



NEUEON TOWERS LIMITED

28th Nov 2024

To,

The Registrar of Companies, Hyderabad

2nd Floor, Corporate Bhawan,
GSI Post, Nagole,
Bandlaguda, Hyderabad – 500 068

Dear Sir,

Sub: Filing Audited Financial Statement (Standalone & Consolidated) for FY 2021-22

This is with reference to filing of audited financial statement falls under AOC-4 and MGT-7 for financial year 2021-22 of Neueon Towers Limited (“the Company under CIRP”) in accordance with MCA General Circular No. 08/2020 for filing of forms in the Registry (MCA21) by the Insolvency Resolution Professional (IRP), or Liquidator or Resolution professional appointed under Insolvency Bankruptcy Code, 2016.

With reference to captioned subject, it is brought to your attention that:

1. The Company having its registered office at Survey No. 321, Turkala Khanapur Village, Hatnur Mandal, Hyderabad-502201, Medak District, Telangana, India was admitted into Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 (“the Code”) by Hon’ble NCLT, Hyderabad Bench by virtue of order dated 03.06.2019.
2. However, this Hon’ble rejected the Resolution Plan submitted by the successful SRA by Order dated 14-10-2021 and ordered liquidation in the manner laid down in Chapter III of the Code and consequently appointed one Sri. Ramchander Rao Bikumalla having Registration No. IBBI/IPA-001/IP-P00740/2017-18/11261 as Liquidator as per Section 34 (4) of the Code and to follow up the Procedure as laid down in the Code.
3. Sri. Ramachander Rao Bikumalla, the liquidator appointed by this Hon’ble Tribunal by Order dated 14-10-2021 in I.A. No. 1114 of 2020 in CP(IB) No. 679/7/HDB/2018 was allowed to retire on medical grounds vide order passed in I.A. No. 1313 of 2022 in CP(IB) No. 679/7/HDB/2018 dated 17-11-2022 by this Tribunal and appointed Sri. CA Sai Ramesh Kanuparthi as Liquidator of the Corporate Debtor.
4. The said order dated 14.10.2021 in IA No. 1114 of 2020 has been set aside by the Hon’ble NCLAT, Chennai in an Appeal filed by one of the Operational Creditors being Company Appeal (AT) (CH)(Ins) No. 181 of 2022 vide order dated 12.06.2023.
5. During the above mention period, power of Board of Directors has been suspended and power is vesting with Resolution Professional. There is no annual general meeting and the following meeting took place under the supervision of Resolution Professional during said period:-

 **Regd. Office:**
Survey No.321, Turkala Khanapur(V),
Hatnur (M), Medak Dist. Telangana-502201

 **Corp & Admin. Office :**
#24, Nagarjuna Hills, Punjagutta,
Hyderabad, Telangana-500082



NEUEON TOWERS LIMITED

S. No	Date
1	29.06.2021
2	13.08.2021
3	06.09.2021
4	12.11.2021

- The Hon'ble NCLT has approved the Resolution Plan submitted by a consortium led by Preca Solutions India Private Limited (collectively referred to as "Resolution Applicant") vide its Order dated 23th Oct, 2024, as voted by the majority of the Committee of Creditors of the Company. The Resolution Applicant has then formed an SPV namely "PRECA Structures Private Limited" for implementation of the approved resolution plan. The undersigned is acting in the capacity of Resolution Professional.
- In light of the foregoing, we request your good office to take our submission into record and not to take further action in this regard.

Thanking you.

Yours faithfully,

FOR NEUEON TOWERS LIMITED

MADURAI
SUNDARAM SANKAR

Digitally signed by MADURAI
SUNDARAM SANKAR
Date: 2024.11.29 14:13:55 +05'30'

Dr. Madurai Sundaram Sankar
Resolution Professional / Monitoring Agent
IP Registration No. IBBI/IPA-001/IP-P00770/2017-2018/11315
Email- neuontowerirp@gmail.com

Attachments:

- Standalone audited financial statement-2021-22
- Consolidated Audited financial statement 2021-22
- MCA Circular No. 08/2020

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Hyderabad, Telangana-500082



RPSV & Co.
Chartered Accountants

8-3-319/8/6A/7, Flat No. 7,
IInd Floor, Ruby Apartments, Saradi Studio Lane,
Yellareddyguda, Hyderabad - 500 073, T.S.
Ph +91- 9866661166, +91-7207481179
Email rpsvhyd@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of **NEUEON TOWERS LIMITED**
Report on the Audit of the Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the standalone Ind AS financial statements of **NEUEON TOWERS LIMITED** ("the Company under CIRP Process"), which comprise the Balance sheet as at **31st March 2022**, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanation given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph below, the aforesaid standalone Ind AS financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at **March 31, 2022**, the profit/loss and total comprehensive income, changes in equity and the cash flows for the year the ended on that date.

Basis for Qualified Opinion

Attention is invited to following below mentioned points due which form the basis for the Qualified opinion of the financial statement.

1) As per the Indian Accounting standard -1 Presentation of Financial Statements wherein it has been explained by the management that the financial statements have been prepared on going concern basis. The Company has substantial negative net worth and accumulated losses of past years; The Company has made a default in the repayment of Principal and Interest against all the facilities sanctioned by Banks and company has gone into Insolvency and Bankruptcy Code 2016 under interim resolution process dated 03.06.2019 vide order no: CP(IB)No.679/7/HDB/2018 which raises significant concern over going concern ability of company.



Our opinion is not modified in respect of this matter

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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 opinion.

Material uncertainty Related to Going Concern

The Company has accumulated losses and its net worth has been fully eroded due to continuous losses and the Company's current liabilities exceeded its current assets as at **March 31, 2022**. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Further, the Operational Creditors of the Company have filed a petition under Insolvency Bankruptcy Code, 2016(IBC) with the Hon'ble National Company Law Tribunal, Hyderabad (NCLT)

However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated.

The Resolution Professional has prepared these financial statements using going concern basis of accounting based on their assessment of the successful outcome of the ongoing Corporate Insolvency Resolution Process and accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation and classification in the Balance Sheet.

In absence of sufficient and appropriate audit evidence, we are unable to comment as to whether the going concern basis for preparation of these financial statements taken by the Resolution Professional is appropriate.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements for the financial year ended **March 31, 2022**. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



In addition to the matters described in the Basis for Qualified Opinion section referred in above para and Material Uncertainty Related to Going Concern section in above para, We have determined the matters described in below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's response
Operational creditor of the Company have filed a petition under Insolvency and Bankruptcy Code, 2016(IBC) with Hon'able National Company Law Tribunal, Hyderabad Bench (NCLT).	Obtained detailed Order passed by the Hon'able National Company Law Tribunal, Hyderabad Bench, the power of Board of Director has suspended as well as no any operational income and hence there was uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Other information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company has been under the Corporate Insolvency Resolution Process ('CIRP') under the provisions of the Insolvency and Bankruptcy Code, 2016 ('the Code') vide order dated June 03, 2019 vide order no: CP(IB)No.679/7/HDB/2018, passed by the National Company Law Tribunal ('NCLT'). The powers of the Board of Directors stand suspended as per Section 17 of the Code and such powers are being exercised by the Resolution Professional



(RP) appointed by the NCLT by the said order under the provisions of the Code. As per Section 20 of the Code, the management and operations of the Company were being managed by Resolution Professional **Mr. Dr. M.S. Sankar** upon commencement of CIRP.

The management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of financial statements that give a true and fair view of the state of affairs, loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Under section 20 of the code, it is incumbent upon Resolution Professional to manage the Operations of the company as going concern upon initiation of CIRP and the financial statement, Which have been prepared on going concern basis have been considered by the Resoluiton Professional accordingly.

The Management is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements.

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



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



auditors' 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.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations, except for the matter described in the Basis for Qualified Opinion paragraph above, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, The Balance Sheet, the Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- d) In our opinion, except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act and the rules prescribed there under;
- e) The Company undergoing Corporate Insolvency Resolution Process (CIRP) vide order of Hon'ble NCLT, Hyderabad Bench dated 03-06-2019, vide order no: CP(IB)No.679/7/HDB/2019 and all management responsibilities vest with the Resolution Professional, hence the requirements to comment upon the Director's qualification is not applicable.
- 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) In our opinion, the managerial remuneration for the year ended **March 31, 2022** has not been provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act as the company under the Corporate Insolvency Process (CIRP).
- 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 disclosed the impact of the all known pending litigations on its financial position in its standalone Ind AS financial statements. Further, the company is under CIRP and Moratorium is applicable as per the terms of Section 14 of IBC, 2016.
 - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts, required to be transferred to the investor Education and protection fund by the company.

For RPSV & CO.,
Chartered Accountants
(FRN: 0013151S)

M. Murali Krishna

M Murali Krishna
(Partner)

M.No. 238030

Date : 02.01.2024

UDIN:24238030BKDXQL4127



Annexure - A to the Auditors' Report

The Annexure A referred to in our Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended **31 March 2022**, we report that:

- i. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified during the year. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company there were no immovable properties are held in the name of the Company at the Regional office the Company.
- ii. In respect of Inventories:
 - (a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- iii. (c) The Management has not stated the inventories at the lower of Cost and Net realisable value but has stated them solely cost.
- iv. During the year, the Company has not granted any loans secured or unsecured to parties covered in the register maintained under section 189 of the Act. Hence paragraph 3(iii) of the Order is not applicable
- v. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and securities.



- vi. Company has not accepted any deposits, within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vii. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the activities carried on by the Company, wherever applicable and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- viii. In respect of statutory dues:
- a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, Goods and service tax, duty of customs, duty of excise, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of income tax, sales tax, Goods and services tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues were in arrears as at **31 March 2022** for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no material dues of duty of customs, income tax, service tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the dues of Value added tax have not been deposited by the Company on account of disputes pending are as under:

Name of the statute	Name of the dues	Amount disputed (In Rs. In lakhs)	Period	Forum where dispute is pending
Income Tax dues	Income Tax	50.04	AY 2007-08	CPC
Income Tax dues	Income Tax	865.01	AY 2008-09	AO
Income Tax dues	Income Tax	29.23	AY 2009-10	AO
Income Tax dues	Income Tax	87.49	AY 2010-11	AO
Income Tax dues	Income Tax	853.00	AY 2011-12	ITBA
Income Tax dues	Income Tax	100.96	AY 2012-13	ITBA
Income Tax dues	Income Tax	413.39	AY 2013-14	AO

Income Tax dues	Income Tax	379.38	AY 2014-15	AO
Income Tax dues	Income Tax	0.01	AY 2015-16	CPC
Income Tax dues	Income Tax	90.59	AY 2017-18	CPC
Income Tax dues	Income Tax	26.57	AY 2018-19	CPC
TDS Penalties	ITO(TDS)	1.14	FY 2009-10	CPC
TDS Penalties	ITO(TDS)	3.17	FY 2010-11	CPC
TDS Penalties	ITO(TDS)	1.94	FY 2011-12	CPC
TDS Penalties	ITO(TDS)	5.28	FY 2012-13	CPC
TDS Penalties	ITO(TDS)	2.77	FY 2013-14	CPC
TDS Penalties	ITO(TDS)	1.77	FY 2014-15	CPC
TDS Penalties	ITO(TDS)	0.93	FY 2015-16	CPC
TDS Penalties	ITO(TDS)	0.07	FY 2016-17	CPC
TDS Penalties	ITO(TDS)	5.93	FY 2017-18	CPC
TDS Penalties	ITO(TDS)	2.43	FY 2018-19	CPC
TDS Penalties	ITO(TDS)	1.60	FY 2019-20	CPC
TDS Penalties	ITO(TDS)	0.22	FY 2020-21	CPC
"C" forms Pending	Sales Tax	43.21	FY 2010-11	STAT, Hyd
"C" forms Pending	Sales Tax	34.01	FY 2011-12	STAT, HYD
"C" forms Pending	Sales Tax	8.26	FY 2012-13	ADC, Punjagutta Div, Hyd
"C" forms Pending	Sales Tax	81.02	FY 2013-14	ADC, Punjagutta Div, Hyd
"C" forms Pending	Sales Tax	7.01	FY 2014-15	ADC, Punjagutta Div, Hyd
"C" forms Pending	Sales Tax	40.38	FY 2015-16	CTO, Punjagutta Circle, Hyd
"C" forms Pending	Sales Tax	21.08	FY 2016-17	CTO, Punjagutta Circle, Hyd
VAT Tax	Sales Tax	1.00	FY 2013-14 TO 2015-16	CTO, Punjagutta Circle, Hyd
VAT Tax	Sales Tax	4484.80	FY 2010-11 TO 2012-13	AC(CT), Chennai, TN State
Penalties	Provident Fund	26.48	FY 2014-15 TO 2019-20	Regional Provident Fund Commissioner, RO, Patancheru.
Penalties	ESI	0.84	FY 2014-15 TO 2019-20	Director, ESI, Hyderabad
Contribution	ESI	0.03	FY 2019-20	Director, ESI, Hyderabad

- ix. According to the information and explanations given to us and on the basis of examination of the records, the company has defaulted in repayment of loans along with interest to the Banks/financial institutions during the year. The details of overdue principal of the company's borrowings are as follows, we were unable to arrive at the overdue interest due to inadequate information.

