GLOBAL Group Enterprise

GTL

30th Annual Report 2017–18

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Manoj G. Tirodkar	Chairman & Managing Director (upto August 17, 2018)
Mr. Vijay M. Vij	Independent Director (upto May 3, 2018)
Mr. D. S. Gunasingh	Independent Director
Mr. Navin J. Kripalani	Independent Director
Mr. Sunil S. Valavalkar	Whole–time Director
Mrs. Siddhi M. Thakur	Independent Director
Mr. Badri Srinivasa Rao	Director – Nominee of IDBI Bank

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Vidyadhar A. Apte

CHIEF FINANCIAL OFFICER

Mr. Milind V. Bapat

AUDITORS

M/s GDA & Associates, Chartered Accountants

BANKS / INSTITUTIONS (in India)

Andhra Bank
Bank of Baroda
Bank of India
Canara Bank
Dena Bank
IDBI Bank Ltd.

Indian Bank
Indian Overseas Bank
Catholic Syrian Bank (represented by their ARC)
Punjab National Bank
SIDBI
Standard Chartered Bank

State Bank of India
Syndicate Bank
UCO Bank
Union Bank of India
United Bank of India
Vijaya Bank

NCD / ECB

Lead managed by Standard Chartered Bank

REGISTERED OFFICE & INVESTOR SERVICE CENTRE
(In–house Registrar & Share Transfer Agent)

GTL Limited
"Global Vision", Electronic Sadan–II,
MIDC, TTC Industrial Area, Mahape,
Navi Mumbai – 400 710, Maharashtra, India.

Tel: +91 22 2761 2929 Extn: 2232–2235
Fax: +91–22–2768 9990 / 2768 0171
Email: gtlshares@gtllimited.com I ir@gtllimited.com
Website: http://www.gtllimited.com
CIN : L40300MH1987PLC045657

CONTINUING AND DISCONTINUING BUSINESS OPERATIONS

Particulars	Consolidated				Standalone	
	FY 2017–18	FY 2016–17	FY 2017–18	FY 2016–17	FY 2017–18	FY 2016–17
	₹ Crore	₹ Crore	US$ Mn	US$ Mn	₹ Crore	₹ Crore
Total Income	**1,005.38**	1,254.62	**155.91**	187.36	**1,005.38**	1,254.62
Net Sales and Services	**995.49**	1,221.11	**154.38**	182.36	**995.49**	1,221.11
PBDIT and Exceptional items	**(63.97)**	67.06	**(9.92)**	10.01	**(79.67)**	(40.65)
Depreciation	**17.49**	47.42	**2.71**	7.08	**17.49**	47.42
Profit / (Loss) before exceptional items and Tax	**(99.99)**	(527.48)	**(15.51)**	(78.77)	**(115.69)**	(635.19)
Profit / (Loss) after Exceptional items but before Tax	**(827.78)**	(527.48)	**(128.37)**	(78.77)	**(2,628.03)**	(635.19)
Profit / (Loss) after Tax	**(827.41)**	(522.16)	**(128.31)**	(77.98)	**(2,627.66)**	(629.86)
Share of Profit / (Loss) in Associates and Minority	**425.77**	(281.34)	**66.03**	(42.01)	**N.A.**	N.A.
Profit / (Loss) From Continuing Operations	**(401.64)**	(803.50)	**(62.28)**	(119.99)	**(2,627.66)**	(629.86)
Profit / (Loss) for the year from discontinued operations	**(52.83)**	(190.39)	**(8.19)**	(28.43)	**Nil**	Nil
Other Comprehensive Income for the year	**0.36**	(0.49)	**0.06**	(0.07)	**0.37**	(0.44)
Profit / (Loss) after Other Comprehensive Income	**(454.11)**	(994.38)	**(70.42)**	(148.50)	**(2,627.29)**	(630.30)
Equity Capital	**157.30**	157.30	**24.26**	24.29	**157.30**	157.30
Reserves & Surplus	**(6,569.74)**	(6,126.69)	**(1,013.14)**	(946.13)	**(6,469.40)**	(3,842.11)
Net Worth	**(6,412.44)**	(5,969.39)	**(988.88)**	(921.84)	**(6,312.10)**	(3,684.81)
Net Fixed Assets	**83.40**	98.85	**12.86**	15.27	**83.40**	98.85
Total Assets	**998.42**	1,590.75	**153.97**	245.66	**492.34**	3,319.53

Conversion Rate for 1 US$ into INR (Weighted Average)	FY 2017–18	FY 2016–17
Profit and Loss Account items	**64.4846**	66.9632
Balance Sheet items	**64.8450**	64.7500

DISCLAIMER: The information and opinions contained in this report do not constitute an offer to buy any of GTL Limited's (GTL) securities, businesses, products or services. The report also contains forward–looking statements, qualified by words such as 'expect', 'plan', 'estimate', 'believe', 'project', 'intends', 'exploit' and 'anticipates', and words of similar substance in connection with any discussion of future performance, that we believe to be true at the time of the preparation of the report. The actual events may differ from those anticipated in these statements because of risk, uncertainty or the validity of our assumptions and we do not guarantee that these forward looking statements will be realised, although we believe that we have been prudent in our assumptions. GTL does not take on any obligation to publicly update any forward–looking statement, whether as a result of new information, future events or otherwise. The Trade Marks, Service Marks, Logos of various Companies used in the report belong to the respective owners only and have been used in the report for representation purpose only.

CONTENTS

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS SNAPSHOT

GTL Limited (GTL), a Global Group Enterprise, is a leading Network Services Company, offering services and solutions to address the Network Life Cycle requirements of Telecom Operators, Technology providers (OEM's) and Tower Companies.

GTL has extensive domain knowledge and experience across multiple technology platforms and OEM products. Its network services portfolio includes:

Network Operations and Maintenance

GTL is a significant provider of network operations and maintenance services that delivers assured uptime and availability of network for telecommunication services. The broad array of services are:

- Remote Monitoring of network assets and uptime
- Field level Corrective and Preventive Maintenance of network assets
- Technical Support and Process Management
- Vendor Management and Related Logistics

Managed Services

Managed Network Service offerings are based on Build–Operate–Manage (BOM) model that offers KPI / SLA based end–to–end services. Some of those significant offerings are :

- Project Delivery Support Services
- Network Planning, Design and Operations
- Field Management – Active and Passive and
- Remote Network Infrastructure Management Services (RNIMS).

Energy Management

Uninterrupted access to power is critical for Telecom Networks and forms a significant part of the operating costs. Telecom Operators and Tower Companies face challenges of maintaining power availability and associated costs due to the spread of their sites.

GTL's Energy Management Solutions provide high availability of power to telecom sites, at optimum costs. They are delivered through –

- Technical audit for optimum power consumption
- Monitoring utilization of sources of energy and plugging leakage thereof
- Driving modernization with energy efficient equipment and
- Integrating non–traditional or alternate sources of energy with reduced CO_2 footprint.

Infrastructure

Remote Monitoring Facility

GTL provides remote monitoring of telecom networks to Tower Companies and Telecom Operators. The services delivered from a Centralized Location includes incidence tracking, remote trouble shooting, advanced event detection, data analytics and reporting.

Testing of Fuel Conservation and Optimization Equipment

With focus on reduction in Fuel consumption, GTL is looking towards installation of Deep Discharge and Quick Recharge Storage (QRS) battery projects for its customers, which will also help in efficient use of energy and protection of environment on account of installing Green / Clean technology at telecom sites.

INDUSTRY STRUCTURE AND DEVELOPMENTS

India is one of the largest telecommunication markets and has the second highest number of internet users in the world. FY 2017–18 saw significant headwinds within the telecom sector on account of :

(i) Aggressive pricing by Telecom Operators;

(ii) Reduction in interconnect usage charges; and

(iii) Increasing unsustainable levels of debts of existing telecom operators.

The above factors led to profitability/cash flow impact across all participants in the sector and for many telecom operators it became unviable to continue operations as evidenced through series of transactions/announcements listed below:

(i) Vodafone India & Idea Cellular merger;

(ii) Bharti Airtel & Telenor merger;

(iii) Tata Group's decision to withdraw from the wireless space and consequent merger of Bharti Airtel & Tata Tele Services;

(iv) Sale of Sistema Shyam Teleservices (SSTL) to Reliance Communications and consequent merger of both;

(v) Reliance Communications decision to withdraw from the wireless space and consequent acquisition of certain assets by Reliance Jio Infocomm; and

(vi) Aircel Group's decision to file for voluntary insolvency.

Thus the revival of India's telecom sector is likely to be prolonged and the pressure on the cash flows of service providers might continue for few more years.

OPPORTUNITIES AND THREATS

Opportunities

Digital India Initiative likely to benefit Telecom Sector

Government of India's continued policy for empowering its population by making the country a digital economy requires telecom service providers to play an increasingly important role in the digital era.

The huge surge in mobile devices and internet connectivity, along with digital services will need massive networks and infrastructure, creating opportunities for Service Providers and Infrastructure Providers. Further with the government keen on involving private players in key areas such as National Optic Fiber Network (NOFN) and implementing smart cities programmes, Service Providers are in a unique position to leverage the digitization opportunity.

Internet of Things (IoT) applications

IoT is the harmonization of multiple machines, applications and devices connected to the internet by multiple networks. Mobile is expected to be a key enabling technology for IoT, as central point to connect various devices and offering connectivity. The total number of connected IoT devices in India, is expected to reach more than 1 billion by the year 2020. Mobile devices and related broadband connectivity will continue to drive momentum for IoT.

GTL can extend its network services offerings into Digital India and IoT space, however, this requires additional capital, which CDR lenders have not been willing.

Threats

Consolidation in Industry– Changing business environment

There are only 3 large Private Mobile Operators and 2 Public Sector Units viz. BSNL and MTNL operating in India. Consolidation will result in optimization of tenancy and downsizing of passive infrastructure, affecting the operations and maintenance services potential for GTL.

Daily change in Fuel rate

Indian Oil Marketing companies are revising Fuel prices regularly. Even the smallest change in international oil prices is passed on to the consumers.

Therefore the energy billing mechanism to customer has to be dynamic in order to safeguard the revenue of the Company from such fluctuation.

FUTURE OUTLOOK

In additional to leveraging telecom and enterprise business expertise, GTL is exploring the following:

Field manpower oriented services to move towards hybrid model utilizing high end tools

Most of GTL's current services revolve around resource centric offerings, moving forward it intends to move towards high end technology services, which offer deeper and recurring engagement with the customers.

Tapping opportunities from new customer segments

The 'Digital India' initiative presents a gamut of opportunities for the telecom service providers and tower companies. New customer segments such as Government and other infrastructure providers are expected to emerge in the near future. GTL intends to leverage such engagement opportunity for expanding its customer base.

Industry and Regulatory Developments

The exits / consolidation is resulting in reduction in tenancy and downsizing of passive infrastructure, affecting the operations and maintenance services potential for GTL.

The Company had submitted revised settlement proposal under the Revised Resolution Framework of RBI and is awaiting the decision of the lenders.

The decision of the Company's Lenders and the developments in the Indian Telecom Industry will bear material impact on the business prospects of the Company and its survival / growth prospects.

SEGMENT WISE PERFORMANCE

The Company is engaged in the business of providing "Network Services" only. Accordingly the performance of the Company from Network Services business is presented below.

DISCUSSION ON CONSOLIDATED FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Financial Analysis of the FY 2017–18 are as under:

For the purpose of financial analysis, the conversion rates for conversion of Indian Rupees into US Dollar and vice versa for the FY 2017–18 and FY 2016–17 are as under :

Particulars	FY 2017–18 (₹)	FY 2016–17 (₹)
Profit and Loss Account – 1 US$ equals to INR	**64.4846**	66.9632
Balance Sheet – 1 US$ equals to INR	**64.8450**	64.7500

Profit & Loss Account Items

Revenue

Revenue in FY 2017–18 stood at ₹ 995.49 Crore (US$ 154.38 mn.) as compared to ₹ 1,221.11 Crore (US$ 182.36 mn.) in FY 2016–17. The reduction in Revenue is on account headwinds in telecom sector.

Cost of Purchases and Services Rendered

In the FY 2017–18 Cost of Purchases and Services Rendered stood at ₹ 780.23 crore (US$ 120.99 mn.) as against ₹ 892.05 crore (US$ 133.21 mn.) in FY 2016–17.

Employee Benefits

In the FY 2017–18 Employee Benefit expenses stood at ₹ 151.40 Crore (US$ 23.48 Mn.) as against ₹ 139.79 Crore (US$ 20.88 Mn.) in FY 2016–17.

Other Expenses

In the FY 2017–18 Other Expenses including Administration, Travelling, Conveyance, Rent, Consultancy, Provision for Doubtful debts, and others stood at ₹ 137.72 Crore (US$ 21.36 Mn.) as against ₹ 155.72 Crore (US$ 23.25 Mn.) in FY 2016–17

Finance Cost

In the FY 2017–18 Finance Cost stood at ₹ 18.53 Crore (US$ 2.87 Mn.) as against ₹ 547.12 Crore (US$ 81.70 Mn.) in FY 2016–17.

The Company has not provided and recognized interest on its borrowing during the financial year based on the in principle approval given by the lenders in respect of negotiated settlement proposal. Had such interest been recognized the Finance Cost for the year ended would have been higher by ₹ 641.56 Core. (US$ 99.49 Mn.)

Balance Sheet Items

Equity Share capital

As on March 31, 2017 the equity share capital was ₹ 157.30 Crore (US$ 24.29 Mn.). There is no change in GTL's Share Capital and as such as at March 31, 2018 the share capital remains at ₹ 157.30 Crore as under :

Particulars	No. of Equity Shares	₹ in Crore	US$ Mn.
Equity Share Capital as at March 31, 2017	157,296,781	157.30	24.29
Equity Share Capital as at March 31, 2018	157,296,781	157.30	24.26

Reserves and Surplus

Particulars	₹ in Crore	US$ Mn.
As at March 31, 2017	(6,126.69)	(944.82)
Movement in Reserves & Surplus	(443.05)	(68.33)
As at March 31, 2018	(6,569.74)	(1,013.15)

Net Worth

Particulars	₹ in Crore	US$ Mn.
Equity Share Capital as at March 31, 2018	157.30	24.26
Reserves as at March 31, 2018	(6,569.74)	(1,013.15)
Total Net Worth	(6,412.44)	(988.88)

As Preference Share Capital is considered as Non–current Financial Liability, the same is not considered as part of Net Worth.

Borrowings

Borrowings as on March 31, 2018 were ₹ 5,041.15 Crore (US$ 777.42 Mn.) as against ₹ 5,162.88 Crore (US$ 797.36 Mn.) as on March 31, 2017.

Net Fixed Assets

As on March 31, 2018 the net fixed assets were ₹ 83.40 Crore (US$ 12.86 Mn.) as against ₹ 98.85 Crore (US$ 15.27 Mn.) as on March 31, 2017.

Long Term Investments

In terms of Indian Accounting Standard (Ind AS), the share in associate needs to be accounted under Equity Method as per Ind AS 28 "Accounting for Investment in Associates and Joint Venture" in the Consolidated Financials Statements. Accordingly, investment in associate GTL Infrastructure Ltd. (GIL) post share of profit / (loss) is considered in Consolidated Financial Statements as under:

Particulars	As at March 31, 2018		As at March 31, 2017	
	₹ in Crore	US $ Mn	₹ in Crore	US $ Mn
GTL Infrastructure Limited*	**841.89**	**129.83**	NIL	NIL
Chennai Network Infrastructure Limited*	**NIL**	**NIL**	416.13	64.27
Total Investments	**841.89**	**129.83**	**416.13**	**64.27**

**Chennai Infrastructure merged with GTL Infrastructure during the FY. 2017–18*

The receivables as on March 31, 2018 were ₹ 0.84 Crore (US$ 0.13 Mn.) as against ₹ 77.20 Crore (US$ 11.92 Mn.) as on March 31, 2017.

The decrease is on account of impairment of receivables carried out by the Company as a prudent practice in view of headwinds faced by telecom operators and the filing of bankruptcy by single largest customer Aircel Group.

Inventory as on March 31, 2018 was ₹ Nil as against ₹ 5.94 Crore (US$ 0.92 Mn.) as on March 31, 2017.

Contingent Liabilities and Related Party Transactions with Associates

For details please refer to Note Nos. 40.C and 41.2 in the Consolidated Financial Statements.

RISKS AND CONCERNS

The key risks and concerns are as under:

Strategic Risk

During the year under review, heightened competition amongst the Telecom Operators coupled with reduction in interconnect usage charges and increase in unsustainable levels of debts, led to exits / consolidation in the telecom industry. The intense competition is likely to be prolonged and bears an adverse impact on the growth prospects of the Company.

The developments related to telecom industry in general and Aircel Group in particular have adversely impacted the valuation of the Company's investments in GIL and has also affected its own valuation.

Operational Risk

The closure of operations of Aircel Group and the reduction in number of tenancies of GTL Infrastructure Ltd. to 26,639 (as of March 2018) from 51,587 (as of December 2017) have resulted in loss of business for the Company.

The filing of bankruptcy by Aircel Group, have made it difficult for the Company to recover its receivables and ongoing dues from Aircel Group.

Both the winding up petitions against the Company have been disposed of based on consent terms filed.

Following the Court orders got by some of the External Commercial Borrowings (ECB) lenders earlier, some of the other ECB lenders have filled recovery suits.

On account of the post CDR adverse developments and the consequent difficulty in servicing the debts since May 2014, the Company submitted a Debt Realignment Proposal (DRP). When the DRP could not be accepted due to inter–creditor disagreements, the Company voluntarily submitted a One Time Settlement Proposal (OTS) for monetization of its assets for settlement of the dues of the lenders and simultaneously obtained the approval of the shareholders for the same in September 2014. The Company also got the approval of the Competition Commission of India for disposal of its Managed Services Division and entered into an agreement with a potential buyer. While the lenders gave their in principle approval for the OTS proposal on December 4, 2015, their individual approvals got inordinately delayed, for some reason or other. In the meanwhile, the RBI Circular dated February 12, 2018 withdrew the CDR and other Schemes and came out with the Revised Resolution Framework, under which the restructure proposal has to be completed within 180 days, failing which the accounts in which default exists are to be referred to NCLT. As per the Circular 'all accounts, including accounts where any of the schemes have been invoked but not yet implemented, shall be governed by the revised framework'. Thus the procedural delay in implementing the decision taken on December 4, 2015 by the lenders has cost the Company heavily for no fault of the management.

Legal & Compliance Risk

During the FY 2017–18, the following landmark regulations came into force:

- Goods & Services Tax Act 2017 (came into force w.e.f. July 1, 2017)
- Insolvency and Bankruptcy Code 2016 (Became effective in December 2016 and the first insolvency resolution order passed by NCLT on August 14, 2017).

RBI vide its circular dated February 12, 2018 decided to substitute the existing guidelines on CDR, SDR, S4A etc. with the Revised Resolution Framework, in view of the enactment of Insolvency and Bankruptcy Code, 2016

Apart from the Regulatory requirements, the Company is also governed by the various Agreements / Contracts entered into by it from time to time.

Foreign Exchange and Commodity Price Risk

The Company's business is predominantly in India. The International subsidiaries carry out their business in local currency and therefore are not exposed to fluctuations in foreign exchange rates. The business related financial risk, especially involving commodity prices, by and large, are managed contractually through price variation clauses.

Members are requested to refer Note No. 42 of Standalone Financial Statement for further details in the matter.

Mitigation measures taken

In line with the requirement of the Revised Resolution Framework as prescribed by the RBI vide its circular dated February 12, 2018, the Company has submitted a fresh OTS proposal to the lenders vide its letters dated April 4, 2018 / April 23, 2018 based on realistic scenario and is awaiting the decision of the lenders.

As recovery of outstanding dues would be utmost important for the Company for smooth business operations and / or repayment to its lenders, the Company has requested IDBI Bank Limited in its capacity as Monitoring Institution (MI) to intervene for ensuring recovery of the outstanding dues from Aircel Group as most of the bankers for the Company as well as Aircel are common.

Apart from following up with the parties, issuing notices and filing of suits before the High Court / NCLT, the Company has also carried out impairment tests and provided for impairment as required by the Accounting Standards, in respect of the advances receivable.

In respect of certain divestments, the Company has entered into agreements for sale subject to final approval of lenders of the Company and the investee companies and other necessary approvals. Pending completion of these transactions, the said Non Current Investments in the investee companies are treated as "Assets Held for Sale" in terms of AS 105.

As the recent developments in the telecom industry have affected GIL, it is learnt that GIL and their lenders are keeping the options open to right size its debts either through an ARC debt sale process initiated by its lenders or in accordance with the revised RBI guidelines dated February 12, 2018. As the outcome of its proposals would be known by August 2018, the Company proposes to enter into a new agreement with GIL, based on the outcome of its proposals.

The Company has also taken other cost control measures including rationalising its manpower.

The overall increase in the GST rate has put pressure on cash flow of the already stressed telecom sector. The proactive steps taken by GTL, in anticipation of the changes have resulted in smooth transition to the GST regime with minimal impact on the operations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place various Internal Controls for different activities so as to minimize the impact of various risks. Also, as mandated by the Companies Act, 2013, the Company has implemented the Internal Financial Control (IFC) framework to ensure proper Internal Controls over financial reporting. Apart from this, a well–defined system of Internal Audit is in place so as to independently review and strengthen these internal controls. The Audit Committee of the Company regularly reviews the reports of the internal auditors and recommends actions for further improvement of the internal controls.

HUMAN RESOURCES

Being a recognized Network Services player that leverages its Human Capital to deliver world class services, GTL regularly invests in the development of its people.

The Company follows continuous and integrated process for recruiting, training, managing, supporting, and compensating people.

To enhance the workforce' capabilities, Skills and Competencies Training Need Identification (TNI) plan is followed which is derived out of the Performance Appraisals' system. During FY 2017–18, 463 associates were provided training as under:

Trainings	No. of Employees Trained
Technical	236
Health, Safety & Environment	227
Total	**463**

Rewards and Recognition

Excellence at GTL is recognized through a Rewards and Recognition Process. During FY 2017–18, 112 associates have been recognized for their efforts through "Passion for Action" Program and Spot Awards.

Health, Safety & Environment (HSE)

HSE objectives form an integral part of the overall corporate strategy. GTL engages its human resources in a wide range of initiatives and programs to provide them appropriate protection in the workplace. Regular trainings on awareness on HSE issues are conducted. The Company also provides in–house medical facility.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013 (the said Act). During the year under review, no complaint / case has been received in terms of the said Act and Rules made thereunder.

People Strength

In line with the developments in Indian telecom industry and its own business requirements as mentioned elsewhere in this Report, the Company optimized its human resources strength to 2,978 associates (directly or indirectly) as on March 31, 2018 as against 5,042 associates in March 31, 2017.

Job losses have been due to exit / consolidation of several telecom operators and in particular filing of NCLT application by Aircel Group.

QUALITY AND PROCESS

Quality initiatives at GTL aim to achieve excellence in Business, Operations and Processes.

Process Excellence

To maintain its high quality standards and excellence in processes, the Company recertifies for :

- ISO 9001: 2015– Quality Management System (QMS)
- ISO 14001:2015 Environmental Management System (EMS)
- OHSAS 18001:2007 Occupational Health & Safety Assessment Series

Operational Excellence

GTL's operational excellence is a result of implementing a blend of standard processes and initiatives like site assessment, resource optimization, energy optimization, automation etc.

Staff is regularly trained for HSE standards.

CORPORATE SOCIAL RESPONSIBILITY

The Company is incurring financial losses, thus it is not under obligation to spend on Corporate Social Responsibility (CSR). However, being a responsible Corporate Citizen, it contributes towards the causes adopted by Global Foundation through employee volunteerism and non–financial means.

The social causes supported by the Foundation are in the areas of:

A. Education
B. Health, Hygiene and Sanitation
C. Disability
D. Community Development

During FY 2017–18 Global Foundation supported the beneficiaries in the following ways:

'Gyanjyot Scholarships' were awarded to over 1,800 students from Pre–School to Post Graduation, helping them to continue their education.

'Netra' initiative empowered the visually challenged by enabling them to learn to use computers and personal grooming through the soft skills program. During the year 30 visually impaired students pursued computer education and many of them positively altered their lives forever by successfully getting employed in PSUs and Corporate.

'Gyan IT' initiative in the rural areas provided computer education to middle school students, while the static Computer Labs set up by the Foundation in the yesteryears continued to offer computer education to students across 52 schools.

Under 'Project Arogya' Global Foundation organized health camps for early detection and prevention of diabetes, ophthalmic, hemoglobin and heart checkups for the communities. 6,360 people availed benefits of the 46 free health checkup camps.

In line with the Swachh Bharat Abhiyan, 32 sanitation facilities were provided in 4 schools benefiting about 1,200 girls and boys. This initiative has given encouragement to girl students in particular to attend school and prevent dropouts.

Global Foundation also supported 47 families seeking financial aid to deal with their medical exigencies, thus extending relief from the financial and medical turmoil during their times of crisis.

Your Directors submit Thirtieth Annual Report together with the Audited Accounts for the year ended March 31, 2018.

1. STATE OF THE COMPANY'S AFFAIRS

FINANCIAL HIGHLIGHTS

(₹ in Crore)

Particulars	FY 2017–18		FY 2016–17	
	Consolidated	**Standalone**	Consolidated	Standalone
Total Income	**1,005.38**	**1,005.38**	1,254.62	1,254.62
Profit / (Loss) before Depreciation, Interest and Financial Charges (Net), Exceptional items and Tax (PBDIT)	**(63.97)**	**(79.67)**	67.06	(40.65)
Profit / (Loss) before Depreciation, Exceptional items and Tax (PBDT)	**(82.50)**	**(98.20)**	(480.06)	(587.77)
Less: Depreciation	**17.49**	**17.49**	47.42	47.42
Profit / (Loss) before Tax, Exceptional items and extra–ordinary items	**(99.99)**	**(115.69)**	(527.48)	(635.19)
Exceptional items	**(727.79)**	**(2,512.34)**	Nil	Nil
Less: Provision for Taxation (incl. Short Provision for Income Tax and Deferred Tax)	**0.37**	**0.37**	5.32	5.33
Profit / (Loss) after Tax (PAT) before Extra–ordinary and Prior Period items	**(827.41)**	**(2,627.66)**	(522.16)	(629.86)
Add / (Less): Extra–ordinary items	**Nil**	**Nil**	Nil	Nil
Add: Minority Interest	**Nil**	**N.A.**	Nil	N.A.
Add: Share of Profit / (Loss) in Associates	**425.77**	**N.A.**	(281.34)	N.A.
Loss for the year from Continuing Operations	**(401.64)**	**(2,627.66)**	(803.50)	(629.86)
Loss for the year from discontinued operations	**(52.83)**	**Nil**	(190.39)	Nil
Other Comprehensive Income for the year	**0.36**	**0.37**	(0.49)	(0.44)
Total Comprehensive Income for the period (net of Tax)	**(454.11)**	**(2,627.29)**	(994.38)	(630.30)
Add: Balance brought forward from the last year	**(7,892.53)**	**(5,571.77)**	(6,898.15)	(4,941.47)
Profit / (Loss) available for Appropriation	**(8,346.64)**	**(8,199.06)**	(7,892.53)	(5,571.77)
Appropriations:				
Recommended Equity dividend	**Nil**	**Nil**	Nil	Nil
Dividend Distribution Tax	**N.A.**	**N.A.**	N.A.	N.A.
Amount transferred to				
– General Reserve	**Nil**	**Nil**	Nil	Nil
– Debenture Redemption Reserve	**Nil**	**Nil**	Nil	Nil
Balance Carried Forward	**(8,346.64)**	**(8,199.06)**	(7,892.53)	(5,571.77)

2. RESULTS OF OPERATIONS

The financial highlights of the Company on a standalone basis for the financial year under review are as follows:

- Total Income is ₹ 1,005.38 Crore as against ₹ 1,254.62 Crore for the previous financial year.
- Profit / (Loss) (before Depreciation, Interest and Financial Charges (Net), Exceptional Items and Tax) (PBDIT) is ₹ (79.67) Crore as against profit / (loss) of ₹ (40.65) Crore for the previous financial year.
- Profit / (Loss) (before Depreciation, Exceptional Items and Tax (PBDT) is ₹ (98.20) Crore as against profit / (loss) of ₹ (587.77) Crore for the previous financial year.
- Profit / (Loss) after Tax (PAT) before extra–ordinary and prior period items is ₹ (2,627.66) Crore as against ₹ (629.86) Crore for previous financial year.

3. CORPORATE DEBT RESTRUCTURING (CDR)

Post CDR Developments

The Company got admitted into CDR w.e.f. July 1, 2011 on account of the adverse circumstances surrounding the telecom & power sectors (which impacted its business and profitability) and since then has been reporting *inter alia* through the Annual Reports on the following:

- impact of post CDR developments like cancellation of 122 Nos. of 2G licenses by the Supreme Court, Cancellation of 20,000 tenancies by Aircel Group, Suspension of fixed line expansion by BSNL, cancellation of MSEDCL Contract in November 2014 etc;
- regular payments made to lenders till May 2014;
- the proactive efforts of the Company to settle the lenders dues by means of an OTS plan submitted to the lenders in September 2014 by monetization of its assets / business divisions / investments;
- the in principle approval of the lenders to the OTS plan for the monetization proposal given on December 4, 2015, based on the valuation report dated July 17, 2015;
- the execution of business transfer agreement for its OME business with a potential buyer on September 30, 2015 and obtaining of approval of Competition Commission of India for the same for giving effect to the above monetization proposal;
- the intimation to the lenders on January 6, 2017, about the inability of the potential buyer to go ahead with OME business deal, on account of inordinate delay of requisite approvals;
- various external audits carried out by the lenders such as special audit, concurrent audit, due diligence, business valuation exercise, stock audit, forensic audit etc. some of which have delayed the settlement process;
- the conclusion arrived at by the lenders on March 18, 2017 that there were no conclusive evidence of diversion of funds and hence the lenders could close the forensic audit and expedite the process of approval of settlement (based on the findings of the forensic audit report, clarifications received from the Company and further clarifications given by the Auditors);
- non provision of interest from FY 2017–18 based on the settlement proposal agreed as above.

Developments during FY 2017–18

Since reporting of the developments in the last Annual Report for FY 2016–17, the Telecom Industry has witnessed the following unprecedented events:

- Intense competition, unsustainable level of debts and incurring of loss by almost all telecom operators leading to merger / exit of telecom companies;
- Vodafone India Ltd. & Idea Cellular Ltd. – merger announced on March 20, 2017 – at the advanced stage of completion;
- Bharti Airtel Ltd. & Telenor Communications Pvt. Ltd. – merger approved by NCLT in March 2018;
- Reliance Communications Ltd. & Sistema Shyam Teleservices Ltd. – merger completed by October, 2017
- Tata Group's decision to withdraw from the wireless space and consequent Bharti Airtel Ltd. & Tata Teleservices Ltd. merger – announced on October 12, 2017;
- Reliance Communications Ltd.'s decision to withdraw from the wireless space and consequent acquisition of its certain assets by Reliance Jio Infocomm Ltd. – announced on November 4, 2017;
- Aircel Ltd., Aircel Cellular Ltd. & Dishnet Wireless Ltd. (collectively Aircel Group) decision to file for voluntary insolvency on March 1, 2018.

Impact of the developments on the Company

- Aircel Group and GTL Infrastructure Ltd. (GIL) are the major direct customers of the Company;
- Aircel Group was the single largest client of the Company (contributing more than 50% of revenue).
  - On January 2, 2018, Aircel Group gave notices for 1,994 tenancy exits / energy switch–off;
  - On March 1, 2018, Aircel Group filed for bankruptcy before NCLT, which got admitted, leading to total loss of business;
- Tata Teleservices Ltd. has not transferred the contracted tenancies to Bharti Airtel Ltd., leading to exit of 2,556 tenancies;
- Significant loss of tenancies for GIL on account of the above consolidation / exits and its indication to the Company about a possible reduction from 51,587 tenancies (as of December 2017) to 26,639 tenancies (projected as of March 2018)

The exit of Tata Teleservices Ltd. & Aircel Group and the significant scaling down of operations by GIL, would have a considerable negative impact on the business of the Company, thereby jeopardizing the long term continuity and stability of its revenues, which has adversely impacted the EBITDA.

The Company performed an impairment test based on current expectation of the impact of the bankruptcy on projected cash flows of the Company related to Aircel Projects. As a result, an impairment of ₹ 727.79 Crore has been taken.

The impact of the developments on GIL will also have consequential impact on the value of the Company's investments in GIL.

Furthermore, GTL and GIL have claims against Aircel and other telecom operators for non–payment.

Current Status

The Reserve Bank of India (RBI) has recently issued the circular dated February 12, 2018 "Resolution of Stressed Assets – Revised Framework" which, *inter alia,* withdrew the CDR and all other restructuring schemes. An analysis of the Revised Resolution Framework indicates that all restructuring proposals, including any one time settlement would need to be undertaken under the Revised Resolution Framework, failing which the RBI has directed all accounts in which default exists to be referred to the National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code, 2016.

