**1398,73,231**
Net profit for the period	367,00,607	497,28,953
Other comprehensive income for the period	-	-
Dividends	-	(26,25,000)
Dividend distribution tax	-	(6,41,265)
Closing balance	**2230,36,526**	**1863,35,919**

(ii) Nature and purpose of reserves

Retained earnings represent the accumulated profits of the company over the its years of operations.

Note 15 : Borrowings (non-current)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured loans		
Loan from related party (WBHIDCO)	25,00,000	125,00,000
	25,00,000	**125,00,000**

Terms and conditions:

Loan of Rs. 500 lacs from WBHIDCO taken on 1 April 2014 for a period of 7 years. The loan had a moratorium period of 2 years during which the company had to pay quarterly interests at 7.50% per annum. On expiry of moratorium, the company has to repay the loan in 20 quarterly installments of Rs. 25 lacs each along with interest at 9.00% per annum.

Note 16 : Other financial liabilities (non-current)

Particulars	As at 31 March 2020	As at 31 March 2019
Earnest Money Deposit-Internet Lease Line Project	1,00,000	-
	1,00,000	**-**

Note 17 : Deferred tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax liabilities		
Property, Plant and Equipment	182,99,803	183,86,455
Deferred tax assets		
Upfront fee (ducts and pits)	(24,78,936)	(27,40,147)
	158,20,866	**156,46,309**

Note 18 : Other non-current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Advance from Hitech Visual	14,680	14,680
Unexpired upfront fees - (ducts and pits)*	1681,38,788	1623,43,136
	1681,53,468	**1623,57,816**

**Refer note 35 for details of contract liabilities as per Ind AS 115*

Note 19 : Borrowings (current)

Particulars	As at 31 March 2020	As at 31 March 2019
Book overdraft	10,98,363	20,43,182
	10,98,363	**20,43,182**

Note 20 : Other financial liabilities (current)

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of non-current borrowing	100,00,000	100,00,000
Liabilities for expenses	42,56,544	10,03,080
Payable to WEBFIL Ltd. (For Nabadiganta Wi-Fi Project PH-II)	27,39,602	27,39,602
Deposits	-	99,352
Other payables	-	370
	169,96,146	**138,42,404**

Note 21 : Current tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for tax [Net of advance tax Rs. Nil (31 March 2019: Rs. Nil)]	97,09,548	1,56,276
	97,09,548	**1,56,276**

Note 22 : Other current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Advance rentals - (ducts and pits)*	315,91,905	304,18,501
Unexpired upfront fees - (ducts and pits)*	206,95,455	188,50,455
Advance from RVNL- For Metro Rail Project (Route Diversion)	38,12,955	75,75,003
Advance from WBHIDCO Ltd. - for Wi-Fi Project (net)	1265,36,286	1213,16,534
Liability towards unspent amount on CSR (For FY 2019-20)	12,54,870	-
Statutory dues	2,31,069	2,09,519
Other miscellaneous liabilities	1,24,578	1,81,727
	1842,47,118	**1785,51,739**

**Refer note 35 for details of contract liabilities as per Ind AS 115*

Note 23 : Revenue from operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of services		
Annual rentals - (ducts and pits)	777,65,296	658,35,582
Amortization of upfront fees - (ducts and pits)	200,34,348	174,00,241
Other operating revenues		
Supervision charges	1,69,052	4,87,383
Administrative and management service charges	2,10,297	3,08,360
	981,78,993	**840,31,566**

Notes:

(i) Annual rentals and upfront fees for ducts and pits are revenue from contract with customers within the meaning assigned under Ind AS 115 from 1 April 2019 onwards.

The company has adopted Ind AS 116, *Leases*, retrospectively from 1 April 2019, but has not restated the comparatives figures for the year ended 31 March 2019, as permitted by the specific transitional provisions under the standard. On adoption of Ind AS 116, the company has assessed in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17, *Leases*, that the same do not meet the definition of lease under Ind AS 116.

(ii) The company recognizes the entire revenue from operations by satisfying its performance obligation 'over time'.