S.No	Bank/Financial institution	Principal (Amount in Crores)
1.	Exim Import Bank of India	25.00
2.	Punjab national Bank	371.41

3.	IDBI Bank	649.60
4.	Edelweiss Asset reconstruction	77.20
5.	Andhra Bank	214.43
6.	Central Bank	389.35
7.	UCO Bank	173.67
8.	L&T Infrastructure Finance Co.Ltd	4.18
9.	SREI Equipment finance	23.00
	Total	1927.84

- x. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- xi. According to the information and explanations given to us, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid managerial remuneration to its Director.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares and has complied with Section 42 of the Companies Act, 2013, and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.



- xvi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into noncash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvii. Requirement of registration if any under section 45-IA of Reserve Bank of India Act, 1934 are dealt at Central Office.

For RPSV & CO.,
Chartered Accountants
(FRN: 0013151S)

M Murali Krishna

M Murali Krishna

(Partner)

M.No. 238030

Date : 02.01.2024

UDIN:24238030BKDXQL4127



Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **M/s.NEUEON TOWERS LIMITED** ("the Company") as of **31 March 2022** in conjunction with our audit of Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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

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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards 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 maintained and if such controls operated effectively in all material respects.



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

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

Meaning of Internal Financial Controls over Financial Reporting

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 statements 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 records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RPSV & CO.,
Chartered Accountants
(FRN: 0013151S)

M Murali Krishna

M Murali Krishna

(Partner)

M.No. 238030

Date : 02.01.2024

UDIN: Date : 02.01.2024

UDIN:24238030BKDXQL4127



BALANCE SHEET AS AT 31.03.2022

(Rs Lakhs)

Sl	Particulars	Note	As at 31 March	
			2022	2021
A	ASSETS			
1	Non- Current Assets			
	(a) Property, Plant and Equipment	2.01	109,611.76	118,990.78
	(b) Capital Work-in-Progress		-	-
	(c) Other Intangible Assets		0.27	0.27
	(d) Financial Assets			
	(i) Investments	2.02	13,993.47	13,993.47
	(ii) Trade Receivables		-	-
	(iii) Loans	2.03	-	-
	(iv) Others		-	-
	(d) Deferred tax asset	2.13	-	-
	(e) Other non-current assets	2.04	-	-
			123,605.50	132,984.52
2	Current Assets			
	(a) Inventories	2.05	496.99	496.99
	(b) Financial Assets			
	(i) Trade receivables	2.06	16,275.92	16,315.61
	(ii) Cash and cash equivalents	2.07	677.62	678.37
	(c) Other current assets	2.08	1,233.62	1,171.97
			18,684.14	18,662.94
	TOTAL		142,289.64	151,647.46
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	2.09	5,781.29	5,781.29
	(b) Reserves & Surplus	2.10	(134,671.09)	(125,193.79)
			(128,889.80)	(119,412.50)
	LIABILITIES			
2	Non- Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	2.11	-	-
	(ii) Trade Payables		-	-
	(iii) Other Financial Liabilities	2.11	14,628.05	14,628.05
	(b) Provisions	2.12	27.81	27.81
	(c) Deferred tax liabilities (Net)	2.13	15,915.90	15,915.90
	(c) Other Non-current liabilities		-	-
			30,571.75	30,571.75
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings:	2.14	131,023.76	131,023.76
	(ii) Trade payables	2.15	972.05	952.12
	(iii) Other financial liabilities	2.16	102,019.30	101,959.36
	(b) Provisions	2.12	5,462.45	5,467.03
	(c) Other current liabilities	2.17	1,130.13	1,085.83
			240,607.69	240,488.21
	Total Equity and Liabilities		142,289.64	151,647.46

See accompanying notes forming part of the financial statements
in terms of our report attached

For and on behalf of the Board Directors

for RPSV AND CO.,
Chartered Accountants
FRN No. 00131515

M. Murali Krishna
M Murali Krishna
M.No. 238030
Place: Hyderabad
Date: 02.01.2024

G. Srinivas Raju
G. Srinivas Raju
Managing Director
(DIN:00132249)

Dr M S Sankar
Dr M S Sankar
Resolution Professional
(IP Registration No.
IBBI/PA-001/IP-
P00770/2017-18/11315)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2022

(Rs Lakhs)

Sl	Particulars	Note	As at 31 March	
			2022	2021
I	Revenue			
	Revenue from Operations	2.18	6.97	-
	(b) Other operating income	2.19	33.48	6.40
	Total income from operations (net)		40.45	6.40
	Other income		12.74	4.06
	Total Revenue		53.20	10.45
II	Expenses			
	Cost of Materials Consumed	2.20	-	-
	Purchase of Stock-in-Trade		-	-
	Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.21	-	-
	Employee Benefit Expenses	2.22	35.01	76.10
	Finance Costs	2.23	0.01	0.19
	Depreciation and Amortization Expenses	2.01	9,379.02	9,379.44
	Other Expenses	2.24	116.46	172.36
	Total Expenses		9,530.50	9,628.08
III	Profit Before Exceptional Items and Tax (I - II)		(9,477.30)	(9,617.63)
IV	Exceptional Items		-	-
V	Profit Before Tax (III - IV)		(9,477.30)	(9,617.63)
VI	Tax Expense:			
	Current tax		-	-
	Deferred tax		-	174.15
	Excess Provision of Deffered Tax in earlier years written off		-	(3,330.92)
VII	Profit for the Year (VI - VI)		(9,477.30)	(6,460.86)
VIII	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		-	-
IX	Other comprehensive income (Net of taxes)		-	-
X	Total comprehensive income for the Year (VIII + IX)		(9,477.30)	(6,460.86)
XI	Earnings Per Equity Share of Rs.10 each			
	(a) Basic		(16.76)	(11.43)
	(b) Diluted		(16.76)	(11.43)

See accompanying notes forming part of the financial statements
in terms of our report attached

For and on behalf of the Board Directors

G. Srinivasa Raju
Managing Director
(DIN:00132249)

Dr M S Sankar
Resolution Professional
(IP Registration No.
IBBI/IPA-001/IP-
P00770/2017-18/11315)

for RPSV AND CO.,
Chartered Accountants
FRN No. 00131515

M. Murali Krishna

M Murali Krishna
M.No. 238030
Place: Hyderabad
Date: 07.01.2024



CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2022

(Rs. in Lakhs)

Sl	Particulars	As at 31 March	
		2022	2021
A	Cash flows from Operating activities		
	Net Profit / (Loss) Before Tax for the year	(9,477.30)	(9,617.63)
	Adjustments for		
	Depreciation	9,379.02	9,379.44
	Finance Costs	0.01	0.19
	Interest & other income	(46.22)	(6.40)
	Profit on sale of Investment	-	-
	Profit on sale of Vehicles	-	-
	Provision for Gratuity & Leave Encashment	-	-
	Provision for doubtful debts	-	-
	Operating Profit Before Working Capital Changes	(144.49)	(244.40)
	Movements in Working Capital		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	-	-
	Trade Receivables	39.69	129.51
	Loans & Advances	-	-
	Other Financial Assets	-	-
	Other Assests	(61.65)	(164.60)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade Payables	19.83	3.67
	Provisions	(4.58)	(1.00)
	Financial Liabilities	59.94	101.70
	Other Liabilities	44.30	689.38
	Cash Generated from Operations	(46.97)	514.26
	Less: Taxes paid	-	-
	Cash from Operating Activities (A)	(46.97)	514.26
B	Cash flows from Investing activities		
	Purchase of Fixed Assets	-	(1.90)
	Sale of Fixed Assets	-	-
	Sales of Investment	-	-
	Interest Received	46.22	6.40
	Cash from Investment Activities (B)	46.22	4.50
C	Cash flows from Financing activities		
	Proceeds from Borrowings	-	-
	Interest & Financial Charges Paid	(0.01)	(0.19)
	Net Cash from Financing activities (C)	(0.01)	(0.19)
	Net Increase in cash and cash equivalent (A+B+C)	(0.75)	518.57
	Cash and Cash Equivalents at the beginning of the year	678.37	159.80
	Cash and Cash Equivalent at the end of the year	677.62	678.37

See accompanying notes forming part of the financial statements
in terms of our report attached

for RPSV AND CO.,
Chartered Accountants
FRN No. 00131515

M. Murali Krishna

M Murali Krishna
M.No. 238030
Place: Hyderabad
Date: 02.01.2024

For and on behalf of the Board Directors

G. Srinivasa Raju
G. Srinivasa Raju
Managing Director
(DIN:00132249)

Dr M S Sankar
Dr M S Sankar
Resolution Professional
(IP Registration No.
IBBI/IPA-001/IP-
P00770/2017-18/11315)



Statement of Changes in Equity (SOCIE)

(Rs. In Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Rs.	No. of Shares	Rs.
(A) Equity share capital				
Balance at the beginning of the reporting period	56,544,552	5,654.46	56,544,552	5,654.46
Change in equity Share capital during the year	-	-	-	-
Balance at the end of the reporting period	56,544,552	5,654.46	56,544,552	5,654.46
B) Cumulative Redeemable Preference shares				
Opening balance	-	126.83	-	126.83
Issued during the year	-	-	-	-
Balance at the end of the reporting period	-	126.83	-	126.83
TOTAL		5,781.29		5,781.29

Particulars	Reserves & Surplus				
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Retained earnings	Total Other Equity
Balance as at April 1, 2020	11,669.67	296.80	36,332.19	(167,031.58)	(118,732.93)
Profit/(loss) for the year	-	-	-	(6,460.86)	(6,460.86)
Other comprehensive income for the year, net of taxes	-	-	-	-	-
Others	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(6,460.86)	(6,460.86)
Dividend (including tax on dividend)	-	-	-	-	-
Balance as at March 31, 2021	11,669.67	296.80	36,332.19	(173,492.44)	(125,193.79)
Balance as at April 1, 2021	11,669.67	296.80	36,332.19	(173,492.44)	(125,193.79)
Profit for the year	-	-	-	(9,477.30)	(9,477.30)
Other comprehensive income for the year, net of taxes	-	-	-	-	-
Others	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(9,477.30)	(9,477.30)
Dividend (including tax on dividend)	-	-	-	-	-
Balance as at March 31, 2022	11,669.67	296.80	36,332.19	(182,969.74)	(134,671.09)

See accompanying notes forming part of the financial statements
in terms of our report attached

For and on behalf of the Board Directors

for RPSV AND CO.,
Chartered Accountants
FRN No. 00131515

G. Srinivasa Raju
Managing Director
(DIN:00132249)

Dr M S Sankar
Resolution Professional
(IP Registration No. IBBI/IPA-001/IP-
P00770/2017-18/11315)