On account of the above extraneous circumstances, the Company has submitted a fresh OTS proposal vide its letters dated April 4, 2018 and April 23, 2018 to the lenders, based on a realistic scenario and is awaiting the decision of the lenders.

At the same time, as the delays in approving the Company's various OTS proposals have depleted the valuation of the Company that has restricted its ability for settling its dues and undertaking any fresh business activity; the individual banks instead of responding on the settlement proposal, have started issuing notices for recall of their respective loans and related securities and the ECB lenders have also filed cases against the Company, keeping in mind the deadline of end August 2018 for finding a solution under the Revised Resolution Framework of RBI, the Board of Directors of the Company has thought it appropriate for taking an enabling resolution as mentioned in Item No 5 of the Notice of the ensuing Annual General Meeting (AGM) for implementing an appropriate resolution plan as per applicable regulations.

Going Concern

In last few years, the Company has incurred cash losses, resulting in erosion of its entire net worth. The Company's current liabilities are higher than its current assets. Both the winding up petitions have been disposed of based on consent terms filed.

The management is of the view that upon acceptance and implementation of the Company's revised negotiated settlement proposal, it would be in a position to meet its liabilities and continue its operations. In view of the above, the Company continues to prepare its financial statements on Going Concern basis.

Accordingly, the management continues to follow–up with the lenders to consider the revised negotiated settlement proposal in order to stabilize its business operations.

Investments

During the financial year under review, the merger of Chennai Network Infrastructure Ltd. (CNIL) with GTL Infrastructure Ltd. (GIL), was operational on December 22, 2017, accordingly the investment in CNIL is added to the investment in GIL.

The developments in the telecom industry particularly of Aircel Group as stated above, has substantially impacted the projected cash flow of the Company's associate GIL and accordingly the Company has recognized impairment provision of ₹ 1,784.55 Crore in respect of its investment in GIL.

In respect of certain disinvestment, the Company has entered into agreements for sale which is subject to final approval of lenders of the Company and the investee companies and other necessary regulatory approvals. Pending completion of these transactions, the said Non–Current investments in the investee companies are treated as 'Assets Held for Sale' in terms of AS 105.

Restoration of Promoter's Shareholding

Pursuant to wrongful invocation of pledge of the shares of the Company held by Global Holding Corporation Private Ltd (GHC), one of the Promoters of the Company, by one of its lenders in FY 2016–17, the Promoters' shareholding in the Company had come down by 13.99%. GHC had filed appropriate legal defense and as per the direction of the Debt Recovery Tribunal, GHC's shareholding in the Company has been restored on May 11, 2018. Resultantly, GHC's shareholding in the Company has gone up by 13.99% and restored to the earlier position and the same remains encumbered.

4. CHALLENGES OF THE TELECOM SECTOR

The below extract of the message of Chairman of Cellular Operators Association of India (COAI) published in its Annual Report for FY 2017–18, summarises the uphill challenges faced by the industry.

"The industry is in the midst of one of the toughest phases since the privatization of the telecom sector and it will require the collective will and efforts of all stakeholders to solve the challenges and safeguard India's digital future."

He terms the year gone by as "A Challenging Year for the Industry" and further states, "2017 was a year of rapid change, transformation and consolidation for the industry. An unfortunate price war has led to below cost and suppressed pricing. During this period, almost all telecom operators incurred heavy losses and collective revenue declined significantly – AGR declined from INR 1.40 trillion to an estimated (E) INR 1.16 trillion from FY 2017 to FY 2018. The financial woes of the industry were further aggravated by the steep reduction in domestic and international termination charges. The industry faces an uphill task of servicing a total debt of INR 7.7 trillion, which is close to 7 times the total revenue of the industry. This debt servicing challenge would continue even if profits and revenues are to increase in the short term. This problem is best exemplified by the fact that the current total profits of the industry are insufficient to cover the interest on the debt (0.4 interest coverage ratio in Q3 FY 2018)."

Further, the average Return on Capital Employed of the industry is around 1% which means that investors in telecom have not witnessed returns on their investments and their appetite to invest further may be significantly diminished. Hence, it is not surprising that the sector is finding it nearly impossible to raise funds from domestic lenders."

5. DIVIDEND

Since your Company has posted losses, your Directors express their inability to recommend any dividend on the paid up Equity and Preference Share Capital of the Company for the financial year ended March 31, 2018.

6. SHARE CAPITAL AND NON CONVERTIBLE DEBENTURES (NCDs)

i) Equity:

There is no change in Equity Capital due to allotment of shares or otherwise during the year under review. As such, Equity Capital of the Company at the beginning of the year and at the year end stood at 157,296,781 Equity shares.

As reported in the last year's Directors' Report, the Company has only one class of equity shares. Thus, the details required to be furnished for equity shares with differential rights and / or sweat equity shares and / or ESOS under the Companies (Share Capital and Debentures) Rules, 2014 are not furnished.

ii) Preference:

There is no change in status of preference shares, as reported in the last year's Directors' Report.

iii) NCDs:

During the FY 2009–10, the Company had privately placed 14,000 Rated Redeemable Unsecured Rupee NCDs of the face value of ₹ 10 Lakh each aggregating ₹ 1,400 Crore, which were listed under debt segment of BSE Limited. In view of pending restructuring of NCDs due to inter–creditor issues and non–completion of documentation, currently, the same are suspended for trading.

In the meanwhile, in the winding up petition filed by the NCD Holder, both the parties filed consent terms dated March 19, 2018 before the Hon'ble Bombay High Court on March 19, 2018, which was noted in the court's order of even date.

7. FIXED DEPOSITS

There are no unclaimed deposits lying with the Company and during the year under review, the Company has not accepted any fresh fixed deposits from Public or from its Shareholders.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The term of Mr. Manoj G. Tirodkar as the Chairman & Managing Director expired on August 17, 2018. Further, Mr. Manoj Tirodkar retires by rotation and he proposes Dr. Mahesh Murlidhar Borase to be appointed as his nominee on the Board to fill–up the vacancy so created, as detailed in the Explanatory Statement annexed to the Notice convening the 30th AGM.

Since the term of appointment of Mr. Sunil S. Valavalkar as a Whole–time Director expired on December 15, 2017, the Board of Directors, subject to the approval of members, re–appointed Mr. Sunil S. Valavalkar as a Whole–time Director w.e.f. December 16, 2017 for a period of 3 years by passing a resolution by circulation on December 14, 2017 and the same was noted and ratified by the Board of Directors in its meeting held on February 6, 2018.

Further, since the term of appointment of Mrs. Siddhi M. Thakur expired on March 31, 2018, subject to the approval of members, the Board of Directors by passing a resolution by circulation on March 28, 2018 re–appointed Mrs. Siddhi M. Thakur as an Independent Director w.e.f. April 1, 2018 for a period of five years, which was noted and ratified by the Board of Directors in its meeting held on May 3, 2018.

The Company has incorporated appropriate resolutions for re–appointments of Mr. Sunil S. Valavalkar as a Whole–time Director from December 16, 2017 to December 15, 2020 and Mrs. Siddhi M. Thakur as an Independent Director from April 1, 2018 to March 31, 2023 as detailed in the notice convening ensuing Annual General Meeting and Explanatory Statement annexed thereto for consideration of members.

The background of the Directors proposed for appointment / re–appointments are given in the Corporate Governance Report, which forms part of this Report.

Mr. Vijay M. Vij, who was associated with the Company as Non–Executive / Independent Director w.e.f. July 3, 2008, vide his letter dated May 3, 2018 had tendered his resignation in view of his personal and professional commitments. The Board places on record its deep appreciation and respect for the valuable advice and guidance received from Mr. Vijay Vij during his tenure as a Director of the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013 (the Act), as on March 31, 2018 Mr. Manoj G. Tirodkar – Chairman & Managing Director, Mr. Sunil S. Valavalkar – Whole–time Director, Mr. Milind V. Bapat – Chief Financial Officer and Mr. Vidyadhar A. Apte – Company Secretary are the Key Managerial Personnel of the Company.

9. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is given below:

i) **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

Executive Directors	Ratio to median remuneration
Mr. Manoj G. Tirodkar	8.57
Mr. Sunil S. Valavalkar	2.50
Non–executive Directors (Sitting Fees only) *	**Ratio to median remuneration**
Mr. Vijay M. Vij	N.A.
Mr. D. S. Gunasingh	N.A.
Mr. Navin J. Kripalani	N.A.
Mrs. Siddhi M. Thakur	N.A.
Mr. Badri Srinivasa Rao	N.A.

**Since Non–executive Directors received no remuneration except sitting fees for attending Board / Committee meetings, the required details are not applicable.*

ii) **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. Manoj G. Tirodkar – Chairman & Managing Director	No change
Mr. Sunil S. Valavalkar – Whole–time Director	No change
Mr. Vijay M. Vij	N.A.
Mr. D. S. Gunasingh	N.A.
Mr. Navin J. Kripalani	N.A.
Mrs. Siddhi M. Thakur	N.A.
Mr. Badri Srinivasa Rao	N.A.
Mr. Milind V. Bapat – Chief Financial Officer	No change
Mr. Vidyadhar A. Apte – Company Secretary	No change

iii) **The percentage increase in the median remuneration of employees in the financial year:** 2%

iv) **The number of permanent employees on the rolls of Company:** 363

v) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** The average annual increase in salaries of employees is 0.2% and there is no change in managerial remuneration during the year.

vi) **Affirmation that the remuneration is as per the remuneration policy of the Company:** The Company affirms that the remuneration is as per remuneration policy of the Company.

10. DIRECTORS RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(3)(c) of the Act, the Board of Directors, to the best of their knowledge and ability, in respect of the year ended March 31, 2018, confirm that:

i) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures;

ii) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

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

iv) they had prepared the annual accounts on a going concern basis;

v) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

vi) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors of the Company have furnished a declaration to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act.

12. POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION ETC.

The Company has put in place appropriate policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act, which is provided in the Policy Dossier that has been uploaded on the Company's website www.gtllimited.com. Further, salient features of the Company's Policy on Directors' remuneration have been disclosed in the Corporate Governance Report, which forms part of this Report.

13. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act and corporate governance requirements as prescribed by the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The performance of the Board and its Committees were evaluated by the Board after seeking inputs from the Board / Committee members on the basis of the criteria such as composition of the Board / Committees and structure, effectiveness of Board / Committee processes, providing of information and functioning etc. The Board and Nomination & Remuneration Committee also reviewed the performance of individual Directors on the basis of criteria such as attendance in Board / Committee meetings, contribution in the meetings like preparedness on issues to be discussed etc.

In a separate meeting of Independent Directors, performance of non–independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking in to consideration views of executive and non–executive Directors.

14. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report (MD&A Report) for the year under review, as stipulated under Regulation 34 read with Schedule V to the Listing Regulations, is presented in a separate section forming part of the Annual Report.

15. CORPORATE GOVERNANCE & VIGIL MECHANISM

A separate Corporate Governance Report on compliance with Corporate Governance requirements as required under Regulation 34(3) read with Schedule V to the Listing Regulations forms part of this Report. The same has been reviewed and certified by M/s GDA & Associates, Chartered Accountants, the Auditors of the Company and Compliance Certificate in respect thereof is given in **Annexure A** to this Report.

The Company has formulated a Whistle Blower Policy, details of which are furnished in the Corporate Governance Report, thereby establishing a vigil mechanism for directors and permanent employees for reporting genuine concerns, if any.

16. RISKS

A separate section on risks and their management is provided in the MD&A Report forming part of the Annual Report. The Audit Committee monitors the risk management plan and ensures its effectiveness. It is important for shareowners and investors to be aware of the risks that are inherent in the Company's businesses. The major risks faced by your Company have been outlined in this section to allow stakeholders and prospective investors to take an independent view. We strongly urge stakeholders / investors to read and analyze these risks before investing in the Company.

17. CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and other details are furnished in **Annexure B** of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For CSR initiatives undertaken by Global Foundation, please refer to MD&A Report under the caption "Corporate Social Responsibility". The CSR Policy is available on the Company's website www.gtllimited.com.

18. AUDIT COMMITTEE

The details in respect of composition of the Audit Committee are included in the Corporate Governance Report, which forms part of this Report.

19. AUDITORS AND AUDITORS' REPORT

Auditors:

M/s GDA & Associates (FRN: 135780W), Chartered Accountants, Pune were appointed as Auditors at the Twenty Ninth (29th) Annual General Meeting (AGM) to hold office from conclusion of the said meeting till the conclusion of the Thirty Fourth (34th) AGM. The Company has received the necessary certificate from the Auditors pursuant to Sections 139 and 141 of the Act regarding their eligibility. In pursuance of the provisions of Section 139 of the Act, as amended, since the requirement for ratification of appointment of an Auditor at every annual general meeting has been dispensed with vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, New Delhi, the Company has not incorporated such resolution in the matter in the Notice convening the 30^{th} AGM.

Cost Auditors:

In terms of the provisions of Section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended, since the Company's business (telecom networking services) is not included in the list of industries to which these rules are applicable, the Company is not required to maintain cost records.

Auditors' Report

As regards the Auditors' qualified opinion and emphasis of matters, the Board has furnished required details / explanations in Note Nos. 31.1 and 45 of Notes to Standalone financial statements respectively.

Secretarial Auditors' Report

The Secretarial Auditors' Report does not contain any qualifications, reservations, disclaimers or adverse remarks and the same is given in **Annexure C** (Form No. MR–3) forming part of this report.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements as under:

No loans are given by the Company to any person / entity except to its employees as at March 31, 2018.

As at March 31, 2018, the Company has given Corporate / Performance Guarantees to Subsidiaries / others of ₹ 167.16 Crore as against ₹ 191.78 Crore in the previous year (Refer Note No. 38c of notes to financial statements)

The Company has given Corporate guarantees in its normal course of business in India and abroad.

The guarantees are normally given:

- for performance of their business obligations; and
- to enable them to avail financial assistance.

Details of investments made by the Company are given in Note No. 6 of notes to the Standalone financial statements.

21. PARTICULARS OF RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.gtllimited.com. None of the Directors has any pecuniary relationships or transactions vis–à–vis the Company. The particulars as required under the Companies Act, 2013 are furnished in **Annexure D** (Form No. AOC–2) to this report.

22. MATERIAL CHANGES AND COMMITMENTS

Save and except as discussed in this Annual Report, no material changes have occurred and no commitments were given by the Company thereby affecting its financial position between the end of the financial year to which these financial statements relate and the date of this report.

23. SUBSIDIARIES

For the reasons stated in the previous year's Annual Reports, except some of the subsidiaries, whose operations are viable, the operations of other subsidiaries have been scaled down or closed down.

As reported under heading “Investments”, pending completion of transactions, the Non Current investment in some of the investee companies are treated as “Assets Held for Sale “in terms of Ind–AS 105.

As required by the Companies (Accounts) Rules, 2014, a report on performance and financial position of each of the subsidiaries and associate companies included in the Consolidated Financial Statement, is presented in **Annexure E** (Form No. AOC–1).

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

[Steps taken / actions initiated by the Company for and on behalf of its customer's viz. telecom operators, telecom tower companies and Original Equipment Manufacturers (OEMs)]

a) Conservation of Energy:

i. the steps taken or impact on conservation of energy:

- Optimization of Energy cycles across circles through Energy Audits and constant monitoring facilitated effective cash flow management and energy conservation.
- With timely rectification of electricity related faults and upkeep of EB infrastructure, organization has maintained the ‘Diesel Free’ status (as defined by TAIPA) on 6,468 telecom sites.
- Development of Energy Management processes for effective cost controlling and optimization of monthly diesel planning and management approval process.
- Projects / PoC under trial implementation for Electricity conservation:
  - Conducting verification of ‘Sanction Electricity Load’ (by SEB) Vs ’Actual Consumption Load’. With optimization of the ‘Sanction Load’ in lieu with consumption requirement, there will be substantial saving in electricity cost
  - Replacement of CTPT meters on telecom sites (Flat rate charges) with Prodigy meter (Charges based on actual consumption),this will be resulting in cost saving
  - Resizing of the existing cabling infra to reduce voltage drop, resulted into reduction in outage penalty
- Projects/ PoC under trial implementation for Diesel Conservation:
  - Infra upgrade initiative for reduction in diesel consumption.
  - Installation of ‘Fuel Active Filter’ in DG, making normal fuel filters secondary. The device will be tested for reduction in replacement frequency of primary and secondary fuel filters. Also, whether it Improves fuel quality for inlet to FIP– (Sedimentation of impurities due to gravity)
  - Installation of ‘Mobile Tank Cleaning (MTC) Unit, which will help in remove water, sediment and sludge that naturally form and accumulate in tanks. Testing will be conducted for the effective cleaning of fuel tank and to check the result whether it results in improvement of DG running efficiency.

ii. the steps taken by the Company for utilizing alternate sources of energy:

- Installation of Deep Discharge and Quick Recharge Storage (QRS) batteries on various telecom sites for carbon emission reduction.

iii. the capital investment on energy conservation equipment:

Not Applicable

b) Technology Absorption:

i. the efforts made towards technology absorption: Due to lack of availability of Capex, this program could not be continued.

ii. the benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable.

iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a. the details of technology imported:
b. the year of import:
c. whether the technology been fully absorbed:
d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:

$\left.\right\}$ Not Applicable

iv. **the expenditure incurred on Research and Development:**

a. Capital: ₹ Nil

b. Recurring: ₹ Nil

c) **Foreign exchange earnings and Outgo:**

During the year under review, the Company earned in terms of actual inflows foreign exchange of ₹ Nil and the foreign exchange outgo in terms of actual outflows / expenditure is ₹ 2.18 Crore.

25. INTERNAL FINANCIAL CONTROL SYSTEM

The details in respect of adequacy of internal financial control with reference to the financial statements are included in the MD&A Report, which forms part of the Annual Report.

26. HUMAN RESOURCES

Our associate base stood at 2,978 as on March 31, 2018 as against 5,042 as on March 31, 2017. For full details/disclosures refer to the Human Resources write up in the MD&A Report, which forms part of the Annual Report.

27. EXTRACT OF ANNUAL RETURN AS ON MARCH 31, 2018

The required details are furnished in **Annexure F** (Form No. MGT–9) to this report.

28. NUMBER OF BOARD MEETINGS HELD DURING THE FY 2017–18

5 (Five) meetings of the Board were held during the year, details of which are furnished in the Corporate Governance Report that forms part of this Report.

29. PROMOTER GROUP

The Company is a part of Global Group of Companies, promoted by Mr. Manoj G. Tirodkar. The promoter group holding in the Company currently is 44.23% of the Company's paid–up Equity Capital. The members may note that the Promoter Group, *inter–alia* comprises of Mr. Manoj. G. Tirodkar and Global Holding Corporation Pvt. Ltd.

30. PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Act read with sub–rules 2 & 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, names and other particulars of the top ten employees in terms of remuneration drawn and the name of every employee who is in receipt of such remuneration stipulated in said Rules are required to be set out in a statement to this report. Further, the Report and the Financial Statement are being sent to the shareholders excluding the aforesaid statement. In term of Section 136 of the Act, the said statement is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office. None of the employees listed in the said statement is related to any Director of the Company.

31. SPECIAL BUSINESS

As regards the items of the Notice of the Annual General Meeting relating to Special Business, the Resolution(s) incorporated in the Notice and the Explanatory Statement relating thereto, if any, fully indicate the reasons for seeking the approval of members to those proposals. Members' attention is drawn to these items and Explanatory Statement annexed to the Notice.

32. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation and acknowledge with gratitude the support and cooperation extended by the clients, employees, vendors, bankers, financial institutions, investors, media and both the Central and State Governments and their Agencies and look forward to their continued support.

On behalf of the Board of Directors,

Place : Mumbai	**D. S. Gunasingh**	**Sunil S. Valavalkar**
Date : August 23, 2018	*Director*	*Whole–time Director*

ANNEXURE A TO DIRECTORS' REPORT

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members
GTL Limited

This certificate is issued in accordance with the terms of our engagement with GTL Limited ('the Company').

We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations").

MANAGEMENTS' RESPONSIBILITY

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

AUDITORS' RESPONSIBILITY

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2018.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **GDA & Associates**
Chartered Accountants
Firm Reg. No. 135780W

Mayuresh Zele
Partner
Membership No. 150027

Place : Mumbai
Date : August 23, 2018

ANNEXURE B TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2017–18
[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web–link to the CSR policy and projects or programs:**

   GTL acknowledges debts towards the society in which it operates and in order to discharge its responsibility, it undertakes, when permissible, various projects through 'Global Foundation', a Public Charitable Trust for the betterment of the society and in particular in the areas such as education, health, community service, medical assistance and rural education particularly in IT through 'Mobile Computer Lab' etc. For more particulars about the Company's CSR Policy, please visit its website www.gtllimited.com/investors.
2. **The Composition of the CSR Committee:**

   The Company has constituted a Corporate Social Responsibility Committee of Directors comprising of Mr. Manoj G. Tirodkar – Chairman of the Committee, Mr. Navin J. Kripalani, Mr. Sunil S. Valavalkar and Mrs. Siddhi M. Thakur.
3. **Average net profit of the Company for last three financial years:** Loss (₹ 1,890.36 Crore)
4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** N.A. in view of losses incurred by the Company.
5. **Details of CSR spent during the financial year:**
   a. **Total amount to be spent for the financial year:** N.A.
   b. **Amount unspent, if any:** N.A.
   c. **Manner in which the amount spent during the financial year:** N.A.
6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:** N.A. in view of losses incurred by the Company.
7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:** We hereby declare that implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Place : Mumbai
Date : August 23, 2018

Sunil S. Valavalkar
Whole–time Director

Manoj G. Tirodkar
Chairman – Corporate Social Responsibility Committee

ANNEXURE C TO THE DIRECTORS' REPORT

Form No. MR–3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
GTL Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GTL Limited (Hereinafter called the Company) for the year ended on March 31, 2018 (the 'audit period'). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conduct /statutory compliances and expressing my opinion thereon.

Based on my verification of the GTL Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 has prima facie complied with the statutory provisions listed hereunder:

I have examined the Statutory Registers, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(iv) The Depositories Act, 1996 and the Regulations and Bye–laws framed there under;

(v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 (SEBI Act):–

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

  (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

  (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India related to meeting and minutes.

During the period under review, provisions of the following regulations were not applicable to the Company for the financial year ended 31st March, 2018:–

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

During the period under review the Company has prima facie complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that:

(a) The Company has arrived at a onetime settlement (OTS) agreement with its NCD holders for its full and final payment of their existing dues and has accordingly filed the agreed consent terms with the Honorable Bombay High Court. Accordingly Bombay High Court has set aside the winding up petition filed by the NCD holders against the Company.

(b) In terms of RBI's circular dated February 12, 2018 under the caption "Resolution of Stressed Assets – Revised Framework", the Company has filed a revised settlement proposal to the lenders.

(c) Debenture Redemption Reserve not created due to non–availability of profit.

(d) In relation to non–payment of dues to the holders of Non Convertible Debentures, on the basis of the legal opinion obtained by the Company on the provision of Section 164 (2) of the Companies Act, 2013 and representation/application made by the Company to the Central Government seeking relief in the matter, which is under consideration, none of the directors are disqualified.

I further report that:

(a) I rely on statutory auditor's report for the financial year 2017–18 in relation to the financial statements and accuracy of the financial figures for, Sales Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC etc. as disclosed under financial statements, Ind AS 24 & note on foreign currency transactions during our audit period. I rely on observation & qualification if any made by statutory auditor's of the company in his report.

(b) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non–Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

(c) As per the information provided prima facie adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(d) As per the information provided majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

(e) There are prima facie adequate systems & processes in the Company commensurate with the size & operations of the Company to monitor & ensure compliance with applicable laws, rules, regulations & guidelines subject to observations made by statutory auditors in their report.

(f) The management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/records required by the concerned authorities and internal control of the concerned department.

(g) During the audit period the Company had no specific events like Public/Right/Preferential issue of shares/debentures/sweat equity, etc.

I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Virendra Bhatt
ACS No – 1157
COP No – 124

Place: Mumbai
Date : August 23, 2018

ANNEXURE D TO THE DIRECTORS' REPORT

Form No. AOC–2

[Pursuant to clause (h) of sub–section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub–section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party	Nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions	Contracts / Arrangement / transactions value (₹ Crore)	Date(s) of approval by the Board, if any	Amount paid as advances, if any (₹ Crore)
GTL Infrastructure Limited(GIL)	Associate	Energy Management Agreement	10 Years w.e.f. April 1, 2015	Provision of Power (Electricity) and Fuel under Fixed Energy Management Services Contract	289.30	N.A.	Nil
Chennai Network Infrastructure Limited(CNIL)	Associate	Energy Management Agreement	10 Years w.e.f. April 1, 2015	Provision of Power (Electricity) and Fuel under Fixed Energy Management Services Contract	168.47*	N.A.	Nil

** As per the order passed by the Hon'ble National Company Law Tribunal, Mumbai and Chennai Bench, respectively, CNIL was merged with GIL, which was operational on December 22, 2017. Thus, material contracts with CNIL have been shown separately up to the operational date / month of merger and subsequently, the same has been clubbed with GIL. Resultantly, shareholders' approval obtained by the Company for the limit of material contracts for GIL and CNIL respectively, has also been clubbed.*

On behalf of the Board of Directors,

Place : Mumbai
Date : August 23, 2018

D. S. Gunasingh
Director

Sunil S. Valavalkar
Whole–time Director

ANNEXURE E TO THE DIRECTORS' REPORT

Form No. AOC–1

[Pursuant to first proviso to sub–section (3) of section 129 of the Act read with rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures:

Part "A": Subsidiaries

(amounts in ₹ Crore)

Sr. No.	Name of the Subsidiary Company	Date since when Subsidiary was Acquired	Reporting Currency	Reporting Period	Exchange Rate Balance Sheet	Exchange Rate Profit and Loss	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed / Interim Dividend	% of Shareholding
	Operating Companies																
A	ADA Cellworks Wireless Engineering Pvt. Ltd.	29–Jan–2010	INR	31–Mar	1.000	1.000	0.09	1.08	1.18	1.18	NIL	NIL	(0.15)	NIL	(0.15)	NIL	100%
B	International Global Tele–Systems Ltd.	10–Jul–1995	USD	31–Dec	64.845	67.411	465.34	(1,092.72)	114.43	114.43	NIL	NIL	(51.04)	NIL	(51.04)	NIL	100%
C	GTL International Ltd.	16–May–2007	USD	31–Dec	64.845	67.411	51.88	(149.14)	275.08	275.08	NIL	2.69	(15.30)	NIL	(15.30)	NIL	100%
C.1	GTL (Singapore) Pte. Ltd..	04–Aug–1995	USD	31–Dec	64.845	67.411	1.95	56.11	65.77	65.77	NIL	47.18	18.06	0.42	17.64	NIL	100%
C.2	GTL Overseas (Middle East) DMCC	30–Mar–2014	AED	31–Dec	17.766	18.469	0.09	(23.67)	3.55	3.55	NIL	4.39	(4.56)	NIL	(4.56)	NIL	100%
C.3	GTL Europe Ltd.	17–Oct–2006	GBP	31–Dec	92.005	86.590	4.60	(5.55)	37.12	37.12	NIL	197.03	5.27	2.98	2.29	14.68	100%
C.4	GTL Nepal Pvt. Ltd.	17–Sep–2009	NPR	31–Dec	0.627	0.651	1.22	11.44	36.77	36.77	NIL	61.45	13.49	3.41	10.08	0.11	100%
C.5	iGTL Myanmar Limited	28–Jul–2014	MMK	31–Mar	20.658	19.872	1.12	8.42	62.85	62.85	NIL	115.92	8.30	2.43	5.87	0.54	100%

1. **Names of subsidiaries which are yet to commence operations:** Not Applicable
2. **Names of subsidiaries which have been liquidated or sold during the year:** Not Applicable

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

Sr. No.	Name of Associates	Latest audited Balance Sheet date	Date on which the Associate was Associated or Acquired	Shares of Associates held by the Company on the year end			Net worth Attributable to shareholding as per latest audited Balance Sheet (₹ in Crore)	Loss for the year including Share in other comprehensive income of associates		Description of How there is significant influence	Reason why the Associates is not Consolidated
				No.	Amount of Investment in Associates (₹ in Crore)	Extent of Holding %		Considered in Consolidation (₹ in Crore)	Not Considered in Consolidation (₹ in Crore)		
1	GTL Infrastructure Limited	31–Mar–17	04–Feb–2004	2,046,505,865	2,229.03	16.65%	841.89	425.76	Nil	Note – A	N.A.
2	Global Rural Netco Pvt. Ltd.	31–Mar–18	04–Sep–2009	75,000,000	75.00	42.86%	(270.12)	Nil (Refer Note D)	Nil	Note – B	N.A.

Note:

A. In earlier years, the Parent Company's holding in GTL Infrastructure Limited (GIL) was more than 20% and on account of percentage holding GIL became the Parent Company's associate and continues to be an associate

B. There is significant influence due to percentage (%) holding in associates

C. On adoption of IND AS effective 1 April, 2015, the share of loss attributable to the Company in its associates GIL and CNIL is accounted in terms of Ind AS 28. The Share in loss up to March 31, 2015 of ₹ 591.55 Crore in GTL Infrastructure Limited and ₹ 939.95 Crore in Chennai Network Infrastructure Limited has been adjusted against retained earnings.

D. The Share in associate Global Rural Netco Pvt. Ltd. stands recognised to the extent of investment held in that associate.