Note 24 : Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on financial assets measured at amortised cost	174,96,540	136,83,036
Interest on income tax	4,07,423	-
Liabilities no longer required written back	1,60,352	9,614
Sale of tender paper	35,000	-
Others	28,000	-
	181,27,315	**136,92,650**

Note 25 : Employee benefits expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salary and wages	37,13,934	30,82,649
Staff welfare	3,66,937	3,41,058
Exgratia and incentive	3,55,396	3,22,113
Special incentive	97,900	87,650
Leave salary	87,834	79,942
Other allowances	2,89,029	2,49,946
Employer contribution to provident and other funds	3,46,093	3,59,166
	52,57,123	**45,22,524**

Note 26 : Finance costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest and finance charges	14,10,102	21,57,020
Interest related to income tax matters	3,11,206	5,059
Other borrowing cost	6,413	3,313
	17,27,721	**21,65,392**

Note 27 : Depreciation and amortisation expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation	114,19,821	136,60,466
	114,19,821	**136,60,466**

Note 28 : Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Administrative charges	10,536	17,214
Advertisement and publicity charges	28,000	23,000
Repair and maintenance - others	51,96,338	23,33,102
Car hire charges	7,64,148	7,59,630
Advisory and consultancy	4,98,750	6,21,254
Bad debts written off	3,58,166	1,03,310
Conveyance	2,65,258	1,49,673
Supervision and labour charges	2,32,707	60,540
Entertainment	2,17,655	1,13,336
Rental charges	2,03,825	1,92,444
Legal and consultancy charges	1,31,300	54,100
Office maintenance expenses	1,50,000	1,50,000
Telephone, fax and communication	1,00,099	77,801
General charges	97,921	62,659
Printing and stationery	85,506	64,843
Electriciey and power	67,052	68,666
Internal audit fees	25,000	25,000
GST audit fees	20,000	20,000
Books and periodicals	3,742	3,440
Directors sitting fees	23,000	27,698
Filing fees	14,500	16,000
Membership	3,000	1,900
Postage and courier	647	1,261
Profession tax - company	2,500	2,500
CSR contribution	12,54,870	-
Auditor's remuneration:		
- Statutory audit fees	32,000	32,000
- Tax audit fees	8,000	8,000
	97,94,520	**49,89,371**

Note 28(a) : Payment to the Auditors during the year

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditors:		
Statutory audit fees	32,000	32,000
Tax audit fees	8,000	8,000
Internal audit fees	25,000	25,000
GST audit fees	20,000	20,000
In other capacities:		
Other services	-	15,000

Note 29: Income tax expense

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised in profit or loss or other comprehensive income and how the tax expense is affected by non-assessable and non-deductible items.

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(a) Income tax expense		
Current tax		
Current tax on profits for the year	252,42,049	194,81,920
Adjustment for current tax of prior periods	259,89,910	-
Total current tax expense	**512,31,959**	**194,81,920**
Deferred tax		
Decrease (increase) in deferred tax assets	2,61,210	(4,00,383)
(Decrease) increase in deferred tax liabilities	-86,653	35,75,974
Total deferred tax expense/(benefit)	**1,74,558**	**31,75,591**
Income tax expense	**514,06,517**	**226,57,511**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax expense recognised in profit or loss		
Current tax on profits for the year		
Profit and loss	252,42,049	194,81,920
Adjustment for current tax of earlier years	259,89,910	-
Total current tax expense (A)	**512,31,959**	**194,81,920**
Deferred tax expense recognised in profit or loss		
Deferred taxes	1,74,558	31,75,591
Total deferred tax expense recognised in profit or loss (B)	**1,74,558**	**31,75,591**
Total deferred tax expense recognised in other comprehensive income (C)	-	-
Total deferred tax for the year (B+C)	1,74,558	**31,75,591**
Total income tax expense recognised in profit or loss (A+B)	**514,06,517**	**226,57,511**
Total income tax expense recognised in Other comprehensive income (C)	-	-
Total income tax expense (A+B+C)	**514,06,517**	**226,57,511**

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit before tax	881,07,123	723,86,463
Tax at the rate of 29.12% (31 March 2019 – 27.82%)	**221,74,801**	**201,37,914**
Effect of non-deductible expenses, exempt income etc.	3,94,150	4,082
Effect of change in tax rates	(14,91,517)	1,21,075
Effect of prior year re-assessments	259,89,910	-
Others	43,39,173	23,94,440
Income tax expense reported in the Statement of profit and loss	**514,06,517**	**226,57,511**

Note: 30 Earnings per share

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(a) Profit attributable to equity holders of the company used in calculating basic and diluted earnings per share	367,00,607	497,28,953
(b) Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share **(in numbers)**	1,05,000	1,05,000
(c) Nominal value of equity share (in Rs.)	100	100
(d) Basic and diluted earnings per share (Rs.)	349.53	473.61