M Murali Krishna
M Murali Krishna
M.No. 238030
Place: Hyderabad
Date: 02.01.2024



2.01 Property, Plant and Equipment

PARTICULARS	Gross Block					Depreciation			Net Block		Rs. in lakhs
	Opening Gross Block as on 01.04.2021	Additions	Deletions	Closing Gross Block as on 31.03.2022	Opening Gross Block as on 01.04.2021	Depreciation	Depreciation withdrawn	Acc. Dep. As on 31.03.2022	Net Block as on 31.03.2022	Net Block as on 31.03.2021	
A) Tangible Assets											
Land	1,868.84	-	-	1,868.84	-	-	-	-	1,868.84	1,868.84	
Building	3,554.18	-	-	3,554.18	1,354.01	118.71	-	1,472.72	2,081.46	2,200.17	
Plant & Machinery	185,095.85	-	-	185,095.65	70,254.07	9,346.83	-	79,500.90	105,594.75	114,841.58	
Workshop Equipments	9.60	-	-	9.60	6.90	0.46	-	7.36	2.24	2.70	
Weighing Machine	11.34	-	-	11.34	10.54	0.23	-	10.77	0.57	0.80	
Electrical Installations	174.72	-	-	174.72	122.24	8.30	-	130.54	44.18	52.48	
Furniture & Fixtures	33.16	-	-	33.16	27.85	2.10	-	29.95	3.20	5.30	
Office Equipments	50.55	-	-	50.55	31.63	2.40	-	34.03	16.52	18.93	
Vehicles	-	-	-	-	-	-	-	-	-	-	
Computers	108.10	-	-	108.10	108.10	-	-	108.10	-	-	
	190,906.14	-	-	190,906.14	71,915.35	9,379.02	-	81,294.37	109,611.76	118,990.78	
Less: Revaluation Reserve	-	-	-	-	-	-	-	-	-	-	
Total of Tangible Assets	190,906.14	-	-	190,906.14	71,915.35	9,379.02	-	81,294.37	109,611.76	118,990.78	
B) Intangible Assets											
Computer Software	17.13	-	-	17.13	16.87	-	-	16.87	0.27	0.27	
Total (A+B)	190,923.27	-	-	190,923.27	71,932.22	9,379.02	-	81,311.24	109,612.03	118,991.05	

Notes:

1. Depreciation is provided on Straight Line Basis applying the rates specified in the Schedule II to the Companies Act, 2013. Depreciation on the revalued fixed assets charged to revaluation reserve.



2. Notes forming part of financial statements

Rs. in lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
2.02 Non-Current Investments		
Investments in Equity Instruments		
In Wholly Owned Subsidiary Companies (Unquoted, Non-trade, at cost) Investment in Subsidiaries - Equity instruments- Unquoted 23,32,04,400 (Previous Year 23,32,04,400) Equity Shares of HKD 1 each fully paid in Digitech Business Systems Limited	13,993.47	13,993.47
Total	13,993.47	13,993.47
2.03 Non-Current Loans		
Loans and Advances to Subsidiaries	-	-
Total	-	-
2.04 Other non-current assets		
Other Loans & Advances	-	-
Total	-	-
2.05 Inventories		
(at lower of cost or net realizable value)		
Raw Materials	54.08	54.08
Work in Process	-	-
Finished Goods	0.93	0.93
Stores and Spares	441.97	441.97
Total	496.99	496.99
2.06 Trade Receivables		
a) Unsecured & Considered Good	16,275.92	16,315.61
b) Doubtful Debtors	90,263.91	90,263.91
	106,539.83	106,579.52
Less: Provision for doubtful debts	90,263.91	90,263.91
Total	16,275.92	16,315.61
2.07 Cash and Cash Equivalents		
Cash on Hand	0.13	0.09
Bank Balances in Current Accounts	574.47	37.36
Deposits with banks	103.02	640.93
Total	677.62	678.37
2.08 Other Current Assets		
Advance for Expenses & Others	5.32	5.04
COC Expenses Recoverable from RA	194.17	149.71
Advances to Suppliers & Others	0.65	0.66
Margin Money With Parties	0.19	0.19
Deposits with Govt Deposit (incl Excise, VAT)	1,033.29	1,016.38
Total	1,233.62	1,171.97



2. Notes forming part of financial statements

2.09 - Equity Share Capital

(i) The authorised, issued, subscribed and fully paid-up share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Rs.	No. of shares	Rs.
Authorised:				
Equity shares of `10 each with voting rights	790,000,000	79,000.00	790,000,000	79,000.00
1% Cumulative Redeemable Preference Shares of Rs.100/- each	210,000,000	210,000.00	210,000,000	210,000.00
Issued, Subscribed and Fully Paid:				
Equity shares of `10 each with voting rights	56,544,552	5,654.46	56,544,552	5,654.46
Total	56,544,552	5,654.46	56,544,552	5,654.46

The equity shares of the Company having par value of ` 10 per share, rank pari passu in all respects including entitlement to dividend.

Repayment of the capital in the event of winding up of the Company will inter alia be subject to the provisions of the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.

(ii) Details of shares held by each share holder holding more than 5% shares

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of `10 each with voting rights				
Yalamanchili Finance & Trading (P) Ltd	4,767,500	8.43%	4,767,500	8.43%
Sujana Holdings Limited	12,129,629	21.45%	12,129,629	21.45%
Foster Infin & Trading (P) Ltd	5,095,999	9.01%	5,095,999	9.01%
Total	16,897,129	38.89%	16,897,129	38.89%

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Rs.	Number of shares	Rs.
Equity shares				
Opening balance	56,544,552	5,654.46	56,544,552	5,654.46
Issued during the year	-	-	-	-
Closing balance	56,544,552	5,654.46	56,544,552	5,654.46
Cumulative Redeemable Preference shares				
Opening balance	-	126.83	-	126.83
Issued during the year	-	-	-	-
Closing balance	-	126.83	-	126.83



2. Notes forming part of financial statements

Particulars	Rs. in lakhs	
	Year ended 31st March 2022	Year ended 31st March 2021
2.10 Reserves & Surplus		
a) Capital Reserves		
Opening Balance	11,669.67	11,669.67
Add: Additions During the Year	-	-
	11,669.67	11,669.67
b) Capital Redemption Reserve		
Opening Balance	296.80	296.80
Add: Additions During the Year	-	-
	296.80	296.80
c) Securities Premium Reserves		
Opening Balance	36,332.19	36,332.19
Add: Additions During the Year	-	-
	36,332.19	36,332.19
d) Revaluation Reserves		
Opening Balance	-	-
Less: Depreciation on Revalued Assets	-	-
	-	-
d) General Reserves		
Opening Balance	-	-
Less: Transferred to Capital Redemption Reserve	-	-
	-	-
f) Retained Earnings		
Opening Balance	(173,492.44)	(167,031.58)
Less: Prior Period Adjustments	-	-
	(173,492.44)	(167,031.58)
Add: Profit/(Loss) for the year	(9,477.30)	(6,460.86)
Less: Dividend and Transfer of Capital Redemption Reserves	-	-
	(182,969.74)	(173,492.44)
Total (a+b+c+d+e+f)	(134,671.09)	(125,193.79)
2.11 Non-Current Borrowings		
Secured		
a) Term Loans from Banks (Refer to Note 1)		
i) Term Loan from Banks	-	-
ii) From other Parts	-	-
Un-Secured		
Promoters Contribution as per CDR Schedule	12,297.10	12,297.10
Unsecured Loan Others	2,026.27	2,026.27
Deferred sales tax liability	304.67	304.67
Loans from Promoters and Promoter Group Companies	-	-
	14,628.05	14,628.05
Total	14,628.05	14,628.05



2.12 Provisions		
Non-current		
Employee Benefit obligation	27.81	27.81
	27.81	27.81
Current		
Other Provisions		
Employee Benefit obligation	13.81	13.81
Dividends & Devidend Tax on CRPS	14.48	14.48
Provision for Fringe Benefit Tax	-	-
Provision for Income Tax	5,434.16	5,438.74
	5,462.45	5,467.03
Total	5,490.26	5,494.84
2.13 Deferred Tax Liability / (Asset) (Net)		
Opening Balance	15,915.90	19,072.68
Add: Deferred Tax Assets in reiation to		
(i) Difference in depreciation & amortisation for	10.38	(3,146.39)
(ii) Provision for employee benefits	(10.38)	(10.38)
(iii) Disallowance under Section 43B of Income Tax	-	-
Deferred Tax Liability / (Asset) (Net)	15,915.90	15,915.90
2.14 Current Borrowings		
Secured		
From Consortium Banks	131,023.76	131,023.76
From Other Banks	-	-
Total	131,023.76	131,023.76
2.15 Trade Payables		
i) Acceptance (Refer to Note 1 & 2)	-	-
ii) Trade Payables	972.05	952.22
Total	972.05	952.22
2.16 Other Financial Liabilities		
Current Maturities of Long Term Debt (Secured)	88,463.79	88,463.79
Vehicle Loans	-	-
Term Loans	13,211.54	13,211.54
CIRP Expenses Payable to COC Bankers	145.57	95.96
Other Financial Expenses	73.68	73.68
Advances from Customers	-	-
Statutory Liabilities	124.72	114.39
Total	102,019.30	101,959.36
2.17 Other Current Liabilities		
Loans and advances from related parties	-	-
Sundry Creditors for Services & Others	489.36	444.90
Deposit against LOI	640.77	640.93
Total	1,130.13	1,085.83



2. Notes forming part of financial statements

Rs. in lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
2.18 Revenue from Operations		
From Sale of Products (Gross)		
- Domestic	6.97	-
- Exports	-	-
Total	6.97	-
2.19 Other Income		
Interest Income	33.48	6.40
Other Non-operating Income (net of expenses directly attributable to such income)	-	-
Forex Gain (Net)	-	-
Other Operating Income	12.74	4.06
Total	46.22	10.45
2.20 (a) Cost of Material Consumed		
Opening Stock of Raw material	54.08	54.08
Add: Purchases	-	-
Less: Closing Stock	54.08	54.08
Total	54.08	54.08
(b) Purchases of Stock-in-Trade		
Opening stock	-	-
Add: Purchases	-	-
Less: Closing stock	-	-
Stock-In-Trade materials consumed	-	-
2.21 Changes in Inventories		
a) Opening Stock		
Finished Goods	0.93	0.93
Work-in-Progress	-	-
	0.93	0.93
b) Closing Stock		
Finished Goods	0.93	0.93
Work-in-Progress	-	-
	0.93	0.93
(Increase) / Decrease (a - b)	-	-
2.22 Employee Benefits Expense		
Salaries and Wages	34.15	74.59
Contribution to Provident and Other Funds	0.85	1.51
Directors remuneration	-	-
Total	35.01	76.10



2. Notes forming part of financial statements

Rs. in lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
2.23 Finance Costs		
Interest on working capital loans	-	-
Interest Expenses on Term Loans	-	-
Other borrowing costs	0.01	0.19
Total	0.01	0.19
2.24 Other Expenses		
Consumption of stores, loose tools and spare parts	-	-
Manufacturing Expenses	6.40	7.21
Administrative Expenses	7.33	5.28
CIRP Expenditure	28.84	46.26
Power and fuel	6.20	46.32
Repairs and maintenance:	1.60	-
Rates and taxes, excluding, taxes on income	0.02	5.50
Insurance	17.11	27.18
Traveling and conveyance	0.91	1.38
Communication	0.02	0.10
Contract labor charges (security charges)	16.77	13.70
Legal and professional fees	29.43	14.84
Auditor Remuneration	-	3.85
Sales promotion and advertisement	1.20	0.65
Loss on sale of Investments	-	-
Loss on sale of Vehicles	-	-
Advances Written Off	-	-
Provision for Bad Debts	-	-
Printing and stationery	0.62	0.09
Sitting Fees	-	-
Sundry Debit Balances Written off	-	-
Pending Excise Case disposed Off	-	-
Miscellaneous expenses	-	-
Total	116.46	172.36



Neueon Towers Limited
(Formerly known as Sujana Towers Limited)

Notes to the financial statements

1. General Information

The Company is in the area of manufacturing and company is currently operating in various areas/verticals/products related to Towers & Transmission, TSF and Speciality Structural steel Manufacturing Business.

Hon'ble NCLT, Hyderabad bench, Hyderabad ordered the commencement of the Corporate Insolvency Resolution Process of the company vide order No.CP(IB) No.679/7/HDB/2018 Dt.03.06.2019. As such the Company has been under CIRP since 03-06-2019.