1. **Names of associates or joint ventures which are yet to commence operations:** Not Applicable

2. **Names of associates or joint ventures which have been liquidated or sold during the year:** Not Applicable

For and on behalf of the Board

Manoj G. Tirodkar
Chairman & Managing Director

Sunil S. Valavalkar
Whole–time Director

Vijay M. Vij
Director

Milind Bapat
Chief Financial Officer

Vidyadhar Apte
Company Secretary

Place : Mumbai
Date : May 03, 2018

ANNEXURE F TO DIRECTORS' REPORT

Form No. MGT–9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2018

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

I. REGISTRATION AND OTHER DETAILS

Sr. No.	Particulars	Details
i	Corporate Identity Number (CIN)	L40300MH1987PLC045657
ii	Registration Date	December 23, 1987
iii	Name of the Company	GTL Limited
iv	Category / Sub–Category of the Company	Indian Non–Government Company limited by Shares
v	Address of the Registered office and contact details	'Global Vision', Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400710 Contact Person: Mr. Vidyadhar Apte – Company Secretary & Compliance Officer. Email: gtlshares@gtllimited.com
		Telephone No. 022– 27612929 Ext. No.: 2232–2235
vi	Whether listed company	Yes (Listed in BSE & NSE)
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	'Global Vision', Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400 710 Contact Person: Mr. Jayendra Pai –AVP Investor Services / Mr. Divesh Sawant – Manager Investor Services. Email: gtlshares@gtllimited.com
		Telephone No. 022–27612929 Ext. Nos.: 2232–2235.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Telecom Services (Network Services)	612	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
SUBSIDIARY – OPERATING COMPANIES				
1	Ada Cellworks Wireless Engineering Pvt. Ltd. Regd.Off: Global Vision, ESII, MIDC, TTC Indl. Area, Mahape, Navi Mumbai 400710 MH. CIN / GLN : U 64203MH2004PTC223982	Subsidiary	100	2(87)(ii)
2	International Global Tele–Systems Ltd. Regd. Office: 5th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius CIN / GLN : N.A.	Subsidiary	100	2(87)(ii)

Sr. No.	Name and Address of the Company CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
3	GTL International Limited Regd. Office: Clarendon House, 2, Church Street, Hamilton, HM 11, Bermuda CIN / GLN : N.A.	Subsidiary	100	2(87)(ii)
4	GTL (Singapore) Pte Ltd. Regd. Office: 78, Shenton Way, #2 6–02A, Singapore 079120 CIN / GLN : N.A.	Step down Subsidiary	100	2(87)(ii)
5	GTL Overseas (Middle East) DMCC (Formerly known as GTL Overseas (Middle East) JLT Regd. Office: Office 2405, Mazaya Business Avenue, Plot No BB1, Jumeirah Lake Towers, Dubai, UAE CIN / GLN : N.A.	Step down Subsidiary	100	2(87)(ii)
6	GTL Europe Limited Regd. Office: Global House, Spitfire Close, Ermine Business Park, Huntingdon, PE29 6 YA, United Kingdom CIN / GLN : N.A.	Step down Subsidiary	100	2(87)(ii)
7	GTL Nepal Pvt. Ltd. Regd. Office: Kotheshwor–35, Balkumari, Kathmandu, Nepal CIN / GLN : N.A.	Step down Subsidiary	100	2(87)(ii)
8	iGTL Myanmar Ltd. Regd. Office: G1–19, Block D, Pearl Condominium, Kabaaye Pagoda Road, Bahan Township, Yangon, Myanmar. CIN / GLN : N.A.	Step down Subsidiary	100	2(87)(ii)
ASSOCIATE COMPANIES				
9	GTL Infrastructure Limited Regd.Off: Global Vision, 3rd Floor, ES–II, MIDC, TTC Indl. Area, Mahape, Navi Mumbai 400 710 MH. CIN / GLN : L74210MH2004PLC144367	Associate	16.65	2(6)
10	Global Rural Netco Limited Regd.Off: Global Vision, ES–II, MIDC, TTC Indl. Area, Mahape, Navi Mumbai 400 710 MH. CIN / GLN : U64200MH2009PLC192365	Associate	42.86	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity):

(i) Category–wise Shareholding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		01–Apr–17				31–Mar–18				
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	**Promoters**									
(1)	**Indian**									
(a)	Individual / HUF	1,85,99,435	–	1,85,99,435	11.82	1,85,99,435	–	1,85,99,435	11.82	–
(b)	Central Govt.									
(c)	State Govt(s)									
(d)	Bodies Corp.	2,89,80,559	–	2,89,80,559	18.42	2,89,80,559	–	2,89,80,559	18.42	–
(e)	Banks / FI									
(f)	Any Other (Specify)									
	Sub–Total (A)(1)	**4,75,79,994**	**–**	**4,75,79,994**	**30.25**	**4,75,79,994**	**–**	**4,75,79,994**	**30.25**	**–**
(2)	**Foreign**									
(a)	NRIs – Individuals									
(b)	Other – Individuals									
(c)	Bodies Corp.									
(d)	Banks / FI									
(e)	Any Other (Specify)									
	Sub–Total (A)(2)									
A	**Total Shareholding of Promoter (A) = (A)(1) + (A)(2)**	**4,75,79,994**	**–**	**4,75,79,994**	**30.25**	**4,75,79,994**	**–**	**4,75,79,994**	**30.25**	**–**
B	**Public Shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds	–	164	164	0.00	–	–	–	–	–0.00
(b)	Banks / FI	5,85,27,064	500	5,85,27,564	37.21	5,99,65,353	500	5,99,65,853	38.12	0.91
(c)	Central Govt.									
(d)	State Govt(s)									
(e)	Venture Capital Funds									
(f)	Insurance Companies	13,07,259	–	13,07,259	0.83	10,07,259	–	10,07,259	0.64	–0.19
(g)	FIIs	–	6	6	0.00	–	6	6	0.00	–
(h)	Foreign Venture Capital Funds									
(i)	Others (Specify)									
	Sub–Total (B)(1)	**5,98,34,323**	**670**	**5,98,34,993**	**38.04**	**6,09,72,612**	**506**	**6,09,73,118**	**38.76**	**0.72**
(2)	**Non–Institutions**									
(a)	Bodies Corp.									
	i) Indian	82,90,989	9,289	83,00,278	5.28	56,37,612	8,411	56,46,023	3.59	–1.69
	ii) Overseas									
(b)	Individuals									
	i. Individual shareholders holding nominal share capital upto to 1 lakh	2,76,62,597	2,64,690	2,79,27,287	17.75	2,78,93,236	2,10,125	2,81,03,361	17.87	0.11

	Category of Shareholders	No. of Shares held at the beginning of the year 01-Apr-17				No. of Shares held at the end of the year 31-Mar-18				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1,27,53,429	20,148	1,27,73,577	8.12	1,40,91,110	20,148	1,41,11,258	8.97	0.85
(c)	Others (Specify)									
	i. Corp. Body OCBs	1,09,083	100	1,09,183	0.07	25,250	–	25,250	0.02	–0.05
	ii. Other Foreign Bodies	–	100	100	0.00	–	100	100	0.00	–
	iii. NRIs	7,66,414	328	7,66,742	0.49	8,51,458	328	8,51,786	0.54	0.05
	iv. Trusts	500	–	500	0.00	500	–	500	0.00	–
	v. Foreign National	1,933	–	1,933	0.00	1,933	–	1,933	0.00	–
	vi. RFPI–Corporate	2,194	–	2,194	0.00	3,458	–	3,458	0.00	0.00
	Sub–Total (B)(2)	**4,95,87,139**	**2,94,655**	**4,98,81,794**	**31.71**	**4,85,04,557**	**2,39,112**	**4,87,43,669**	**30.99**	**–0.72**
B	**Total Public Shareholding (B) = (B)(1) + (B)(2)**	**10,94,21,462**	**2,95,325**	**10,97,16,787**	**69.75**	**10,94,77,169**	**2,39,618**	**10,97,16,787**	**69.75**	**–**
	TOTAL (A) + (B)	**15,70,01,456**	**2,95,325**	**15,72,96,781**	**100.00**	**15,70,57,163**	**2,39,618**	**15,72,96,781**	**100.00**	**–**
C	**Shares held by Custodians for GDRs & ADRs**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
	GRAND TOTAL (A) + (B) + (C)	**15,70,01,456**	**2,95,325**	**15,72,96,781**	**100.00**	**15,70,57,163**	**2,39,618**	**15,72,96,781**	**100.00**	**–**

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Share holding at the beginning of the year 01-Apr-17			Share holding at the end of the year 31-Mar-18			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Manoj Gajanan Tirodkar	1,85,99,435	11.82	100.00	1,85,99,435	11.82	100.00	0.00
2	Global Holding Corporation Private Limited	2,89,80,559	18.42	98.34	2,89,80,559	18.42	98.34	0.00
	TOTAL	**4,75,79,994**	**30.25**	**98.99**	**4,75,79,994**	**30.25**	**98.99**	**0.00**

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

Sr. No.	Name	Shareholding at the beginning of the year 01-Apr-17		Date	Increase / Decrease in Shareholding	Reason	Cumulative shareholding during / at the end of the year 31-Mar-18	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Manoj Gajanan Tirodkar	1,85,99,435	11.82	N.A.	No Change	N.A.	1,85,99,435	11.82
2	Global Holding Corporation Private Ltd	2,89,80,559	18.42	N.A.	No Change	N.A.	2,89,80,559	18.42
		4,75,79,994	**30.25**				**4,75,79,994**	**30.25**

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

Sr. No.	For each of Top 10 shareholders	Shareholding at the beginning of the year 01–Apr–17		Date	Increase / Decrease in Share–holding	Reason	Cumulative Shareholding during / at the end of the year 31–Mar–18	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	SYNDICATE BANK #	2,20,00,000	13.99%				2,20,00,000	13.99%
2	BANK OF INDIA	60,99,512	3.88%				60,99,512	3.88%
3	ANDHRA BANK	47,87,185	3.04%				47,87,185	3.04%
4	PUNJAB NATIONAL BANK	40,45,570	2.57%	13–Oct–2017	(6,469)		40,39,101	2.57%
				31–Oct–2017	(2,000)		40,37,101	2.57%
				03–Nov–2017	(4,000)		40,33,101	2.56%
				10–Nov–2017	(20,000)		40,13,101	2.55%
				17–Nov–2017	(8,000)		40,05,101	2.55%
				24–Nov–2017	(6,000)		39,99,101	2.54%
				01–Dec–2017	(6,000)		39,93,101	2.54%
				22–Dec–2017	(2,282)		39,90,819	2.54%
				12–Jan–2018	(4,500)		39,86,319	2.53%
				26–Jan–2018	(1,900)		39,84,419	2.53%
				16–Feb–2018	(4,000)		39,80,419	2.53%
				16–Mar–2018	(12,000)		39,68,419	2.52%
				23–Mar–2018	(6,000)		39,62,419	2.52%
5	IDBI BANK LIMITED	33,17,412	2.11%				33,17,412	2.11%
6	CANARA BANK–MUMBAI	32,93,975	2.09%	23–Mar–2018	4,175		32,98,150	2.10%
7	UNION BANK OF INDIA	27,69,496	1.76%				27,69,496	1.76%
8	DENA BANK	27,41,555	1.74%				27,41,555	1.74%
9	INDIAN OVERSEAS BANK	24,33,199	1.55%				24,33,199	1.55%
10	UCO BANK	18,54,519	1.18%				18,54,519	1.18%

#These shares have been restored and credited to GHC's account as mentioned under the caption 'Restoration of Promoters shareholding'.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 01–Apr–17		Cumulative Shareholding during / at the end of the year 31–Mar–18	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
A.	**At the beginning of the year**				
1	Mr. Manoj G. Tirodkar, Chairman & Managing Director	1,85,99,435	11.82%	1,85,99,435	11.82%
2	Mr. D. S. Gunasingh, Independent Director	100	0.00%	100	0.00%
3	Mr. Vidyadhar A. Apte, Company Secretary	2,866	0.00%	2,866	0.00%
4	Mr. Milind V. Bapat, CFO	15,100	0.01%	15,100	0.01%
B.	**Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.):**	No Change during the year			
C.	**At the end of the year**	Same as at the beginning of the year (A. above)			

V. INDEBTEDNESS

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

(₹ in Crore)

	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,793.59	2,369.29	NIL	5,162.88
ii) Interest due but not paid	793.71	667.30	NIL	1,461.01
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	**3,587.30**	**3,036.59**	**NIL**	**6,623.89**
Change in Indebtedness during the financial year				
Addition	2.80	1.53	NIL	4.33
Reduction	(28.80)	(96.98)	NIL	(125.78)
Net Change	(26.00)	(95.45)	NIL	(121.45)
Indebtedness at the end of the financial year				
i) Principal Amount	2,767.59	2,273.56	NIL	5,041.15
ii) Interest due but not paid	793.71	667.58	NIL	1,461.29
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	**3,561.30**	**2,941.14**	**NIL**	**6,502.44**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole–time Directors and / or Manager:

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount (₹)
		Mr. Manoj G. Tirodkar – CMD	Mr. Sunil S. Valavalkar – WTD	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income–tax Act, 1961	46,37,760	13,37,628	59,75,388
	(b) Value of perquisites u/s 17(2) of the Income–tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income– tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	– as % of profit	Nil	Nil	Nil
	– others, specify.	Nil	Nil	Nil
5.	Others (PF Contribution)	2,11,680	78,069	2,89,749
	Total (A)	**48,49,440***	**14,15,697**	**62,65,137**
	Ceiling as per the Act	48,00,000**	15,00,000@	63,00,000#

**Out of this amount, an amount of ₹ 50,560/– was paid in respect of previous financial year viz. FY 2016–17. Resultantly, he has drawn ₹ 47,98,880/– for the FY 2017–18 and hence the remuneration is within the limit for the financial year.*

***Ceiling in terms of the provisions of the extant statute at the time of appointment.*

@The payment of managerial remuneration to the Whole–time Director is subject to Central Government approval being sought.

B) Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount (₹)
1.	Independent Directors	**Mr. Vijay M. Vij**	**Mr. D. S. Gunasingh**	**Mr. Navin J. Kripalani**	**Mrs. Siddhi M. Thakur**	
	– Fee for attending board / committee meetings (₹)	17,05,000	16,50,000	14,55,000	9,95,000	58,05,000
	– Commission	Nil	Nil	Nil	Nil	Nil
	– Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1) (₹)	17,05,000	16,50,000	14,55,000	9,95,000	58,05,000
2.	Other Non–Executive Directors	**Mr. Badri Srinivasa Rao^**				
	– Fee for attending board / committee meetings (₹)	2,60,000				2,60,000
	– Commission	Nil				Nil
	–Others, please specify	Nil				Nil
	Total (2) (₹)	**2,60,000**				**2,60,000**
	Total (B)=(1+2)					**60,65,000**
	Total Managerial Remuneration *					62,65,137$
	Overall Ceiling as per the Act					63,00,000#

^Sitting fees of Nominee Director of IDBI Bank was paid directly to the bank he represents.

**In terms of provisions of Section 197(2) of the Companies Act, 2013, sitting fees paid to Non–Executive Directors are not considered in computation.*

$In the FY under review viz. FY 2017–18 the CMD has drawn remuneration of ₹ 47,98,880/– and the WTD has drawn remuneration of ₹ 14,15,697/– aggregating ₹ 62,14,577/–, which is within the overall ceiling of ₹ 63,00,000/–.

#Since the Company has incurred losses, the overall ceiling is as per the limits stipulated in the erstwhile provisions of the Companies Act, 1956 and / or subject to Central Government approval, wherever applicable.

C) Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel (Amount in ₹)			
		CEO	CFO	Company Secretary	Total
1.	Gross salary	Not Applicable			
(a)	Salary as per provisions contained in section 17(1) of the Income–tax Act, 1961		1,06,82,109	52,34,973	1,59,17,082
(b)	Value of perquisites u/s 17(2) of the Income–tax Act, 1961		Nil	Nil	Nil
(c)	Profits in lieu of salary under section 17(3) of the Income–tax Act, 1961		Nil	Nil	Nil
2.	Stock Option		Nil	Nil	Nil
3.	Sweat Equity		Nil	Nil	Nil
4.	Commission				
	– as % of profit		Nil	Nil	Nil
	– others, specify.		Nil	Nil	Nil
5.	Others (PF Contribution)		2,47,680	2,36,160	4,83,840
	Total		1,09,29,789	54,71,133	1,64,00,922

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

There were no penalties, punishments or compounding of offences under the Companies Act, 2013 during FY 2017–18.

As the Company is listed at BSE Limited and National Stock Exchange of India Limited, in terms of Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the Compliance Report on Corporate Governance (in the prescribed format) is given as under:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

GTL's Philosophy on the Code of Governance as adopted by its Board of Directors:

a. Ensure that quantity, quality and frequency of financial and managerial information which is shared with the Board, fully places the Board members in control of the Company's affairs.

b. Ensure that the Board exercises its fiduciary responsibilities towards stakeholders thereby ensuring high accountability.

c. Ensure that the extent to which the information is disclosed to present and potential investors is maximized.

d. The decision–making is transparent and documented through the minutes of the meetings of the Board / Committees thereof.

e. Maximizing long term value of the stakeholders and the Company and to protect interest of minority shareholders.

f. Ensure that core values of the Company are protected.

g. Ensure that the Company positions itself from time to time to be at par with any other company of world class operating practices.

2. BOARD OF DIRECTORS

A. Details of Directors:

NAME OF DIRECTOR	PD/ NPD *	ED/ NED/ ID/NID/ND*	Attendance in Board Meetings		Attendance in last AGM	Other Companies as on 31/03/2018			
			Held	Attended		Board Directorship (incl. Chairmanship) **	Board Chairmanship **	Committee Membership (incl. Chairmanship) ***	Committee Chairmanship ***
Mr. Manoj G. Tirodkar [DIN: 00298407]	PD	NED/NID$	5	5	Present	1	1	1	0
Mr. Vijay M. Vij [DIN: 02245470]@	NPD	NED/ID	5	4	Present	1	0	1	0
Mr. D. S. Gunasingh [DIN: 02081210]	NPD	NED/ID	5	5	Present	0	0	0	0
Mr. Navin J. Kripalani [DIN: 05159768]	NPD	NED/ID	5	5	Present	0	0	0	0
Mr. Sunil S. Valavalkar [DIN: 01799698]	NPD	ED/NID	5	5	Present	1	0	0	0
Mrs. Siddhi M. Thakur [DIN: 07142250]	NPD	NED/ID	5	5	Present	0	0	0	0
Mr. Badri Srinivasa Rao [DIN:02556029]	NPD	NED/NID/ND#	5	3	Absent	0	0	0	0

Note: *There is no inter–se relationship between our Board members.*

* *PD– Promoter Director; NPD– Non–Promoter Director; ED–Executive Director; NED–Non–Executive Director; ID –Independent Director; NID–Non Independent Director; ND – Nominee Director.*

** *In Indian Public Limited Companies.*

*** *In Audit and Stakeholders Relationship Committee of Indian Public Limited Companies.*

$ *Ceased to be Executive Director w.e.f. August 17, 2018.*

@ *Resigned as Director w.e.f. May 3, 2018*

IDBI Bank is Monitoring Institution for the Company under CDR mechanism and Mr. Badri Srinivasa Rao is Nominee of the said Bank. Further, in terms of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), Nominee Director(s) is / are treated as Non–Independent.

B. Details of Board Meetings held during the year:

Dates of Board Meeting	27–Apr–17	08–Aug–17	07–Nov–17	06–Feb–18	08–Mar–18
Board Strength	7	7	7	7	7
No. of Directors Present	6	7	7	6	6

Note: *In terms of the Regulation 25(3) of the Listing Regulations and Schedule IV to the Companies Act, 2013, a meeting of Independent Directors was held on March 26, 2018 for transacting stipulated business.*

3. AUDIT COMMITTEE

A. Brief Terms of Reference:

The role of the Audit Committee shall include the following:

(i) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(ii) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;

(v) Any other terms of reference as may be included in the Companies Act, 2013 and the Listing Regulations including any amendments / re–enactments thereof from time to time.

B. Composition of Audit Committee and Attendance of Members:

Name of Director and position	Meetings/Attendance				
	26–Apr–17	08–Aug–17	04–Oct–17	07–Nov–17	06–Feb–18
Mr. Vijay M. Vij, Chairman *	P	P	P	P	P
Mr. D. S. Gunasingh, Member **	P	P	P	P	P
Mr. Navin J. Kripalani, Member	P	P	P	P	P
Mrs. Siddhi M. Thakur, Member @	N.A.	N.A.	N.A.	N.A.	N.A.

P–Present, N.A.– Not Applicable

**Resigned as Director w.e.f. May 3, 2018*

*** Designated as Chairman w.e.f. May 4, 2018*

@Inducted w.e.f. May 4, 2018

4. NOMINATION & REMUNERATION COMMITTEE (NRC)

A. Brief Terms of Reference:

(i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(ii) Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;

(iii) Devising a policy on diversity of Board of Directors;

(iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;

(v) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(vi) Providing information to the shareholders in case of appointment of New Director or re–appointment of a Director as stipulated in the Companies Act, 2013 and the Listing Regulations.

(vii) Providing of General shareholder information in the Annual Report;

(viii) Review of HR Policies / Initiatives & Senior Level Appointments;

(ix) Administer and supervise Employees Stock Option Schemes including allotment of shares arising out of conversion of Employee Stock Option Scheme(s) or under any other employee compensation scheme;

(x) Frame suitable Policies and systems for implementation, take appropriate decisions and monitor implementation of the following Regulations:

a. SEBI (Prohibition of Insider Trading) Regulations, 2015; and

b. SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

(xi) Perform such other functions consistent with regulatory requirements.

B. Composition of NRC and Attendance of Members:

Name of Director and Position	Meetings/Attendance			
	26–Apr–17	08–Aug–17	12–Dec–17	13–Mar–18
Mr. Vijay M. Vij, Chairman *	P	P	P	P
Mr. D. S. Gunasingh, Member **	P	P	P	P
Mr. Navin J. Kripalani, Member	P	P	P	P
Mrs. Siddhi M. Thakur, Member	P	P	P	P

P–Present

**Resigned as Director w.e.f. May 3, 2018*

***Designated as Chairman w.e.f. May 4, 2018*

C. Performance Evaluation Criteria For Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. Indicative lists of factors that may be evaluated include attendance, participation, proactive & positive approach, maintenance of confidentiality and contribution by a director.

D. Remuneration Policy:

The Policy Dossier approved by the Board at its meeting held on May 20, 2014 contains compensation policy (criteria on making payments) for Directors, which has been posted on the website of the Company www.gtllimited.com, *inter–alia,* provides for the following:

I. Executive Directors:

(i) Salary and commission not to exceed limits prescribed under the Companies Act, 2013.

(ii) Remunerate from time to time depending upon the performance of the Company, Individual Directors performance and prevailing Industry norms.

(iii) No sitting fees.

(iv) No ESOPs for Promoter Directors.

II. Non–Executive Directors:

(i) Eligible for commission based on time, efforts and output given by them.

(ii) Sitting fees and commission not to exceed limits prescribed under the Companies Act, 2013.

(iii) Eligible for ESOPs (other than Independent and Promoter Directors).

5. DETAILS OF REMUNERATION TO ALL THE DIRECTORS DURING THE YEAR ENDED MARCH 31, 2018

Name of Director	Salary (₹)	PF / Pension Fund (₹)	Perqui–sites (₹)	Commission (₹)	Performance linked bonus (along with Criteria) (₹)	Sitting fees (₹)	Total (₹)	Service Contract/ Notice period/ Severance fees/ Pension
a) Executive Directors								
i) Mr. Manoj G. Tirodkar Chairman & Managing Director	46,37,760	2,11,680	–	@	@	NA	48,49,440$	Retirement by Rotation*
ii) Mr. Sunil S. Valavalkar Whole–time Director	13,37,628	78,069	–	@	@	NA	14,15,697	Retirement by Rotation**

Name of Director	Salary (₹)	PF / Pension Fund (₹)	Perqui–sites (₹)	Commission (₹)	Performance linked bonus (along with Criteria) (₹)	Sitting fees (₹)	Total (₹)	Service Contract/ Notice period/ Severance fees/ Pension
b) Non–Executive Directors								
i) Mr. Vijay M. Vij Independent Director	–	–	–	@	–	17,05,000	17.05,000	#
ii) Mr. D. S. Gunasingh Independent Director	–	–	–	@	–	16,50,000	16,50,000	#
iii) Mr. Navin J. Kripalani Independent Director	–	–	–	@	–	14,55,000	14,55,000	#
iv) Mrs. Siddhi M. Thakur Independent Director	–	–	–	@	–	9,95,000	9,95,000	#
v) Mr. Badri Srinivasa Rao Nominee Director	–	–	–	@	–	@@2,60,000	2,60,000	

**5 years w.e.f. August 18, 2013 / notice period 6 months or 6 months' salary in lieu of the notice / Nil / Nil.*

***3 years w.e.f. December 16, 2017 / notice period 3 months or 3 months' salary in lieu of the notice / Nil / Nil. The re–appointment and payment of remuneration is subject to approval of Secured Creditors, Shareholders and Central Government, if required.*

$Out of this amount, an amount of ₹ 50,560/– was paid in respect of previous financial years viz. FY 2016–17.

#Mr. Vijay M. Vij, Mr. D. S. Gunasingh and Mr. Navin J. Kripalani were appointed as Independent Directors respectively from September 16, 2014 up to September 15, 2019 and Mrs. Siddhi M. Thakur was re–appointed as an Independent Director from April 1, 2018 up to March 31, 2023 and they are not liable to retire by rotation.

@in view of the loss incurred during the period under consideration, the Board of Directors decided non–payment of any Commission / Performance Linked Bonus to Managerial Personnel and Non–Executive Directors.

@@Sitting fees payable to Nominee Director is paid directly to the bank he represents.

Notes:

1. Mr. D. S. Gunasingh held 100 equity shares in the Company as on March 31, 2018.
2. Apart from the above, the Company does not have any other pecuniary relationship or transactions with the Directors.
3. Currently the Company does not have any stock option plans / schemes.
4. The details of familiarization programmes imparted to independent directors are available on website link of the Company http://www.gtllimited.com/ind/inv_cg.aspx

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

A. Composition of Committee:

Name of Director	Position
Mr. D.S. Gunasingh	Chairman
Mr. Manoj G. Tirodkar	Member
Mr. Vijay M. Vij *	Member
Mrs. Siddhi M. Thakur **	Member

**Resigned as Director w.e.f. May 3, 2018*
***Inducted w.e.f. May 4, 2018*

B. Name of Non–Executive Director heading the Committee: Mr. D.S. Gunasingh.

C. Name and Designation of compliance officer: Mr. Vidyadhar A. Apte, Company Secretary.

D. Number of shareholders complaints received during FY 2017–18: 3

E. Number not solved to the satisfaction of shareholders: NIL

F. Number of pending complaints: NIL

7. DETAILS OF GENERAL MEETINGS

A. Location and time of the Company's last three Annual General Meetings with details of special resolutions passed:

	2014–15	2015–16	2016–17
Date	23–Sep–2015	21–Sep–2016	21–Sep–2017
Time	11:00 A.M.	11:00 A.M.	11:00 A.M.
Venue	Marathi Sahitya, Sanskriti & Kala Mandal, Sahitya Mandir Hall, Near Navi Mumbai Sports Association, Sector 6, Vashi, Navi Mumbai – 400 703.	Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai– 400 703.	
Details of Special Resolutions passed	a. Appointment of Mr. Sunil S. Valavalkar as a Whole–time Director of the Company b. Approval for undertaking material related party transactions with GTL Infrastructure Limited. c. Approval for undertaking related material party transactions with Chennai Network Infrastructure Limited.	a. Approval for Selling / disposing of the Company's shareholding in its subsidiary company(ies), whether material or not, held either directly or through the Company's subsidiary(ies) and / or selling, disposing and leasing of assets amounting to more than twenty percent of the assets of the subsidiary company(ies), whether material subsidiary or not.	NIL

B. Whether Special Resolutions were put through postal ballot last year, details of voting pattern: No

C. Person who conducted the postal ballot exercise: Not Applicable

D. Whether special resolutions are proposed to be conducted through postal ballot:

No special resolution is proposed to be conducted through postal ballot at the time of ensuing Annual General Meeting.

E. The Procedure for postal ballot:

Shall be conducted as per the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

F. Details of Extra–Ordinary General Meetings held in last three years:

Sr. No.	Date	Time	Venue	Purpose
1.	FY 2015–16 September 30, 2015 (Date of announcement of result of Postal Ballot)	11:00 A.M.	412, Janmabhoomi Chambers, 29, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001.	Resolution under Section 180(1)(a) of the Companies Act, 2013, read with Rule 22(16) (i) of the Companies (Management and Administration) Rules, 2014, empowering the Company for creation of charges / mortgage, disposal of whole or substantially the whole of the undertakings of the Company *inter–alia* sale of OME business to Essential Energy India Private Limited / any other entity, sale of core / non–core assets etc.
2.	FY 2016–17	NA	NA	NA
3.	FY 2017–18	NA	NA	NA

8. MEANS OF COMMUNICATION

a. Quarterly Results:

The quarterly, half–yearly and yearly financial results of the Company are sent to the Stock Exchanges where shares of the Company are listed, immediately after these are approved by the Board.

b. Publication of Quarterly Results:

The Quarterly Results were published in the Newspapers as under:

Newspapers	Date of publication of results for the Quarter ended			
	31–Mar–17	30–Jun–17	30–Sep–17	31–Dec–17
Free Press Journal	29–Apr–17	9–Aug–17	8–Nov–17	7– Feb–18
Navshakti	29–Apr–17	9–Aug–17	8– Nov–17	7–Feb–18

c. Website where displayed:

http://www.gtllimited.com

d. Whether it also displays official news releases:

- Press Releases, if any, made by the Company from time to time are also displayed on the Company's website.
- A Management Discussion and Analysis Report (MD&A) is a part of the Company's Annual Report.

e. The presentation made to institutional investors or to the analysts:

During the year under review, the Company has not made any presentations to institutional investors or to the analysts.

9. GENERAL SHAREOWNER INFORMATION

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L40300MH1987PLC045657.

a. Date, time and venue of the 30th Annual General Meeting:

Thursday, September 27, 2018, 10:30 A.M. at Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai 400703, Maharashtra.

b. Financial Year: April 1 – March 31

c. Dividend Payment Date: Not Applicable as the Board has not recommended any dividend for FY 2017–18.

d. Listing on Stock Exchanges:

BSE Limited. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai– 400001	National Stock Exchange of India Limited. (NSE) Exchange Plaza, C–1, Block G, Bandra Kurla Complex, Bandra East, Mumbai – 400051

Listing Fees for FY 2018–19 in respect of equity capital paid to both the Stock Exchanges.

e. Stock Exchange Codes (Equity):

Stock Exchange / News Agency	Stock Code	Non–Convertible Debentures (Listing on BSE only)*		
		Series	ISIN	BSE Code
BSE	500160	I	INE043A08017	946494
NSE	GTL	II	INE043A08025	946495
Reuters Code	GTL.BO & GTL.NS	III	INE043A08033	946496
Bloomberg ticker	GTS:IN	IV	INE043A08041	946521
Equity ISIN	INE043A01012	V	INE043A08058	946522
		VI	INE043A08066	946523
Debenture Trustees:	**IDBI Trusteeship Services Ltd.** Asian Building, Gr. Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001. **Tel.:** 022–4080 7000; **Fax:** 022–6631 1776; **Email:** itsl@idbitrustee.com / response@idbitrustee.com			

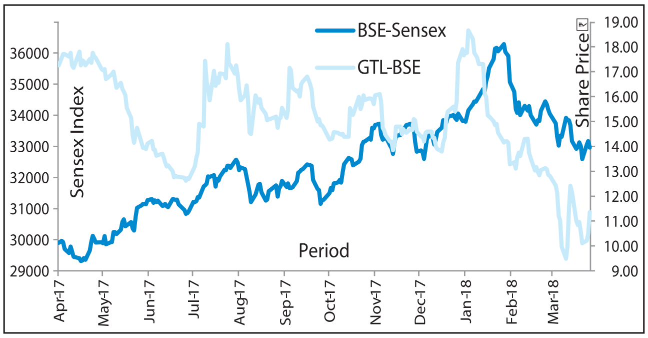
**Currently NCDs are suspended for trading as the formalities for listing of restructured NCDs are pending due to inter–creditor issues and non completion of documentation and resultantly, no listing fees are demanded / paid for FY 2018–19.*

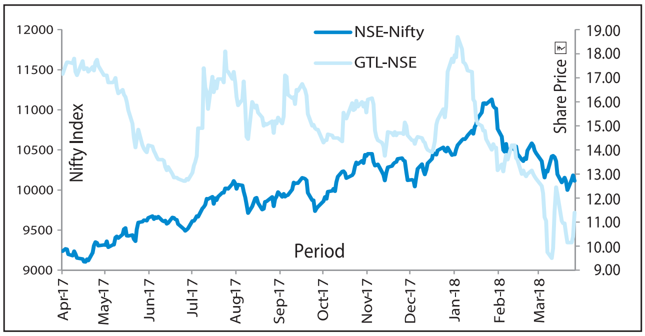
f. Stock Market Price Data:

Monthly high and low of closing quotations and volume of shares traded on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) are given below:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Nos.)	High (₹)	Low (₹)	Volume (Nos.)
Apr–2017	17.80	17.15	21,29,493	17.80	17.10	51,35,363
May–2017	17.10	13.95	12,77,257	17.10	13.95	41,26,712
Jun–2017	14.23	12.63	6,72,140	14.20	12.70	17,97,690
Jul–2017	18.10	13.08	59,18,806	18.10	13.05	2,32,04,536
Aug–2017	17.25	14.50	12,61,993	17.25	14.45	56,55,008
Sep–2017	17.15	14.75	23,59,662	17.10	14.85	85,35,530
Oct–2017	16.05	14.28	10,37,574	16.05	14.30	44,41,792
Nov–2017	16.10	13.85	14,27,729	16.15	13.75	48,55,950
Dec–2017	17.35	13.80	14,94,254	17.25	13.90	63,80,310
Jan–2018	18.65	14.15	35,40,899	18.70	14.00	1,15,38,497
Feb–2018	14.31	12.84	6,49,308	14.20	12.90	29,81,688
Mar–2018	12.82	9.49	16,04,724	12.80	9.50	64,16,252

g. GTL's share performance in comparison to broad–based indices (BSE: Sensex and NSE: Nifty):





h. Registrar and Share Transfer Agent:

In terms of Securities and Exchange Board of India (SEBI) Circular bearing Ref: D&CC/FITTC/CIR–15/2002 dated December 27, 2002, the Company is carrying out share registry work, for both physical and electronic, in–house, in its Investor Service Centre (ISC) located at its Registered Office. The ISC has also established connectivity with both the Depositories in India, viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). SEBI has granted 'Permanent Registration' as Share Transfer Agent under Category–II to the Company on August 2, 2013.

i. Share transfer system:

As majority of shares of the Company are held in electronic (demat) form, requests for transfer of shares in physical form are negligible. Share transfers are processed and the share certificates duly endorsed are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfers / transmission etc. of the Company's securities to the Stakeholders Relationship Committee of the Board, which meets regularly to approve the share transfers and other related work. A summary of transfer / transmission etc. of securities of the Company so approved by the said committee is placed quarterly at the Board Meetings. The Company obtains from a Practicing Company Secretary a half–yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the compliance certificate with the Stock Exchanges where the shares of the Company are listed.