Note 31: Deferred tax assets/ liabilities

Movement in deferred tax (assets)/ liabilities

Particulars	Property, plant and equipment	Upfront fees	Total
At 1 April 2018	**148,10,481**	**(23,39,763)**	**124,70,718**
(Charged)/credited:			
- to profit or loss	35,75,974	(4,00,383)	**31,75,591**
- to other comprehensive income	-	-	-
At 31 March 2019	**183,86,455**	**(27,40,147)**	**156,46,309**
Charged/(credited):			
- to profit or loss	(86,653)	2,61,210	**1,74,558**
- to other comprehensive income	-	-	-
At 31 March 2020	**182,99,803**	**(24,78,936)**	**158,20,866**

Note 32: Capital management

(a) Risk management

The company's objectives when managing capital are to

i. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

ii. maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet strategic and day-to-day needs. The Company manages its structure and makes adjustments in light of changes in economic conditions. The funding requirements are primarily met through the equity given by the shareholders and debt from related parties.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company is not subject to any externally imposed capital requirements.

The amount mentioned under total equity in balance sheet is considered as Capital.

(b) Dividends paid and proposed

Particulars	31 March 2020	31 March 2019
(i) Equity shares		
Final dividend for the year ended 31 March 2019 - Rs. Nil (1 April 2018 - Rs. 25) per fully paid share	-	26,25,000
(ii) Dividends not recognized at the end of the reporting period		
In addition to the above dividends, since year end the board has recommended the payment of a final dividend of Rs. Nil per fully paid equity share (31 March 2019 – Rs. 30). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	31,50,000

Note 33: Fair value measurements

Financial instruments by category

Particulars	31 March 2020	31 March 2019
	Amortised cost	Amortised cost
Financial assets		
Security deposits	1,09,820	1,09,820
Fixed deposits	2523,46,564	2410,21,303
Trade receivables	236,88,451	136,25,622
Cash and bank balances	59,13,335	9,45,766
Accrued interest	77,44,011	73,62,241
Others	-	7,330
Total financial assets	**2898,02,181**	**2630,72,082**
Financial liabilities		
Borrowings	35,98,363	145,43,182
Current maturities of borrowings	100,00,000	100,00,000
Deposits	1,00,000	99,352
Liabilities for expenses	42,56,544	10,03,080
Other payables	27,39,602	27,39,972
Total financial liabilities	**206,94,509**	**283,85,586**

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The entire financial assets and liabilities of the Company is classified as Level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Note:

a) There have been no transfers between Level 1 and Level 2 for the years ended 31 March 2020 and 31 March 2019.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

(a) the fair value of the financial instruments is determined using discounted cash flow analysis.

(iii) Fair value of financial assets and liabilities measured at amortised cost

(a) The management has assessed that security deposits with various agencies are perpetual in nature and their fair values will approximate to their carrying amounts.

(b) The management has assessed that the non-current fixed deposits were made near the financial year end and hence the fair value at market rates approximates their carrying value.

(c) The management has assessed that the borrowings from WBHIDCO are approximately at borrowings available at market rates of interest and hence the fair value approximates their carrying value.

(d) The management assessed that the fair values of remaining financial assets and liabilities at amortised cost approximate to their carrying amounts largely due to the short-term maturities of these instruments.

(e) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

Note 34: Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk (i.e. interest rate risk, foreign exchange risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of it in the financial statements.

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and deposits with banks and financial institutions.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 33.

(i) Trade and other receivables

The Company's customer profile include state owned companies, public sector enterprises and large private companies. Accordingly, the Company's overall customer credit risk is low. Trade receivables are non-interest bearing and are generally on received in advance.

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. The Company has a detailed review mechanism of overdue customer receivables at various levels within organization to ensure proper attention and focus for realization.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. Where the financial asset has been written-off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit and loss.

(ii) Other financial assets and deposits

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made mostly in fixed deposits with appropriate maturities with banks/ financial institutions to optimise the cash return on instruments while ensuring sufficient liquidity to meet its liabilities.

(B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally performed in accordance with practice and limits set by the Company.

(i) Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

Particulars	Less than 1 year	1-3 years	More than 3 years	Total
31 March 2020				
Borrowings	10,98,363	25,00,000	-	35,98,363
Current maturities of borrowings	100,00,000	-	-	100,00,000
Interest payable	107,88,425	25,55,479	-	133,43,904
Deposits	1,00,000	-	-	1,00,000
Liabilities for expenses	42,56,544	-	-	42,56,544
Other payables	27,39,602	-	-	27,39,602
Total financial liabilities	**289,82,934**	**50,55,479**	**-**	**340,38,413**
31 March 2019				
Borrowings	20,43,182	125,00,000	-	145,43,182
Current maturities of borrowings	100,00,000	-	-	100,00,000
Interest payable	116,85,342	133,43,904	-	250,29,247
Deposits	99,352	-	-	99,352
Liabilities for expenses	10,03,080	-	-	10,03,080
Other payables	27,39,972	-	-	27,39,972
Total financial liabilities	**275,70,928**	**258,43,904**	**-**	**534,14,833**

(C) Market risk

(i) Foreign currency risk

Foreign Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company operates in only one currency INR and accordingly is not exposed to foreign currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to the risk of changes in market interest rates because it does not have any variable rate borrowings nor does it have any variable rate financial assets.