Further The Liquidation Process has been initiated against Neueon Towers Limited under the provisions of Insolvency and Bankruptcy Code, 2016 (Code) by an order of National Company Law Tribunal (NCLT), Hyderabad 14-10-2021. The Hon'ble NCLT vide orders dated 14.10.2021 appointed Mr. Ramachander Rao Bikumalla, having IP Registration No. IBBI/IPA-001/IP/P-00740/2017-2018/11261 as a Liquidator.

2. Basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments, which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013.

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. All amounts included in the financial statements are reported in Indian rupees (in Rupees) except number of equity shares and per share data, unless otherwise stated.

The significant accounting policies are given at Note 16.

3. Use of estimates and judgment

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

4. Commitments

- (a) Capital Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on capital account and not provided for is Rs.NIL (P.Y. Rs.NIL).



Notes to Accounts for the year ended March 31st, 2022

- (b) Commitment related to Investment Properties: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on account of external projects and not provided for is Rs.NIL. (P.Y. Rs.NIL).
- (c) Other Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on account of external projects and not provided for is Rs.NIL. (P.Y. Rs.NIL).

5. Additional information pursuant to Schedule III of the Companies Act, 2013

Value of Materials Consumed during the year

Description	For the year ended 31.03.2022			For the Year ended 31.03.2021		
	Mts.	Rs. (in Lakhs)	%	Mts.	Rs. (in Lakhs)	%
Iron Steel						
Indigenous	-	-	-	-	-	-
Imported	-	-	-	-	-	-
Tower Parts						
Indigenous	-	-	-	-	-	-
Imported	-	-	-	-	-	-
Others(Acsr Moose Conductor KMS)						
Indigenous	-	-	-	-	-	-
Imported	-	-	-	-	-	-
Total	-	-	-	-	-	-

Value of bought-out material consumed

(Rs. in Lakhs)

Description	For the year ended 31.03.2022			For the Year ended 31.03.2021		
	Mts.	Rs. (in Lakhs)	%	Mts.	Rs. (in Lakhs)	%
Iron Steel						
Indigenous	-	-	-	-	-	-
Imported	-	-	-	-	-	-
Tower Parts						
Indigenous	-	-	-	-	-	-
Imported	-	-	-	-	-	-
Others						
Indigenous	-	-	-	-	-	-
Imported	-	-	-	-	-	-
Total	-	-	-	-	-	-



Value of Consumables, Stores and Spares consumed during the period

(Rs in Lakhs)

Description	For the year ended 31.03.2022	%	For the year ended 31.03.2021	%
Consumables(Indigenous)	-	-	-	-
Consumables(Imported)	-	-	-	-
Total	-	-	-	-

6. Financial Instruments- Fair Values and Risk Management

6.1 Financial Instruments by Categories

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(As of March 31, 2022 Rs. In Lakhs)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments (Ref Note No.2.02)	13,993.47	-	-	13,993.47	-
Cash & Cash Equivalents (Ref Note No. 2.07)	677.62	-	-	677.62	-
Trade Receivable (Ref Note No. 2.06)	16275.92	-	-	16275.92	-
Loans & Advances (Ref Note No. 2.03)	-	-	-	-	-
Liabilities:					
Trade Payable (Ref Note No. 2.15)	972.05	-	-	972.05	-
Borrowings (Ref Note No 2.14)	1,31,023.76	-	-	1,31,023.76	-
Other Financial Liabilities (Ref Note No. 2.11 & 2.16)	1,16,647.35	-	-	1,16,647.35	-



Notes to Accounts for the year ended March 31st, 2022

The carrying amounts are considered to be the same as their fair values, due to their short-term nature

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2021:

(Amount in Rs in Lakhs as of March 31, 2021)

Particulars	Cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments (Ref Note No.2.02)	13,993.47	-	-	13,993.47	-
Cash & Cash Equivalents (Ref Note No. 2.07)	678.37	-	-	678.37	-
Trade Receivable (Ref Note No. 2.06)	16,315.61	-	-	16,315.61	-
Loans & Advances (Ref Note No. 2.03)	-	-	-	-	-
Liabilities:					
Trade Payable (Ref Note No. 2.15)	952.22	-	-	952.22	-
Borrowings (Ref Note No 2.14)	1,31,023.76	-	-	1,31,023.76	-
Other Financial Liabilities (Ref Note No. 2.11 & 2.16)	1,16,587.41	-	-	1,16,587.41	-

The carrying amounts are considered to be the same as their fair values, due to their short-term nature



6.2 Financial risk management

The company's activities expose it to the following financial risks:

- market risk;
- credit risk; and,
- liquidity risk;

The company has not arranged funds that have any interest rate risk.

a) Market risk

(i) Foreign Exchange Risk

The company does not deal with import and export transactions and hence foreign exchange risk is not applicable to the Company.

(ii) Interest Rate Risk

The company is not exposed to such risk.

b) Credit Risk

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

The company has outstanding trade receivables amounting to Rs.16275.92 lakhs and Rs.16,315.61 lakhs as of March 31, 2022 and March 31, 2021, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers.

Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of IndAS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industry etc., are taken into account for the purposes of expected credit loss.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

Particulars	(As at 31st March 2022, Rs. In lakhs)		
	Gross amount	Impairment	Carrying Value
Not past due			
Past due less than 30 days	-	-	-
Past due more than 30 days but not more than 60 days	-	-	-
Past due more than 60 days but not more than 90 days	-	-	-
Past due more than 90 days but not more than 120 days	-	-	-
Past due more than 120 days	1,06,539.83	90,263.91	16,275.92
Total	1,06,539.83	90,263.91	16,275.92



(As at 31st March, 2021, Rs in lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	-	-	-
Past due less than 30 days	-	-	-
Past due more than 30 days but not more than 60 days	-	-	-
Past due more than 60 days but not more than 90 days	-	-	-
Past due more than 90 days but not more than 120 days	-	-	-
Past due more than 120 days	1,06,579.52	90,263.91	16,315.61
Total	1,06,579.52	90,263.91	16,315.61

Other financial assets

There are no impairment provisions as at each reporting date against financial assets. We consider all the financial assets as at the reporting dates to be of good credit quality.

c) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

(as of March 31, 2022 Rs. Lakhs)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	19.83	-	288.16	664.06	-	972.05
Short term borrowings (cash credit)*	-	-	-	1,31,023.76	-	1,31,023.76
Long Term Borrowings	-	-	-	-	-	-
Other Financial Liabilities	-	59.94	1,16,587.41	-	-	1,16,647.35
Total	19.83	59.94	1,16,875.57	1,31,687.82	-	2,48,643.16



(as of March 31, 2021 Rs. Lakhs)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	-	3.67	284.49	664.06	-	952.22
Short term borrowings (cash credit)*	-	-	1,31,023.76	-	-	1,31,023.76
Long Term Borrowings	-	-	-	-	-	-
Other Financial Liabilities	-	101.70	1,16,485.71	-	-	1,16,587.41
Total	-	105.37	2,47,793.96	664.06	-	2,48,563.39

(d) Commodity Price Risk

The company is not exposed to the said risk.

7. Disclosure in respect of Indian Accounting Standard (IndAS)-21 "The Effects of changes in Foreign Exchange Rates"

The company had not entered into any foreign currency transactions during the year.

8. Disclosure in respect of Indian Accounting Standard (Ind AS)-23 "Borrowing Costs"

- The amount capitalized with Property, Plant & Equipment as borrowing cost is Rs.Nil & Rs. 1.90L for the year ended March 31, 2022 & March 31, 2021 respectively.

- The amount is capitalized using the capitalization rate of NIL percentage.

9. Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of assets"

During the year, the company assessed the impairment loss of assets and ECL debited to Profit & Loss is NIL.

10. Disclosure in respect of Indian Accounting Standard (Ind AS)-20 "Accounting for Government Grants and Disclosure of Government Assistance"

The Company did not receive any Government Grants during the year and Previous year.

11. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"

11.1 General description of various defined employee's benefits schemes are as under:

a) Provident Fund:

The Company's contribution paid/payable during the year to Provident Fund and the liability is recognized on accrual basis.

Contributions to Provident Fund, a defined contribution plan, are made in accordance with the statute and are recognized as an expense when employees have rendered service entitling them to the contributions.



12. Disclosure in respect of Indian Accounting Standard 24 "Related Party Disclosures"

12.1 Disclosures for Other than Govt. Related Entities

- a. List of Related Parties where control exists and also other Related Parties with whom transactions have taken place and relationships:

List of key management personnel:

Name	Designation
Shri.G.SrinivasaRaju	Managing Director
Shri Pathan Apser Hussen	Company Secretary*

(* Resigned from 15.11.2021)

- b. Compensation of key management personnel

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term benefits	1.88	3.00
Post-employment benefits	-	-
Other long-term benefits	-	-
Share-based payments	-	-
Termination benefits	-	-
Total	1.88	3.00
Recovery of Loans & Advances during the year	-	-
Advances released during the year	-	-
Closing Balance of Loans & Advances	-	-

List of Subsidiaries:

Name of the Subsidiary	Country of Incorporation	% of Holding as at 31.03.2022
Subsidiaries held directly		
Digitech Business Systems Limited	Hong Kong	100

- c. Transactions with Related Parties

(Rs. In lakhs)

Particulars	Subsidiaries		Associates	
	2021-22	2020-21	2021-22	2020-21
A Sales				
Splendid Metals Ltd	-	-	-	-
Sujana Universal Industries Limited	-	-	-	-
Sub-total	-	-	-	-



B	Purchases				
	Splendid Metals Ltd	-	-	-	-
	Sujana Universal Industries Limited	-	-	-	-
	Sub-total	-	-	-	-
	Grand Total	-	-	-	-

d. Loans to Subsidiaries: Nil

All the related party transactions were performed at arm's length price.

13. Disclosure in respect of Indian Accounting standard (Ind AS) 116 "Leases"

The company does not have any lease transactions during the period and hence no disclosures have been made.

14. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) Basic EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic EPS and Basic EPS is as follows:

Particulars	(Amount in Rs in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit (loss) for the year, attributable to the Equity Shareholders of the company	(9,477.30)	(6,460.86)
Earnings used in calculation of basic earnings per share(A)	(9,477.30)	(6,460.86)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	565.45	565.45
Basic EPS(A/B)	(16.76)	(11.43)

b) Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of Diluted EPS is as follows:

Particulars	(Amount in Rs in lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit (loss) for the year, attributable to the Equity Shareholders of the company	(9,477.30)	(6,460.86)
Earnings used in calculation of basic earnings per share(A)	(9,477.30)	(6,460.86)



Weighted average number of ordinary shares for the purpose of Diluted earnings per share(B)	565.45	565.45
Diluted EPS(A/B)	(16.76)	(11.43)

15. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"

Particulars	Opening balance as on 01.04.2021	Additions/ Transfers during the year	Utilization during the year	Adjustment during the year	Written-back during the year	Closing balance as on 31.03.2022
Employee Benefit Obligation	41.62	-	-	-	-	41.62
Provision for fringe benefit tax	-	-	-	-	-	-
Provision for Income Tax	5,438.74	-	-	4.58	-	5,434.16
Total	5,480.36	-	-	4.58	-	5,475.78

Contingent Liabilities:

		(Rs. Lakhs)	
	Particulars	2021-22	2020-21
a)	Claims against the company not acknowledged as debts including foreign currency claim towards:	-	-
b)	Guarantees excluding financial guarantees	-	-
c)	Other money for which the company is contingently liable		
	i) Guarantees issued by banks on behalf of the company	-	-
	ii) Letters of credit opened by the company remaining outstanding	-	-
	iii) Bonds furnished to custom authorities for submission of original documents etc., remaining outstanding	-	-
d)	Disputed Income Tax Demand	2,895.66	2,895.66
e)	Disputed TDS demands	27.25	27.25
f)	Disputed Sales Tax Demand	4,720.77	4,720.77
	Others (PF etc. specify nature of demand)		
g)	Disputed PF demand - Interest on delayed payment & Penal Interest	26.48	26.48
h)	Disputed ESI demand - Interest on delayed payment & Penal Interest	0.84	0.84
i)	ESI Contribution	0.03	0.03



Total	7,671.03	7,671.03
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16. Accounting Policies under IndAS:

1. Significant Accounting Policies

1.1 Statement of Compliance and basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013.

1.2 Application of Indian Accounting Standards (Ind-AS)

All companies (listed or unlisted) having net worth of Rs 5,000 Million or more are required to adopt Ind AS

All amounts included in the financial statements are reported in of Indian rupees (Rupees in) except number of equity shares and per share data, unless otherwise stated.