A total number of 275 equity shares (in physical form) were transferred during the year under review (Previous year 850).

j. Distribution of shareholding as on March 31, 2018:

A. Distribution of shares according to size of holding:

No. of Shares	No. of Shareholders	% of Shareholders	Share amount (₹)	% to Total
Upto 500	60,833	83.26	8,03,23,090	5.11
501 – 1000	5,781	7.91	4,76,98,440	3.03
1001 – 2000	3,116	4.26	4,82,17,830	3.07
2001 – 3000	1,109	1.52	2,86,51,400	1.82
3001 – 4000	518	0.71	1,86,85,000	1.19
4001 – 5000	452	0.62	2,15,66,160	1.37
5001 – 10000	699	0.96	5,18,25,750	3.29
10001 & Above	556	0.76	1,27,60,00,140	81.12
TOTAL	**73,064**	**100.00**	**1,57,29,67,810**	**100.00**

B. Distribution of shares by categories of shareholders:

Category	No. of Shares Held	Voting Strength %
Promoter & Promoter Group	4,75,79,994	# 30.25
Bodies Corporate (Domestic) / Trusts / Clearing Members	54,49,190	3.46
Banks	5,99,65,853	38.12
Financial Institutions	10,07,259	0.64
Non–Resident Individuals / Foreign Corporate Bodies / Overseas Corporate Bodies / Foreign National / Registered Foreign Portfolio Investors etc.	8,82,533	0.56
Investor Education & Protection Fund / Demat Suspense Account	3,57,119	0.23
Resident Individuals	4,20,54,833	26.74
TOTAL	**15,72,96,781**	**100.00**

#Pursuant to restoration of Promoters shareholding as mentioned in the Directors' Report, the Promoter and Promoter Group shareholding has gone up to 44.23%

C. Top 10 Shareholders:

Name(s) of Shareholders	Category	No. of Shares	%
Global Holding Corporation Private Limited (Promoter)	Domestic Company	2,89,80,559	# 18.42
Manoj Gajanan Tirodkar (Promoter)	Director	1,85,99,435	11.82
Syndicate Bank	Bank	2,20,00,000	13.99
Bank of India	Bank	60,99,512	3.88
Andhra Bank	Bank	47,87,185	3.04
Punjab National Bank	Bank	39,62,419	2.52
IDBI Bank Limited	Bank	33,17,412	2.11
Canara Bank	Bank	32,98,150	2.10
Union Bank of India	Bank	27,69,496	1.76
Dena Bank	Bank	27,41,555	1.74

#Pursuant to restoration of Promoters shareholding as mentioned in the Directors' Report, GHC's shareholding has gone up to 32.41%

k. Dematerialisation of shares and liquidity:

Trading in equity shares of the Company on the Stock Exchanges is permitted only in dematerialised form as per notification issued by SEBI. The shares of the Company are available for trading under both the Depository Systems in India – NSDL & CDSL. 99.85% of the Company's shares are held in dematerialised form as on March 31, 2018 (99.81% as on March 31, 2017).

The Company's equity shares are among the regularly traded shares on the BSE and NSE. Relevant data for the traded volumes is provided hereinabove.

l. Outstanding Warrants or any Convertible instruments, conversion date and likely impact on equity:

Currently, no convertible instruments are issued by the Company and resultantly, there is no impact on equity.

m. Plant / Branch Locations:

List of Branch Offices and addresses provided elsewhere in this Annual Report.

n. Address for correspondence:

Registered Office & Investor Service Centre (ISC):

GTL Limited, "Global Vision", Electronic Sadan – II, MIDC, TTC Industrial Area, Mahape,
Navi Mumbai – 400 710, Maharashtra, India.

Website: www.gtllimited.com **CIN:** L40300MH1987PLC045657

Tel.: +91 22 2761 2929 **Extn. Nos.:** 2232 –2234 **Fax:** +91 22 2768 9990 / 2768 0171

E–mail for Investor Grievance/s: gtlshares@gtllimited.com

10. OTHER DISCLOSURES

a. Disclosures on materially significant related party transactions of the Company that may have potential conflict with the interests of the Company at large:

The necessary disclosures regarding the transactions with related parties are given in the notes to the Accounts. None of these transactions have potential conflict with the interest of the Company at large.

b. Details of non–compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority, on any matter related to Capital Markets during the last three years:

There was no such instance in the last three years.

c. Details of establishment of vigil mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has formulated the Whistle Blower Policy providing vigil mechanism for receiving and redressing directors / permanent employees' complaints and that no personnel of the Company were denied access to the Audit Committee. The said Policy has been placed on the Company's website www.gtllimited.com.

d. Details of Compliance with mandatory requirements and adoption of the non–mandatory requirements:

The Company confirms that it has complied with all mandatory requirements prescribed in the Listing Regulations for the financial year 2017–18. The Company has obtained a certificate from its Auditors Certifying compliance with the paragraph E of Schedule V to the Listing Regulations. This certificate is annexed to the Directors' Report for the FY 2017–18.

Pursuant to the provisions of Regulation 34(3) of the Listing Regulations read with Part B of Schedule II to the Listing Regulations, the Chairman & Managing Director (CEO) and the Chief Financial Officer (CFO) have issued a compliance certificate to the Board, for the year ended March 31, 2018.

e. Web link where policies for (i) determining 'material' subsidiaries and (ii) dealing with related party transactions are disclosed:

The required information can be accessed from the Company's website link: http://www.gtllimited.com/ind/inv_cg.aspx

f. Disclosure of commodity price risk or foreign exchange risk and commodity hedging activities:

Please refer to Management Discussion and Analysis Report for the same.

11. Non compliance of any requirement of corporate governance report of sub–paras (2) to (10) above, with reasons thereof

The Company has complied with requirement of sub–paras (2) to (10) above.

12. DISCRETIONARY REQUIREMENTS

As required under Regulation 27(1) read with Part E of the Schedule II and Part C (12) of Schedule V to the Listing Regulations, the required information is furnished hereunder to the extent to which the Company has adopted discretionary requirements:

A. The Board:

Had an Executive Chairman and his office with required facilities is provided and maintained by the Company.

B. Shareholders Rights:

Financial Results for the half year / quarter ended September 30, 2017 were published in the Free Press Journal and Navshakti newspapers and were also displayed on the Company's website www.gtllimited.com and disseminated to the Stock Exchanges (i.e. BSE & NSE) wherein its equity shares are listed, hence separately not circulated to the shareholders.

C. Modified opinion(s) in Audit Report:

The modified opinion of the Auditor has arisen under the circumstances stated in Note No. 31.1 in the Standalone Financial Statements and the same has been dealt with appropriately in the Directors' Report / Notes to Accounts. Once the Company's revised settlement proposal is accepted by its lenders, the Company will be in a position to move towards a regime of financial statements with unmodified audit opinion.

As regards Secretarial Audit Report, there are no audit qualifications.

D. Separate posts of Chairman and CEO:

On account of developments discussed in the Directors' Report, the Company shall consider the proposal at the earliest opportunity.

E. Reporting of Internal Auditor:

The Acting Chief Internal Auditor of the Company reports to the Audit Committee.

13. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub–regulation (2) of Regulation 46 of the Listing Regulations.

14. LEGAL PROCEEDINGS

As on March 31, 2018, there were 48 cases against the Company, pending in various Courts and other Dispute Redressal Forums.

In 8 out of 48 cases, the Company has been implicated as proforma defendant i.e. there are no monetary claims against the Company. In most of these cases, dispute concerns matters like loss of share certificate, title claim / ownership / transfer of the shares etc. The Company's implication in these matters is with a view to protect the interest of the lawful owners of the shares. Upon the final orders passed by the Court(s), the Company shall have to release the shares, which are presently under 'stop transfer', in this regard to the rightful claimants. There is no direct liability or adverse impact on the business of the Company on account of the said 8 cases.

Out of the balance 40 cases, 21 cases are from its earlier power business, 9 cases are from telecom related businesses and 1 case is in respect of non–allotment / non–refund of money in its IPO, which are handled by the Company's advocates, who have the necessary expertise on the subject. It is found that in most of the cases the claims are unsubstantiated and therefore the Company is resisting and defending these claims. (In the aforesaid 21 case, 9 cases pertain to Labour Court matter wherein the employees filed for reinstatement on termination consequent to termination of Aurangabad Distribution Franchisee Agreement of the Company. These are being settled with affected employees). The contingent liability in respect of these 31 cases is ₹ 1,34,07,493/–

There are 5 cases in which the Company has invoked arbitration proceedings against MSEDCL and the contingent liability towards counter claims of MSEDCL is ₹ 147,74,76,506/–.

In 1 case, a bank has filed commercial suit against the Company in the Hon'ble Bombay High Court in respect of the Company's comfort letter issued in favour of one of its Wholly Owned Subsidiaries (WOS) towards WOS's credit facilities. The contingent liability in respect of which is ₹ 237,28,20,000/–.

In 2 cases of winding up filed against the Company, one by the NCD Lender and another by the lender of one of the Company's associate companies, both the matters were disposed of based on consent term(s) filed by both the parties. The contingent liability in respect of these 2 cases is ₹ 206,59,82,072/–.

In the balance 1 case, the Department of Telecom (DoT) has raised a frivolous demand of ₹ 1509,49,64,325/– based on Adjusted Gross Revenue for ISP license fee pertaining to the business carried out by the Company well before the year 2009 and the relevant ISP license was surrendered to DoT in 2009 for which DoT had issued a no–dues certificate in November 2010. The Company is contesting this demand in an appropriate forum. The contingent liability in respect of 48 cases is ₹ 2102,46,50,396/–.

Apart from the above, in respect of ECB, on the expiry of the 'stand still' agreement (on August 10, 2018), entered with some of the ECB lenders, who filed recovery suit in the Courts of England / India (following the Court Orders got by some of the ECB lenders earlier), the Company is taking appropriate steps. The Company believes that if the revised restructure proposal is accepted by the CDR lenders, it would be able to arrive at a negotiated settlement with the ECB lenders and NCD holder as well.

15. UNPAID / UNCLAIMED DIVIDENDS

Pursuant to provisions of Sections 124 and 125 of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") dividends which remain unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, shares in respect of such dividends which have not been claimed for a period of seven consecutive years are also liable to be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. The provisions relating to transfer of shares were made effective by the Ministry of Corporate Affairs, vide its Notification dated October 13, 2017 read with the circular dated October 16, 2017, wherein it was provided that where the period of seven consecutive years, as above, was completed or being completed during the period from September 7, 2016 to October 31, 2017, the due date for transfer of such shares was October 31, 2017 to be completed on or before November 30, 2017.

As stated in the previous year's (FY 2016–17) report, the Company had issued reminders in May/June 2017 to all such shareholders whose dividends for FY 2009–10 remained unclaimed and resultantly shares in respect of such unclaimed dividends were also liable to be transferred to the IEPF. A Notice in this regard was also published in newspapers in June 2017 and the respective details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority were uploaded on the Company's website (http://www.gtllimited.com/ind/inv_dividends_info.htm).

The said unpaid / unclaimed dividend for the last dividend i.e. FY 2009–10 was transferred to the IEPF Authority on September 15, 2017 and on November 29, 2017, the Company also transferred 3,00,398 unclaimed shares corresponding to the unpaid / unclaimed dividend for FY 2009–10, to the said IEPF Authority.

The Company has not declared / paid any dividend for FY 2010–11 and thereafter. As such, no further Unclaimed / Unpaid Dividend(s) are due for transfer to the IEPF as of date and resultantly, there are no details to be uploaded on the website of the Company / Ministry of Corporate Affairs, pursuant to the provisions of the IEPF (Uploading of information regarding unpaid & unclaimed amounts lying with companies) Rules, 2012.

Members who have a claim on dividends / shares which are transferred to the IEPF Authority by the Company may verify their claims, if any, on the website of the Company viz. www.gtllimited.com (under tabs "home" > "investors" > "investor information" > "Unpaid / Unclaimed Dividend"). Clarifications, if any, may be sought from the Company's Investor Services Division by writing to the Company's Registered Office or by sending an email to gtlshares@gtllimited.com. Claims are to be raised with the IEPF Authority by submitting an online application in the prescribed Form No. IEPF–5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with the requisite documents enumerated in the said Form No. IEPF–5. No claims shall lie against the Company in respect of the dividends / shares so transferred.

16. Equity Shares in the Suspense Account

In accordance with the requirements of Regulations 34(3) and Schedule V part F of the Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account "GTL Limited – Unclaimed Shares Demat":

Sr. No.	Particulars	No. of Shareholders	No. of Shares
(i)	Aggregate number of shareholders and the outstanding shares lying in the suspense account as on April 1, 2017	920	101,821
(ii)	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	3	444
(iii)	Number of shareholders to whom shares were transferred from suspense account during the year	1	114
(iv)	Transferred to the Investor Education and Protection Fund (IEPF) Authority on November 29, 2017 in compliance with IEPF Circular dated October 16, 2017	411	44,986
(v)	Aggregate number of shareholders and the outstanding shares lying in the suspense account as on March 31, 2018	508	56,721

The voting rights on the shares outstanding in the suspense account shall remain frozen till the rightful owner of such shares claims the shares.

DECLARATION BY THE WHOLE–TIME DIRECTOR

Pursuant to the provisions of Regulation 34(3) read with Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, it is hereby declared that all the Board Members and Senior Management personnel of GTL Limited have affirmed compliance with the Code of Conduct for 'Directors and Senior Management' for the year ended March 31, 2018.

Date : August 23, 2018
Place: Mumbai

Sunil S. Valavalkar
Whole–time Director

INFORMATION ON DIRECTOR(S) RECOMMENDED FOR APPOINTMENT / RE–APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

Mr. Sunil Sadanand Valavalkar, Whole–time Director

Mr. Sunil S. Valavalkar is a Commerce Graduate of the University of Mumbai and also holds a certificate in Marathi Journalism. He has over 33 years of work experience, of which he was associated with General Insurance Corporation of India for about 25 years and has also been associated with State Bank of Bikaner & Jaipur, Air India and HDFC. During his association with the Company since August 2010, he has handled various assignments. As Whole–time Director, he is presently supporting the Chairman & Managing Director in the day to day functioning and attend to other assignments as may be allocated by the Board.

Currently he holds directorship in the All India Pickleball Association.

In GTL Limited, he serves as Member of Corporate Social Responsibility Committee.

Mr. Valavalkar does not hold any shares of the Company either through himself or through his relatives.

Mrs. Siddhi Mandar Thakur, Independent Director

Mrs. Siddhi M. Thakur, aged 31 years, is a Graduate in Hospitality & Tourism Management from the Mumbai University and holds a post graduate diploma in Tourism Management from Thames Valley University, London.

She has also completed a certificate course in Computer Technology from the Maharashtra Business Training Board. She has worked overseas with Satlite Ensured – London and Golden Tours Ltd. – London, between April 2009 and October 2010 and with Thomas Cook (India) Pvt. Ltd. between May 2011 and April 2014. She is associated with GTL since March 31, 2015.

Currently, she is offering consultancy to travel, tour and hospitality industry / sector.

She does not hold any other directorships. In GTL Limited she is a member of Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Audit Committee.

Ms. Thakur does not hold any shares of the Company either through herself or through her relatives.

Dr. Mahesh Murlidhar Borase

Dr. Mahesh M. Borase, aged 52 years, holds PhD in Management, MBA in Finance and B.E. in Textile Engineering. He is a Senior Management Consultant with a blend of academia and 30 years of professional experience across leading corporations and management institutes like Raymond, Ashok Leyland Finance, Cholamandalam Group and Welingkars Institute of Management Development.

Leveraging his academic qualifications, teaching background and corporate experience, Dr. Borase has developed training modules for working professionals in financial management. He has conducted workshops for various companies like Tata Motors, L&T, ION Exchange and Banks like Central Bank of India and Bank of India for Learning and Development of staff.

Dr. Borase is also a specialist in Corporate Services for effecting Business Revival & Turnaround and Financial Planning. Leading Corporate avail his Consultancy and Advisory Services to strengthen the Senior Management in achieving breakthrough results for Corporate Affairs.

Dr. Borase has authored several articles and is a recipient of state and national level awards.

Dr. Borase does not hold any other directorships and there is no *inter–se* relationship between him and other Board Members.

Dr. Borase does not hold any shares of the Company either through himself or through his relatives.

STANDALONE ACCOUNTS

INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS

To
The Members of
GTL LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of GTL LIMITED ("the Company"), which comprise the Balance sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements"), in which are incorporated the Returns for the year ended on that date audited by the branch auditors of the Company's branch at Nepal.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (hereinafter referred to as "the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, financial performance, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

This responsibility also includes the 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the Standalone Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the Standalone Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Basis for Qualified Opinion

As mentioned in Note No.31.1 to the Statement, the Company has neither paid nor provided interest on its borrowings during the financial year based on the "in principle" approval given by the lenders in respect of the negotiated settlement proposal. Had such interest been recognised, the finance cost and interest liability for the year ended March, 31, 2018 would have been more by ₹ 641.56 Crore.

Consequently the reported Loss after Other Comprehensive Income by the Company for the year ended March 31, 2018 would have been ₹ 3,268.85 Crore. The Earnings per Share (EPS) would have been Negative ₹ 207.84.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in the basis for qualified opinion paragraph above, Standalone Financial Statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its loss (financial performance including total comprehensive income), its cash flows and the statement of changes in equity for the year ended on that date.

Emphasis of Matters

We draw your attention to the:

Note No. 45 which inter–alia states that the Company has incurred cash losses, its Net worth has been fully eroded and the Company's current liabilities have exceeded its current assets as at March 31, 2018. The above conditions indicate the existence of the material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on going concern basis for the reasons stated in the said note.

Our opinion is not modified in respect of these matters

Other Matters

a) The comparative financial information of the Company for the year ended on March 31, 2017 are based on previously issued Standalone IND AS Financial Statements prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, audited by predecessor auditor for the year ended on March 31, 2017, dated April 27, 2017, expressed an Unmodified opinion on those Standalone Ind AS Financial Statements.

b) As at March 31, 2018, the balance confirmation, in respect of the outstanding Term Loan and Cash Credit balances (including Interest accrued) aggregating ₹ 248.48 Crore due to SCB Bank, Union Bank of India have not been received.

Also, the balance confirmation relating to External Commercial Borrowings amounting to ₹ 886.17 Crore (including interest accrued) and Non–Convertible Debentures amounting to ₹ 1,683.09 Crore (including interest accrued) have not been received, as the matter is / was sub–judice.

c) We did not audit the financial statements/information of Nepal branch included in the Standalone Ind AS Financial Statements of the Company whose financial statements / financial information reflect total assets of ₹ 0.70 crore as at March 31, 2018 and total revenues of ₹ Nil for the year ended on that date. The financial statements/information of this branch have been audited by the branch auditors whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

I. 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 Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

c) The reports on the accounts of the branch office of the Company audited under section 143(8) of the Act, by branch auditor has been provided to us and has been properly dealt with by us in preparing this report.

d) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

e) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

f) On the basis of the written representations received from the directors, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

g) 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" to this report.

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 read with Notification No G.S.R 307(E) dated 30.03.2017, 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 pending litigations on its financial position in its Standalone Financial Statements – Refer Note No. 38 C to the Standalone Financial Statements.

ii. The Company does not have any long–term contracts including derivative contracts for which there are any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. However, unpaid dividend of Rs.0.20 Crore pertaining to the years 2000–01, 2001–02 and 2003–04 to 2008–09, 2009–10 has not been transferred to the Investor Education and Protection Fund, but is held in abeyance on account of pending legal cases.

For GDA & Associates
Chartered Accountants
Firm Registration Number: 135780W

CA Mayuresh V. Zele
Partner
Membership No: 150027

Place : Mumbai
Date : May 03, 2018

ANNEXURE "A"

TO THE INDEPENDENT AUDITORS' REPORT ON STANDALONE IND AS FINANCIAL STATEMENTS OF GTL LIMITED

(Referred to in paragraph I under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of GTL Limited on the Standalone Financial Statements for the year ended March 31, 2018)

i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.

b) As explained to us, the Company has a phased program of physical verification of the property, plant and equipment, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets.

During the year the Company, in accordance with the said program, has physically verified certain property, plant and equipment. No material discrepancies were noticed on such physical verification.

c) According to the information and explanations given to us and based on the records produced, the title deeds of the immovable properties held by the Company are in the name of the Company. The title deeds of the immovable properties held by the Company are verified from the photo copies of such title deeds as the originals thereof have been deposited with the lenders for securing the borrowings of the Company and confirmation for the same has been obtained from IDBI Trusteeship Services Limited.

ii. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material, having regard to the size of the operations of the Company and the same have been properly dealt with.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of sub clauses (a), (b), (c) of clause (iii) of the order are not applicable to the company.

iv. 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 in respect of investments made, and guarantees and securities given. According to the information and explanations given to us, the Company has neither provided any security nor given any loans.

v. In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, are not applicable and hence not commented upon.

vi. According to the information and explanations given to us, the Central Government has not prescribed the cost records to be maintained under sub–Section (1) of Section 148 of the Act in respect of business activities carried on by the Company. Therefore the provisions of clause (vi) of the Order are not applicable to the Company.

vii. a) According to records of the Company verified by us, we report that the Company is generally regular in payment of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities.

On the basis of examination of the relevant records and according to the information and explanations given to us, except for Sales Tax dues of ₹ 5.68 Crore, no undisputed amounts payable in respect of Provident Fund, Employees' State insurance, Income–tax, Value Added Tax, Goods and Service Tax, Duty of Customs, Duty of Excise and Cess were outstanding, as at March 31 2018 for a period of more than six months from the date they became payable.

b) On the basis of the books of accounts and records of the Company as produced and examined by us, except for disputed Sales tax and Value Added Tax dues as detailed below, there are no dues of Income Tax, Service Tax, Duty of customs and Duty of excise which have not been deposited on account of any dispute.

(₹ In Crore)

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which amount relates (Financial Year)	Gross amount involved	Amount paid under protest	Amount Unpaid
Central Sales Tax Act, 1956, and respective states Sales Tax	Sales Tax, Entry Tax, Trade Tax Penalty, Interest	Commissioner (Appeals), Joint Commissioner, Additional Commissioner, Deputy Commissioner	1992–93, 1995–96, 1996–97, 2005–06, 2006–07, 2007–08, 2008–09, 2009–10, 2010–11, 2011–12, 2013–14, 2014–15	103.72	3.37	100.35
		Appellate Tribunal, Commercial Tax Tribunal, Revision Board	1995–96, 2002–03, 2005–06, 2006–07, 2007–08, 2009–10, 2010–11	5.64	1.25	4.39
Total (A)				**109.36**	**4.62**	**104.74**
Finance Act, 1994 (Service Tax)	Service Tax, Interest, Penalty	Commissioner (Appeals)	2013–14, 2015–16, 2016–17	18.35	0.97	17.38
Total (B)				**18.35**	**0.97**	**17.38**
Grand Total (A+B)				**127.71**	**5.59**	**122.12**

viii. On the basis of, our examination of the records of the Company, the terms of Corporate Debt Restructuring scheme as applicable and according to the information and explanations given to us, the Company has defaulted in repayment of borrowings to financial institutions and banks. The lender wise details of the amount of default and the period of default are as under.

a) Nature of Dues : Term Loan

(Grouped and disclosed under the heading "Secured: Payable to CDR lenders" of note no. 23 "Other Financial Liabilities" to the Standalone Ind AS Financial Statements)

(₹ In Crore)

Sr. No.	Name of the Lender	Amount of Default	Period Of Default			
			Less than 1 Year	1 to 2 Year	2 to 3 Years	More than 3 years
1	Andhra Bank	163.24	47.94	42.62	42.62	30.06
2	Bank of Baroda	57.74	16.87	15.00	15.00	10.87
3	Bank of India.	205.81	59.75	53.11	53.11	39.84
4	Canara Bank.	113.58	32.98	29.31	29.31	21.98
5	Catholic Syrian Bank	26.82	8.10	7.20	7.20	4.32
6	Dena Bank	93.73	27.46	24.41	24.41	17.45
7	IDBI Bank	73.35	33.22	29.53	10.60	–
8	Indian Bank	56.18	16.41	14.59	14.59	10.59
9	Indian Overseas Bank	83.42	24.37	21.66	21.66	15.73
10	Punjab National Bank	127.79	40.51	36.01	36.01	15.26
11	State Bank Of Hyderabad	9.73	4.06	3.61	2.06	–
12	Standard Chartered Bank	12.64	3.25	2.89	2.89	3.61
13	Small Industrial Development Bank Of India	56.58	16.52	14.69	14.69	10.68
14	UCO Bank	63.97	18.57	16.51	16.51	12.38
15	Union Bank Of India.	89.38	27.74	24.65	24.65	12.34
16	United Bank Of India	39.74	11.61	10.32	10.32	7.49
17	Vijaya Bank	91.61	26.59	23.63	23.63	17.76
	Total	**1,365.31**	**415.95**	**369.74**	**349.26**	**230.36**

b) Nature of Dues : Funded Interest Term Loan

(Grouped and disclosed under the heading "Secured: Payable to CDR lenders" of note no. 23 "Other Financial Liabilities" to the Standalone Ind AS Financial Statements)

(₹ In Crore)

Sr. No.	Name of the Lender	Amount of Default	Period Of Default			
			Less than 1 Year	Less than 1 Year	Less than 1 Year	Less than 1 Year
1	Andhra Bank	39.39	–	12.31	14.77	12.31
2	Bank Of Baroda	11.50	–	3.47	4.38	3.65
3	Bank Of India.	42.14	–	13.17	15.80	13.17
4	Canara Bank.	26.81	–	8.38	10.05	8.38
5	Catholic Syrian Bank	6.37	–	1.60	2.60	2.17
6	Dena Bank	21.81	–	6.83	8.17	6.81
7	IDBI Bank	20.81	–	3.89	9.23	7.69
8	Indian Bank	10.88	–	3.40	4.08	3.40
9	Indian Overseas Bank	17.66	–	5.52	6.62	5.52
10	PNB Bank	31.79	–	7.92	13.02	10.85
11	SBH Bank	2.69	–	0.69	1.09	0.91
12	SCB Bank	2.57	–	1.16	0.77	0.64
13	SIDBI.	10.21	–	3.19	3.83	3.19
14	UCO Bank	11.88	–	3.71	4.46	3.71
15	Union Bank Of India.	16.13	–	2.89	7.22	6.02
16	United Bank Of India	9.95	–	3.11	3.73	3.11
17	Vijaya Bank	21.31	–	6.66	7.99	6.66
	Total	**303.90**	**–**	**87.90**	**117.81**	**98.19**

c) Nature of Dues: Liability for Bank Guarantee Invocation

(Grouped and disclosed under the heading "Secured: Payable to CDR lenders" of note no. 23 "Other Financial Liabilities" to the Standalone Ind AS Financial Statements)

(₹ In Crore)

Sr. No.	Name of the Lender	Amount of Default	Period Of Default	
			2 to 3 Years	More than 3 years
1	Andhra Bank	7.27	–	7.27
2	Dena Bank	16.88	16.88	–
3	IDBI Bank	2.65	–	2.65
4	Punjab National Bank	58.04	0.81	57.23
5	UCO Bank	6.17	–	6.17
6	Union Bank Of India.	20.13	0.63	19.50
	Total	**111.14**	**18.32**	**92.82**

d) Nature of Dues: External Commercial Borrowings

(Disclosed under the heading "Unsecured: Payable to External Commercial Borrowings (ECB) Lenders" of Note No. 23 "Other Financial Liabilities" to the Standalone Ind AS Financial Statements)

(₹ In Cores)

Sr. No.	Name of the Lender	Amount of Default	Period of Default
1	Al Salam Bank, Bahrain BSC	32.43	More than 6 years
2	Ami Life Insurance PCC Ltd	64.87	More than 6 years
3	Bank of Baroda–London	205.40	More than 6 years

Sr. No.	Name of the Lender	Amount of Default	Period of Default
4	Bank of India–London	83.54	More than 6 years
5	Pegasus CP one Ltd	97.30	More than 6 years
6	Indian Bank–Colombo	32.43	More than 6 years
7	Indian Bank–Singapore	32.43	More than 6 years
8	Indian Overseas Bank–HongKong	64.87	More than 6 years
9	Punjab National Bank–London	43.24	More than 6 years
10	Syndicate Bank–London	64.87	More than 6 years
		721.38	
11	Less: Deposits / Security Margin	(88.00)	
	Total	**633.38**	

Following court orders got by some of the ECB lenders earlier, some of the other ECB lenders have filed recovery suit.

e) **Nature of Dues : Non–Convertible Debentures**

As regards dues of ₹ 1,640.18 crore disclosed under "Payable to holder of Rated Redeemable Unsecured Rupee Non–Convertible Debentures" in Note No. 23 "Other Financial Liabilities".

The Company has arrived at a one time settlement (OTS) agreement with its NCD holders for its full and final payment of their existing dues and has accordingly filed the agreed consent terms with the Honorable High Court. Accordingly High court has set aside the winding up petition filed by the NCD holders against the company.

We further invite attention to Note No 23.3 to the Standalone Ind AS Financial Statements for the same.

ix. According to the information and explanations given to us and on the basis of examination of records, the Company has neither obtained new term loans nor raised any money by way of initial public offer or further public offer of shares and/or debt instruments during the year. Therefore, the provisions of clause (ix) of the Order are not applicable to the Company.

x. Based on our audit procedures performed for the purpose of reporting the true and fair view of the Standalone Financial Statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations given to us and based on our examination of records of the Company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the provisions of clause (xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of records of the Company, the transactions entered with related parties are in compliance with provisions of section 177 and 188 of the Act, where applicable and the details of such transactions are disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of records of the Company, the Company during the year has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly the provisions of clause (xiv) of the Order are not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us and based on our examination of records of the Company, the Company during the year has not entered into any non cash transactions with directors or persons connected with the directors and accordingly the provisions of clause (xv) of the Order are not applicable to the Company.

xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45–IA of the Reserve Bank of India Act,1934.