(iii) Price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

The Company does not have any financial asset investments which are exposed to price risk.

Note 35: Disclosures pursuant to Ind AS 115 - Revenue from contract with customers

(i) Remaining performance obligation of ongoing contracts

Particulars	31 March 2020
Expected conversion in revenue:	
Within 1 year	1061,67,705
1-2 years	1060,25,289
2-3 years	1044,03,134
3-4 years	967,77,350
4-5 years	897,09,616
More than 5 years	5666,64,038
	10697,47,132

(ii) There are no contract assets as defined by Ind AS 115

(iii) Contract liabilities

Details of contract liabilities are as follows:

Particulars	Note No.	31 March 2020
Unexpired upfront fees - (ducts and pits)	18	1681,38,788
Unexpired upfront fees - (ducts and pits)	22	206,95,455
Advance rentals - (ducts and pits)	22	315,91,905

Revenue recognised in relation to contract liabilities

This note details how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities. There were no contract liabilities as at 31 March 2019.

There have been no significant changes in contract liabilities.

Note 36: Related party disclosures

(i) Name of related parties	***Relationship***
- West Bengal Housing Infrastructure Development Corporation Limited	Joint venture partner with 51% holding
- WEBFIL Limited	Joint venture partner with 49% holding

(ii) Key manegerial personnel remuneration

Particulars	31 March 2020	31 March 2019
Short-term employee benefits	14,61,954	12,52,294
Other long-term employee benefits	3,10,517	2,92,708
Others	1,51,658	72,622

(iii) Transactions with key managerial persons

Name of party	Particulars (Nature of goods or service)	Value of goods and services	
		31 March 2020	31 March 2019
Sujata Basu (on and from 28-12-2018), ACA	Retainership Fees	1,82,250	47,500
Shri Ratneswar Ghosh (01-04-2018 to 31-12-2018), ACA	Retainership Fees	-	3,95,754

(iv) Transaction and outstanding balances with related parties

Name of party	Particulars (Nature of goods or service)	31 March 2020		31 March 2019	
		Value of Goods & Services	Outstanding Amount at year end	Value of Goods & Services	Outstanding Amount at year end
West Bengal Housing Infrastructure Development Corporation Limited	- Prepaid and annual rentals	2,38,228	2,38,228	2,07,578	2,07,578
	- Repayment of borrowings (including interest)	114,10,102	125,00,000	121,57,020	225,00,000
	- Dividend paid	-	-	13,38,750	-
WEBFIL Ltd.	- Project and development expenses	231,57,280	30,46,874	225,15,896	-
	- Mobilization advance given	100,00,000	-	100,00,000	-
	- Payments for Wi-fi project	42,70,265	11,94,626	66,76,741	11,94,626
	- Dividend paid	-	-	12,86,250	-

Terms and conditions of the transactions:

a. All transactions were made on normal commercial terms and conditions and at market rates.

b. Outstanding balances are unsecured and are repayable in cash/cheque.

Note 37: Contingent liabilities

(i) Status of income tax

As at 31 March 2020 and 31 March 2019

Assessment year	Arrear tax due (including interest)	Remarks
2009-2010	243,71,320	Pending with income tax authorities
2010-2011	8,47,548	Pending with income tax authorities
2011-2012	7,65,763	Pending with income tax authorities
2012-2013	3,123	Pending with income tax authorities

Note 38: Earnings/Expenditure in Foreign Exchange

Earnings/Expenditure in foreign exchange during the year: Rs. Nil (31st March, 2019 : Rs. Nil)

Note 39: Due of MSME

There are no dues to Micro and Small Enterprises as at 31st March, 2020. This information as required is to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 40: Provision for Gratuity

As per view of the management, provision for gratuity is not required since not attracted to the Company.

Note 41: Income Tax

year wise details in respect of income tax provisions and advances with completion/pending of income tax assessment and demand raised/refundable by the Department are not kept systematically for our verification.

