

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS TO THE BOARD OF DIRECTORS OF NXTRA DATA LIMITED

Opinion

We have audited the Financial Results for the quarter and six months ended September 30, 2022 ("the Financial Results") included in the accompanying "Statement of Audited Financial Results for the quarter and six months ended September 30, 2022" of **NXTRA DATA LIMITED** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- (i) is presented in accordance with the requirements of Regulation 52 of the Listing Regulations; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter and six months ended September 30, 2022.

Basis for Opinion

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

Management's Responsibilities for the Statement

This Statement, which includes the Financial Results, is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related Audited Financial Statements for the year ended March 31, 2022, Audited Interim Condensed Financial Statements for the quarter ended June 30, 2022 and Audited Interim Condensed Financial Statements for the quarter and six months ended September 30, 2022. This responsibility includes the preparation and presentation of the Financial Results for the quarter and six months ended September 30, 2022 that give a true and fair view of the net profit and other comprehensive loss and other financial information in accordance with the recognition and measurement principles laid down in Ind AS 34 prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and



completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Financial Results as a whole is 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 this Financial Results. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 52 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Results of the Company to express an opinion on the Financial Results.



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

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

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)



Nilesh H. Lahoti
Partner
(Membership No. 130054)
UDIN: 22130054BCPUKD5877

Place: New Delhi
Date: November 09, 2022



Nextra Data Limited

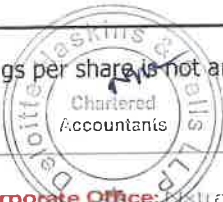
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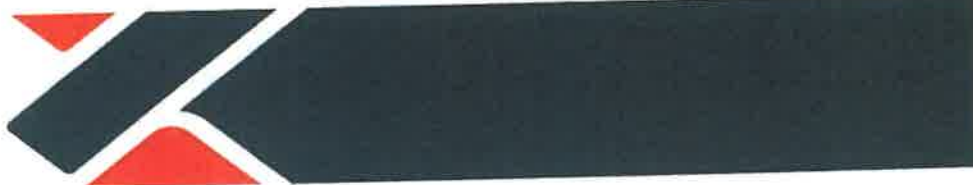
Statement of Audited Financial Results for the quarter and six months ended September 30, 2022

(Rs. in Millions; except per share data)

Particulars	Quarter ended			Six months ended		Previous year ended
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
	Audited	Audited	Audited	Audited	Audited	Audited
Income						
Revenue from operations	3,946	3,673	3,092	7,619	6,180	13,333
Other income	153	65	108	218	126	340
	4,099	3,738	3,200	7,837	6,306	13,673
Expenses						
Data centre operating expenses	2,322	1,924	1,868	4,246	3,552	7,169
Employee benefits expense	81	80	19	161	90	258
Other expenses	137	179	161	316	361	425
	2,540	2,183	2,048	4,723	4,003	7,852
Profit before depreciation, finance costs and tax	1,559	1,555	1,152	3,114	2,303	5,821
Depreciation expense	838	814	487	1,652	982	2,455
Finance costs	52	56	41	108	60	229
Profit before tax	669	685	624	1,354	1,261	3,137
Tax expense / (credit)						
Current tax	153	192	148	345	326	664
Deferred tax	17	(19)	(10)	(2)	(33)	89
	170	173	138	343	293	753
Profit for the period / year	499	512	486	1,011	968	2,384
Other comprehensive income						
Items not to be reclassified to profit or loss:						
- Re-measurement (loss) / gain on defined benefit plans	(0)	(2)	0	(2)	1	2
- Tax credit / (charge)	0	1	(0)	1	(0)	(0)
Other comprehensive (loss) / income for the period / year	-	(1)	-	(1)	1	2
Total comprehensive income for the period / year	499	511	486	1,010	969	2,386
Paid-up equity share capital (Face value: Rs. 10 each)	119	119	90	119	90	90
Other equity	24,006	23,504	3,720	24,006	3,720	5,140
Earnings per share (Face value: Rs. 10 each)						
Basic and diluted earnings per share ^	42.05	43.16	46.06	85.12	93.19	228.99

^ Earnings per share is not annualised for the period





Audited Balance Sheet as at September 30, 2022

(Rs. in Millions)