For GDA & Associates
Chartered Accountants
Firm Registration Number: 135780W

CA Mayuresh V. Zele
Partner
Membership No: 150027

Place : Mumbai
Date : May 03, 2018

ANNEXURE "B"

TO THE INDEPENDENT AUDITORS' REPORT ON STANDALONE IND AS FINANCIAL STATEMENTS OF GTL LIMITED

(Referred to in paragraph 1 (h) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of GTL Limited on the Standalone Ind AS Financial Statements for the year ended March 31, 2018)

Report on the Internal Financial Controls Over Financial Reporting 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 GTL Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone 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 ("the Guidance Note") 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 and the Standards on Auditing issued by the 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. 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 Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS 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, to the best of our information and according to the explanations given to us, 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 of March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For GDA & Associates
Chartered Accountants
Firm Registration Number: 135780W

CA Mayuresh V. Zele
Partner
Membership No: 150027

Place : Mumbai
Date : May 03, 2018

Standalone Balance sheet as at 31 March 2018

₹ Crore

Particulars	Notes	As at 31 March 2018	As at 31 March 2017
Assets			
Non–current assets			
Property, plant and equipment	3	**79.50**	94.93
Capital work–in–progress	3	**NIL**	NIL
Investment properties	4	**3.12**	3.17
Intangible assets	5	**0.78**	0.75
Financial assets			
Investments	6	**337.00**	2,123.19
Loans	7	**1.17**	7.41
Other	8		535.67
Deferred tax assets (net)		**NIL**	NIL
Other non–current assets	9		0.07
		421.57	2,765.19
Current assets			
Inventories	10	**NIL**	5.94
Financial assets			
Investments		**NIL**	NIL
Trade receivables	11	**0.84**	100.21
Cash and cash equivalents	12	**15.19**	95.17
Bank balance other than included in Cash and cash equivalents above	13	**4.49**	6.12
Loans	14	**0.80**	14.17
Other	15	**0.94**	273.63
Assets held for Sale and Discontinued Operations	16	**NIL**	NIL
Current Tax Assets (Net)	17	**17.65**	26.28
Other current assets	18	**30.86**	32.82
		70.77	554.34
Total Assets		**492.34**	3,319.53
Equity and liabilities			
Equity			
Equity Share Capital	19	**157.30**	157.30
Other Equity		**(6,469.40)**	(3,842.11)
Total Equity		**(6,312.10)**	(3,684.81)
Non–current liabilities:			
Financial liabilities			
Borrowings	20	**141.19**	127.08
Provisions	21	**0.66**	0.97
		141.85	128.05
Current liabilities:			
Financial liabilities			
Trade payables	22	**99.39**	118.27
Other financial liabilities	23	**6,552.88**	6,719.02
Other current liabilities	24	**10.27**	38.94
Provisions	25	**0.05**	0.06
		6,662.59	6,876.29
Total liabilities		**6,804.44**	7,004.34
Total equity and liabilities		**492.34**	3,319.53

The accompanying notes form an integral part of the standalone financial Statement

As per our report of even date
For **M/s. GDA and Associates**
Chartered Accountants
FRN No.135780W

Mayuresh V. Zele
Partner
M.No. 150027

Mumbai, May 03,2018

For and on behalf of the Board

Manoj G. Tirodkar
Chairman and Managing Director

Sunil S. Valavalkar
Whole Time Director

Vijay Vij
Director

Milind Bapat
Chief Financial Officer

Vidyadhar Apte
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2018

₹ Crore (unless otherwise stated)

Particulars	Notes	Year ended 31st March, 2018	Year ended 31st March, 2017
Continuing operations			
Revenue from operations	26	**995.49**	1,221.11
Other income	27	**9.89**	33.51
TOTAL INCOME		**1,005.38**	1,254.62
EXPENSES			
Cost of Purchases / Services rendered	28	**774.29**	897.99
Changes in inventories of finished goods, stock–in–trade and work–in–progress	29	**5.94**	(5.94)
Employee benefits expenses	30	**151.40**	139.79
Finance costs	31	**18.53**	547.12
Depreciation and amortisation expenses	32	**17.49**	47.42
Other expenses	33	**153.42**	263.43
TOTAL EXPENSES		**1,121.07**	1,889.81
Loss before exceptional items and tax from continuing operations		**(115.69)**	(635.19)
Exceptional items	34	**(2,512.34)**	NIL
Loss before tax from continuing operations		**(2,628.03)**	(635.19)
Tax expenses			
Current tax		**NIL**	NIL
Adjustment of tax relating to earlier periods		**0.37**	5.33
Loss For The Year From Continuing Operations		**(2,627.66)**	(629.86)
Discontinued operations:			
Loss before tax for the year from discontinued operations		**NIL**	NIL
Tax expenses of discontinued operations		**NIL**	NIL
Loss for the year from discontinued operations		**NIL**	NIL
Loss for the year		**(2,627.66)**	(629.86)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		**0.37**	(0.44)
(ii) Income tax relating to items that will not be reclassified to profit or loss		**NIL**	NIL
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**0.37**	(0.44)
B (i) Items that will be reclassified to profit or loss		**NIL**	NIL
(ii) Income tax relating to items that will be reclassified to profit or loss		**NIL**	NIL
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**NIL**	NIL
Other comprehensive income for the year, net of tax		**0.37**	(0.44)
Total Comprehensive Income for the period, net of tax		**(2,627.29)**	(630.30)
Earnings per share (in ₹)	35		
Continuing operations			
Basic		**(167.05)**	(40.04)
Diluted		**(167.05)**	(40.04)
Discontinued operations			
Basic		**NIL**	NIL
Diluted		**NIL**	NIL
Continuing and discontinued operations			
Basic		**(167.05)**	(40.04)
Diluted		**(167.05)**	(40.04)

The accompanying notes form an integral part of the standalone financial Statement

As per our report of even date
For **M/s. GDA and Associates**
Chartered Accountants
FRN No.135780W

Mayuresh V. Zele
Partner
M.No. 150027

Mumbai, May 03,2018

For and on behalf of the Board

Manoj G. Tirodkar
Chairman and Managing Director

Sunil S. Valavalkar
Whole Time Director

Vijay Vij
Director

Milind Bapat
Chief Financial Officer

Vidyadhar Apte
Company Secretary

Statement of Changes in Equity for the year ended 31 March 2018

a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid (Refer Note 20.3)	No of shares	₹ Crore
At 31 March 2017	157,296,781	157.30
At 31 March 2018	157,296,781	157.30

b. Other Equity:

₹ Crore

Particulars	Equity component of compound financial instrument	Reserves & Surplus						Items of OCI	Total
		Capital Reserve (Refer Note 50)	Capital Redemption Reserve	Securities premium account	Debenture Redemption Reserve*	General reserve	Balance in Statement of Profit and Loss	FVTOCI reserve	
As at 31st March 2017	570.92	–	8.63	448.18	191.16	510.76	(5,571.77)	NIL	(3,842.12)
Net loss for the period	NIL	NIL	NIL	NIL	NIL	NIL	(2,627.66)	NIL	(2,627.66)
Other comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	0.37	NIL	0.37
Total comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	(2,627.29)	NIL	(2,627.29)
Transfer from debenture redemption reserve / general reserve	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
As at 31 March 2018	**570.92**	**–**	**8.63**	**448.18**	**191.16**	**510.76**	**(8,199.06)**	**NIL**	**(6,469.40)**
For the year ended 31 March 2016									
As at 1st April 2016	570.92	–	8.63	448.18	191.16	510.76	(4,941.47)	NIL	(3,211.81)
Net loss for the period	NIL	NIL	NIL	NIL	NIL	NIL	(629.86)	NIL	(629.86)
Other comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	(0.44)	NIL	(0.44)
Total comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	(630.30)	NIL	(630.30)
Transfer from debenture redemption reserve / general reserve	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
As at 31 March 2017	570.92	–	8.63	448.18	191.16	510.76	(5,571.77)	NIL	(3,842.11)

* In view of Loss incurred, no Debenture Redemption Reserve is created since year ended March 31, 2012

As per our report of even date
For **M/s. GDA and Associates**
Chartered Accountants
FRN No.135780W

Mayuresh V. Zele
Partner
M.No. 150027

Mumbai, May 03,2018

For and on behalf of the Board

Manoj G. Tirodkar
Chairman and Managing Director

Sunil S. Valavalkar
Whole Time Director

Vijay Vij
Director

Milind Bapat
Chief Financial Officer

Vidyadhar Apte
Company Secretary

Standalone Statement of Cash Flows for the year ended 31 March 2018

₹ Crore

	31 March 2018	31 March 2017
Operating activities		
Profit / (loss) before tax from continuing operations	**(2,627.66)**	(635.63)
Profit/(loss) before tax from discontinued operations	**NIL**	NIL
Profit before tax	**(2,627.66)**	(635.63)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment (Continuing operation)	**17.49**	47.42
Gain on disposal of property, plant and equipment	**(0.06)**	(0.35)
Finance income (including fair value change in financial instruments)	**(2.21)**	(9.09)
Finance costs (including fair value change in financial instruments)	**18.53**	547.12
Unrealised Exchange (Gain)/Loss	**1.71**	(19.12)
Allowance for credit losses – Trade Receivables (Continuing operation)	**85.00**	36.67
Allowance for credit losses– Other Receivables	**31.22**	68.03
Provision for impairment of investment	**1.64**	107.48
Liabilities / provisions no longer required written back	**(2.20)**	(1.04)
Exceptional Items :		
Provision for Doubtful Advances (Net)	**727.79**	NIL
Provision for diminution in investments	**1,784.55**	NIL
Working capital adjustments:		
Increase /(decrease) in provision for gratuity & Compensated absences	**(0.32)**	(0.13)
(Increase)/decrease in trade receivables	**14.17**	(23.85)
(Increase)/decrease in inventories	**5.94**	(5.94)
(Increase)/decrease in other current and non current assets	**78.81**	(27.93)
(Increase)/decrease in long term and short term loans and advances	**18.04**	17.10
Increase /(decrease) in trade payables, other current and non current liabilities and provisions	**(33.31)**	6.56
	119.13	107.30
Income tax paid (including TDS) (net)	**9.00**	(6.77)
Net cash flows from operating activities	**128.13**	100.53

₹ Crore

	31 March 2018	31 March 2017
Investing activities		
Proceeds from sale of property, plant and equipment	**0.06**	0.38
Purchase of property, plant and equipment (including CWIP)	**(1.90)**	(2.51)
Proceeds from sale of Investments in Mutual Fund	**NIL**	NIL
Purchase of Investments – Mutual Fund	**NIL**	NIL
Interest received (finance income)	**2.27**	9.24
Net cash flows from / (used in) investing activities	**0.43**	7.11
Financing activities		
Interest paid	**(1.32)**	(2.02)
Repayment of long term borrowings	**(125.78)**	(16.04)
Liability portion of guarantee obligation	**(83.07)**	(67.85)
Fixed deposits with banks held as margin money	**1.63**	6.63
Net cash flows from / (used in) financing activities	**(208.54)**	(79.28)
Net increase / (decrease) in cash and cash equivalents	**(79.98)**	28.36
Cash and cash equivalents at the beginning of the year	**95.17**	66.81
Cash and cash equivalents at the end of the year	**15.19**	95.17

(i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS – 7 ' Statement of Cash Flow.

(ii) Figures in brackets indicate outflows.

(iii) Previous year's figures have been regrouped/rearranged/recast wherever necessary to make them camparable with those of current year.

As per our report of even date
For **M/s. GDA and Associates**
Chartered Accountants
FRN No.135780W

Mayuresh V. Zele
Partner
M.No. 150027

Mumbai, May 03,2018

For and on behalf of the Board

Manoj G. Tirodkar
Chairman and Managing Director

Sunil S. Valavalkar
Whole Time Director

Vijay Vij
Director

Milind Bapat
Chief Financial Officer

Vidyadhar Apte
Company Secretary

1. CORPORATE INFORMATION

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. Its shares are listed on Bombay Stock Exchange and National Stock Exchange of India. The registered office of the Company is located at GTL Limited, Global Vision, Electronic Sadan II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai.

The Company engaged in providing network services to telecom operators, OEM's and tower companies.

The financial statements were authorised for issue in accordance with a resolution passed in the meeting of the Board of directors held on May 03, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

1. Basis for preparation of Financial Statements:

The Financial Statements have been prepared on a going concern basis under on accrual basis, in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting standards) (Amendment) Rules, 2016.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 38 on critical accounting estimates, assumptions and judgements).

The financial statements are presented in ₹ and all values are rounded to the nearest Crore (₹ 10,000,000), except when otherwise indicated.

2. Current versus non–current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non–current classification. The Company has presented non–current assets and current assets before equity, non–current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs (MCA)."

- An asset is classified as current when it satisfies any of the following criteria:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non–current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non–current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The Company has considered a period of twelve months for classifying its assets and liabilities as current and non–current.

3. Fair value measurement:

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

External valuers are involved for valuation of significant assets , such as properties and unquoted financial assets, and significant liabilitiesas and when required.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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

- Disclosures for valuation methods, significant estimates and assumptions (note 36)
- Quantitative disclosures of fair value measurement hierarchy (note 41)
- Investment in unquoted equity shares (note 6)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 40)

4. **Revenue recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the proceeds are being received . Revenue 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 the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific revenue recognition policies are as under:

a. Revenue from Turnkey Contracts, which are either Fixed Price or Cost Plus contracts, is recognized based on work completion of activity or achievement of milestone.

b. Revenue from sale of products is recognized upon passing of the title of goods and/or on transfer of significant risk and rewards of ownership thereto.

c. Revenue from Services is recognized on performance of Service as per the contractual terms.

d. Dividend income is recognized when the right to receive dividend is established.

e. Income such as Interest, Rent is recognized as per contractually agreed terms on time proportion basis.

5. **Property, plant and equipment :**

On transition to Ind AS, the Company has opted to continue with the previous GAAP carrying values as deemed cost for all items of plant, property and equipment.

Tangible Assets are stated at the cost of acquisition less accumulated depreciation and impairment losses, if any. The cost includes purchase price (after deducting trade discounts and rebates), including non–refundable taxes and duties and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.

When significant parts of Property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss.

Advances paid towards acquisition of fixed assets are disclosed as Capital Advances under Other non–current assets and cost of assets not ready for use before the year–end, is disclosed as capital work in progress.

Depreciation on Fixed Assets is provided to the extent of depreciable amount on Straight Line Method over the useful life of the assets and in the manner prescribed in schedule II to the Companies Act, 2013 except in respect of following Fixed Assets where the assessed useful life is different than that prescribed in Schedule II.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Sr.	Asset	Economic Useful Life (Years)
1	Buildings (including land for which no separate Valuation is available)	58
2	Leasehold land	58
3	Plant and Equipment	3 to 10
4	Furniture and Fixtures	5
5	Test and Repair Equipment	5
6	Vehicles	5

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of Profit and Loss when the asset is derecognised.

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

Assets taken on lease are depreciated as per useful life prescribed in schedule II, over lease period or the estimated useful life of such assets, whichever is lower. The improvements to leasehold assets are depreciated as per useful life prescribed in schedule II, over the lease period, the estimated useful life of the improvements or the balance lease period, whichever is lower.

6. **Investment properties:**

On transition to Ind AS, the Company has opted to continue with the previous GAAP carrying values as deemed cost for investment properties.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company, based on assessment made by technical expert and management estimate, depreciates the building over estimated useful life of 58 years which is different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that this estimated useful life is realistic and reflects fair approximation of the period over which the asset is likely to be used.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of Profit and Loss when the asset is derecognised.

7. **Intangible assets:**

On transition to Ind AS, the Company has opted to continue with the previous GAAP carrying values as deemed cost for all items of Intangible assets.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. There are no intangible assets assessed with indefinite useful life.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of Profit and Loss when the asset is derecognised

The Company amortises intangible assets using the straight line method based on useful lives as prescribed in Schedule II.

8. **Inventories:**

a. Inventories including Work–in–process and stores and spares are valued at the lower of cost and net realizable value.

b. Inventory of Consumables is valued at cost

c. Cost of inventories is generally ascertained on first in first out basis.

Cost includes cost of purchase and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

9. **Impairment of Non–Financial Assets**

At each balance sheet, the Company assesses whether there is any indication that any property, plant and equipment and intangible asset may be impaired and 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).

For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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.

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 recognised immediately in the Statement of profit and loss. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

10. **Foreign currencies:**

The Company's financial statements are presented in ₹ which is also its functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

Non–monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

11. **Employee Benefits:**

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by the employees are recognised as an expense during the year when the employees render the services.

Post–Employment Benefits

Defined Contribution Plan

A defined contribution plan is a post–employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plan

The liability in respect of defined benefit plans and other post–employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees 'services.

Re–measurement of defined benefit plans in respect of post–employment and other long term benefits are charged to the other Comprehensive Income.

12 **Financial instruments:**

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

Financial assets

Initial recognition and measurement

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss are adjusted to the fair value on initial recognition. Purchase and sale of financial asset are recognised using trade date accounting i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Financial Assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect the contractual cash flows and the contractual terms of the financial asset give rise on the specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category applies to Trade and other receivables, Security deposits, Other advance, Loan and advances to related parties, Unbilled Income, Interest Receivable etc.

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at Fair Value through other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company doesnt not have any financial assets which are fair valued through Other Comprehensive Income (FVTOCI).

Financial Assets at Fair Value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss

Equity investments

All equity investments other than investment in Subsidiaries and Associates are measured at fair value, with value changes recognised in Statement of Profit and loss except for those equity investments for which the Company has elected to present the value changes in ‘other comprehensive income’

The Company doesnt not have any equity investments which are fair value through Other Comprehensive Income (FVTOCI)

The Company makes such election on an instrument–by–instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass–through’ arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model to the following

Financial assets at amortised cost

Financial assets measured at fair value through Profit or Loss Account

The Company follows simplified approach for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risks. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

The Company uses historical cost experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historically observed default rates are updated and changes in the forward looking estimates are analysed.

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial li abilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on financial liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to Profit and Loss . However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest–bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

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

Derecognition

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

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) contract that also includes a non–derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand–alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non–financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

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

Offsetting of financial instruments

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

13. **Provision for Current and Deferred Tax:**

a. **Current Tax:** Provision is made for income tax, under the tax payable method, based on the liability as computed after taking credit for allowances, exemptions, and MAT credit entitlement for the year. Adjustments in books are made only after the completion of the assessment. In case of matters under appeal, due to disallowances or otherwise, full provision is made when the Company accepts the said liabilities.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.The Company offsets current tax assets and current tax liabilities and presents the same net if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities.

b. **Deferred tax:** Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit and thereafter a deferred tax asset or deferred tax liability is recorded for temporary differences, namely the differences that originate in one accounting period and reverse in another. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax asset is recognized only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Carrying value of deferred tax asset is adjusted for its appropriateness at each balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets and the deferred tax assets and deferred tax liabilities and presents the same net if the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

c. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

14. **Provisions, Contingent Liabilities and Contingent Assets :**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non–occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

15. **Borrowing Cost:**

a. Borrowing costs, less any income on the temporary investment out of those borrowings, that are directly attributable to acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of the cost of that asset.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

b. Other borrowing costs are recognized as expense in the period in which they are incurred.

16. **Leases:**

Company as a lessee:

a. Assets taken on lease, under which the lessor effectively retains all the risks and rewards of ownership, are classified as operating lease. Operating lease payments are recognized as expense in the Statement of Profit and Loss on a straight–line basis over the lease term unless payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase; such increases are recognised in the year in which such benefits accrue.

b. Assets acquired under leases where all the risks and rewards incidental to ownership are substantially transferred to the Company are classified as Finance leases. Such leases are capitalized at the inception of the lease at the lower of fair value or the present value of minimum lease payments and liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

17. **Convertible Preference Shares**

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non–convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

18. **Cash and Cash equivalents :**

Cash and cash equivalents comprise cash at bank and in hand, cheques in hand and deposits with banks having maturity period less than three months from the date of acquisition, which are subject to an insignificant risk of changes in value

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short–term deposits as defined above net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management policy.

19. **Earnings per share**

The earnings considered in ascertaining the Company's Earnings Per Share (EPS) is the net profit/ (loss) after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period/year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti–dilutive.

20. **Non–current assets held for sale / discontinued operations:**

The Company classifies non–current assets as held for sale/ discontinued operations if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non–current assets for other non–current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non–current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co–ordinated plan to dispose of a separate major line of business or geographical area of operations

  Or

- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

21. **Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2018:

Ind AS 115	Revenue from Contracts with Customers
Ind AS 21	The effect of changes in Foreign Exchange rates

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5–step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer.

The Company has completed its evaluation of the possible impact of Ind AS 115 and will adopt the standard with all related amendments to all contracts with customers retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. Under this transition method, cumulative effect of initially applying IND AS 115 is recognised as an adjustment to the opening balance of retained earnings of the annual reporting period. The standard is applied retrospectively only to contracts that are not completed contracts at the date of initial application. The Company does not expect the impact of the adoption of the new standard to be material on its retained earnings and to its net income on an ongoing basis.

Ind AS 21 – The effect of changes in Foreign Exchange rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non–monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Company is evaluating the impact of this amendment on its financial statements.

3. PROPERTY, PLANT AND EQUIPMENT

₹ Crore

Particulars	Leasehold Buildings	Plant & machinery	Furniture & fixtures	Office equip–ments	Computers	Network–ing Assets	Test and Repair Equip–ments	Vehicles	Total of Property, plant and equipment	Capital Work in Progress
Cost										
At 1 April 2016	77.96	110.54	4.09	2.95	0.42	35.74	5.69	0.36	237.75	0.23
Additions	NIL	0.67	NIL	0.29	0.46	0.42	0.08	0.77	2.69	NIL
Disposals	NIL	NIL	NIL	NIL	(0.03)	NIL	NIL	NIL	(0.03)	(0.23)
At 31 March 2017	**77.96**	**111.21**	**4.09**	**3.24**	**0.85**	**36.16**	**5.77**	**1.13**	**240.41**	**NIL**
Additions	NIL	0.01	0.01	0.14	0.48	1.13	0.04	0.13	1.94	0.07
Disposals	NIL	NIL	NIL	NIL	(0.15)	NIL	NIL	(0.00)	(0.16)	(0.07)
At 31 March 2018	**77.96**	**111.22**	**4.11**	**3.38**	**1.18**	**37.29**	**5.81**	**1.26**	**242.20**	**NIL**
Depreciation and impairment										
At 1 April 2016	1.72	69.34	0.97	0.87	0.22	23.12	1.86	0.07	98.17	NIL
Depreciation charge for the year	1.82	30.64	0.72	0.71	0.34	11.54	1.36	0.18	47.31	NIL
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
At 31 March 2017	**3.54**	**99.98**	**1.69**	**1.58**	**0.56**	**34.66**	**3.22**	**0.25**	**145.48**	**NIL**
Depreciation charge for the year	1.82	10.89	0.62	0.23	0.37	1.83	1.35	0.25	17.37	NIL
Disposals	NIL	NIL	NIL	NIL	(0.15)	NIL	NIL	NIL	(0.15)	NIL
At 31 March 2018	5.35	110.87	2.30	1.81	0.78	36.49	4.57	0.51	162.70	NIL
Net Book Value										
At 31 March 2018	72.60	0.35	1.80	1.57	0.40	0.80	1.24	0.74	79.50	NIL
At 31 March 2017	74.42	11.24	2.40	1.66	0.29	1.50	2.55	0.88	94.93	NIL

3.1 Deemed cost of leasehold building includes subscription towards share capital of co–operative societies amounting to ₹ 2,750/– (Previous Year ₹ 2,750/–)

3.2 For lien and charge on the above assets refer note no 23.2

3.3 In accordance with the Indian Accounting Standard (Ind AS 36) on “Impairment of Assets” the Management carried out an exercise of identifying assets that may have been impaired and on the basis of this review carried out by the Management, there was no impairment loss on Property, plant and equipment during the year ended March 31, 2018 and March 31, 2017

4. INVESTMENT PROPERTY

₹ Crore

Particulars	Freehold land	Leasehold land	Total
Opening Balance At 1 April 2016	0.23	3.05	3.28
Additions	NIL	NIL	NIL
Disposals	NIL	NIL	NIL
Closing Balance At 31 March 2017	0.23	3.05	3.28
Additions	NIL	NIL	NIL
Disposals	NIL	NIL	NIL
Closing Balance At 31 March 2018	0.23	3.05	3.28
Depreciation and impairment			
Opening Balance At 1 April 2016	NIL	0.05	0.05
Depreciation charge for the year	NIL	0.05	0.05
Disposals	NIL	NIL	NIL
Closing Balance At 31 March 2017	NIL	0.11	0.11
Depreciation charge for the year	NIL	0.05	0.05
Disposals	NIL	NIL	NIL
Closing Balance At 31 March 2018	NIL	0.16	0.16
Net Block			
At 31 March 2018	0.23	2.89	3.12
At 31 March 2017	0.23	2.94	3.17

4.1 Information regarding income and expenditure of Investment property

₹ Crore

Particulars	March–18	March–17
Rental income derived from investment properties	**NIL**	NIL
Direct operating expenses (including repairs and maintenance) generating rental income	**NIL**	NIL
Direct operating expenses (including repairs and maintenance) that did not generate rental income	**(0.13)**	(0.13)
Loss arising from investment properties before depreciation and indirect expenses	**(0.13)**	(0.13)
Less – Depreciation	**(0.05)**	(0.05)
Loss arising from investment properties before indirect expenses	**(0.19)**	(0.19)

4.2 For lien and charge on the above assets refer note no 23.2

4. 3 Reconciliation of fair value:

₹ Crore

Particulars	Amount
Fair value as at 31 March 2016	**38.66**
Fair value difference	1.89
Purchases	NIL
Fair value as at 31 March 2017	**40.55**
Fair value difference	1.98
Purchases	NIL
Fair value as at 31 March 2018	**42.53**

Estimation of Fair Value

4.3.1 The company's investment properties consist of land parcels in the state of Gujarat and Maharashtra

4.3.2 The company obtains independent valuations for its investment properties at least annually. These valuations are performed by independent valuers who are specialists in valuing these types of investment properties. The valuation methodology is based on the prevailing rate of sale of land in said locality with the same specification and amenities. This valuation methodology is categorised under level 2 of fair value hierarchy.

5. INTANGIBLE ASSETS

₹ Crore

Particulars	Networking Software	Other than Networking Software	Total
Deemed Cost			
At 1 April 2016	1.08	NIL	1.08
Additions	NIL	NIL	NIL
Disposals	NIL	NIL	NIL
At 31 March 2017	**1.08**	**NIL**	**1.08**
Additions	0.10	NIL	0.10
Disposals	NIL	NIL	NIL
At 31 March 2018	**1.18**	**NIL**	**1.18**
Amortization and impairment			
At 1 April 2016	0.28	NIL	0.28
Amortisation	0.05	NIL	0.05
Disposals	NIL	NIL	NIL
At 31 March 2017	**0.33**	**NIL**	**0.33**
Amortisation	0.07	NIL	0.07
Disposals	NIL	NIL	NIL
At 31st March 2018	**0.40**	**NIL**	**0.40**
Net Book Value			
At 31 March 2018	**0.78**	**NIL**	**0.78**
At 31 March 2017	**0.75**	**NIL**	**0.75**

5.1 For lien and charge on the above assets refer note no 23.2

6. INVESTMENTS (NON CURRENT)

Particulars	**31 March 2018**		31 March 2017	
	Numbers	**₹ Crore**	Numbers	₹ Crore
Investments – Trade (fully paid)				
Quoted				
Equity Shares – Associates				
GTL Infrastructure Ltd. (Face Value of ₹ 10/– each)	**2,046,505,865**	**2,229.03**	345,763,466	591.55
Less : Provision for impairment loss (Refer note 6.2)		**(1,892.03)**		(107.48)
Total of Quoted Investments in Equity Shares – Trade		**337.00**		484.07

Particulars	31 March 2018		31 March 2017	
	Numbers	₹ Crore	Numbers	₹ Crore
Unquoted				
Equity Shares of				
Subsidiaries				
Ada Cellworks Wireless Engineering Pvt. Ltd. (Face Value of ₹ 10/– each)	**90,000**	**1.64**	90,000	1.64
Less : Provision for Impairment loss		**(1.64)**		NIL
		–		1.64
Sub Total of Equity Shares of Subsidiaries		**–**		1.64
Associates				
Global Rural Netco Ltd. (Face Value of ₹ 10/– each)	**75,000,000**	**–**	75,000,000	–
Less : Provision for Impairment loss		**–**		–
		–		–
Chennai Network Infrastructure Ltd. (Refer note 6.3) (Face Value of ₹ 10/– each)		**NIL**	1,700,742,399	1,637.48
		NIL		1,637.48
Other				
European Projects and Aviation Ltd. (Face Value of ₹ 10/– each)	**12,350,000**	**–**	12,350,000	–
Less : Provision for Impairment loss		**–**		–
		–		–
Total of Un–quoted Investments in Equity Shares – Trade		**–**		1,639.12
Investments at fair value				
Preference Shares of				
Associates				
6% Cumulative Redeemable Preference Shares of Global Rural Netco Ltd.	**20,000,000**	**200.00**	20,000,000	200.00
Less : Provision for Impairment loss		**(200.00)**		(200.00)
Sub Total of Preference share of Associates		**NIL**		NIL
Others				
0.1% Cumulative Preference Shares of Global Proserv Ltd (Face Value of ₹ 100/– each)	**13,000,000**	**100.24**	13,000,000	100.24
Less : Provision for Impairment loss		**(100.24)**		(100.24)
		NIL		NIL
0.1% 12 Years Redeemable Preference Shares of European Projects and Aviation Limited (Face Value of ₹ 10/– each)	**13,000,000**	**15.04**	13,000,000	15.04
0.02% 13 Years Redeemable Preference Shares of European Projects and Aviation Limited (Face Value of ₹ 10/– each)	**50,250,000**	**19.11**	50,250,000	19.11
0.1% 13 Years Redeemable Preference Shares of European Projects and Aviation Limited (Face Value of ₹ 10/– each)	**44,246,900**	**77.50**	44,246,900	77.50
Total		**111.65**		111.65
Less : Provision for Impairment loss		**(111.65)**		(111.65)
Total of Un–quoted Investments in Preference Shares – Others		**NIL**		NIL
Total of Un–quoted Investments in Preference Shares		**NIL**		NIL

Particulars	31 March 2018		31 March 2017	
	Numbers	₹ Crore	Numbers	₹ Crore
Trade				
Debenture of :				
Associates				
11% Fully Convertible Debenture Series – A Global Rural Netco Ltd. (Face Value of ₹ 100/– each)	**15,000,000**	**150.00**	15,000,000	150.00
Less : Provision for Impairment loss		**(150.00)**		(150.00)
Total of Un–quoted Investments in Debentures – Trade		**NIL**		NIL
Total of Un–quoted Investments – Trade		**NIL**		1,639.12
Total Investments		**337.00**		2,123.19
Aggregate amount of quoted investments		**2,229.03**		591.55
Aggregate market value of quoted investments		**530.05**		198.81
Aggregate Amount of unquoted investments		**1,042.55**		2,680.03
Aggregate amount of impairment in value of investments		**2,934.58**		1,148.39

6.1 The Company has measured all its investments at fair value and tested these investment for expected credit loss and differences have been accounted through Profit and Loss Account.

6.2 The Current financial year saw unprecedented consolidation in telecom industry with five operators ceasing to exist either on account of mergers or outright shut down of operations. One of the group's major customer's Aircel group filed for voluntary liquidation on account of significant headwinds within the telecom sector. This has substantially impacted the projected cash flow of the Company's associate GTL Infrastructure Limited (GIL) and accordingly the Company has recognized impairment provision of ₹ 1,784.55 Crore in respect of its investment in GIL. Accordingly, these provisions are shown under "Exceptional items"

6.3 During the current financial year Chennai Network Infrastructure Limited (CNIL) merged with GTL infrastructure Limited (GIL) accordingly, investment in CNIL is added to the investment in GIL.

7. LOANS (NON CURRENT)

₹ Crore

Particulars	31 March 2018	31 March 2017
Unsecured, Considered good		
Deposits with body corporate and others	**0.64**	7.38
Deposits with government authorities	**0.53**	0.03
Total	**1.17**	7.41

8 OTHER (NON–CURRENT)

₹ Crore

Particulars	31 March 2018	31 March 2017
Unsecured, considered good		
Advance to Suppliers	**NIL**	342.88
Other Advances	**NIL**	192.79
Unsecured, considered doubtful		
Advances to Subsidiaries	**NIL**	287.23
Advance to Suppliers	**767.04**	424.16
Other Advances	**192.79**	NIL
Total Loans (before Allowance for credit losses)	**959.83**	1,247.06
Allowance for credit losses		
Advances to Subsidiaries	**NIL**	(287.23)
Advance to Suppliers (Refer note 8.1)	**(767.04)**	(424.16)
Other Advances	**(192.79)**	NIL
	(959.83)	(711.39)
Total	**NIL**	535.67

8.1 The Current financial year saw unprecedented consolidation in telecom industry with five operators ceasing to exist either on account of mergers or outright shut down of operations. One of the group's major customer's Aircel group filed for voluntary liquidation on account of significant headwinds within the telecom sector. This has impacted realisation of advances since Aircel is not settling vendor dues. The Company performed an Impairment test based on current expectation of the impact of the Bankruptcy on projected cash flows of the Company related to Aircel projects. As a result an impairment of ₹ 727.79 Crore has been taken. Accordingly, these provisions are shown under "Exceptional items"

9. OTHER NON–CURRENT ASSETS

₹ Crore

Particulars	31 March 2018	31 March 2017
Capital advances	**0.07**	0.07
Allowance for credit losses	**(0.07)**	NIL
Total	**NIL**	0.07

10. INVENTORIES

₹ Crore

Particulars	31 March 2018	31 March 2017
Stock–in–trade held for trading	**NIL**	NIL
Consumables	**NIL**	5.94
Total	**NIL**	5.94

10.1 For basis of valuation – Refer Point No. 8 of Note No. 2"Significant Accounting Policies"

11. TRADE RECEIVABLES

₹ Crore

Particulars	31 March 2018	31 March 2017
Trade receivables Unsecured,		
considered good	**0.84**	100.21
Doubtful	**279.25**	194.03
	280.09	294.24
Allowance for credit losses	**(279.25)**	(194.03)
	(279.25)	(194.03)
Total	**0.84**	100.21
Trade receivables (Net of allowance for credit losses)		
Subsidiaries	**NIL**	15.62
Associates	**NIL**	30.66
Others	**0.84**	53.93
Total	**0.84**	100.21

11.1 The Company has sought the balance confirmations from the customers and has received such confirmations from some customers. In respect of remaining customers, balances are subject to confirmation and appropriate adjustment, if necessary, will be considered in the year of reconciliation.

11.2 'The recent headwinds faced by telecom operators and single largest customer of the company has filed for insolvency has material adverse impact on the Company. This has resulted in difficulty in making recovery of trade receivable. Considering this aspect, as prudent practice the Company has impaired receivables of ₹ 85.21 Crore based on Expected Credit Loss (ECL).

12. CASH AND CASH EQUIVALENTS

₹ Crore

Particulars	31 March 2018	31 March 2017
Balances with banks		
In current accounts	**15.14**	82.01
Cheques on hand (Since realised)	**NIL**	13.11
Cash on hand	**0.05**	0.05
Total	**15.19**	95.17

13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ Crore

Particulars	31 March 2018	31 March 2017
Margin money with banks against guarantees*	**4.29**	5.78
Earmarked bank balances towards unclaimed dividend	**0.20**	0.34
Total	**4.49**	6.12

*Includes ₹ 0.16 Crore (₹ 1.03 Crore as at March 31,2017) having maturity after 12 months.