1.3 Use of estimates and judgment

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

1.4 Functional and presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

1.5 Revenue Recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.



Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of government.

Estimation uncertainty relating to COVID-19 outbreak: The Company has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables including unbilled receivables, goodwill, intangible assets and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

1.6 Property, Plant and Equipment's

All Property, Plant and Equipments (PPE) are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

- i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs either when the PPE is acquired or as a consequence of having used the PPE during a particular period for purposes other than to produce inventories during that period.

The company has chosen the cost model of recognition and this model is applied to an entire class of PPE. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

1.7 Intangible Assets

All Intangible Assets are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101.



Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful lives from the date on which they are available for use. Softwares are amortized over its useful life subject to a maximum period of 5 years or over the license period as applicable.

1.8 Non-Current Assets Held for Sale

The company classifies a non-current asset (or disposal group of assets) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The non-current asset (or disposal group) classified as held for sale is measured at the lower of its carrying amount and the fair value less costs to sell.

1.9 Depreciation

Depreciation is provided on straight line method as per the useful lives approved by the Board of Directors, which are equal to those provided under schedule II of the Companies Act, 2013. The useful life of an asset is reviewed at each financial year-end. Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and if the useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets and lease hold assets. Freehold land is not depreciated. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Certain items of small value like calculators, wall clock, kitchen utensils etc. whose useful life is very limited are directly charged to revenue in the year of purchase. Cost of mobile handsets is also charged against revenue. The residual value of all the assets is taken as Re 1/-. The useful lives of the assets are taken as under:-

<u>Name of Assets</u>	<u>Useful life as adopted by the company as per Schedule II</u>
A. General Assets	
Furniture & Fittings	10
Office Equipment	5
Computers - Servers and networks	6
Computers – End User Devices	3
Lease-hold Land	As per Lease Agreement
Wagon Rakes	As per Agreement / Wagon Investment Scheme



Electrical installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Roads	
Carpeted Roads – RCC	10
Carpeted Roads - Other than RCC	5
Non Carpeted Roads	3
Buildings	
RCC	60
Other than RCC	30
Temporary Structure & wooden partition	3
Warehouse / Godown	30
B. Manufacturing Unit's Assets	
Factory Buildings	30
Electronic installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Plant and Machinery	
Single Shift	15
Double Shift	10
Triple Shift	7.5
Plant and Machinery- Wind Energy Generation Plant	22
C. Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company	5
D. Amortization of Intangible Assets	
Software	5 years or License period as applicable

1.10 Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset.

The Company recognises other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

1.11 Inventory

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The method of determination of cost and valuation is as under:



Cost of inventories comprises - of Cost of Purchase, cost of conversion and other costs incurred in bringing them to their present location and condition.

Raw Materials and Work-in-Progress are valued at cost using the Weighted Average cost method. Goods- produced and purchased are valued at Cost or Net Realizable value whichever is lower.

Excise duty in respect of finished goods awaiting dispatch is included in the valuation of inventory.

Stores and Spares, Packing material are carried at cost, ascertained on weighted average basis. Necessary provision is made in the case of obsolete and non-moving items.

1.12 Provisions

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

1.13 Contingent Liabilities / Assets

Contingent Liabilities

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made

Contingent Liabilities are disclosed in the General Notes forming part of the accounts

Contingent Assets

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

1.14 Employee benefits

- i. Provision for gratuity, leave encashment/availment and long service benefits i.e. service award, compassionate gratuity and employees' family benefit scheme is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other



comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.

- ii. Provision for post-retirement medical benefit is made on defined contribution basis.
- iii. Provident fund contribution is made to Provident Fund Trust on accrual basis.
- iv. Payment of Ex-gratia and Notice pay on Voluntary Retirement are charged to revenue in the year incurred.
- v. Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India (LIC). The Company makes contributions based on a specified percentage of each eligible employee's salary.

Short-term employee benefit obligations

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognized for the amount expected to be paid under PLI / PRP Scheme, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

1.15 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated



with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

However the Company is in Losses. So, there is no current tax for the current Financial Year

1.16 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties.

After initial recognition, the company measures investment property at cost.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

1.17 Impairment

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate



that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, The Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified,

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Impairment of financial assets

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For Available for Sale (AFS) equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis. Objective evidence of impairment for a portfolio of receivables could include company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of zero days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables; such impairment loss is reduced through the use of an allowance account for respective financial asset. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.



For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

De-recognition of financial assets:

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, The Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

1.18 Earnings per share

A basic earnings per equity is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.19 Discontinued operations

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed off or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

1.20 Financial instruments



Non-derivative financial instruments

Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

a) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

- b) Investments in liquid mutual funds, equity securities (other than Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than impairment losses, are recognized in other comprehensive income and presented within equity, net of taxes. The impairment losses, if any, are reclassified from equity into statement of income. When an available for sale financial asset is derecognized, the related cumulative gain or loss recognised in equity is transferred to the statement of income.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

d) Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.



c) Investments in Subsidiary, Associates and Joint Venture

The company accounts investment in subsidiary, joint ventures and associates at cost

An entity controlled by the company is considered as a subsidiary of the company.

Investments in subsidiary company outside India are translated at the rate of exchange prevailing on the date of acquisition.

Investments where the company has significant influence are classified as associates. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement is classified as a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

1.21 **Segment Information**

The company is principally engaged in single business segment viz., "Power and Telecom Tower", and operates in one geographical segment as per on 'Segment Reporting'. Accordingly no segment reporting has been made by the company.

1.22 **Going Concern**

The company has incurred loss during the year and has negative net worth as at 31 March 2022 that may create uncertainties. However various initiatives taken by the company in relation to cost saving, optimising revenue management opportunities and enhance ancillary revenues is expected to result in improved operating performance, there are positive signs where most of the lenders have accepted for a restructuring proposal. Accordingly the financial statements continue to be prepared on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business

1.23 **Approval of financial statements**

The financial statements were approved by the board of directors and authorised for issue on 02.01.2024





RPSV & Co.

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Memembers of **NEUEON TOWERS LIMITED**

Report on the Audit of the Consolidated Ind AS financial statements

Qualified Opinion

We have audited the accompanying Consolidated financial statements of **NEUEON TOWERS LIMITED** (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at **March 31, 2022**, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated 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 the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS") specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules as amended and other accounting principles generally accepted in India, of the consolidated state of affairs(financial position) of the Group as at March 31, 2022, the consolidated loss (financial performance including Consolidated other comprehensive income),consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

- The Parent Company has defaulted in repayment of dues to Banks/Financial institutions during the current financial year. All loans outstanding were classified as NPA by the banks during the preceeding financial years. The company has not provided interest on Working capital and Term loans as the company is under Corporate Insolvency Process (CIRP) under IB Code.
- The Parent company has made a **provision of NIL lakhs** during the current year, the realisability of trade receivables **amounting to Rs.31,167.24 Lakhs is in doubt** and the company has not made any provision for bad and doubtful debts in respect of these receivables.



We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Material uncertainty Related to Going Concern

The Group has accumulated losses and its net worth has been fully eroded due to continuous losses and the Company's current liabilities exceeded its current assets as at **March 31, 2022**. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group ability to continue as a going concern. However, the consolidated financial statements of the Group have been prepared on a going concern basis for the reasons stated.

Our opinion is not modified in respect of this matter

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year ended **March 31, 2022**. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matters described in the Basis for Qualified Opinion section referred in above para and Material Uncertainty Related to Going Concern section in above para, We have determined the matters described in below to be the key audit matters to be communicated in our report.



Key Audit Matters	Auditor's response
Operational creditor of the Company have filed a petition under Insolvency and Bankruptcy Code, 2016(IBC) with Hon'able National Company Law Tribunal, Hyderabad Bench (NCLT)	Obtained detailed Order passed by the Hon'able National Company Law Tribunal, Hyderabad Bench, the power of Board of Director has suspended as well as no any operational income and hence there was uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Other information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Holding Company in accordance with the accounting principles generally accepted in



India, including the 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 Holding Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one



resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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 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 the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the annual financial statements of one subsidiary **M/s Digitech Business Systems Limited**, included in the Statement, whose financial information reflects total assets (net) of **Rs.14,834.15Lakhs as at March 31,2022**, and Nil total revenues and no net cash inflows for the year ended **March 31, 2022** as considered in the consolidated Ind AS financial statements.

These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind As financial statements, in so far as it relates to the amount and disclosures included in respect of one subsidiary, and our report in terms of sub-section (3) and (11) of section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the group.

The Holding Company's management has converted the financial statements of such subsidiary from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based on the unaudited financial statement and conversion adjustments prepared by the management of the Holding Company and audited by us.



Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the Un-audited financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matters' paragraph we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations, except for the matter described in the Basis for Qualified Opinion paragraph above, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b) except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- c) except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, In our opinion, the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Parent company.
- f) The Company undergoing Corporate Insolvency Resolution Process (CIRP) vide order of Hon'ble NCLT, Hyderabad Bench dated 03-06-2019, vide order no: CP(IB)No.679/7/HDB/2018 and all management responsibilities vest with



the Resolution Professional, hence the requirements to comment upon the Director's qualification is not applicable.

- g) With respect to the adequacy of the internal financial controls over financial reporting With reference to these Consolidated Financial Statements of the Holding Company, refer to our separate Report in "Annexure A" to this report;
- h) In our opinion, has not been not provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act as the company under the Corporate Insolvency Process (CIRP)
- i) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other Matters' paragraph:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its Consolidated Financial Statements – Refer Note 17 to the Consolidated Financial Statements;
 - ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts, required to be transferred to the investor Education and protection fund by the company.

For RPSV & CO.,
Chartered Accountants
(FRN: 0013151S)

M Murali Krishna

M Murali Krishna
(Partner)

M.No. 238030

Date : 02.01.2024

UDIN:24238030BKDXQM8409



Annexure - A to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of **NEUEON TOWERS LIMITED** for the year ended **March 31, 2022**, we have audited the internal financial controls over financial reporting of **NEUEON TOWERS LIMITED** which includes joint operations (hereinafter referred to as the "Holding Company") and its subsidiaries which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries, its associates and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 the respective 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company, its subsidiaries, its associates and joint ventures, which are companies incorporated in India, internal financial controls over financial reporting with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included



obtaining an understanding of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph below, the Holding Company, its subsidiaries, its associates and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at **March 31, 2022**, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company, in so far as it relates to separate financial statement of subsidiaries which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates and joint ventures incorporated in India.