Particulars	As of	
	September 30, 2022	March 31, 2022
	Audited	Audited
Assets		
Non-current assets		
Property, plant and equipment	19,223	19,106
Capital work-in-progress	1,820	1,087
Right-of-use assets	3,073	3,215
Financial assets		
- Investments	73	4
- Other financial assets	528	517
Income tax assets (net)	112	118
Deferred tax assets (net)	497	494
Other non-current assets	191	10
	25,517	24,551
Current assets		
Financial assets		
- Investments	65	150
- Trade receivables	4,433	2,876
- Cash and cash equivalents	293	1,869
- Other bank balances	8	8
- Other financial assets	749	777
Other current assets	697	756
	6,245	6,436
Total assets	31,762	30,987
Equity and liabilities		
Equity		
Equity share capital	119	90
Other equity	24,006	5,140
	24,125	5,230
Non-current liabilities		
Financial liabilities		
- Lease liabilities	1,170	1,301
- Derivative instruments	-	78
- Other financial liabilities	-	17,802
Deferred revenue	19	23
Provisions	21	22
	1,210	19,226
Current liabilities		
Financial liabilities		
- Borrowings	2,405	2,343
- Lease liabilities	329	338
- Trade payables		
-total outstanding dues of micro enterprises and small enterprises	36	11
-total outstanding dues of creditors other than micro enterprises and small enterprises	1,593	2,020
- Other financial liabilities	944	1,535
Deferred revenue	811	58
Provisions	26	19
Current tax liabilities (net)	135	108
Other current liabilities	148	99
	6,427	6,531
Total liabilities	7,637	25,757
Total equity and liabilities	31,762	30,987





Audited Statement of Cash Flows for the six months ended September 30, 2022

(Rs. in Millions)

Particulars	Six months ended	
	September 30, 2022	September 30, 2021
	Audited	Audited
Cash flows from operating activities		
Profit before tax	1,354	1,261
Adjustments for:		
Depreciation expense	1,652	982
Finance costs	113	61
Interest income	(2)	(0)
Net gain on fair value through profit or loss investments	(18)	(2)
Employee share - based payment expense	2	-
Other non - cash items	64	(66)
Operating cash flows before changes in assets and liabilities	3,165	2,236
Changes in assets and liabilities		
Trade receivables	(1,599)	(1,995)
Trade payables	(402)	(412)
Inventories	-	127
Provisions	(5)	(7)
Other financial and non-financial liabilities	829	536
Other financial and non-financial assets	76	522
Net cash generated from operations before tax	2,064	1,007
Income tax paid (net)	(313)	(337)
Net cash generated from operating activities (a)	1,751	670
Cash flows from investing activities		
Purchase of property, plant and equipment and capital-work-in-progress	(3,169)	(3,962)
Purchase of investments	(69)	-
Proceeds from sale of current investments (net)	103	692
Interest received	2	0
Net cash used in investing activities (b)	(3,133)	(3,270)
Cash flows from financing activities		
Proceeds from long-term borrowings	-	1,982
Repayment of long-term borrowings	-	(4,400)
Payment of lease liabilities	(133)	(634)
Proceeds from short-term borrowings	-	2,968
Interest and other finance charges paid	(61)	(1,078)
Proceeds from issuance of compulsorily convertible preference shares	-	4,000
Net cash (used in) / generated from financing activities (c)	(194)	2,838
Net (decrease) / increase in cash and cash equivalents during the period (a+b+c)	(1,576)	238
Add: Cash and cash equivalents as at the beginning of the period	1,869	124
Cash and cash equivalents as at the end of the period	293	362