14. LOANS (CURRENT)

₹ Crore

Particulars	31 March 2018	31 March 2017
Unsecured		
Loans to employees	**0.00**	0.00
Deposits with body corporates and others		
considered good	**0.80**	14.17
considered doubtful	**4.55**	2.38
Total	**5.35**	16.55
Allowance for credit losses on deposits	**(4.55)**	(2.38)
	(4.55)	(2.38)
Total	**0.80**	14.17

15. OTHERS (CURRENT)

₹ Crore

Particulars	31 March 2018	31 March 2017
Considered good to the extent not provided		
Advance to Suppliers (Refer note 8.1)	**192.58**	192.58
Interest receivable (Refer note 15.1)	**45.91**	45.91
Interest receivable on term deposit	**0.16**	0.21
Other Advances	**3.36**	4.03
Receivable towards reimbursible of cost / expenses	**11.60**	13.02
Unbilled Revenue	**NIL**	77.51
Total	**253.61**	333.26

₹ Crore

Particulars	31 March 2018	31 March 2017
Allowance for credit losses		
Advance to Suppliers	**(192.58)**	NIL
Interest receivable	**(45.91)**	(45.91)
Other Advances	**(2.57)**	(2.00)
Receivable towards reimbursible of cost / expenses	**(11.61)**	(11.72)
	(252.67)	(59.63)
Total	**0.94**	273.63

15.1 Includes ₹ 26.54 Crore as at March 31,2018, (₹26.54 Crore as at March 31,2017), receivable from a related party.

16. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

₹ Crore

Particulars	31 March 2018	31 March 2017
Assets held for Sale ((Refer note 16.1)		
Unquoted Equity Shares of Subsidiaries		
International Global Tele–Systems Ltd.(Face Value of US $ 1/– each)	**9.59**	9.59
GTL International Ltd (Face Value of US $ 1/– each)	**11.96**	11.96
Investments at fair value Preference Shares of Subsidiaries		
3. 5 % Preference Shares of GTL International Ltd. (Face Value of US$ 1/– each)	**32.41**	32.37
3. 5 % Preference Shares of International Global Tele–Systems Ltd. (Face Value of US$ 1/– each)	**447.22**	446.65
	501.18	500.57
Discontinued Operations		
Claims receivables – Distribution Franchise (net) (Refer note 16.2)	**43.83**	43.83
Total	**545.01**	544.40
Provision for Impairment losses – Investment in Subsidiaries	**(501.18)**	(500.57)
Allowance for credit losses on claims receivables – DF	**(43.83)**	(43.83)
	(545.01)	(544.40)
Total	**NIL**	NIL

16.1 In accordance with the negotiated settlement in–principally approved by the lenders, the Company had obtained necessary consent of the Shareholders for divestment in subsidiaries. During the year the Company has executed Share Purchase agreement for divestment in its subsidiaries. The sale is subject to final approval of lenders of the Company and its subsidiaries and other necessary regulatory approvals. Pending completion of transactions, the said Non Current investment in the subsidiaries is treated as “Assets Held for Sale “ in terms of Ind AS 105.

16.2 During the financial year 2014–15 Distribution Franchise (DF) agreement between the Company and MSEDCL got terminated. With regards to Distribution Franchise activity The reconciliation and settlement of several claims of the Company and MSEDCL are under process. The amount payable of ₹ 210.76 Crore to MSEDCL is adjustable against receivable of ₹ 254.59 Crore from them and accordingly has been presented net. The Company has tested the amount receivable from MSEDCL for expected credit loss and accordingly ₹ 43.83 crore is provided for during Previous financial year 2016–17

17. CURRENT TAX ASSETS (NET)

₹ Crore

Particulars	31 March 2018	31 March 2017
Advance Income Tax & Tax deducted at source (Net of provision)	**17.65**	26.28
Total	**17.65**	26.28

18. OTHER CURRENT ASSETS

₹ Crore

Particulars	31 March 2018	31 March 2017
Prepaid Expenses	**0.98**	0.83
Input Tax Recoverable	**16.65**	15.20
Advance to Suppliers	**17.93**	21.85
Less: Allowance for credit losses	**(4.70)**	(5.16)
	13.23	16.69
Advances to employees	**0.13**	0.27
Less: Allowance for credit losses	**(0.13)**	(0.17)
	NIL	0.10
Total	**30.86**	32.82

19. SHARE CAPITAL

Authorised Share Capital

Particulars	Equity shares		Preference shares	
	Nos	₹ Crore	Nos	₹ Crore
At 31 March 2017	290,000,000	290.00	810,000,000	810.00
Increase / (decrease) during the year	NIL	NIL	NIL	NIL
At 31 March 2018	290,000,000	290.00	810,000,000	810.00

19.1 **Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a face value of ₹ 10/– per share. Each holder of equity share is entitled to one vote on show of hands and in case of poll, one vote per equity share. A member shall not have any right to vote whilst any call or other sum shall be due and payable to the Company in respect of any of the equity shares of such member. All equity shares of the Company rank pari–passu in all respects including the right to dividend.

In the event of winding–up of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, if any, after distribution of all preferential amounts in proportion to the number of shares held at the time of commencement of winding–up.

The equity shareholders have all other rights as available to equity shareholders as per the provisions of Companies Act, 2013 , read together with Memorandum and Articles of Association of the Company.

19.2 Terms, Rights, Preferences and restrictions attached to 0.01% – Non Participating Optionally Convertible Cumulative Preference Shares (OCPS):

The Company has only one class of preference shares, having face value of ₹ 10/– per share allotted to GTL Infrastructure Limited (GIL), a Company's associate. In terms of the issue, GIL had right to convert OCPS into equity shares from the expiry of 6 months from the date of allotment till 18 months of the date of allotment. However, GIL has opted for non–conversion of OCPS into equity shares.

The OCPS carry a dividend of 0.01 % per annum, payable on a cumulative basis on the date of conversion / redemption as the case may be. Any declaration and payment of dividend shall at all times be subject to the availability of Profits and the terms of the restructuring of the debts under the Corporate Debt Restructure (CDR) Mechanism, unless otherwise agreed by the CDR Lenders. Further, in the event of inability of the Company to declare / pay dividend due to non–availability of Profits / pursuant to the terms of restructuring, the dividend may be waived by GIL.

After the expiry of a period of 6 months from the Allotment Date, the OCPS may at the Option of the Company be redeemed at any time prior to the expiry of 20 years from the date of the allotment, in part or in full, after providing a prior written notice of 30 days to GIL. As agreed by the OCPS holder, the original term providing Yield to Maturity of 8% by way of redemption premium has been repealed by the Board.

Other than as permitted under applicable laws, GIL will not have a right to vote at the Company's General Meetings. CNIL has also agreed to waive the right to vote in the event it waives the right to receive dividend.

In the event of winding–up of the Company, the OCPS holder/s will be entitled to receive in proportion to the number of shares held at the time of commencement of winding–up, any of the remaining assets of the Company, if any, after distribution to all secured creditors and their right to receive monies out of the remaining assets of the Company shall be reckoned pari–passu with other unsecured creditors, however, in priority to the equity shareholders. The OCPS holder/s shall have such rights as per the provisions of Companies Act, 2013, read together with Memorandum of Association of the Company.

The OCPS holder/s shall have all other rights as avaialble as per the provisions of Companies Act, 2013, read together with Memorandum and Articles of Association of the Company.

19.3 Issued equity capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	**No.**	**₹ Crore**
At 31 March 2017	**157,296,781**	157.30
Changes during the year	NIL	NIL
At 31 March 2018	**157,296,781**	157.30

19.4 Details of shareholders holding more than 5% shares in the company

Name of the shareholder	**As at 31 March 2018**		As at 31 March 2017	
	No. in Crore	**% holding in the class**	No. in Crore	% holding in the class
Equity Shares				
Global Holding Corporation Private Limited (One of the Promoters and the Company's associate)	**2.90**	**18.42**	2.90	18.42
Syndicate Bank	**2.20**	**13.99**	2.20	13.99
Mr. Manoj G. Tirodkar	**1.86**	**11.82**	1.86	11.82
Preference Shares				
GTL Infrastructure Limited (Company's associate)	**65.00**	**100.00**	65.00	100.00

20. BORROWINGS

₹ Crore

Particulars	**31 March 2018**	31 March 2017
Non–current borrowings		
Non–current interest bearing loans and borrowings:		
Unsecured loans		
Liability component of compound financial instrument		
0.01% Non–Participating Optionally Convertible Cumulative Preference Shares (OCPS) of ₹ 10/– each fully paid – up	**141.19**	127.08
Total	**141.19**	127.08

20.1 Liability component of compound financial instrument i.e 0.01% Non–Participating Optionally Convertible Cumulative Preference Shares (OCPS) is determined considering effective interest rate.

20.2 Refer note 19.2 for Terms, Rights, Preferences, redemption details and restrictions attached to 0.01% – Non Participating Optionally Convertible Cumulative Preference Shares (OCPS)

21. PROVISIONS

₹ Crore

Particulars	31 March 2018	31 March 2017
Provision for Employee Benefits		
Gratuity	**NIL**	NIL
Leave Encashment	**0.66**	0.97
Total	**0.66**	0.97

22. TRADE PAYABLES

₹ Crore

Particulars	31 March 2018	31 March 2017
Trade payables	**93.89**	83.61
Trade payables to related parties (refer note 22.1)	**5.50**	34.66
Total	**99.39**	118.27

22.1 Details of Trade payable – related parties

₹ Crore

Particulars	31 March 2018	31 March 2017
Subsidiaries	**NIL**	4.97
Associates	**5.50**	29.69
Total	**5.50**	34.66

22.2 The Company has sought the balance confirmations from the trade payables and has received such confirmations from some purchasers. In respect of remaining purchaser, balances are subject to confirmation and appropriate adjustment, if necessary, will be considered in the year of reconciliation.

22.3 Disclosure in accordance with Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. The information required to be disclosed has been furnished to the extent parties have been identified as Micro, Small and Medium Enterprises on the basis of information available in this regard with the Company.

₹ Crore

Particulars	31 March 2018	31 March 2017
Principal amount remaining unpaid	**1.38**	0.94
Interest due thereon	**3.08**	2.80
The amount of interest paid in terms of section 16, along with the amounts of the payment made beyond the appointed day during accounting year	**NIL**	NIL
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	**NIL**	NIL
The amount of interest accrued and remaining unpaid at the end of accounting year	**3.08**	2.80
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	**0.28**	0.21

23. OTHER FINANCIAL LIABILITIES

₹ Crore

Particulars	31 March 2018	31 March 2017
Secured		
Payable to CDR lenders (Refer Note 23.1 and 23.2)	**2,767.59**	2,793.59
Unsecured		
Payable to External Commercial Borrowings (ECB) lenders (Refer Note 23.3)	**633.38**	720.13
Payable to Holders of Rated Redeemable Unsecured Rupee Non–Convertible Debentures (NCD) (Refer Note 23.3)	**1,640.18**	1,649.16
Interest accrued and due on borrowings (Refer Note 23.4)	**1,461.29**	1,461.01
Interest accrued and due on Others	**3.08**	2.80
Liability towards guarantee obligation	**1.85**	58.92
Unpaid dividend	**0.20**	0.34
Payables for capital expenditure	**0.47**	0.41
Accrued expenses	**20.87**	17.33
Security Deposit Received	**17.08**	2.28
Accrued salaries & Employee benefits	**0.93**	1.09
Expense Creditors	**4.85**	10.85
Others	**1.11**	1.11
Total	**6,552.88**	6,719.02

23.1 In view of non–adherance to the agreed CDR terms for repayment of principal loan, interest and other conditions, the entire liability towards Consortium Lenders is presented under current financial liability on implementation of Ind AS. Company's proposal for negotiated settlement of debts was agreed in principle by all sets of lenders viz. Consortium Lenders, NCD and ECB Lenders.

Details of defaults in repayment of due to the lenders (as per sanctioned terms)

₹ Crore

Particulars	31 March 2018	31 March 2017
Payable to CDR Lenders June 14 15 to March 18 (June 14 to March 17) (Includes Term loan of ₹ 1,365.31 Crore, FITL of ₹ 303.90 Crore and Dues towards BG invocation ₹ 111.13)	1,780.34	1,373.02
Payable to External Commercial Borrowings (ECB) lenders (Due since september 2011)	633.38	720.13

23.2 Nature of security

I) Security created in favor of CDR Lenders:

a) A first charge and mortgage on all immovable properties, present and future;

b) A first charge by way of hypothecation over all movable assets, present and future;

c) A first charge on the Trust and Retention Account and other reserves and any other bank accounts wherever maintained, present & future;

d) A first charge, by way of assignment or creation of charge, over:

i. all the right, title, interest, benefits, claims and demands whatsoever in the Project Documents duly acknowledged and consented to by the relevant counter–parties to such Project Documents, all as amended, varied or supplemented from time to time;

ii. all the rights, title, interest, benefits, claims and demands, whatsoever, in the Clearances;

iii. all the right title, interest, benefits, claims and demands, whatsoever, in any letter of credit, guarantee, performance bond provided by any party to the Project Documents;

iv. all the rights, title, interest, benefits, claims and demands, whatsoever, in Insurance Contracts / proceeds under Insurance Contracts;

e) Pledge of all shares held in the Company by one of the Promoters of the Company namely Mr. Manoj G. Tirodkar;

f) Pledge of all investments of the Company, except investment in Global Rural Netco Ltd (GRNL) which will be pledged on fulfillment of financial covenant agreed with the lenders of GRNL;

g) Mr. Manoj G. Tirodkar, one of the promoters of the Company, has extended a personal guarantee. The guarantee is limited to an amount of ₹ 394.28 Crore; and

h) Mr. Manoj G. Tirodkar and Global Holding Corporation Private Limited (GHC), promoters of the Company, have executed sponsor support agreement to meet any shortfall or expected shortfall in the cash flows towards the debt servicing obligations of the Company;

II) Security offered to CDR Lender's pending creation of charge

a) The Company's one of the promoters namely GHC along with its step down subsidiaries has to extend corporate guarantee; and

b) GHC has to pledge its holding in the Company that is currently pledged by GHC in favor of its lenders, as and when released, either in full or part.

III) Prior to the restructuring of the Company's debts under CDR Mechanism, the Company created security on certain specified tangible assets of the Company in favour of Andhra Bank, Punjab National Bank, Union Bank of India, Vijaya Bank, IDBI Bank Limited, State Bank of Hyderabad, Bank of Baroda, UCO Bank, Indian Overseas Bank, Indian Bank, Canara Bank and Dena Bank for their respective credit facilities other than term loans, aggregating ₹ 1,572 Crore. In terms of CDR Documents inter–alia Master Restructuring Agreement, the earlier charges are not satisfied by the Company after creation of new security as stated in I above.

23.3 As stated in the previous years, the JLF in its meeting held on 4th December 2015 agreed to the One Time Settlement Proposal (OTS) and requested the lenders to give their individual approvals for monetization of the assets, business and investments for settling the dues of the lenders. Subsequently, the unprecedented consolidation in the telecom industry resulted in tenancy surrender by Reliance Infocom (R.Com), Telenor and Tata Teleservices and filing of voluntary insolvency by Aircel Group, all of which led to the business and valuation of the Company going down. RBI vide its letter dated 12th February 2018, also withdrew the CDR, SDR and other Schemes. On this background, the CDR lenders considered the revised proposal of the Company and asked the Company to improve the offer to acceptable level and submit the same for consideration of the consortium, in order to proceed with recovery measures. Accordingly the Company has submitted its further revised proposal to the lenders. In the meanwhile, while in the winding up petition filed by the NCD Holder, parties have resolved the matter to their mutual satisfaction and filed the consent terms before the Bombay High Court on 19th March 2018, based on which the Bombay High Court has disposed of the winding up petition, In the ECB matter some of the ECB lenders have filed recovery suit following the court order got by some other ECB lenders which is subjudice.

23.4 Details of Interest accrued and due on borrowings comprises of:

a) Overdue Interest of ₹ 502.79 Crore relating to the period March 14 to March 17 on amounts due to holders of Rated Redeemable Unsecured Rupee Non–convertible Debentures;

b) Overdue Interest of ₹ 164.79 Crore relating to the period for December 12,2011 to March 31,2017 on External Commercial Borrowings; the variation in the interest accrued amount as at March 18 is on account of exchange fluctuation

c) Overdue Interest of ₹ 727.80 Crore relating to the period June 2014 to March 2017 on Secured Term Loan;

d) Overdue interest of ₹ 22.64 Crore relating to the period June 2014 to March 2017on Secured Funded Interest Term Loan;

e) Overdue interest of ₹ 23.00 Crore September 2014 to March 2017 on Cash Credit facility;

f) Overdue interest of ₹ 20.27 Crore November 2014 to March 2017 on Dues towards BG Invocation.

24. OTHER CURRENT LIABILITIES

₹ Crore

Particulars	31 March 2018	31 March 2017
Advance from customers	**2.11**	3.74
Unearned Revenue	**NIL**	27.07
Withholding and other taxes payable	**8.14**	8.11
Others	**0.02**	0.02
Total	**10.27**	**38.94**

25. PROVISIONS

₹ Crore

Particulars	31 March 2018	31 March 2017
Provision for Employee Benefits		
Gratuity	**0.01**	NIL
Leave Encashment	**0.04**	0.06
Total	**0.05**	0.06

26. REVENUE FROM OPERATIONS

₹ Crore

Particulars	31 March 2018	31 March 2017
Sale of products		
Telecom Products	**NIL**	4.91
Sale of Services		
Telecom Network Services	**147.63**	148.52
Energy Management and Operation Maintenance	**840.79**	1,053.20
Telecom Turnkey Projects	**5.77**	14.48
Other Operating Revenues	**1.30**	NIL
Total	**995.49**	1,221.11

27. OTHER INCOME

₹ Crore

Particulars	31 March 2018	31 March 2017
Interest income		
Bank Deposits	**0.70**	0.95
Others	**1.51**	8.14
Gain on foreign currency transactions (Net)	**NIL**	19.12
Profit on sale of Fixed Assets (Net)	**0.07**	0.35
Lease and rent income	**3.21**	3.22
Other non–operating income	**4.40**	1.73
Total	**9.89**	33.51

28. COST OF PURCHASES / SERVICES RENDERED

₹ Crore

Particulars	31 March 2018	31 March 2017
Cost of Purchases		
Purchase of Stock–in–Trade	**NIL**	4.54
Cost of Services rendered		
Electricity and Diesel cost for Energy Management	**715.40**	304.12
Sub–Contractor Charges	**50.96**	582.45
Vehicle Hire Charges	**7.93**	6.88
	774.29	893.45
Total	**774.29**	897.99

29. CHANGES IN INVENTORIES OF STOCK–IN– TRADE

₹ Crore

Particulars	31 March 2018	31 March 2017
Consumables	**5.94**	(5.94)
Total	**5.94**	(5.94)

30. EMPLOYEE BENEFITS EXPENSES

₹ Crore

Particulars	31 March 2018	31 March 2017
Salaries, wages and bonus	**44.56**	45.24
Contribution to provident and other funds	**3.37**	3.03
Staff welfare expense	**2.74**	3.03
Outsourced wages and Manpower Cost	**100.73**	88.49
Total	**151.40**	139.79

31. FINANCE COSTS

₹ Crore

Particulars	31 March 2018	31 March 2017
Interest		
– On fixed period loan	**2.82**	532.64
– On OCPS	**14.11**	12.70
– Others	**1.60**	1.78
Total	**18.53**	**547.12**

31.1 The Company has not provided and recognized interest on its borrowing during the financial year based on the in principle approval given by the lenders in respect of negotiated settlement proposal. Had such interest been recognized the Finance Cost for the year ended would have been more by ₹ 641.56 Cores.

32. DEPRECIATION AND AMORTIZATION EXPENSE

₹ Crore

Particulars	31 March 2018	31 March 2017
Depreciation of tangible assets (note 3)	**17.37**	47.31
Amortization of intangible assets (note 5)	**0.07**	0.05
Depreciation on Investment Properties (note 4)	**0.05**	0.06
Total	**17.49**	47.42

33. OTHER EXPENSES

₹ Crore

Particulars	31 March 2018	31 March 2017
Communication Expenses	**1.63**	1.58
Advertisement Expenses	**0.37**	0.68
Business Promotion Expenses	**0.35**	0.37
Rates & Taxes	**0.58**	0.80
Rent	**3.22**	3.57
Electricity Charges	**1.82**	2.00
Insurance	**1.90**	0.54
Legal and Professional Fees	**15.97**	10.21
Travelling & Conveyance Expenses	**2.81**	3.79
Director's Sitting Fees	**0.61**	0.72
Auditor's Remuneration (refer note 33.2)	**0.31**	0.42
Repairs & Maintenance – Others	**1.62**	1.57
Allowance for credit losses – Trade Receivables	**85.00**	36.67
Allowance for credit losses– Other Receivables (refer note 33.1)	**31.22**	68.03
Loss on foreign currency transactions (Net)	**1.72**	NIL
Provision for impairment of investment	**1.64**	107.48
Other Expenses	**2.65**	25.00
Total	**153.42**	263.43

33.1 Includes ₹ NIL Crore (March 31, 2017 ₹ 43.83 Crore) towards receivable of distribution franchisee business.

33.2 Payments to the auditor:

₹ Crore

Particulars	31 March 2018	31 March 2017
As auditor		
Audit fee	**0.20**	0.30
Tax audit fee	**0.06**	0.06
VAT Audit Fees	**0.03**	0.03
In other capacity:		
Other services (certification fees)	**NIL**	0.01
Reimbursement of expenses	**0.02**	0.02
Total	**0.31**	0.42

34. EXCEPTIONAL ITEMS

₹ Crore

Particulars	31 March 2018	31 March 2017
Expected Credit loss		
Advance to supplier (refer note 34.1)	**727.79**	NIL
Impairment loss on Investment – Associate (refer note 34.2)	**1,784.55**	NIL
Total	**2,512.34**	NIL

34.1 The Current financial year saw unprecedented consolidation in telecom industry with five operators ceasing to exist either on account of mergers or outright shut down of operations. One of the group's major customer's Aircel group filed for voluntary liquidation on account of significant headwinds within the telecom sector. This has impacted realisation of advances since Aircel is not settling vendor dues. The Company performed an Impairment test based on current expectation of the impact of the Bankruptcy on projected cash flows of the Company related to Aircel projects. As a result an impairment of ₹ 727.79 Crore has been taken.

34.2 The Current financial year saw unprecedented consolidation in telecom industry with five operators ceasing to exist either on account of mergers or outright shut down of operations. One of the group's major customer's Aircel group filed for voluntary liquidation on account of significant headwinds within the telecom sector. This has substantially impacted the projected cash flow of the Company's associate GTL Infrastructure Limited (GIL) and accordingly the Company has recognized impairment provision of ₹ 1,784.55 Crore in respect of its investment in GIL.

35. EARNINGS PER SHARE (EPS)

₹ Crore

Particulars	31 March 2018	31 March 2017
Loss after tax :		
Continuing operations	**(2,627.66)**	(629.86)
Add :		
Dividend payable on cumulative Preference Shares	**(0.07)**	(0.07)
Tax on cumulative Preference Dividend payable	**(0.01)**	(0.01)
Loss attributable to equity holders of continuing operations for basic earnings	**(2,627.74)**	(629.94)
Loss attributable to equity holders of discontinued operations for basic earnings	**NIL**	NIL
Loss attributable to equity holders total operations for basic earnings	**(2,627.74)**	(629.94)
Weighted average number of Equity shares for basic EPS	**15.73**	15.73
Weighted average earnings per share (basic and diluted) (continuing operations)	**(167.05)**	(40.04)
Weighted average earnings per share (basic and diluted) (discontinued operations)	**NIL**	NIL
Weighted average earnings per share (basic and diluted) (total operations)	**(167.05)**	(40.04)

35.1 There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

35.2 There were no potentially dilutive equity shares which would have been outstanding as at the year end

36. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Standalone financial statements:

Estimates and assumptions

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

The Management believes that the judgments and estimates used in preparation of financial statement are prudent and reasonable.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long–term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 40 for further disclosures.

Allowances for credit loss on Trade Receivable , Advance to supplier and other receivable

The Provision for allowances for credit loss for Trade Receivable , Advance to supplier and other receivable are based on assumptions about the risk of defaults and expected credit loss. The Company uses judgment in making these assumption and selecting the inputs to the calculation of provision for allowance based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Provisions for impairment loss on Investment

Provisions for impairment loss on Investment is based on evaluation of financial position of investee companies to meet their obligations for honouring their commitments towards the investment held by the Company.

37. GRATUITY AND OTHER POST–EMPLOYMENT BENEFIT PLANS

a) Defined Contribution Plan

₹ Crore

Particulars	31 March 2018	31 March 2017
Employer's Contribution to Provident fund	**1.59**	1.48
Employer's Contribution to Pension fund	**0.62**	0.56
Total	**2.21**	2.04

The Company makes contribution towards provided fund and superannuation fund which are in nature of defined contribution post employee benefit plan. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. amount recognised as an expense in the statement of Profit and Loss – included in note 30 – "Contribution to provident and other funds" ₹ 2.21 crore (previous year ₹ 2.04 Crore) is given in table above

b) Defined Benefit Plan

The employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust maintained with Life Insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences is recognized in same manner as gratuity.

Based on accturial valuation obtained as at the Balance Sheet date the following table sets out the details of Defined Benefit obligation.

1. Movement in obligation– Gratuity

₹ Crore

Particulars	31 March 2018	31 March 2017
Defined Benefit Obligation at beginning of the period	**4.89**	4.70
Current service cost	**0.94**	0.42
Interest cost	**0.36**	0.38
Benefits paid	**(0.79)**	(1.03)
Actuarial changes arising from changes in financial assumptions	**(0.19)**	0.30
Experience adjustments	**(0.21)**	0.12
Defined Benefit Obligation at end of the period	**5.00**	4.89

2. Movement in Plan Assets – Gratuity

₹ Crore

Particulars	31 March 2018	31 March 2017
Fair value of plan assets at beginning of year	**4.89**	4.75
Expected return on plan assets	**0.36**	0.38
Employer contributions	**0.55**	0.81
Benefits paid	**(0.79)**	(1.03)
Actuarial gain / (loss)	**(0.02)**	(0.02)
Fair value of plan assets at end of year	**4.99**	4.89
Present value of obligation	**5.01**	4.89
Net funded status of plan	**(0.01)**	0.01
Actual return on plan assets	**0.34**	0.36

The components of the gratuity cost are as follows:

3. Recognised in profit and loss

₹ Crore

Particulars	31 March 2018	31 March 2017
Current Service cost	**0.94**	0.42
Interest cost	**(0.00)**	(0.00)
Total	**0.94**	0.42
Actual return on plan assets	**0.34**	0.36

4. Recognised in Other Comprehensive Income

₹ Crore

Particulars	31 March 2018	31 March 2017
Remeasurement – Acturial loss/(gain)	**(0.39)**	0.42
Return on plan assets, excluding Interest Income	**0.02**	0.02
Total	**(0.37)**	0.44

5. **The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:**

Weighted average actuarial assumptions	31 March 2018	31 March 2017
Attrition rate	**2.00%**	2.00%
Discount Rate	**7.78%**	7.29%
Expected Rate of increase in salary	**5.50%**	5.50%
Expected Rate of Return on Plan Assets	**7.78%**	7.29%
Mortality rate	**IALM 2006–08 Ultimate**	IALM 2006–08 Ultimate
Expected Average remaining working lives of employees	**15 Years**	15 Years

6. **Sensitivity analysis:**

Particulars	Changes in Assumption	Effect on gratuity obligation
For the year ended March 31, 2017		
Discount rate	+1%	(0.40)
	–1%	0.46
Salary Growth rate	+1%	0.46
	–1%	(0.41)
Withdrawal Rate	+1%	0.05
	–1%	(0.05)
For the year ended March 31, 2018		
Discount rate	+1%	(0.35)
	–1%	0.40
Salary Growth rate	+1%	0.30
	–1%	(0.28)
Withdrawal Rate	+1%	0.08
	–1%	(0.09)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

7. **History of experience adjustments is as follows:**

₹ Crore

Particulars	31 March 2018	31 March 2017
Plan Liabilities – (loss)/gain	**(0.21)**	0.11
Plan Assets – (loss)/gain	**(0.02)**	(0.02)

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	₹ Crore
01 Apr 2018 to 31 Mar 2019	0.83
01 Apr 2019 to 31 Mar 2020	0.16
01 Apr 2020 to 31 Mar 2021	0.34
01 Apr 2021 to 31 Mar 2022	0.22
01 Apr 2022 to 31 Mar 2023	0.35
01 Apr 2023 Onwards	2.27

8. **Statement of Employee benefit provision**

₹ Crore

Particulars	31 March 2018	31 March 2017
Gratuity	**0.01**	NIL
leave encashment	**0.70**	1.03
Total	**0.71**	1.03

38. COMMITMENTS, CONTINGENCIES AND PROVISIONS

a. Leases

Operating lease commitments — Company as lessee

The Company's lease agreements are in respect of operating lease for office premises, guesthouses, warehouses, and vehicles. These lease arrangements are cancellable by either parties there to as per the terms and conditions of the agreements. The lease rental recognised in the Statement of Profit and Loss during the year under the heading 'Rent' in 'Other Expenses' is ₹ 3.19 Crore (₹ 3.57 Crore.).

The lease obligations due within next five–years are ₹ 3.58 Crore. (₹ 4.19 Crore.). Future minimum rentals payable under non–cancellable operating leases as at 31 March are, as follows:

₹ Crore

Particulars	31 March 2018	31 March 2017
Within one year	**2.03**	1.57
After one year but not more than five years	**1.55**	2.62
More than five years	**NIL**	NIL
Total	**3.58**	4.19

b. Commitments

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for:

₹ Crore

Particulars	31 March 2018	31 March 2017
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) (Cash out flow is expected on execution of such contracts on progressive basis.)	NIL	NIL

c. Contingent liabilities

₹ Crore

	Particulars	31 March 2018	31 March 2017
i)	Claims against the Company not acknowledged as debts (refer note 38.C.1)	**2,172.96**	2,104.03
ii)	Put option by IFCI on optionally convertible loan of GRNL (refer note 38.C.2)	**108.52**	171.04
iii)	Guarantees given by Banks on behalf of the Company	**44.10**	44.35
iv)	Performance Guarantees issued to banks on behalf of Subsidiaries / Associates and Affiliates	**5.00**	5.00
v)	Corporate Guarantees given by the Company for loans taken by subsidiaries / others	**162.16**	186.78
vi)	Disputed Sales tax liabilities for which appeals are pending (Amount deposited ₹ 4.62 Crore (FY 16–17 ₹ 2.85 Crore)	**109.36**	63.02
vii)	Disputed Service Tax liabilities for which appeals are pending (Amount deposited / adjusted ₹ 0.97 Crore (FY 16–17 0.97)	**18.35**	18.32
viii)	Dividend on 0.01% Non–Participative Optionally Convertible Cumulative Preference Share	**0.36**	0.30

Future cash outflows in respect of v and vi matters are determinable only on receipt of judgments or decisions pending at various forum. The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required in respect of above liability.

C.1 Claims against the Company not acknowledged as debts

As on March 31, 2018, there were 48 cases against the Company, pending in various Courts and other Dispute Redressal Forums.

i) In 8 out of 48 cases, the Company has been implicated as proforma defendant i.e. there are no monetary claims against the Company. In most of these cases, dispute concerns matters like loss of share certificate, title claim / ownership / transfer of the shares etc. The Company's implication in these matters is with a view to protect the interest of the lawful owners of the shares. Upon the final orders passed by the Court(s), the Company shall have to release the shares, which are presently under 'stop transfer', in this regard to the rightful claimants. There is no direct liability or adverse impact on the business of the Company on account of the said 8 cases.

ii) Out of the balance 40 cases, 21 cases are from its earlier power business, 9 cases are from telecom related businesses and 1 case is in respect of non–allotment / non–refund of money in its IPO, which are handled by the Company's advocates, who have the necessary expertise on the subject. It is found that in most of the cases the claims are unsubstantiated and therefore the Company is resisting and defending these claims. (In the aforesaid 21 case, 9 cases pertain to Labour Court matter wherein the employees filed for reinstatement on termination consequent to termination of Aurangabad Distribution Franchisee Agreement of the Company. These are being settled with affected employees). The contingent liability in respect of these 31 cases is ₹ 1.34 Crore

   There are 5 cases in which the Company has invoked arbitration proceedings against MSEDCL and the contingent liability towards counter claims of MSEDCL is ₹ 147.76 Crore In 1 case, a bank has filed commercial suit against the Company in the Hon'ble Bombay High Court in respect of the Company's comfort letter issued in favour of one of its Wholly Owned Subsidiaries (WOS) towards WOS's credit facilities. The contingent liability in respect of which is ₹ 237.28 Crore.

iii) In 2 cases of winding up filed against the Company, one by the NCD Lender and another by the lender of the Company's one of the associate company, both the matters were disposed off based on consent term(s) filed by both the parties. The contingent liability in respect of these 2 cases is ₹ 206.60 Crore.

iv) In the balance 1 case, the Department of Telecom (DoT) has raised a frivolous demand of ₹ 1,509.50 Crore based on Adjusted Gross Revenue for ISP license fee pertaining to the business carried out by the Company well before the year 2009 and the relevant ISP license was surrendered to DoT in 2009 for which DoT had issued a no–dues certificate in November 2010. The Company is contesting this demand in an appropriate forum.