Note 42: Corporate Social Responsibility

CSR contribution of Rs. 12,54,870 has been provided in the accounts during the year but not paid till the signing of this report. CSR contribution for the earlier years, though attracted, but neither provided in the accounts nor paid by the Company as per the provisions of Section 135 of the Companies Act, 2013.

Note 43: Restatement of prior period

The Company during the year identified some of the adjustments not recorded/erroneously recorded in earlier years. Rectification of the same has been carried out in the current year and financial statements has been restated accordingly as per Ind AS 8.

Balance sheet (extract)

Particulars	Note No.	31 March 2019	Increase / (decrease)	31 March 2019 (Restated)	31 March 2018	Increase / (decrease)	1 April 2018 (Restated)
ASSETS							
Non-current assets							
Other intangible assets	2	11,29,307	(11,29,307)	-	10,91,109	(10,91,109)	-
Financial assets							
Loans	2	-	1,09,820	1,09,820	-	1,09,820	1,09,820
Other financial assets	2	451,09,820	(451,09,820)	-	451,09,820	(1,09,820)	450,00,000
Current assets							
Financial assets							
Bank balances other than cash and cash equivalents	2	1960,21,303	450,00,000	2410,21,303	1202,86,652	-	1202,86,652
Other financial assets	2	73,62,241	7,330	73,69,571	48,24,980	-	48,24,980
Other current assets	2	1212,46,730	40,782	1212,87,512	1123,05,165	45,235	1123,50,400
EQUITY AND LIABILITIES							
Equity							
Other equity	1	1961,27,742	(97,91,823)	1863,35,919	1461,69,669	(62,96,438)	1398,73,231
Liabilities							
Non-current liabilities							
Deferred tax liabilities (net)	3	157,04,042	(57,733)	156,46,309	146,66,298	(21,95,580)	124,70,718
Other non-current liabilities	1 & 2	1750,04,978	(126,47,162)	1623,57,816	1707,00,518	(413,42,460)	1293,58,058
Current liabilities							
Financial liabilities							
Other financial liabilities	2	192,71,792	(54,29,388)	138,42,404	178,45,790	5,87,794	184,33,584
Other current liabilities	1 & 2	1506,25,633	279,26,106	1785,51,739	961,12,672	492,46,684	1453,59,356

Statement of profit or loss (extract)

Particulars	Note No.	31 March 2019	Increase / (decrease)	31 March 2019 (Restated)
Income:				
Revenue from operations	1 & 2	845,93,362	(5,61,796)	840,31,566
Other income	2	144,88,393	(7,95,743)	136,92,650
Total income		**990,81,755**	**(13,57,539)**	**977,24,216**
Expenses:				
Depreciation and amortisation expense	2	137,08,578	(48,112)	136,60,466
Other expenses	2	49,41,259	48,112	49,89,371
Profit/(loss) before tax		**737,44,002**	**(13,57,539)**	**723,86,463**
Tax expense :				
Deferred tax	3	10,37,744	21,37,847	31,75,591
Total tax expenses		**205,19,664**	**21,37,847**	**226,57,511**
Profit/(loss) for the year		**532,24,338**	**(34,95,385)**	**497,28,953**
Total comprehensive income for the year		**532,24,338**	**(34,95,385)**	**497,28,953**
Earnings per equity share of face value of 100 each				
Basic and diluted		506.90		473.61

Notes to the above statements:

1. **Unexpired upfront fees (ducts and pits)**

   Previously, the company had erroneously amortized the upfront fee received for the entire financial year in the year of receipt (instead of proportionate amortization for part of the year). The same has now been rectified and amortization has been done on proportionate basis.

2. **Reclassifications**

   The reclassification has been done between few financial statement line items to present those in the appropriate categories as per the requirement of the respective Ind AS's and to achieve consistent presentation.

3. **Tax impact**

   In accordance with Ind AS 12, the Company has recognised deferred tax on temporary differences basis the restated financial statement.

List of Shareholders as on 31.03.2020

SL. No.	Name of Share Holder	Number of Shareholding*	Share Capital (Rs)
1	WBHIDCO Ltd	53,546	53,54,600
2	WEBFIL Ltd	51,447	51,44,700
3	Shri Ananda Ganguly	1	100
4	Shri Prosanta Dutta	1	100
5	Shri Supriya Kumar Bagchi	1	100
6	Shri Soumya Ray	1	100
7	Shri Jayanta Kumar Datta	1	100
8	Shri Anirban Gupta	1	100
9	Shri Sanjay Bhattacharya	1	100
	Total	1,05,000	1,05,00,000

* Face value per share of Rs 100.