For RPSV & CO.,
Chartered Accountants
(FRN: 0013151S)

M. Murali Krishna

M Murali Krishna
(Partner)

M.No. 238030

Date : 02.01.2024

UDIN:24238030BKDXQM8409



CONSOLIDATED BALANCE SHEET AS AT 31.03.2022

(Rs Lakhs)

Sl	Particulars	Note	As at 31 March	
			2022	2021
A	ASSETS			
1	Non- Current Assets			
	(a) Property, Plant and Equipment	2.01	109,611.76	118,990.78
	(b) Capital Work-in-Progress			
	(c) Other Intangible Assets		0.27	0.27
	(d) Financial Assets			
	(i) Investments			
	(ii) Trade Receivables			
	(iii) Loans	2.02		
	(iv) Others			
	(d) Deferred tax asset			
	(e) Other non-current assets	2.03		
			109,612.03	118,991.05
2	Current Assets			
	(a) Inventories	2.04	496.99	496.99
	(b) Financial Assets			
	(i) Trade receivables	2.05	31,167.24	31,206.94
	(ii) Cash and cash equivalents	2.06	684.91	685.67
	(c) Other current assets	2.07	1,233.62	1,171.97
			33,582.76	33,561.55
	TOTAL		143,194.79	152,552.61
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	2.08	5,781.29	5,781.29
	(b) Other Equity		(133,830.41)	(124,353.11)
			(128,049.12)	(118,571.82)
	LIABILITIES			
2	Non- Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	2.09		
	(ii) Trade Payables	2.13		
	(iii) Other Financial Liabilities	2.09	14,628.05	14,628.05
	(b) Provisions	2.10	27.81	27.81
	(c) Deferred tax liabilities (Net)	2.11	15,915.90	15,915.90
	(c) Other Non-current liabilities			
			30,571.75	30,571.75
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	2.12	131,023.76	131,023.76
	(ii) Trade payables	2.13	972.05	952.22
	(iii) Other financial liabilities	2.14	102,019.30	101,959.36
	(b) Provisions	2.10	5,462.45	5,467.03
	(c) Other current liabilities	2.15	1,194.59	1,150.30
			240,672.15	240,552.67
	TOTAL		143,194.79	152,552.61

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board Directors

for PPSV AND CO.,
Chartered Accountants
FRN No. 00131515

M. Murali Krishna
M Murali Krishna
M.No. 238030
Place: Hyderabad
Date: 02.01.2024

G. Srinivasa Raju
G. Srinivasa Raju
Managing Director
(DIN:00132249)

Dr M S Sankar
Dr M S Sankar
Resolution Professional
(IP Registration No.
IBBI/PA-001/IP-P00770
/2017-18/11315)



STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2022

(Rs Lakhs)

SI	Particulars	Note	As at 31 March	
			2022	2021
I	Revenue			
	(a) Revenue from Operations	2.16	6.97	-
	(b) Other operating income	2.17	33.48	6.40
	Total income from operations (net)		40.45	6.40
	Other income	2.17	12.74	4.06
	Total Revenue		53.20	10.45
II	Expenses			
	Cost of Materials Consumed	2.18	-	-
	Purchase of Stock-in-Trade	2.18	-	-
	Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	2.19	-	-
	Employee Benefit Expenses	2.20	35.01	76.10
	Finance Costs	2.21	0.01	0.19
	Depreciation and Amortization Expenses	2.01	9,379.02	9,379.44
	Other Expenses	2.22	116.46	172.53
	Total Expenses		9,530.50	9,628.26
III	Profit Before Exceptional Items and Tax (I - II)		(9,477.30)	(9,617.81)
IV	Exceptional Items		-	-
V	Profit Before Tax (III - IV)		(9,477.30)	(9,617.81)
VI	Tax Expense:			
	Current tax		-	-
	Deferred tax		-	174.15
	Excess Provision of Deffered Tax in earlier years written off		-	(3,330.92)
VII	Profit for the Year (VI - VI)		(9,477.30)	(6,461.03)
VIII	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		-	-
IX	Other comprehensive income (Net of taxes)		-	-
X	Total comprehensive income for the Year (VIII + IX)		(9,477.30)	(6,461.03)
XI	Earnings Per Equity Share of Rs.10 each			
	(a) Basic		(16.76)	(11.43)
	(b) Diluted		(16.76)	(11.43)

See accompanying notes forming part of the financial statements
In terms of our report attached

for RPSV AND CO.,
Chartered Accountants
FRN No. 00131515

M. Murali Krishna

M Murali Krishna
M.No. 238030
Place: Hyderabad
Date: 02.01.2024



For and on behalf of the Board of Directors

G. Srinivasa Raju
G. Srinivasa Raju
Managing Director
(DIN:00132249)

M. Sankar
Dr M S Sankar
Resolution Professional
(IP Registration No.
IBBI/IPA-001/IP-
P00770/2017-18/11315)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2022

(Rs. in Lakhs)

Sl	Particulars	As at 31 March	
		2022	2021
A	Cash flows from Operating activities		
	Net Profit / (Loss) Before Tax for the year	(9,477.30)	(9,617.81)
	Adjustments for		
	Depreciation	9,379.02	9,379.44
	Finance Costs	0.01	0.19
	Interest & other income	(33.48)	(6.40)
	Profit on sale of Investment	-	-
	Profit on sale of Vehicles	-	-
	Provision for Gratuity & Leave Encashment	-	-
	Provision for doubtful debts	-	-
	Operating Profit Before Working Capital Changes	(131.75)	(244.57)
	Movements in Working Capital		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	-	-
	Trade Receivables	39.69	587.90
	Loans & Advances	-	-
	Other Financial Assets	-	-
	Other Assests	(61.65)	(164.60)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade Payables	19.83	3.67
	Provisions	(4.58)	(1.00)
	Financial Liabilities	59.94	101.70
	Other Liabilities	44.30	687.40
	Cash Generated from Operations	(34.22)	970.50
	Less: Taxes paid	-	-
	Cash from Operating Activities (A)	(34.22)	970.50
B	Cash flows from investing activities		
	Purchase of Fixed Assets	-	(1.90)
	Sale of Fixed Assets	-	-
	Sales of Investment	-	-
	Foreign Exchange Translation adjustment (on Consolidation)	-	(456.64)
	Interest Received	33.48	6.40
	Cash from Investment Activities (B)	33.48	(452.14)
C	Cash flows from Financing activities		
	Proceeds from Borrowings	-	-
	Interest & Financial Charges Paid	(0.01)	(0.19)
	Net Cash from financing activities (C)	(0.01)	(0.19)
	Net Increase in cash and cash equivalent (A+B+C)	(0.75)	518.17
	Cash and Cash Equivalents at the beginning of the year	685.67	167.49
	Cash and Cash Equivalent at the end of the year	684.91	685.67

See accompanying notes forming part of the financial statements
in terms of our report attached

for RPSV AND CO.,
Chartered Accountants
FRN No. 00131515

M Murali Krishna
M Murali Krishna
M.No. 238030
Place: Hyderabad
Date: 02.01.2024



For and on behalf of the Board of Directors

G. Srinivasa Raju
G. Srinivasa Raju
Managing Director
(DIN:00132249)

Dr M S Sankar
Dr M S Sankar
Resolution Professional
(IP Registration No.
IBBI/IPA-001/IP-
P00770/2017-18/11315)

Consolidated Statement of Changes in Equity (SOCIE)

(Rs. In Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Rs.	No. of Shares	Rs.
(A) Equity share capital				
Balance at the beginning of the reporting period	56,544,552	5,654.46	56,544,552	5,654.46
Change in equity Share capital during the year	-	-	-	-
Balance at the end of the reporting period	56,544,552	5,654.46	56,544,552	5,654.46
Cumulative Redeemable Preference shares				
Opening balance		126.83		126.83
Issued during the year		-		-
Balance at the end of the reporting period		126.83		126.83
TOTAL		5,781.29		5,781.29

Particulars	Reserves & Surplus					
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Foreign Currency Translation Reserve	Retained earnings	Total Other Equity
Balance as at April 1, 2020	11,669.67	296.80	36,332.19	2,240.42	(167,974.51)	(117,435.44)
Profit/(loss) for the year	-	-	-	-	(6,461.03)	(6,461.03)
Other comprehensive income for the year, net of taxes	-	-	-	(456.64)	-	(456.64)
Others	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(456.64)	(6,461.03)	(6,917.67)
Dividend (including tax on dividend)	-	-	-	-	-	-
Balance as at March 31, 2021	11,669.67	296.80	36,332.19	1,783.78	(174,435.54)	(124,353.11)
Balance as at April 1, 2021	11,669.67	296.80	36,332.19	1,783.78	(174,435.54)	(124,353.11)
Profit for the year	-	-	-	-	(9,477.30)	(9,477.30)
Prior Period Adjustments	-	-	-	-	-	-
Other comprehensive income for the year, net of taxes	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(9,477.30)	(9,477.30)
Dividend (including tax on dividend)	-	-	-	-	-	-
Balance as at March 31, 2022	11,669.67	296.80	36,332.19	1,783.78	(183,912.84)	(133,830.41)

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

for RPSV AND CO.,
Chartered Accountants
FRN No. 00131515

M. Murali Krishna

M Murali Krishna
M.No. 238030

Place: Hyderabad

Date: 02.01.2024



G. Sriwasa Raju
G. Sriwasa Raju
Managing Director
(DIN:00132249)

Dr M S Sankar
Dr M S Sankar
Resolution Professional
(IP Registration No. IBBI/IPA-001/IP-
P00770/2017-18/11315)

NEUEON TOWERS LIMITED

2. Notes forming part of the Consolidated financial statements

ANNUAL REPORT 2021-22

2.01 Property, Plant and Equipment

Particulars	Gross Block					Depreciation			Net Block	
	Opening as on 01.04.2020	Additions	Deletions	Closing as on 31.03.2021	Opening as on 01.04.2020	Depreciation	Depreciation withdrawn	Acc. Dep. As on 31.03.2021	Net Block as on 31.03.2021	Net Block as on 31.03.2020
A) Tangible Assets										
Land	1,868.84			2,868.84					1,868.84	1,868.84
Building	3,554.18			3,554.18	1,354.01	118.71		1,472.72	2,081.46	2,200.17
Plant & Machinery	185,095.85			185,095.65	70,294.07	9,246.83		29,800.90	105,594.75	114,841.58
Workshop Equipments	9.60			9.60	6.90	0.46		7.36	2.24	2.70
Weighing Machine	11.34			11.24	10.54	0.28		10.77	0.57	0.80
Electrical Installations	174.72			174.72	122.24	8.30		130.54	44.18	52.48
Furniture & Fixtures	33.16			33.16	27.85	1.90		29.95	3.20	8.30
Office Equipments	50.55			50.55	31.63	2.40		34.03	16.52	18.93
Vehicles										
Computers	108.10			108.10	108.10			108.10		
	190,906.14			190,906.14	71,915.35	9,379.02		81,294.37	109,611.76	118,990.78
Less: Revaluation Reserve										
Total of Tangible Assets	190,906.14			190,906.14	71,915.35	9,379.02		81,294.37	109,611.76	118,990.78
B) Intangible Assets										
Computer Software	17.13			17.13	16.87			16.87	0.27	0.27
	190,923.27			190,923.27	71,932.22	9,379.02		81,311.24	109,612.03	118,991.05

Notes:

Depreciation is provided on Straight Line Basis applying the rates specified in the Schedule II to the Companies Act, 2013. Depreciation on the revalued fixed assets charged to revaluation reserve.



2. Notes forming part of the Consolidated financial statements

Rs. in lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
2.02 Non-Current Loans		
Loans and Advances to Subsidiaries	-	-
Total	-	-
2.03 Other non-current assets		
Other Loans & Advances	-	-
Total	-	-
2.04 Inventories (at lower of cost or net realizable value)		
Raw Materials	54.08	54.08
Work in Process	-	-
Finished Goods	0.93	0.93
Stores and Spares	441.97	441.97
Total	496.99	496.99
2.05 Trade Receivables		
a) Unsecured & Considered Good	31,167.24	31,206.94
b) Doubtful Debtors	90,263.91	90,263.91
	121,431.15	121,470.84
Less: Provision for doubtful debts	90,263.91	90,263.91
Total	31,167.24	31,206.94
2.06 Cash and Cash Equivalents		
Cash on Hand	0.13	0.09
Bank Balances in Current Accounts	581.76	44.65
Deposits with banks	103.02	640.93
Total	684.91	685.67
2.07 Other Current Assets		
Advance for Expenses & Others	5.32	5.04
COC Expenses Recoverable from RA	194.17	149.71
Advances to Suppliers & Others	0.65	0.66
Margin Money With Parties	0.19	0.19
Deposits with Govt Deposit (incl Excise, VAT)	1,033.29	1,016.38
Total	1,233.62	1,171.97



2. Notes forming part of financial statements

2.08 - Equity Share Capital

(i) The authorised, issued, subscribed and fully paid-up share capital

Particulars	Rs. in lakhs			
	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	Rs.	No. of shares	Rs.
Authorised:				
Equity shares of `10 each with voting rights	790,000,000	79,000.00	790,000,000	79,000.00
1% Cumulative Redeemable Preference Shares of	210,000,000	210,000.00	210,000,000	210,000.00
Issued, Subscribed and Fully Paid:				
Equity shares of `10 each with voting rights	56,544,552	5,654.46	56,544,552	5,654.46
Total	56,544,552	5,654.46	56,544,552	5,654.46

The equity shares of the Company having par value of 10 per share, rank pari passu in all respects including entitlement to dividend.

Repayment of the capital in the event of winding up of the Company will inter alia be subject to the provisions of the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.