   The contingent liability in respect of 48 cases is ₹ 2,102.47 Crore

v) Claim of ₹ 179.00 Crore from Global Holding Corporation, an associate of the Company towards loss occurred to the associate on account of invocation by lender of share investment held by the associate in the Company which was offered as pledge for the credit facility availed by the Company.

vi) Apart from the above, in respect of ECB some of the Lenders have filed recovery suit, following the court order got by some other ECB lenders

d. Movement in provisions

Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:–

₹ Crore

Particulars	31 March 2018	31 March 2017
Compensated Absences at beginning of the period	**1.03**	1.16
Addition	**(0.21)**	0.06
Benefits paid	**(0.13)**	(0.19)
Compensated Absences at end of the period	**0.69**	1.03

39. 1. Related Parties

A Subsidiaries

a) International Global Tele Systems Ltd.

b) GTL International Ltd.

c) Ada Cellworks Wireless Engineering Pvt. Ltd.

B Fellow Subsidiaries (Subsidiaries of GTL International Ltd.)

a) GTL (Singapore) Pte Ltd.

b) GTL Overseas Middle East JLT

c) GTL Europe Limited.

d) GTL Nepal Limited.

e) IGTL Myanmar Limited

C Associates

a) GTL Infrastructure Limited

b) Global Rural Netco Pvt. Ltd.

c) Global Holding Corporation Private Limited

D Key Managerial Personnel

a) Mr. Manoj Tirodkar, Chairman and Managing Director

b) Mr. Sunil S. Valavalkar – Whole Time Director

c) Mr. Vidyadhar Apte, Company Secretary

d) Mr. Milind Bapat, Chief Financial Officer

39. 2. Related Party Disclosures – Transactions With Related Party

₹ Crore

Sr. No.	Party Name		Closing Balance as on 31–Mar–2018						
		Year	Deposit Received	Receivable towards Bank claim paid by the Company	Receivables (GROSS)	Receivables towards Reimbursable cost / expense (GROSS)	Advance received / Accrued Receivables	Accrued Expenses	Payables (incl. Advance received
1	**Subsidiaries**								
	International Global Tele Systems Limited	**31–Mar–18**	**NIL**	**221.43**	**NIL**	**4.80**	**NIL**	**NIL**	**NIL**
		31–Mar–17	NIL	221.15	NIL	4.80	NIL	NIL	NIL
1b	**GTL International Ltd.**	**31–Mar–18**	**NIL**	**55.67**	**15.64**	**(0.02)**	**NIL**	**NIL**	**NIL**
		31–Mar–17	NIL	55.61	15.62	(0.02)	NIL	NIL	4.97
1c	Ada Cellworks Wireless Engineering Pvt. Ltd.	**31–Mar–18**	**NIL**	**NIL**	**0.00**	**NIL**	**NIL**	**NIL**	**NIL**
		31–Mar–17	NIL	NIL	NIL	NIL	NIL	NIL	0.04
2	**Fellow subsidaries (Subsidaries of GTL International Ltd.)**								
2a	GTL (Singapore) Pte Ltd	**31–Mar–18**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
		31–Mar–17	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2b	GTL Overseas (Middle East) DMCC	**31–Mar–18**	**NIL**	**NIL**	**NIL**	**0.40**	**NIL**	**NIL**	**NIL**
		31–Mar–17	NIL	NIL	NIL	0.40	NIL	NIL	NIL
2c	GTL Europe Limited	**31–Mar–18**	**NIL**	**NIL**	**NIL**	**0.04**	**NIL**	**NIL**	**NIL**
		31–Mar–17	NIL	NIL	NIL	0.04	NIL	NIL	NIL
2d	GTL Nepal Private Ltd.	**31–Mar–18**	**NIL**	**NIL**	**2.17**	**0.06**	**NIL**	**NIL**	**NIL**
		31–Mar–17	NIL	NIL	4.25	0.06	NIL	NIL	NIL
2e	iGTL Myanmar Limited	**31–Mar–18**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
		31–Mar–17	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Sr. No.	Party Name	Year	Closing Balance as on 31–Mar–2018						
			Deposit Received	Receivable towards Bank claim paid by the Company	Receivables (GROSS)	Receivables towards Reimbursable cost / expense (GROSS)	Advance received / Accrued Receivables	Accrued Expenses	Payables (incl. Advance received
3	**Associates**								
3a	GTL Infrastructure Limited	**31–Mar–18**	**16.96**	**NIL**	**NIL**	**NIL**	**NIL**	**59.61**	**14.47**
		31–Mar–17	2.16	NIL	27.78	1.36	NIL	19.70	3.78
3b	Global Rural Netco Pvt. Ltd.	**31–Mar–18**	**NIL**	**NIL**	**5.12**	**2.05**	**26.54**	**NIL**	**NIL**
		31–Mar–17	NIL	NIL	5.13	2.15	26.54	NIL	NIL
3c	Chennai Network Infrastructure Ltd.	**31–Mar–18**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
		31–Mar–17	NIL	NIL	2.88	NIL	NIL	35.92	27.43
3d	Global Holding Corporation Private Limited	**31–Mar–18**	**NIL**	**NIL**	**NIL**	**0.26**	**NIL**	**NIL**	**NIL**
		31–Mar–17	NIL	NIL	NIL	0.26	NIL	NIL	NIL

39.2.1 The Above amounts with respect to advances & debtors are before making allowances for credit loss.

39.2.2 Claim from Global Holding Corporation Pvt.Ltd. of ₹ 179 Crore which is not acknowledged as debt is considered in " Contingent liability" and hence not shown in the above Statement.

39.2.3 During the current financial year Chennai Network Infrastructure Limited (CNIL) merged with GTL infrastructure Limited (GIL) and hence current year figures are shown under GIL

39.2.4 Terms and conditions of transactions with related parties

The credit period towards sale to related parties are in line with other external customers. The outstanding balances at the year–end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided to or received from any related party with resepct to receivables or payables. For the year ended 31 March 2017, the Company has provided impairment loss against amount due from related parties and the impairment provision as at March 31, 2017 is ₹ 333.90 Crore (31 March 2017: ₹ 335.71 Crore). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

39.2.5 In view of being dormant, operations of step down subsidiary in Kenya, Tanzania, Indonesia, Bangladesh, Saudi Arabia and Philippines were discontinued / liquidated / under process of liquidation.

39.3 Related Party Disclosures – Transactions With Related Party

₹ Crore

Sr. No.	Party Name	Year	Transaction during the year April 2017 to March 2018										
			Sales & Services	Reimbur–sement Expenses from	Reimbur–sement Expenses to	Interest Income	Rent received	Advance Received	Advance Repaid	Purchase of Property, plant and equipment	Sale of Property, plant and equipment	Short Term Employee benefits	Post Employee benefits
1	**Associates**												
1a	GTL Infrastructure Limited	31–Mar–18	493.75	7.60	421.31	NIL	3.14	NIL	NIL	NIL	0.03	NA	NA
		31–Mar–17	337.50	1.16	76.48	NIL	2.54	NIL	NIL	NIL	0.05	NA	NA
1b	Global Rural Netco Pvt. Ltd.	31–Mar–18	NIL	0.09	NIL	NIL	0.06	NIL	NIL	NIL	NIL	NA	NA
		31–Mar–17	NIL	0.05	0.00	NIL	0.07	NIL	NIL	NIL	NIL	NA	NA
1c	Chennai Network Infrastructure Ltd.	31–Mar–18	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
		31–Mar–17	286.49	0.11	113.07	NIL	NIL	20.00	20.00	NIL	NIL	NA	NA
2	**Key Managerial Personnel**												
2a	Mr. Manoj Tirodkar	31–Mar–18	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.46	0.02
		31–Mar–17	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.59	0.03
2b	Mr. Sunil S. Valavalkar	31–Mar–18	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.13	0.01
		31–Mar–17	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.14	0.01
2c	Mr. Vidyadhar Apte	31–Mar–18	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.52	0.02
		31–Mar–17	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1.05	0.02
2d	Mr. Milind Bapat	31–Mar–18	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1.07	0.02
		31–Mar–17	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1.02	0.02

39.3.1 The sales to and purchases from related parties are made on terms equivalent to those that prevail for arm 's length transactions.

39.3.2 The amounts disclosed in the table related to key management personnel are the amounts recognised as an expense during the reporting period .

39.3.3 Provision for contribution to Gratuity fund and Leave encashment on retirement which are made based on actuarial valuation on an overall Company basis are not included in remuneration details of key managerial personnel

40. FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments

₹ Crore

	Carrying value		Fair value	
	31–Mar–18	31–Mar–17	**31–Mar–18**	31–Mar–17
Financial assets				
FVTPL financial investments				
Investment in Preference Shares – Subsidiaries				
GTL International Ltd	–	–	32.41	32.37
International Global Tele–Systems Ltd	–	–	447.22	446.65
Investment in Preference Shares – Associates				
Global Rural Netco Ltd.	–	–	200.00	200.00
Investment in Preference Shares – Others				
European Projects and Aviation Ltd	–	–	111.65	111.65
Global Proserv Ltd	–	–	100.24	100.24
Investment in Debentures – Associates				
Global Rural Netco Ltd	–	–	150.00	150.00
Investment in Equity Shares – Subsidiaries				
GTL International Ltd	–	–	–	–
International Global Tele–Systems Ltd	–	–	–	–
Ada Cellworks Wireless Engineering Pvt. Ltd.	–	1.64	–	1.64
Investment in Equity Shares – Associates				
GTL Infrastructure Ltd.	337.00	484.07	337.00	484.07
Chennai Network Infrastructure Ltd.	NIL	1,637.48	NIL	1,637.48
Global Rural Netco Ltd.	–	–	–	–
Investment in Equity Shares – Others				
European Projects and Aviation Ltd	–	–	–	–
Financial assets designated at amortised cost				
Non–current assets (refer note 40.1)				
Loans	1.17	7.41	1.17	7.41
Other	NIL	535.67	NIL	535.67
Current assets (refer note 40.1)				
Trade receivables	0.84	100.21	0.84	125.24
Cash and cash equivalents	15.19	95.17	15.19	95.17
Bank balance other than included in Cash and cash equivalents above	4.49	6.12	4.49	6.12
Loans	0.80	14.17	0.80	14.17
Other	0.93	273.62	0.93	273.62
Total	**360.44**	**3,155.56**	**1,401.95**	**4,221.50**
Financial liabilities designated at amortised cost				
Borrowings				
Fixed rate borrowings	5,791.59	5,913.31	5,791.59	5,913.31
0.01% Non–Participating Optionally Convertible Cumulative Preference Shares (OCPS) (refer note 40.2)	141.19	127.08	141.19	127.08
Trade payables (refer note 40.1)	99.39	118.27	99.39	118.27
Other Financial Liabilities (refer note 40.1)	761.29	805.72	761.29	805.72
Total	6,793.46	6,964.38	6,793.46	6,964.38

40.1 The management assessed that trade receivables cash and bank balances, loans, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short–term maturities of these instruments.

40.2 The fair values of the Company's fixed interest–bearing borrowings and loans is determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non– performance risk as at 31 March 2018 was assessed to be insignificant as borrowing are fixed interest bearings

41. FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at :

₹ Crore

Particulars	Fair value measurement using					
	March 31, 2018			March 31, 2017		
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
	(Level 1)	(Level 2)	(Level 3)	(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:						
FVTPL financial investments (Note 40):						
Investment in Preference Shares – Subsidiaries						
GTL International Ltd			NIL		NIL	
International Global Tele–Systems Ltd			NIL		NIL	
Investment in Preference Shares – Associates						
Global Rural Netco Ltd.			NIL		NIL	
Investment in Preference Shares – Others						
European Projects and Aviation Ltd			NIL		NIL	
Global Proserv Ltd			NIL		NIL	
Investment in Debentures – Associates						
Global Rural Netco Ltd			NIL		NIL	
Investment in Equity Shares – Subsidiaries						
GTL International Ltd			–			
International Global Tele–Systems Ltd			–			
Ada Cellworks Wireless Engineering Pvt. Ltd.			–			1.64
Investment in Equity Shares – Associates						
GTL Infrastructure Ltd.		337.00			484.07	
Chennai Network Infrastructure Ltd.			NIL			1637.48
Global Rural Netco Ltd.			–			
Investment in Equity Shares – Others						
European Projects and Aviation Ltd			–			
Assets for which fair values are disclosed :						
Investment properties (Refer note 4.3)						
Office properties		42.53			40.55	

Quantitative disclosures fair value measurement hierarchy for liabilities as at :

Liabilities for which fair values are disclosed (Note 40):

Borrowings (Note 40):						
Fixed Interest bearing Loans		5,791.59			5,913.31	
Convertible preference shares		141.19			127.08	

42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables and financial guarantee contracts. The main purpose of these financial liabilities is to manage finance for the Company's operations. The Company's principal financial assets includes investments, trade and other receivables, supplier advance and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Risk Management Group (RMG), Investment committee and Resource committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Group, Investment committee and Resource committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Audit Committe of the Board and the Board of Directors review and monitor risk management and mitigation plans. The financial risks are summarised below.

42.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings and deposits. As the revenues from the Company's network service business is dependent on the sustainability of telecom sector, Company believes that Macro – economic factor, including the growth of Indian economy as well as political and economic environment, have a significant direct impact on the Company's business, results of operations and financial position.

42.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of financial instrument will fluctuate because of changes in market interest rates. The significant part of financial instrument which can be considered in case of the Company as subject to interest rate risk are borrowings . However the Company's borrowings carry fixed interest rate and therefore the Company is not exposed to significant interest rate risk.

42.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the External Commercial Borrowings and except for the the same , the Company is not exposed to foreign currency risk as the Company's business operations do not involve any significant transactions in foreign currency.

Foreign currency sensitivity

The impact on the Company's loss before tax on account of variation in exchange rates can be on account of fluctuation in USD as the Company's External Commercial borrowings liability is USD denominated liability .The following table demonstrates the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. 1% increase or decrease in USD rate will have the following impact on loss before tax :

₹ Crore

Particulars	2017–18		2016–17	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD Denominated monetary liabilities	8.91	(8.91)	8.90	(8.90)

42.4 Equity price risk

The Company's equity investment in one of its associates is listed and all other investments are in unlisted entities. All the investments of the Company are trade and strategic investments and therefore are not considered to be exposed or susceptible to market risk.

42.5 Commodity price risk

The Company is engaged in business of providing “Network Services” comprising mainly of Operation maintenance and energy management (OME) and other network services. In OME the major component of cost are electricity and Fuel. The variation in the price of electricity and fuel is index based i.e. additionally charged to customer. With regards to other services the contracts are cost plus margin and therefore commodity price risk is mitigated

42.6 Credit risk

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

Trade receivables

Customer credit risk is managed subject to the Company’s established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and defined in accordance with customer assessment. Outstanding customer receivables are regularly monitored.

The Company follows a ‘simplified approach’ (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances . Individual trade receivables are written off when management deems them not to be collectible. The Company does not hold any collateral as security against these trade receivables. The contractually agreed terms effectively manage the concentration risk.

Financial Assets and bank deposits

Credit risk from balances with banks is managed by the Company’s treasury department in accordance with the Company’s policy. The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which its balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

The Company’s maximum exposure to credit risk for the components of the balance sheet at 31 March 2018 and 31 March 2017 is the carrying amounts as appearing in Note 8,12,13,14,15,16 and 19.

42.7 Liquidity risk

Liquidity risk is that the Company will not be able to settle or meet its obligation on time or at reasonable price. Company’s principal sources of liquidity are cash flows generated from its operations.

The Company continues to take various measures such as cost optimisation, improving operating efficiency to increase Company’s operating results and cash flows. Further the Company has made a proposal for a negotiated settlement of debts which has been agreed in principle by all set of lenders. The management is of the view that upon the implementation of the Company’s negotiated settlement proposal, the Company would be in a position to meet its liabilities and continue its operations.

The table below summarises the maturity profile of the Company’s financial liabilities based on contractual undiscounted payments.

₹ Crore

Particulars	March 31, 2018			March 31, 2017		
	On demand	More than 1 Year	Total	On demand	More than 1 Year	Total
Year ended 31/3/2018						
Convertible preference shares	NIL	650.00	650.00	NIL	650.00	650.00
Other financial liabilities	6,552.88	NIL	6,552.88	6,719.02	NIL	6,719.02
Trade and other payables	99.39	NIL	99.39	118.27	NIL	118.27
Total	**6,652.27**	**650.00**	**7,302.27**	**6,837.29**	**650.00**	**7,487.29**

43. CAPITAL MANAGEMENT

For the purpose of the Company’s capital management, capital includes issued equity capital, convertible preference shares, Securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company’s capital management is to safeguard continuity of the business operations.

In view of slow down in telecom industry in last few years, the Company's business received a set back which resulted in incurrence of huge losses and adversely impacting the capital of the Company. The Company therefore for effective capital management has submitted a proposal for negotiated settlement of debts and the same has been agreed in principle by all set lenders. On implementation of Company's proposal for negotiated settlement, there will be substantial improvement in capital structure of the Company.

Calculation of Capital Gearing ratio

₹ Crore

Particulars	31–Mar–18	31–Mar–17
Equity Capital	157.30	157.30
Reserves	(7,240.12)	(4,612.82)
	(7,082.82)	(4,455.52)
Borrowings*	5,041.16	5,162.88
Liability component of compound financial instrument	141.19	127.08
	5,182.35	5,289.96
Capital Gearing ratio	**(1.37)**	**(0.84)**
Capital Gearing ratio %	**(136.67)**	**(84.23)**

*Fixed cost bearing funds have been included in calculation of the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

44. DEFERRED TAX

Deferred tax liabilities / (Assets) of the following

Particulars	31–Mar–18	31–Mar–17
Relating to		
Property, Plant and Equipment	**(23.44)**	(25.30)
Other Intangible Assets	**(0.98)**	(0.81)
Financial Asset – Others	**(234.64)**	(219.82)
Disallowance Under Section 43B of the Income Tax Act, 1961	**NIL**	(338.15)
Provision for doubtful debts	**(26.26)**	(59.96)
Unabsorbed Depreciation	**(153.65)**	(145.51)
Total	**(438.97)**	**(789.55)**

44.1 The Company has a Deferred Tax Asset of ₹ 438.97 Crore as on March 31, 2018 (₹ 789.55 Crore as on March 31, 2017). The same has not been recognised in the financial statement in the absence of probable taxable profits against which the same can be utilised.

44.2 Amount and expiry date of unused tax losses which are not considered in deferred tax assets disclosed above

₹ Crore

Assessment Year (AY)	Unused tax Loss	Carried Forward Till AY
2012–13	104.75	2020–21
2013–14	87.81	2021–22
2014–15	408.80	2022–23
2015–16	194.04	2023–24
2016–17	141.28	2024–25
2017–18	9.17	2025–26
2018–19	5.00	2026–27
Total	**950.85**	

From last few years the Company is incurring losses and doesn't expect sufficient future taxable income in the near future against which the unused business losses can be utilised and therefore the Company has not considered the same for working of unrecognised DTA disclosed above .

45. GOING CONCERN

In last few years, the Company has incurred cash losses, resulting in erosion of its entire net worth. The Company's current liabilities are higher than its current assets. While winding up petitions have been disposed of based on consent terms filed.

The management is of a view that upon acceptance and implementation of the Company's revised negotiated settlement proposal, it would be in a position to meet its liabilities and continue its operations. In view of the above, the Company continues to prepare above results on Going Concern basis.

46. DISCLOSURE OF INFORMATION AS REQUIRED BY REGULATION 34(3) OF LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS

a) Details of Loans or Advances in the nature of loans given to wholly owned Subsidiaries and step–down Subsidiaries.

₹ Crore

Name of the Company	Relationship	Outstanding As at March 31,		Maximum balance during the year	
		2018	2017	2018	2017
GTL International Bangladesh Pvt. Ltd.	100% subsidiary of GTL Europe Limited	10.47	10.46	10.49	10.66
GTL International Limited	100% subsidiary of GTL Limited	55.67	55.61	55.99	58.44
International Global Tele–Systems Limited	100% subsidiary of GTL Limited	221.43	221.15	222.88	234.17

Note : 1) Increase in outstanding amount and maximum balance during the respective years is on account of exchange variation

2) The Company has made full provision for impairment against the said advances during the FY 2015–2016.

b) None of the Subsidiaries to whom advances are given per se, have investment in the shares of the Company.

47. DETAILS OF ROUNDED OFF AMOUNTS

The financial statements are presented in ₹ in Crore. Those items which are required to be disclosed and which were not presented in the financial statement due to rounding off to the nearest ₹ in Crore are as follows

Note

₹ Crore

Description	As at	
	31–Mar–18	31–Mar–17
Reserves and Surplus – Capital Reserve	7,725	7,725
Loans to employees	1,022	46,077
Interest cost (Refer note 37.b.3)	(7,816)	(38,041)

48. The previous year figures, wherever necessary, have been regrouped/rearranged/recast to make them comparable with those of the current year.

49. Figures in brackets relate to the previous year unless otherwise stated.

As per our report of even date
For **M/s. GDA and Associates**
Chartered Accountants
FRN No.135780W

Mayuresh V. Zele
Partner
M.No. 150027

Mumbai, May 03,2018

For and on behalf of the Board

Manoj G. Tirodkar
Chairman and Managing Director

Sunil S. Valavalkar
Whole Time Director

Vijay Vij
Director

Milind Bapat
Chief Financial Officer

Vidyadhar Apte
Company Secretary

CONSOLIDATED ACCOUNTS

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,
The Members of GTL Limited

Report on the Consolidated IND AS Financial Statements

We have audited the accompanying Consolidated IND AS Financial Statements of GTL Limited ("the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, which comprise the Consolidated Balance Sheet as at March 31, 2018, 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 a summary of the significant accounting policies and other explanatory information ("the Consolidated financial statements").

Management's Responsibility for the Consolidated IND AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

The respective Board of Directors of the Companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India and specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and by the other auditor in terms of their report referred to in sub–paragraph (c) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

As mentioned in Note No. 26.1 to the consolidated financial Statement, the Company has neither paid nor provided interest on its borrowings during the financial year based on the "in principle" approval given by the lenders in respect of the negotiated settlement proposal. Had such interest been recognised, the finance cost and interest liability for the year ended March 31, 2018 would have been more by Rs. 641.56 Crore.

Consequently, the reported Loss after Other Comprehensive Income by the Company for the year ended March 31, 2018 would have been Rs. 1,095.66 Crore. The Earnings per Share (EPS) would have been Negative Rs. 69.68.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, on the separate financial statements and on the other financial information of the subsidiaries and associates referred to in other matters paragraph below, except for the effect of the matters described in the basis for qualified opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated financial position of the Group and its associates as at March 31, 2018 and their consolidated financial performance including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw your attention to the:

Note No. 48 which inter–alia states that the Company has incurred cash losses, its Net worth has been fully eroded and the Company's current liabilities have exceeded its current assets as at March 31, 2018. The above conditions indicate the existence of the material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on going concern basis for the reasons stated in the said note.

Our opinion is not modified in respect of the above said matter.

Other Matters

a) The comparative financial information of the Company for the year ended on March 31, 2017 are based on previously issued Consolidated Ind AS Financial Statements prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, audited by predecessor auditor for the year ended on March 31, 2017, dated April 27, 2017, expressed an Unmodified opinion on those Consolidated Ind AS Financial Statements.

b) As at March 31, 2018, the balance confirmation, in respect of the outstanding Term Loan and Cash Credit balances (including Interest accrued) aggregating ₹ 248.48 Crore due to SCB Bank, Union Bank of India have not been received.

   Also, the balance confirmation relating to External Commercial Borrowings amounting to ₹ 886.17 Crore (including interest accrued) and Non–Convertible Debentures amounting to ₹ 1,683.09 Crore (including interest accrued) have not been received, as the matter is / was sub–judice.

c) i. The consolidated financial statements include the following entities:

   A. Subsidiaries

      a) International Global Telesystems Ltd.

      b) GTL International Ltd. and its subsidiaries

      c) Ada Cellworks Wireless Engineering Pvt. Ltd.

   B. Associates

      a) Global Rural Netco Ltd. (GRNL)

      b) GTL Infrastructure Ltd (GIL)

ii. We did not audit the financial statements of the 1 subsidiary included in the consolidated financial statements whose financial statements reflect total assets as at March 31, 2018, total revenues for the year ended on that day considered as under in the statement based on audited financial statements by other auditors:

Subsidiary

(Rs. in Crore)

Name of the Subsidiary	Total Assets as at March 31, 2018	Total Revenue for the year ended 31 March, 2018
Ada Cellworks Wireless Engineering Pvt. Ltd.	1.18	NIL

These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of such other auditor.

iii. We did not audit the financial statements of the 2 subsidiaries classified as "held for sale", included in the consolidated financial statements whose financial statements reflect total liabilities (Net) as at March 31, 2018, total revenues (Net) disclosed under "Discontinued operations" for the year ended on that day considered as under, unaudited and as furnished by the management:

Subsidiaries

(Rs. in Crore)

Name of the Subsidiaries	Total Liabilities (Net) as at March 31, 2018	Total Revenue (Net) for the year ended 31 March, 2018
International Global Telesystems Ltd	405.64	(48.82)
GTL International Ltd	200.78	(4.01)

These financial statements are unaudited and have been furnished to us by the management and our opinion on the statement in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, is based solely on such unaudited financial statements.

iv. The Consolidated financial statements include the Holding Company's share of net profit of Rs. 425.76 Crore for the year ended March 31, 2018, in respect of its associates GRNL and GTL Infrastructure Limited and whose financial statements have not been audited by us. These financial statements of GIL and GRNL for the year ended March 31, 2018 are unaudited and have been furnished to us by the management and our opinion on the statement in so far as it relates to the amounts and disclosures included in respect of these associates, is based solely on such unaudited financial statements.

Our opinion 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 non receipt of confirmation as stated in (b) above and with respect to our reliance on the work done and the report of the other auditors and the financial statements/ consolidated financial statements certified by the Management as stated in (c) above.

Report on Other Legal and Regulatory Requirements

I. As required by Section 143 (3) of the Act based on our audit and on the consideration of the report of the other auditor of separate financial statements and on the other financial information of subsidiaries and associate companies incorporated in India, as noted in the other matter paragraph in the auditor's report, we report, to the extent applicable, that:

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

b) 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 and the report of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity 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, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with rule 3 of Companies (Indian Accounting Standards) Rules, 2015.

e) On the basis of the written representations received from the directors, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

We are unable to comment whether any of the director of the associate company, which is incorporated in India, is disqualified in terms of Section 164 (2) of the Act, as unaudited accounts of the associate were provided to us by the management of the Holding Company.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on auditors' report of the Holding Company, subsidiary and associate companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 read with Notification No G.S.R 307(E) dated 30.03.2017, in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates. Refer Note 40.C to the consolidated financial statements.

ii. According to the information and explanations given to us, the Group and its associates does not have any long–term contracts including derivative contracts for which there are any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India. We have been informed that in case of the Holding Company's associate companies, incorporated in India whose unaudited accounts are provided to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund. Unpaid dividend of the Holding Company of ₹ 0.20 crore pertaining to the years 2000–01, 2001–02 and 2003–04 to 2008–09, 2009–10 which has not been transferred to the Investor Education and Protection Fund but is held in abeyance on account of pending legal cases is not considered for reporting under this clause.

For GDA & Associates
Chartered Accountants
Firm Registration Number: 135780W

CA Mayuresh V. Zele
Partner
Membership No: 150027

Place : Mumbai
Date : May 03, 2018.

ANNEXURE "A"

TO THE INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS OF GTL LIMITED

(Referred to in paragraph I (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of GTL Limited on the consolidated Ind AS financial statements for the year ended March 31, Consolidated Financial Statements)

Report on the Internal Financial Controls Over Financial Reporting 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 the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of GTL Limited ("the Holding Company") and its subsidiary company and associate companies (the Holding Company and its subsidiary/associate companies together referred to as "the Group") which are companies incorporated in India, as of that date.

In respect of an associate company incorporated in India, which has been included in consolidated financial statements based on unaudited financial statement of such associate provided to us by the management of the Holding Company and hence no report on internal financial controls over financial reporting under section 143 (3) (i) of the Act is available, and accordingly the possible effects of the same on our reporting on internal financial controls over financial reporting have not been considered.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary/associate companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of their 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 issued by the ICAI and the Standards on Auditing, issued by the 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. 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 consolidated Ind AS 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 Group'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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial 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, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors as referred to in the Other Matters paragraph, the Group 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 of 31st March, Consolidated Financial Statements, based on the internal control over financial reporting criteria established by these entities considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to a subsidiary company and associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of the above matter.

For GDA & Associates
Chartered Accountants
Firm Registration Number: 135780W

CA Mayuresh V. Zele
Partner
Membership No: 150027

Place : Mumbai
Date : May 03, 2018.