Notes to the Audited Financial Results

- The Audited Financial Results for the quarter and six months ended September 30, 2022 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on November 9, 2022.
- These Audited Financial Results are compiled / extracted from Audited Interim Condensed Financial Statements for the quarter and six months ended September 30, 2022, quarter ended June 30, 2022 and Audited Financial Statements for the year ended March 31, 2022. The Audited Interim Condensed Financial Statements for the quarter and six months ended September 30, 2022 have been prepared in accordance with Indian Accounting Standard 34 - 'Interim Financial Reporting' as prescribed under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other accounting principles generally accepted in India.
- During the previous year ended March 31, 2021, the Company had entered into an Investment Agreement with CA Cloud Investments (formerly Comfort Investments II) ('investor'). In accordance with the said agreement, the investor will subscribe to 17,880,000 compulsorily convertible preference shares ('CCPS'), each at Rs. 1,000, and 10 equity shares, each at Rs. 5,780 (including securities premium of Rs. 5,770), of the Company for an aggregate consideration of Rs. 17,880 in three separate tranches. Till March 31, 2022, the Company had received all three tranches of Rs. 17,880 and has allotted 17,880,000 CCPS and 10 equity shares to the investor. Further, during the six months ended September 30, 2022, based on terms of Investment Agreement, the said CCPS have been converted into 2,854,461 equity shares of Rs 10/- each. Post conversion, the investor now holds 24.04% equity stake in the Company.
- On March 16, 2022, the Company got its commercial papers listed for Rs. 2,450 Million which will get matured on February 7, 2023.
- The disclosure required as per the provisions of Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

S.No.	Particulars *	Quarter ended			Six months ended		Previous year ended
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
		Audited	Audited	Audited	Audited	Audited	Audited
(i)	Debt - equity ratio - [no. of times]	0.09	0.10	1.21	0.09	1.21	0.09
(ii)	Net worth - [Rs. Million]	24,056	23,554	3,741	24,056	3,741	5,161
(iii)	Current ratio - [no. of times]	0.97	0.98	0.48	0.97	0.48	0.99
(iv)	Current liability ratio - [no. of times]	0.84	0.83	0.44	0.84	0.44	0.25
(v)	Total debts to total assets - [no. of times]	0.12	0.13	0.25	0.12	0.25	0.13
(vi)	Debtors turnover - [no. of days]	82.12	67.98	70.87	87.77	52.80	50.61
(vii)	Debt service coverage ratio ('DSCR') - [no. of times]	11.97	12.96	0.31	12.45	0.60	1.63
(viii)	Interest service coverage ratio ('ISCR') - [no. of times]	26.79	26.38	30.13	26.58	37.01	24.60
(ix)	Bad debts to accounts receivable ratio (%)	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%
(x)	Operating margin (%)	14.4%	18.4%	18.0%	16.3%	19.3%	22.7%
(xi)	Net profit margin (%)	12.6%	13.9%	15.7%	13.3%	15.7%	17.9%
(xii)	Long term debt to working capital - [no. of times]	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(xiii)	Outstanding redeemable preference shares	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(xiv)	Capital redemption reserve	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(xv)	Debt redemption reserve	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.



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The basis of computation of above parameters is provided in the table below:

(i)	Debt - equity ratio*	(Non-current borrowings (+) current borrowings (-) cash and cash equivalents) / equity * excluding lease liabilities
(ii)	Net worth	Basis Section 2(57) of the Companies Act, 2013 and does not include capital reserve and deemed capital contribution.
(iii)	Current ratio	Current assets / current liabilities
(iv)	Current liability ratio	Current liabilities / total liabilities
(v)	Total debts to total assets	(Non-current borrowings (+) current borrowings (+) lease liabilities) / total assets
(vi)	Debtors turnover	Average trade receivables / (revenue from operations / no. of days for the period / year)
(vii)	DSCR	Profit before depreciation, finance costs and tax / (interest expenses (+) principal repayments of long-term debt (+) payment of lease liabilities)
(viii)	ISCR	Profit before depreciation, finance costs and tax / interest expenses
(ix)	Bad debt to accounts receivable ratio	Bad debts written off / Average trade receivables (gross of allowance for doubtful receivables)
(x)	Operating margin	(Profit before depreciation, finance costs and tax (-) depreciation expense (-) other income) / revenue from operations
(xi)	Net profit margin	Net profit after tax / revenue from operations
(xii)	Long term debt to working capital	Non-current borrowings / (current assets (-) current liabilities)

*As the principal activities of the company are in the nature of services, hence inventory turnover ratio is not relevant.

6. All the amounts included in the Audited Financial Results are rounded off to the nearest million, except per share data and unless stated otherwise. Further, due to rounding off, certain amounts / ratios are appearing as '0'.

For Nextra Data Limited



Ashish Arora
Ashish Arora
Whole Time Director & CEO
DIN: 09692591

Place: New Delhi
Date: November 9, 2022

Notes:

- a) 'Company' stands for Nextra Data Limited.