(ii) Details of shares held by each share holder holding more than 5% shares

Name of shareholder	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of `10 each with voting rights				
Yalamanchili Finance & Trading (P) Ltd	4,767,500	8.43%	4,767,500	8.43%
Sujana Holdings Limited	12,129,629	21.45%	12,129,629	21.45%
Foster Infin & Trading (P) Ltd	5,095,999	9.01%	5,095,999	9.01%
Total	16,897,129	38.89%	16,897,129	38.89%

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number of shares	Rs.	Number of shares	Rs.
Equity shares				
Opening balance	56,544,552	5,654.46	56,544,552	5,654.46
Issued during the year	-	-	-	-
Closing balance	56,544,552	5,654.46	56,544,552	5,654.46
Cumulative Redeemable Preference shares				
Opening balance	-	126.83	-	126.83
Issued during the year	-	-	-	-
Closing balance	-	126.83	-	126.83



2. Notes forming part of the Consolidated financial statements

Rs. in lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
2.09 Non-Current Borrowings		
Secured		
a) Term Loans from Banks (Refer to Note 1)		
i) Term Loan from Banks	-	-
ii) From other Parts	-	-
Un-Secured		
Promoters Contribution as per CDR Schedule	12,297.10	12,297.10
Unsecured Loan Others	2,026.27	2,026.27
Deferred sales tax liability	304.67	304.67
Loans from Promoters and Promoter Group Companies	-	-
	14,628.05	14,628.05
Total	14,628.05	14,628.05
2.10 Provisions		
Non-current		
Employee Benefit obligation	27.81	27.81
	27.81	27.81
Current		
Other Provisions		
Employee Benefit obligation	13.81	13.81
Dividends & Dividend Tax on CRPS	14.48	14.48
Provision for Fringe Benefit Tax	-	-
Provision for Income Tax	5,434.16	5,438.74
	5,462.45	5,467.03
Total	5,490.26	5,494.84



A

2. Notes forming part of the Consolidated financial statements

Rs. in lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
2.11 Deferred Tax Liability / (Asset) (Net)		
Opening Balance	15,915.90	19,072.68
Add: Deferred Tax Assets in relation to		
(i) Difference in depreciation & amortisation for	10.38	(3,146.39)
(ii) Provision for employee benefits	(10.38)	(10.38)
(iii) Disallowance under Section 43B of Income Tax	-	-
Deferred Tax Liability / (Asset) (Net)	15,915.90	15,915.90
2.12 Current Borrowings		
Secured		
From Consortium Banks	131,023.76	131,023.76
From Other Banks	-	-
Total	131,023.76	131,023.76
2.13 Trade Payables		
i) Acceptance (Refer to Note 1 & 2)	-	-
ii) Trade Payables	972.05	952.22
Total	972.05	952.22
2.14 Other Financial Liabilities		
Current Maturities of Long Term Debt (Secured)	88,463.79	88,463.79
Term Loans	13,211.54	13,211.54
CIRP Expenses Payable to COC Bankers	145.57	95.96
Other Financial Expenses Payable to Bankers	73.68	73.68
Advances from Customers	-	-
Statutory Liabilities	124.72	114.39
Total	102,019.30	101,959.36
2.15 Other Current Liabilities		
Loans and advances from related parties	-	-
Sundry Creditors for Services & Others	553.82	509.37
Deposit against LOI	640.77	640.93
Total	1,194.59	1,150.30



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2. Notes forming part of the Consolidated financial statements

Rs. in lakhs

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
2.16 Revenue from Operations		
From Sale of Products (Gross)		
- Domestic	6.97	-
- Exports	-	-
Total	6.97	-
2.17 Other Income		
Interest Income	33.48	6.40
Other Non-operating Income (net of expenses directly attributable to such income)	-	-
Forex Gain (Net)	-	-
Other Operating Income	12.74	4.06
Total	46.22	10.45
2.18 (a) Cost of Material Consumed		
Opening Stock of Raw material	54.08	54.08
Add: Purchases	-	-
Less: Closing Stock	54.08	54.08
Total	54.08	54.08
(b) Purchases of Stock-in-Trade		
Opening stock	-	-
Add: Purchases	-	-
Less: Closing stock	-	-
Stock-in-Trade materials consumed	-	-
2.19 Changes in Inventories		
a) Opening Stock		
Finished Goods	0.93	0.93
Work-in-Progress	-	-
	0.93	0.93
b) Closing Stock		
Finished Goods	0.93	0.93
Work-in-Progress	-	-
	0.93	0.93
(Increase) / Decrease (a - b)	-	-
2.20 Employee Benefits Expense		
Salaries and Wages	34.15	74.59
Contribution to Provident and Other Funds	0.85	1.51
Directors remuneration	-	-
Total	35.01	76.10



2. Notes forming part of the Consolidated financial statements

Rs. in lakhs

Particulars		Year ended 31st March 2022	Year ended 31st March 2021
2.21	Finance Costs		
	Interest on working capital loans	-	-
	Interest Expenses on Term Loans	-	-
	Other borrowing costs	0.01	0.19
	Total	0.01	0.19
2.22	Other Expenses		
	Consumption of stores, loose tools and spare parts	-	-
	Manufacturing Expenses	6.40	7.21
	Administrative Expenses	7.33	5.28
	CIRP Expenditure	28.84	46.26
	Power and fuel	6.20	46.32
	Repairs and maintenance	1.60	0.17
	Rates and taxes, excluding taxes on income	0.02	5.50
	Insurance	17.11	27.18
	Traveling and conveyance	0.91	1.38
	Communication	0.02	0.10
	Contract labor charges (security charges)	16.77	13.70
	Legal and professional fees	29.43	14.84
	Auditor Remuneration	-	3.85
	Sales promotion and advertisement	1.20	0.65
	Loss on sale of Investments	-	-
	Loss on sale of Vehicles	-	-
	Advances Written Off	-	-
	Provision for Bad Debts	-	-
	Printing and stationery	0.62	0.09
	Sitting Fees	-	-
	Sundry Debit Balances Written off	-	-
	Pending Excise Case disposed Off	-	-
	Miscellaneous expenses	-	-
	Total	116.46	172.53



Neueon Towers Limited
(Formerly known as Sujana Towers Limited)

Notes to the financial statements :

1. General Information

The Company is in the area of manufacturing and company is currently operating in various areas/verticals/products related to Towers & Transmission, TSF and Speciality Structural steel Manufacturing Business.

Hon'ble NCLT, Hyderabad bench, Hyderabad ordered the commencement of the Corporate Insolvency Resolution Process of the company vide order No.CP(IB) No.679/7/HDB/2018 Dt.03.06.2019. As such the Company has been under CIRP since 03-06-2019. Further The Liquidation Process has been initiated against Neueon Towers Limited under the provisions of Insolvency and Bankruptcy Code, 2016 (Code) by an order of National Company Law Tribunal (NCLT), Hyderabad from 14-10-2021. The Hon'ble NCLT vide orders dated 14.10.2021 appointed Mr. Ramachander Rao Bikumalla, having IP Registration No. IBBI/IPA-001/IP/P-00740/2017-2018/11261 as Liquidator.

2. Basis of preparation of Financial Statements

The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these Consolidated financial statements. The Consolidated Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

These consolidated financial statements are the Group's second Ind AS consolidated financial statements. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. All amounts included in the financial statements are reported in Indian rupees (in Rupees) except number of equity shares and per share data, unless otherwise stated.

Principles of Consolidation

The consolidated financial statements relate to Neueon Towers Limited ('the Company') and its subsidiary companies, associates and joint ventures. The consolidated financial statements have been prepared on the following basis:



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2022

- a) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- b) Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.
- c) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.
- d) Non Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- e) Non Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

4. Other Significant Accounting Policies

These are set out under "Significant Accounting Policies" as given in the Company's standalone financial statements.

The significant accounting policies are given at Note 16.

5. Use of estimates and judgment

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

5. Commitments

- (a) **Capital Commitments:** Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on capital account and not provided for is Rs.NIL(P.Y. Rs.NIL).
- (b) **Commitment related to Investment Properties:** Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on account of external projects and not provided for is Rs.NIL (P.Y. Rs.NIL)..



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2022

(e) Other Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on account of external projects and not provided for is Rs.NIL. (P.Y. Rs.NIL).

7. Additional information pursuant to Schedule III of the Companies Act, 2013

Value of Materials Consumed during the year

(Rs. In Lakhs)

Description	For the year ended 31.03.2022			For the Year ended 31.03.2021		
	Mts.	Rs. (in Lakhs)	%	Mts.	Rs. (in Lakhs)	%
Iron Steel						
Indigenous	-	-	-	-	-	-
Imported	-	-	-	-	-	-
Tower Parts						
Indigenous	-	-	-	-	-	-
Imported	-	-	-	-	-	-
Others						
Indigenous	-	-	-	-	-	-
Imported	-	-	-	-	-	-
Total	-	-	-	-	-	-

Value of bought-out material consumed

(Rs. In Lakhs)

Description	For the year ended 31.03.2022			For the Year ended 31.03.2021		
	Mts.	Rs. (in Lakhs)	%	Mts.	Rs. (in Lakhs)	%
Iron Steel						
Indigenous	-	-	-	-	-	-
Imported	-	-	-	-	-	-
Tower Parts						
Indigenous	-	-	-	-	-	-
Imported	-	-	-	-	-	-
Others						
Indigenous	-	-	-	-	-	-
Imported	-	-	-	-	-	-
Total	-	-	-	-	-	-



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2022

Value of Consumables, Stores and Spares consumed during the period (Rs in Lakhs)

Description	For the year ended 31.03.2022	%	For the year ended 31.03.2021	%
Consumables(Indigenous)	-	-	-	-
Consumables(Imported)	-	-	-	-
Total	-	-	-	-

8. Financial Instruments- Fair Values and Risk Management

8.1 Financial Instruments by Categories

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amount in Rsas of March 31, 2022)

Particulars	cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments	-	-	-	-	-
Cash & Cash Equivalents (Ref Note No. 2.06)	684.91	-	-	684.91	-
Trade Receivable (Ref Note No. 2.05)	31,167.24	-	-	31,167.24	-
Loans & Advances (Ref Note No. 2.02)	-	-	-	-	-
Liabilities:					
Trade Payable (Ref Note No. 2.13)	972.05	-	-	972.05	-
Borrowings (Ref Note No 2.12)	1,31,023.76	-	-	1,31,023.76	-
Other Financial Liabilities(Ref Note No.2.09& 2.14)	1,16,647.34	-	-	1,16,647.34	-

The carrying amounts are considered to be the same as their fair values, due to their short-term nature



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2022

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2021:

(Amount in Rsas of March 31, 2021)

Particulars	cost	Financial assets/ liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments					
Cash & Cash Equivalents (Ref Note No. 2.06)	685.67			685.67	
Trade Receivable (Ref Note No. 2.05)	31,206.94			31,206.94	
Loans & Advances (Ref Note No. 2.02)					
Liabilities:					
Trade Payable (Ref Note No. 2.13)	952.22			952.22	
Borrowings (Ref Note No 2.12)	1,31,023.76			1,31,023.76	
Other Financial Liabilities(Ref Note No.2.09& 2.14)	1,16,587.41			1,16,587.41	

The carrying amounts are considered to be the same as their fair values, due to their short-term nature

Financial risk management

The company's activities expose it to the following financial risks:

- market risk
- credit risk and
- liquidity risk

The company has not arranged funds that have any interest rate risk.

a) Market risk

(i) Foreign Exchange Risk



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2022

The company does not deal with import and export transactions and hence foreign exchange risk is not applicable to the Company.

b) Credit Risk

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

The company has outstanding trade receivables amounting to Rs 31,167.24 lakhs and Rs 31,206.94 as of March 31, 2022 and March 31, 2021, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers.

Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of IndAS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industry etc. are taken into account for the purposes of expected credit loss.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

(As at 31st March 2022, Rs. Lakhs)

Particulars	Gross amount		Carrying Value
Not past due			
Past due less than 30 days			
Past due more than 30 days but not more than 60 days			
Past due more than 60 days but not more than 90 days			
Past due more than 90 days but not more than 120 days			
Past due more than 120 days	1,21,431.15	90,263.91	31,167.24
Total	1,21,431.15	90,263.91	31,167.24



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2022

(As at 31st March 2021, Rs. Lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Not past due			
Past due less than 30 days			
Past due more than 30 days but not more than 60 days			
Past due more than 60 days but not more than 90 days			
Past due more than 90 days but not more than 120 days			
Past due more than 120 days	1,21,470.84	90,263.91	31,206.94
Total	1,21,470.84	90,263.91	31,206.94

Other financial assets

There are no impairment provisions as at each reporting date against financial assets. We consider all the financial assets as at the reporting dates to be of good credit quality.

c) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the undiscovered cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

(as of March 31, 2022 Rs. Lakhs)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	19.83	-	288.16	664.06	-	972.05
Short term borrowings (cash credit)*	-	-	-	1,31,023.76	-	1,31,023.76
Long Term Borrowings	-	-	-	-	-	-
Other Financial Liabilities	-	59.94	1,16,587.41	-	-	1,16,647.35
Total	19.83	59.94	1,16,875.57	1,31,687.82	-	2,48,643.16



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2022

(as of March 31, 2021 Rs. Lakhs)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	-	3.67	284.49	664.06	-	952.22
Short term borrowings (cash credit)*	-	-	1,31,023.76	-	-	1,31,023.76
Long Term Borrowings	-	-	-	-	-	-
Other Financial Liabilities	-	-	1,16,587.41	-	-	1,16,587.41
Total	-	3.67	2,47,895.66	664.06	-	2,48,563.39

9. Disclosure in respect of Indian Accounting Standard (IndAS)-21 "The Effects of changes in Foreign Exchange Rates"

The company had not entered into any foreign currency transactions during the year

10. Disclosure in respect of Indian Accounting Standard (Ind AS)-23 "Borrowing Costs"

- The amount capitalized with Property, Plant & Equipments as borrowing cost is Rs. Nil & Rs. 1.90L for the year ended March 31, 2022 & March 31, 2021 respectively.
- The amount is capitalized using the capitalization rate of NIL %.

11. Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of assets"

During the year, the company assessed the impairment loss of assets and ECL debited to Profit & Loss is NIL.

12. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"

General description of various defined employee's benefits schemes are as under:

a) **Provident Fund:**

The Company's contribution paid/payable during the year to Provident Fund and the liability is recognized on accrual basis.

Contributions to Provident Fund, a defined contribution plan, are made in accordance with the statute and are recognized as an expense when employees have rendered service entitling them to the contributions.

13. Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"

i. Disclosures for Other than Govt. Related Entities

a. List of key management personnel

Name	Designation
Shri.G. Srinivasa Raju	Managing Director
Asper Hussain Pathan	Company Secretary *

(* Resigned from 15.11.2021)



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2022

b. Compensation of key management personnel

(Amount in Rs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term benefits	1.88	3.00
Post-employment benefits	-	-
Other long-term benefits	-	-
Share-based payments	-	-
Termination benefits	-	-
Total	1.88	3.00
Recovery of Loans & Advances during the year	-	-
Advances released during the year	-	-
Closing Balance of Loans & Advances	-	-

c. List of Subsidiaries:

Name of the Subsidiary	Country of Incorporation	% of Holding as at 31.03.2022
Subsidiaries held directly		
Digitech Business Systems Limited	Hong Kong	100

d. Transactions with Related Parties

Particulars	Subsidiaries		Associates	
	2021-22	2020-21	2021-22	2020-21
A Sales				
Sujana Metal Products Ltd	-	-	-	-
Sujana Universal Industries Limited	-	-	-	-
Sub-total	-	-	-	-
B Purchases				
Sujana Metal Products Ltd	-	-	-	-
Sujana Universal Industries Limited	-	-	-	-
Sub-total	-	-	-	-
Grand Total	-	-	-	-

e. Loans to Subsidiaries: Nil

All the related party transactions were performed at arm's length price.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2022

14. Disclosure in respect of Indian Accounting standard (Ind AS) 116 "Leases"

The company does not have any lease transactions during the period and hence no disclosures have been made.

15. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) Basic EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic EPS and Basic EPS is as follows:

Particulars	(Amount in Rs Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit (loss) for the year, attributable to the owners of the company	(9,477.30)	(6,461.03)
Earnings used in calculation of basic earnings per share(A)	(9,477.30)	(6,461.03)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	565.45	565.45
Basic EPS(A/B)	(16.76)	(11.43)

b) Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of DilutedEPS is as follows:

Particulars	(Amount in Rs Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit (loss) for the year, attributable to the owners of the company	(9,477.30)	(6,461.03)
Earnings used in calculation of basic earnings per share(A)	(9,477.30)	(6,461.03)
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	565.45	565.45
Basic EPS(A/B)	(16.76)	(11.43)



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2022

16. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"

Particulars	Opening balance as on 01.04.2021	Additions/ Transfers during the year	Utilization during the year	Adjustment during the year	Written-back during the year	Closing balance as on 31.03.2022
Employee Benefit Obligation	41.62	-	-	-	-	41.62
Provision for fringe benefit tax	-	-	-	-	-	-
Provision for Income Tax	5438.74	-	-	4.58	-	5,434.16
Total	5,480.36	-	-	4.58	-	5,475.78

17. Contingent Liabilities:

		(Rs. Lakhs)	
Particulars	2021-22	2020-21	
a) Claims against the company not acknowledged as debts including foreign currency claim towards:			
b) Guarantees excluding financial guarantees	-	-	
c) Other money for which the company is contingently liable			
i) Guarantees issued by banks on behalf of the company	-	-	
ii) Letters of credit opened by the company remaining outstanding	-	-	
iii) Bonds furnished to custom authorities for submission of original documents etc., remaining outstanding	-	-	
d) Disputed Income Tax Demand	2,895.66	2,895.66	
e) Disputed TDS demands	27.25	27.25	
f) Disputed Sales Tax Demand	4,720.77	4,720.77	
Others (PF etc. specify nature of demand)			
g) Disputed PF demand - Interest on delayed payment & Penal Interest	26.48	26.48	
h) Disputed ESI demand - Interest on delayed payment & Penal Interest	0.84	0.84	
i) ESI Contribution	0.03	0.03	
Total	7,671.03	7,671.03	



18. Accounting Policies under IndAS

1. Significant Accounting Policies

1. Statement of Compliance and basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

2. Application of Indian Accounting Standards (Ind-AS)

All companies (listed or unlisted) having net worth of Rs 5,000 Million or more are required to adopt Ind AS.

All amounts included in the financial statements are reported in of Indian rupees (Rupees in) except number of equity shares and per share data, unless otherwise stated.

3. Use of estimates and judgment

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

4. Functional and presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

5. Revenue Recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2022

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of government

Estimation uncertainty relating to COVID-19 outbreak: The Company has considered internal and certain external sources of information including credit reports, economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables including unbilled receivables, intangible assets and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

6. Property, Plant and Equipment's

All Property, Plant and Equipments (PPE) are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

- i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs either when the PPE is acquired or as a consequence of having used the PPE during a particular period for purposes other than to produce inventories during that period.

The company has chosen the cost model of recognition and this model is applied to an entire class of PPE. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

7. Intangible Assets

All Intangible Assets are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101. Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful lives from the date on which they are available for use. Softwares are amortized over its useful life subject to a maximum period of 5 years or over the license period as applicable.



8. **Non-Current Assets Held for Sale**

The company classifies a non-current asset (or disposal group of assets) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The non-current asset (or disposal group) classified as held for sale is measured at the lower of its carrying amount and the fair value less costs to sell.

9. **Depreciation**

Depreciation is provided on straight line method as per the useful lives approved by the Board of Directors, which are equal to those provided under schedule II of the Companies Act, 2013. The useful life of an asset is reviewed at each financial year-end. Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and if the useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets and lease hold assets. Freehold land is not depreciated. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Certain items of small value like calculators, wall clock, kitchen utensils etc. whose useful life is very limited are directly charged to revenue in the year of purchase. Cost of mobile handsets is also charged against revenue. The residual value of all the assets is taken as Rs 1/-. The useful lives of the assets are taken as under:-

Name of Assets	Useful life as adopted by the company as per Schedule II
A. General Assets	
Furniture & Fittings	10
Office Equipment	5
Computers - Servers and networks	6
Computers – End User Devices	3
Lease-hold Land	As per Lease Agreement
Wagon Rakes	As per Agreement / Wagon Investment Scheme
Electrical installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Roads	
Carpeted Roads – RCC	10
Carpeted Roads - Other than RCC	5

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST 2022

Non Carpeted Roads	3
Buildings	
RCC	60
Other than RCC	30
Temporary Structure & wooden partition	3
Warehouse / Godown	30
B. Manufacturing Unit's Assets	
Factory Buildings	30
Electronic installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Plant and Machinery	
Single Shift	15
Double Shift	10
Triple Shift	7.5
Plant and Machinery- Wind Energy Generation Plant	22
C. Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company	5
D. Amortization of Intangible Assets	
Soft wares	5 years or License period as applicable

10. **Borrowing Costs**

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset.

The Company recognises other borrowing costs as an expense in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

11. **Inventory**

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The method of determination of cost and valuation is as under:

Cost of Inventories comprises - of Cost of Purchase, cost of conversion and other costs incurred in bringing them to their present location and condition.

Raw Materials and Work-in-Progress are valued at cost using the Weighted Average cost method.

Goods- produced and purchased are valued at Cost or Net Realizable value whichever is lower.



Excise duty in respect of finished goods awaiting dispatch is included in the valuation of inventory.

Stores and Spares, Packing material are carried at cost, ascertained on weighted average basis. Necessary provision is made in the case of obsolete and non-moving items.

12. Provisions

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

13. Contingent Liabilities / Assets

Contingent Liabilities

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Liabilities are disclosed in the General Notes forming part of the accounts

Contingent Assets

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

14. Employee benefits

- i. Provision for gratuity, leave encashment/availment and long service benefits i.e. service award, compassionate gratuity and employees' family benefit scheme is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.
- ii. Provision for post-retirement medical benefit is made on defined contribution basis.
- iii. Provident fund contribution is made to Provident Fund Trust on accrual basis.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31ST 2022

- iv. Payment of Ex-gratia and Notice pay on Voluntary Retirement are charged to revenue in the year incurred.
- v. Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India (LIC). The Company makes contributions based on a specified percentage of each eligible employee's salary.

Short-term employee benefit obligations

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognized for the amount expected to be paid under PLI / PRP Scheme, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

15. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income / statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.



The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

However the Company is in Losses. So, there is no current tax for the current Financial Year

16. Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties.

After initial recognition, the company measures investment property at cost.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

17. Impairment

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying



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amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, The Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Impairment of financial assets

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For Available for Sale (AFS) equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis. Objective evidence of impairment for a portfolio of receivables could include company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of zero days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables; such impairment loss is reduced through the use of an allowance account for respective financial asset. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

De-recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and



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rewards of ownership and continues to control the transferred asset. The Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

18. Earnings per share

A basic earnings per equity is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

19. Discontinued operations

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed off or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

20. Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.



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Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are de-recognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are de-recognized only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

a) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

b) Investments in liquid mutual funds, equity securities (other than Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than impairment losses, are recognized in other comprehensive income and presented within equity, net of taxes. The impairment losses, if any, are reclassified from equity into statement of income. When an available for sale financial asset is derecognized, the related cumulative gain or loss recognised in equity is transferred to the statement of income.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

d) Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

e) Investments in Subsidiary, Associates and Joint Venture

The company accounts investment in subsidiary, joint ventures and associates at cost

An entity controlled by the company is considered as a subsidiary of the company.

Investments in subsidiary company outside India are translated at the rate of exchange prevailing on the date of acquisition.



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Investments where the company has significant influence are classified as associates. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement is classified as a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

21. Segment Information

The company is principally engaged in single business segment viz., "Power and Telecom Tower", and operates in one geographical segment as per on 'Segment Reporting'. Accordingly no segment reporting has been made by the company.

22. Going Concern

The Group has incurred loss during the year and has negative net worth as at 31 March 2022 that may create uncertainties. However various initiatives taken by the company in relation to cost saving, optimising revenue management opportunities and enhance ancillary revenues is expected to result in improved operating performance, there are positive signs where most of the lenders have accepted for a restructuring proposal. Accordingly the financial statements continue to be prepared on a going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

23. Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 02.01.2024.