Consolidated Balance sheet as at March 31, 2018

₹ Crore

Particulars	Notes	As at 31 March 2018	As at 31 March 2017
Assets			
Non–current assets			
Property, plant and equipment	3	**79.50**	94.93
Capital work–in–progress	3	**NIL**	NIL
Investment properties	4	**3.12**	3.17
Intangible assets	5	**0.78**	0.75
Financial assets			
Investments	6	**841.89**	416.13
Loans	7	**1.17**	7.41
Other	8	**NIL**	535.67
Deferred tax assets (net)		**NIL**	NIL
Other non–current assets	9	**NIL**	0.07
		926.46	1,058.13
Current assets			
Inventories	10	**NIL**	5.94
Financial assets			
Investments		**NIL**	NIL
Trade receivables	11	**0.84**	77.20
Cash and cash equivalents	12	**15.38**	95.46
Bank balance other than included in Cash and cash equivalents above	13	**4.49**	6.12
Loans	14	**0.80**	14.17
Other	15	**0.95**	273.63
Assets held for Sale and Discontinued Operations	16	**NIL**	NIL
Current Tax Assets (Net)	17	**18.64**	27.28
Other current assets	18	**30.86**	32.82
		71.96	532.62
Total Assets		**998.42**	1,590.75
Equity and liabilities			
Equity			
Equity Share Capital	19	**157.30**	157.30
Other Equity		**(6,569.74)**	(6,126.69)
Total Equity		**(6,412.44)**	(5,969.39)
Non–current liabilities:			
Financial liabilities			
Borrowings	20	**141.19**	127.08
Provisions	21	**0.66**	0.97
		141.85	128.05
Current liabilities:			
Financial liabilities			
Trade payables	22	**99.39**	113.28
Other financial liabilities	23	**6,552.88**	6,719.02
Other current liabilities	24	**10.27**	38.90
Provisions	25	**0.05**	0.06
Liabilities directly associated with the assets classified as held for sale	26	**606.42**	560.83
		7,269.01	7,432.09
Total liabilities		**7,410.86**	7,560.14
Total equity and liabilities		**998.42**	1,590.75

The accompanying notes form an integral part of the consolidated financial Statement

As per our report of even date
For **M/s. GDA and Associates**
Chartered Accountants
FRN No.135780W

Mayuresh V. Zele
Partner
M.No. 150027

Mumbai, May 03,2018

For and on behalf of the Board

Manoj G. Tirodkar
Chairman and Managing Director

Sunil S. Valavalkar
Whole Time Director

Vijay Vij
Director

Milind Bapat
Chief Financial Officer

Vidyadhar Apte
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2018

₹ Crore (unless otherwise stated)

Particulars	Notes	Year ended 31st March, 2018	Year ended 31st March, 2017
Continuing operations			
Revenue from operations	27	**995.49**	1,221.11
Other income	28	**9.89**	33.51
TOTAL INCOME		**1,005.38**	1,254.62
EXPENSES			
Cost of Purchases / Services rendered	29	**774.29**	897.99
Changes in inventories of finished goods, stock–in–trade and work–in–progress	30	**5.94**	(5.94)
Employee benefits expenses	31	**151.40**	139.79
Finance costs	32	**18.53**	547.12
Depreciation and amortisation expenses	33	**17.49**	47.42
Other expenses	34	**137.72**	155.72
TOTAL EXPENSES		**1,105.37**	1,782.10
Loss before exceptional items and tax from continuing operations		**(99.99)**	(527.48)
Exceptional items	35	**(727.79)**	NIL
Loss before tax from continuing operations		**(827.78)**	(527.48)
Tax expenses			
Current tax		**NIL**	NIL
Adjustment of tax relating to earlier periods		**(0.37)**	(5.32)
Deferred tax credit/(charge)		**NIL**	NIL
Loss For The Year From Continuing Operations		**(827.41)**	(522.16)
Less : Minority Interest		**NIL**	NIL
Add : Share of Profit / (Loss) in associates		**425.77**	(281.34)
Loss after tax expense, Share of Profit in associates and minority interest from continuing operations		**(401.64)**	(803.50)
Discontinued operations:	36		
Loss before tax for the year from discontinued operations		**(41.50)**	(179.90)
Tax expenses of discontinued operations		**11.33**	10.49
Loss for the year from discontinued operations		**(52.83)**	(190.39)
Loss for the year		**(454.47)**	(993.89)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		**0.37**	(0.43)
(ii) Income tax relating to items that will not be reclassified to profit or loss		**NIL**	NIL
Sub Total		**0.37**	(0.43)
Share in other comprehensive income of associates		**(0.01)**	(0.06)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**0.36**	(0.49)
B (i) Items that will be reclassified to profit or loss		**NIL**	NIL
(ii) Income tax relating to items that will be reclassified to profit or loss		**NIL**	NIL
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**NIL**	NIL
Other comprehensive income for the year, net of tax		**0.36**	(0.49)
Total Comprehensive Income for the period, net of tax		**(454.11)**	(994.38)
Earnings per share (in ₹)	37		
Continuing operations			
Basic		**(25.53)**	(51.08)
Diluted		**(25.53)**	(51.08)
Discontinued operations			
Basic		**(3.36)**	(12.10)
Diluted		**(3.36)**	(12.10)
Continuing and discontinued operations			
Basic		**(28.89)**	(63.18)
Diluted		**(28.89)**	(63.18)

As per our report of even date
For **M/s. GDA and Associates**
Chartered Accountants
FRN No.135780W

Mayuresh V. Zele
Partner
M.No. 150027

Mumbai, May 03, 2018

For and on behalf of the Board

Manoj G. Tirodkar
Chairman and Managing Director

Sunil S. Valavalkar
Whole Time Director

Vijay Vij
Director

Milind Bapat
Chief Financial Officer

Vidyadhar Apte
Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2018

a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid (Refer Note 20.3)	No of shares	₹ Crore
At 31 March 2017	157,296,781	157.30
At 31 March 2018	157,296,781	157.30

b. Other Equity

₹ Crore

Particulars	Equity component of compound financial instrument	Reserves & Surplus								Items of OCI FVTOCI reserve	Total
		Capital Reserve	Capital Redemption Reserve	Securities premium account	Debenture Redemption Reserve*	General reserve	Translation Reserve	Reserves on Consolidation	Balance in Statement of Profit and Loss		
As at 31st March 2018	570.92	12.84	8.63	448.18	191.16	510.76	18.30	5.05	(7,892.53)	NIL	(6,126.69)
Net loss for the period	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	(454.47)	NIL	(454.47)
Addition / Reduction during the year							5.28	5.78			11.06
Other comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.36	NIL	0.36
Total comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	5.28	5.78	(454.11)	NIL	(443.05)
Transfer from debenture redemption reserve / general reserve	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
As at 31 March 2018	**570.92**	**12.84**	**8.63**	**448.18**	**191.16**	**510.76**	**23.58**	**10.83**	**(8,346.64)**	**NIL**	**(6,569.74)**
For the year ended 31 March 2017											
As at 1st April 2016	570.92	12.84	8.63	448.18	191.16	510.76	(1.81)	(2.67)	(6,898.15)	NIL	(5,160.14)
Net loss for the period	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	(993.89)	NIL	(993.89)
Addition / Reduction during the year	NIL	NIL	NIL	NIL	NIL	NIL	20.11	7.72	NIL	NIL	27.83
Other comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	(0.49)	NIL	(0.49)
Total comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	20.11	7.72	(994.38)	NIL	(966.55)
Transfer from debenture redemption reserve / general reserve	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
As at 31 March 2017	570.92	12.84	8.63	448.18	191.16	510.76	18.30	5.05	(7,892.53)	NIL	(6,126.69)

*In view of Loss incurred, no Debenture Redemption Reserve is created since year ended March 31, 2012

As per our report of even date
For **M/s. GDA and Associates**
Chartered Accountants
FRN No.135780W

Mayuresh V. Zele
Partner
M.No. 150027

Mumbai, May 03,2018

For and on behalf of the Board

Manoj G. Tirodkar
Chairman and Managing Director

Sunil S. Valavalkar
Whole Time Director

Vijay Vij
Director

Milind Bapat
Chief Financial Officer

Vidyadhar Apte
Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2018

₹ Crore

Particulars	31 March 2018	31 March 2017
Operating activities		
Profit / (loss) before tax from continuing operations	**(401.64)**	(809.31)
Profit/(loss) before tax from discontinued operations	**(41.50)**	(179.90)
Profit before tax	**(443.14)**	(989.22)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment (Continuing operation)	**17.48**	47.40
Depreciation and impairment of property, plant and equipment (Discontinuing operation)	**1.60**	2.60
Gain on disposal of property, plant and equipment	**(0.07)**	(0.35)
Finance income (including fair value change in financial instruments)	**(2.80)**	(9.79)
Finance costs (including fair value change in financial instruments)	**84.43**	605.69
Unrealised Exchange (Gain)/Loss	**1.71**	(17.82)
Allowance for credit losses – Trade Receivables (Continuing operation)	**70.79**	36.42
Allowance for credit losses – Trade Receivables (Discontinuing operation)	**NIL**	17.40
Allowance for credit losses– Other Receivables (Continuing operation)	**31.22**	68.03
Allowance for credit losses– Other Receivables (Discontinuing operation)	**NIL**	133.93
Minority Interest	**(0.15)**	0.91
Provision for Investment / share of loss	**(425.76)**	281.40
Liabilities / provisions no longer required written back	**(2.20)**	(1.04)
Exceptional Items :		
Provision for Doubtful Advances (Net)	**727.79**	NIL
Working capital adjustments:		
Increase /(decrease) in provision for gratuity & Compensated absences	**(0.17)**	(5.55)
(Increase)/decrease in trade receivables	**4.70**	(37.51)
(Increase)/decrease in inventories	**(4.15)**	(4.49)
(Increase)/decrease in other current and non current assets	**91.12**	(29.18)
(Increase)/decrease in long term and short term loans and advances	**21.58**	(21.69)
Increase /(decrease) in trade payables, other current and non current liabilities and provisions	**(29.39)**	15.02
	144.59	92.16
Income tax paid (including TDS) (net)	**(4.16)**	(16.06)
Net cash flows from operating activities	**140.43**	76.10

₹ Crore

Particulars	31 March 2018	31 March 2017
Investing activities		
Proceeds from sale of property, plant and equipment	**0.07**	0.38
Purchase of property, plant and equipment (including CWIP)	**(4.20)**	(5.04)
Interest received (finance income)	**2.85**	9.94
Net cash flows from / (used in) investing activities	**(1.28)**	5.28
Financing activities		
Interest paid	**(0.23)**	(6.87)
Proceeds from long term borrowings	**NIL**	6.31
Repayment of long term borrowings	**(139.18)**	(16.04)
Liability portion of guarantee obligation	**(83.07)**	(67.85)
Fixed deposits with banks held as margin money	**10.24**	6.20
Net cash flows from / (used in) financing activities	**(212.24)**	(78.25)
Adjustment on account of Consolidation / Translation	**(9.71)**	15.82
Net increase / (decrease) in cash and cash equivalents	**(82.80)**	18.96
Cash and cash equivalents at the beginning of the year (Continuing Operations)	**95.46**	67.09
Cash and cash equivalents at the beginning of the year (Discontinued operation)	**14.95**	24.36
Cash and cash equivalents at the beginning of the year	**110.41**	91.46
Cash and cash equivalents at the end (Continuing Operations)	**15.38**	95.46
Cash and cash equivalents at the end (Discontinuing operation)	**12.23**	14.95
Cash and cash equivalents at the end	**27.61**	110.41

(i) The above Cash Flow Statement has been prepared under the ‘Indirect Method’ as set out in Ind AS – 7 ‘ Statement of Cash Flow.

(iii) Figures in brackets indicate outflows.

(iv) Previous year’s figures have been regrouped/rearranged/recast wherever necessary to make them camparable with those of current year.

As per our report of even date
For **M/s. GDA and Associates**
Chartered Accountants
FRN No.135780W

For and on behalf of the Board

Manoj G. Tirodkar
Chairman and Managing Director

Mayuresh V. Zele
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Whole Time Director

Vijay Vij
Director

Milind Bapat
Chief Financial Officer

Vidyadhar Apte
Company Secretary

Mumbai, May 03,2018

1. BASIS OF PRINCIPLES OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES

1.1 The financial statement relates to GTL Limited (hereinafter referred to as "Parent Company"), its subsidiary companies (including step down subsidiaries) (hereinafter together referred to as "The Group") and associates comprising of Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Statement of Consolidated Cash Flows together with the consolidated notes have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting standards) (Amendment) Rules, 2016. The list of subsidiary companies considered for consolidation and basis of consolidation is as follows:

Sr. No.	Name of the Subsidiary Company	Country of Incorporation	Proportion of ownership interest and relationship	Financial year ended on
A	International Global Tele–Systems Limited	Mauritius	100% subsidiary of GTL Limited	31st December
B	GTL International Limited	Bermuda	100% subsidiary of GTL Limited	31st December
B.1	GTL (Singapore) Pte Ltd.	Singapore	100% subsidiary of GTL International Ltd	31st December
B.2	GTL Overseas (Middle East) DMCC	UAE	100% subsidiary of GTL International Ltd	31st December
B.3	GTL Europe Limited	UK	100% subsidiary of GTL International Ltd	31st December
B.4	GTL Nepal Private Limited	Nepal	100% subsidiary of GTL (Singapore) Pte Ltd.	31st December
B.5	iGTL Myanmar Limited	Myanmar	99% subsidiary of GTL (Singapore) Pte Ltd.	31st March
C	Ada Cellworks Wireless Engineering Private Limited	India	100% subsidiary of GTL Limited	31st March

1.2 Principles of Consolidation:

1 The financial statements of the Parent Company and its subsidiary companies (including step down subsidiaries) are combined on a line–by–line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra–group balances and intra–group transactions in accordance with Ind– AS 110 "Consolidated Financial Statements".

A Subsidiary is an entity controlled by the Parent. The Parent controls an entity when it is exposed to or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the Consolidated Financial Statements from the date on which control commences as per Ind AS until the date on which control ceases.

2 In case of foreign subsidiaries, being non–integral foreign operations, revenue items are converted at weighted average rate for the financial year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized as the "Translation Reserve" and the same is grouped under "Reserves and Surplus".

3 The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.

4 The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

5 Share of Minority Interest in net profit / loss of the consolidated subsidiaries for the year is identified and adjusted against the profit / loss of the group in order to arrive at the net profit / loss attributable to shareholders of the Company.

6 Share of Minority Interest in net assets of the consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

7 Investment in Associate Companies is accounted under the equity method as per Ind–AS 28 " Investment in Associates and Joint Ventures"

8 As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Parent Company's separate financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

1. Basis for preparation of Financial Statements:

The Consolidated Financial Statements have been prepared on a going concern basis on accrual basis, in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting standards) (Amendment) Rules, 2016.

The Consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The preparation of the Consolidated financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 38 on critical accounting estimates, assumptions and judgements).

The Consolidated financial statements are presented in ₹ and all values are rounded to the nearest crore (₹ 10,000,000), except when otherwise indicated.

2. Current versus non–current classification:

The presentation of assets and liabilities in the Consolidated balance sheet is based on current/ non–current classification. The Parent Company has presented non–current assets and current assets before equity, non–current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by Ministry of Corporate Affairs (MCA)."

An asset is classified as current when it satisfies any of the following criteria:

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

All other assets are classified as non–current.

A liability is classified as current when:

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

All other liabilities are classified as non–current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The Parent Company has considered a period of twelve months for classifying its assets and liabilities as current and non–current.

3. Fair value measurement:

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

The Parent Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 — Quoted / Published NAV (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities.

For the purpose of fair value disclosures, the Parent Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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

- Disclosures for valuation methods, significant estimates and assumptions (note 38)
- Quantitative disclosures of fair value measurement hierarchy (note 42)
- Investment in unquoted equity shares (note 6)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 42)

4. Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured regardless of when the proceeds are being received. Revenue 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 the government. It has been concluded that Group is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific revenue recognition policies are as under:

a. Revenue from Turnkey Contracts, which are either Fixed Price or Cost Plus contracts, is recognized based on work completion of activity or achievement of milestone.

b. Revenue from sale of products is recognized upon passing of the title of goods and/or on transfer of significant risk and rewards of ownership thereto.

c. Revenue from Services is recognized on performance of Service as per the contractual terms.

d. Dividend income is recognized when the right to receive dividend is established.

e. Income such as Interest, Rent is recognized as per contractually agreed terms on time proportion basis.

5. Property, plant and equipment:

On transition to Ind AS, the Group has opted to continue with the previous GAAP carrying values as deemed cost for all items of plant, property and equipment.

Tangible Assets are stated at the cost of acquisition less accumulated depreciation and impairment losses, if any. The cost includes purchase price (after deducting trade discounts and rebates), including non–refundable taxes and duties and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.

When significant parts of Property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Consolidated statement of profit and loss.

Advances paid towards acquisition of fixed assets are disclosed as Capital Advances under Other non–current assets and cost of assets not ready for use before the year–end, is disclosed as capital work in progress.

Depreciation on Fixed Assets is provided to the extent of depreciable amount on Straight Line Method over the useful life of the assets and in the manner prescribed in schedule II to the Companies Act, 2013 except in respect of following Fixed Assets where the assessed useful life is different than that prescribed in Schedule II.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Sr.	Asset	Economic Useful Life (Years)
1	Buildings (including land for which no separate Valuation is available)	58
2	Leasehold land	58
3	Plant and Equipment	3 to 10
4	Furniture and Fixtures	5
5	Test and Repair Equipment	5
6	Vehicles	5

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of Profit and Loss when the asset is derecognised.

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

Assets taken on lease are depreciated as per useful life prescribed in schedule II, over lease period or the estimated useful life of such assets, whichever is lower. The improvements to leasehold assets are depreciated as per useful life prescribed in schedule II, over the lease period, the estimated useful life of the improvements or the balance lease period, whichever is lower.

6. **Investment properties:**

On transition to Ind AS, the Group has opted to continue with the previous GAAP carrying values as deemed cost for investment properties.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group based on assessment made by technical expert and management estimate, depreciates the building over estimated useful life of 58 years which is different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that this estimated useful life is realistic and reflects fair approximation of the period over which the asset is likely to be used.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated statement of Profit and Loss when the asset is derecognised.

7. **Intangible assets:**

On transition to Ind AS, the Group has opted to continue with the previous GAAP carrying values as deemed cost for all items of Intangible assets.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. There are no intangible assets assessed with indefinite useful life.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated statement of Profit and Loss when the asset is derecognised

Group amortises intangible assets using the straight line method based on useful lives as prescribed in Schedule II.

8. **Inventories:**

a. Inventories including Work–in–process and stores and spares are valued at the lower of cost and net realizable value.

b. Inventory of Consumables is valued at cost

c. Cost of inventories is generally ascertained on first in first out basis.

Cost includes cost of purchase and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

9. **Impairment of Non–Financial Assets**

At each balance sheet, the Group assesses whether there is any indication that any property, plant and equipment and intangible asset may be impaired and 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).

For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit to which the asset belongs.

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.

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 recognised immediately in the Consolidated Statement of profit and loss. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

10. Foreign currencies:

The Consolidated financial statements are presented in ₹ which is also its functional currency of the Parent Company.

Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Consolidated Statement of Profit and Loss.

Non–monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

11. Employee Benefits:

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by the employees are recognised as an expense during the year when the employees render the services.

Post–Employment Benefits

Defined Contribution Plan

A defined contribution plan is a post–employment benefit plan under which the specified contributions are paid to a separate entity. The specified monthly contributions are paid towards Provident Fund, Pension Scheme or any other applicable funds. The contributions are recognised as an expense in the Consolidated Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plan

The liability in respect of defined benefit plans and other post–employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees 'services.

Re–measurement of defined benefit plans in respect of post–employment and other long term benefits are charged to the other Comprehensive Income.

12. Financial instruments:

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

Financial assets

Initial recognition and measurement

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss are adjusted to the fair value on initial recognition. Purchase and sale of financial asset are recognised using trade date accounting i.e. the date that the Group commits to purchase or sell the asset.

Subsequent measurement

Financial Assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect the contractual cash flows and the contractual terms of the financial asset give rise on the specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Consolidated profit or loss. The losses arising from impairment are recognised in the Consolidated profit or loss. This category applies to Trade and other receivables, Security deposits, Other advance, Loan and advances to related parties, Unbilled Income, Interest Receivable etc.

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)

A financial asset is subsequently measured at Fair Value through other Comprehensive Income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group does not have any financial assets which are fair valued through Other Comprehensive Income (FVTOCI).

Financial Assets at Fair Value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss

Equity investments

All equity investments other than investment in Associates are measured at fair value, with value changes recognised in Statement of Profit and loss except for those equity investments for which the Group has elected to present the value changes in 'other comprehensive income'

The Group does not have any equity investments which are fair value through Other Comprehensive Income (FVTOCI)

The Group makes such election on an instrument–by–instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Consolidated balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Group assesses impairment based on expected credit loss (ECL) model to the following

Financial assets at amortised cost

Financial assets measured at fair value through Profit or Loss Account

The Group follows simplified approach for recognition of impairment loss allowance. The application of simplified approach does not require the Group to track changes in credit risks. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

The Group uses historical cost experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historically observed default rates are updated and changes in the forward looking estimates are analysed.

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

A. Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on financial liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Consolidated statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest–bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated statement of profit and loss.

Financial guarantee contracts

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

Derecognition

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

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) contract that also includes a non–derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand–alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non–financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

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

Offsetting of financial instruments

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

13. **Provision for Current and Deferred Tax:**

a. **Current Tax:** Provision is made for income tax, under the tax payable method, based on the liability as computed after taking credit for allowances, exemptions, and MAT credit entitlement for the year. Adjustments in books are made only after the completion of the assessment. In case of matters under appeal, due to disallowances or otherwise, full provision is made when the said liabilities are accepted.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The current tax assets and current tax liabilities are offset and presented net if and only if there is legally enforceable right to set off current tax assets and current tax liabilities.

b. **Deferred tax:** Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Consolidated balance sheet and the corresponding tax bases used in the computation of taxable profit and thereafter a deferred tax asset or deferred tax liability is recorded for temporary differences, namely the differences that originate in one accounting period and reverse in another. Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax asset is recognized only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Carrying value of deferred tax asset is adjusted for its appropriateness at each balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The deferred tax assets and deferred tax liabilities are offset and presented net if the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

c. **Credit of MAT** is recognised as an asset only when and to the extent there is convincing evidence that the normal income tax will be paid during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Consolidated Statement of profit and loss and shown as MAT credit entitlement. The same is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent there is no longer convincing evidence to the effect that the normal income tax will be paid during the specified period.

14. **Provisions, Contingent Liabilities and Contingent Assets :**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Consolidated statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non–occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Consolidated Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

15. **Borrowing Cost:**

a. Borrowing costs, less any income on the temporary investment out of those borrowings, that are directly attributable to acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of the cost of that asset.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

b. Other borrowing costs are recognized as expense in the period in which they are incurred.

16. Leases:

As a lessee:

a. Assets taken on lease, under which the lessor effectively retains all the risks and rewards of ownership, are classified as operating lease. Operating lease payments are recognized as expense in the Consolidated Statement of Profit and Loss on a straight–line basis over the lease term unless payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase; such increases are recognised in the year in which such benefits accrue.

b. Assets acquired under leases where all the risks and rewards incidental to ownership are substantially transferred to the Group are classified as Finance leases. Such leases are capitalized at the inception of the lease at the lower of fair value or the present value of minimum lease payments and liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

17. Convertible preference shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non–convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

18. Cash and Cash equivalents :

Cash and cash equivalents comprise cash at bank and in hand, cheques in hand and deposits with banks having maturity period less than three months from the date of acquisition, which are subject to an insignificant risk of changes in value

For the purpose of Consolidated statement of cash flows, cash and cash equivalents consist of cash and short–term deposits as defined above net of outstanding bank overdrafts where they are considered an integral part of the Group's cash management policy.

19. Earnings per share

The earnings considered in ascertaining the Earnings Per Share (EPS) is the net profit/ (loss) after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period/year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti–dilutive.

20. Non–current assets held for sale / discontinued operations:

The Group classifies non–current assets as held for sale/ discontinued operations if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non–current assets for other non–current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non–current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the Consolidated balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co–ordinated plan to dispose of a separate major line of business or geographical area of operations

  Or

- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the Consolidated statement of profit and loss.

21. Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new and amendments to Ind ASs which the Group has not applied as they are effective for annual periods beginning on or after April 1, 2018:

Ind AS 115	Revenue from Contracts with Customers
Ind AS 21	The effect of changes in Foreign Exchange rates

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 will supersede the current revenue recognition standard Ind AS 18 Revenue, Ind AS 11 Construction Contracts when it becomes effective.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5–step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The Group has completed its evaluation of the possible impact of Ind AS 115 and will adopt the standard with all related amendments to all contracts with customers retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. Under this transition method, cumulative effect of initially applying IND AS 115 is recognised as an adjustment to the opening balance of retained earnings of the annual reporting period. The standard is applied retrospectively only to contracts that are not completed contracts at the date of initial application. The Group does not expect the impact of the adoption of the new standard to be material on its retained earnings and to its net income on an ongoing basis.

Ind AS 21 – The effect of changes in Foreign Exchange rates

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non–monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The Group is evaluating the impact of this amendment on its financial statements.

2.2 CORPORATE INFORMATION

The Parent Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. Its shares are listed on Bombay Stock Exchange and National Stock Exchange of India. The registered office of the Company is located at GTL Limited, Global Vision, Electronic Sadan II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai.

The Group is engaged in providing network services to telecom operators, OEM's and tower companies.

The Consolidated financial statements were authorised for issue in accordance with a resolution passed in the meeting of the Board of directors held on April 27, 2017.

3. PROPERTY, PLANT AND EQUIPMENT

₹ Crore

Particulars	Leasehold Buildings	Plant & machinery	Furniture & fixtures	Office equipments	Computers	Networking Assets	Test and Repair Equipments	Vehicles	Total of Property, plant and equipment	Capital Work in Progress
Cost										
At 1 April 2016	77.96	110.54	4.09	2.95	0.42	35.74	5.69	0.36	237.75	0.23
Additions	NIL	0.67	NIL	0.29	0.46	0.42	0.08	0.77	2.69	NIL
Disposals	NIL	NIL	NIL	NIL	(0.03)	NIL	NIL	NIL	(0.03)	(0.23)
At 31 March 2017	77.96	111.21	4.09	3.24	0.85	36.16	5.77	1.13	240.41	NIL
Additions	NIL	0.01	0.01	0.14	0.48	1.13	0.04	0.13	1.94	0.07
Disposals	NIL	NIL	NIL	NIL	(0.15)	NIL	NIL	(0.00)	(0.16)	(0.07)
At 31 March 2018	**77.96**	**111.22**	**4.11**	**3.38**	**1.18**	**37.29**	**5.81**	**1.26**	**242.20**	**NIL**
Depreciation and impairment										
At 1 April 2016	1.72	69.34	0.97	0.87	0.22	23.12	1.86	0.07	98.17	NIL
Depreciation charge for the year	1.82	30.64	0.72	0.71	0.34	11.54	1.36	0.18	47.31	NIL
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
At 31 March 2017	3.54	99.98	1.69	1.58	0.56	34.66	3.22	0.25	145.48	NIL
Depreciation charge for the year	1.82	10.89	0.62	0.23	0.37	1.83	1.35	0.25	17.37	NIL
Disposals	NIL	NIL	NIL	NIL	(0.15)	NIL	NIL	NIL	(0.15)	NIL
At 31 March 2018	**5.35**	**110.87**	**2.30**	**1.81**	**0.78**	**36.49**	**4.57**	**0.51**	**162.70**	**NIL**
Net Book Value										
At 31 March 2018	**72.60**	**0.35**	**1.80**	**1.57**	**0.40**	**0.80**	**1.24**	**0.74**	**79.50**	**NIL**
At 31 March 2017	74.42	11.24	2.40	1.66	0.29	1.50	2.55	0.88	94.93	NIL

3.1 Deemed cost of leasehold building includes subscription towards share capital of co–operative societies amounting to ₹ 2,750/– (Previous Year ₹ 2,750/–)

3.2 For lien and charge on the above assets refer note no 23.2

3.3 In accordance with the Indian Accounting Standard (Ind AS 36) on "Impairment of Assets" the Management carried out an exercise of identifying assets that may have been impaired and on the basis of this review carried out by the Management, there was no impairment loss on Property, plant and equipment during the year ended March 31, 2018 and March 31, 2017

4. INVESTMENT PROPERTY

₹ Crore

Particulars	Freehold land	Leasehold land	Total
Opening Balance At 1 April 2016	0.23	3.05	3.28
Additions	NIL	NIL	NIL
Disposals	NIL	NIL	NIL
Closing Balance At 31 March 2017	0.23	3.05	3.28
Additions	NIL	NIL	NIL
Disposals	NIL	NIL	NIL
Closing Balance At 31 March 2018	**0.23**	**3.05**	**3.28**
Depreciation and impairment			
Opening Balance At 1 April 2016	NIL	0.05	0.05
Depreciation charge for the year	NIL	0.05	0.05
Disposals	NIL	NIL	NIL
Closing Balance At 31 March 2017	NIL	0.11	0.11
Depreciation charge for the year	NIL	0.05	0.05
Disposals	NIL	NIL	NIL
Closing Balance At 31 March 2018	**NIL**	**0.16**	**0.16**
Net Block			
At 31 March 2018	**0.23**	**2.89**	**3.12**
At 31 March 2017	0.23	2.94	3.17

4.1 Information regarding income and expenditure of Investment property

₹ Crore

Particulars	March–18	March–17
Rental income derived from investment properties	**NIL**	NIL
Direct operating expenses (including repairs and maintenance) generating rental income	**NIL**	NIL
Direct operating expenses (including repairs and maintenance) that did not generate rental income	**(0.13)**	(0.13)
Loss arising from investment properties before depreciation and indirect expenses	**(0.13)**	(0.13)
Less – Depreciation	**(0.05)**	(0.05)
Loss arising from investment properties before indirect expenses	**(0.19)**	(0.19)

4. 2 Reconciliation of fair value:

₹ Crore

Particulars	Amount
Fair value as at 31 March 2016	38.66
Fair value difference	1.89
Purchases	NIL
Fair value as at 31 March 2017	**40.55**
Fair value difference	1.98
Purchases	NIL
Fair value as at 31 March 2018	**42.53**

Estimation of Fair Value

4.3.1 The company's investment properties consist of land parcels in the state of Gujarat and Maharashtra

4.3.2 The company obtains independent valuations for its investment properties at least annually. These valuations are performed by independent valuers who are specialists in valuing these types of investment properties. The valuation methodology is based on the prevailing rate of sale of land in said locality with the same specification and amenities. This valuation methodology is categorised under level 2 of fair value hierarchy.

4.3 For lien and charge on the above assets refer note no 23.2

5. INTANGIBLE ASSETS

₹ Crore

Particulars	Networking Software	Other than Networking Software	Total
Deemed Cost			
At 1 April 2016	1.08	NIL	1.08
Additions	NIL	NIL	NIL
Disposals	NIL	NIL	NIL
At 31 March 2017	**1.08**	**NIL**	**1.08**
Additions	0.10	NIL	0.10
Disposals	NIL	NIL	NIL
At 31 March 2018	**1.18**	**NIL**	**1.18**
Amortization and impairment			
At 1 April 2016	**0.28**	**NIL**	**0.28**
Amortisation	0.05	NIL	0.05
Disposals	NIL	NIL	NIL
At 31 March 2017	**0.33**	**NIL**	**0.33**
Amortisation	0.07	NIL	0.07
Disposals	NIL	NIL	NIL
At 31st March 2018	**0.40**	**NIL**	**0.40**
Net Book Value			
At 31 March 2018	**0.78**	**NIL**	**0.78**
At 31 March 2017	**0.75**	**NIL**	**0.75**

5.1 For lien and charge on the above assets refer note no 23.2

6. INVESTMENTS (NON CURRENT)

Particulars	31 March 2018		31 March 2017	
	Numbers	₹ Crore	Numbers	₹ Crore
Investments – Trade (fully paid)				
Quoted				
Equity Shares – Associates				
GTL Infrastructure Ltd. (Face Value of ₹ 10/– each)	**2,046,505,865**	**2,229.03**	345,763,466	591.55
Less : Share in Associates		**(1,387.14)**		(591.55)
Total of Quoted Investments in Equity Shares – Trade		**841.89**		NIL

Particulars	31 March 2018		31 March 2017	
	Numbers	**₹ Crore**	Numbers	₹ Crore
Unquoted				
Equity Shares of				
Associates				
Global Rural Netco Ltd. (Face Value of ₹ 10/– each)	**75,000,000**	**–**	75,000,000	–
Less : Share of loss		**–**		–
		–		NIL
Chennai Network Infrastructure Ltd. (Refer note 6.2) (Face Value of ₹ 10/– each)		**NIL**	1,700,742,399	1,637.48
Less : Share of loss		**NIL**		(1,221.35)
		–		416.13
		–		416.13
Other				
European Projects and Aviation Ltd. (Face Value of ₹ 10/– each)	**12,350,000**	**–**	12,350,000	–
Less : Provision for Impairment loss		**–**		–
		NIL		NIL
Total of Un–quoted Investments in Equity Shares – Trade		**–**		416.13
Investments at fair value				
Associates				
6% Cumulative Redeemable Preference Shares of Global Rural Netco Ltd.	**20,000,000**	**200.00**	20,000,000	200.00
Less : Provision for Impairment loss		**(200.00)**		(200.00)
		NIL		NIL
Others				
0.1% Cumulative Preference Shares of Global Proserv Ltd (Face Value of ₹ 100/– each)	**13,000,000**	**100.24**	13,000,000	100.24
Less : Provision for Impairment loss		**(100.24)**		(100.24)
		NIL		NIL
0.1% 12 Years Redeemable Preference Shares of European Projects and Aviation Limited (Face Value of ₹ 10/– each)	**13,000,000**	**15.04**	13,000,000	15.04
0.02% 13 Years Redeemable Preference Shares of European Projects and Aviation Limited (Face Value of ₹ 10/– each)	**50,250,000**	**19.11**	50,250,000	19.11
0.1% 13 Years Redeemable Preference Shares of European Projects and Aviation Limited (Face Value of ₹10/– each)	**44,246,900**	**77.50**	44,246,900	77.50
Total		**111.65**		111.65
Less : Provision for Impairment loss		**(111.65)**		(111.65)
		NIL		NIL
Total of Un–quoted Investments in Preference Shares – Others		**NIL**		NIL
Total of Un–quoted Investments in Preference Shares		**NIL**		NIL

Particulars	31 March 2018		31 March 2017	
	Numbers	**₹ Crore**	Numbers	₹ Crore
Trade				
Debenture of :				
Associates				
11% Fully Convertible Debenture Series – A Global Rural Netco Ltd. (Face Value of ₹ 100/– each)	**15,000,000**	**150.00**	15,000,000	150.00
Less : Provision for Impairment loss		**(150.00)**		(150.00)
Total of Un–quoted Investments in Debentures – Trade		**NIL**		NIL
Total of Un–quoted Investments – Trade		**NIL**		416.13
5% Redeemable Preference Shares of City Windsor Ltd. Of $ 1 each	**20,000,000**	**80.17**	20,000,000	80.17
Less : Provision for Impairment loss		**(80.17)**		(80.17)
Total		**NIL**		NIL
Total Investments		**841.89**		416.13
Aggregate amount of quoted investments		**2,229.03**		591.55
Aggregate market value of quoted investments		**530.05**		198.81
Aggregate Amount of unquoted investments		**642.06**		2,279.54
Aggregate amount of impairment in value of investments		**2,029.20**		2,454.96

6.1 The Group has measured all its investments at fair value and tested these investment for expected credit loss and differences have been accounted through Profit and Loss Account.

6.2 During the current financial year Chennai Network Infrastructure Limited (CNIL) merged with GTL infrastructure Limited (GIL) accordingly, investment in CNIL is added to the investment in GIL.

6.3 The share in associates is accounted under Equity method as per (Ind AS – 28) "Accounting for Investment in Associates and Joint Ventures" in Consolidated Financial Statements based on audited / unaudited accounts of associates as available.

7. LOANS (NON CURRENT)

₹ Crore

Particulars	31 March 2017	31 March 2016
Unsecured, Considered good		
Deposits with body corporates and others	**0.64**	7.37
Deposits with government authorities	**0.53**	0.04
Total	**1.17**	7.41

8. OTHER (NON–CURRENT)

₹ Crore

Particulars	31 March 2018	31 March 2017
Unsecured, considered good		
Advance to Suppliers	**NIL**	342.88
Other Advances	**NIL**	192.79
Unsecured, considered doubtful		
Advance to Suppliers	**767.04**	424.16
Other Advances	**192.79**	NIL
Total Loans (before Allowance for credit losses)	**959.83**	959.83
Allowance for credit losses (Refer note 8.1)		
Advance to Suppliers	**(767.04)**	(424.16)
Other Advances	**(192.79)**	NIL
	(959.83)	(424.16)
Total	**NIL**	535.67

8.1 The Current financial year saw unprecedented consolidation in telecom industry with five operators ceasing to exist either on account of mergers or outright shut down of operations. One of the group's major customer's Aircel group filed for voluntary liquidation on account of significant headwinds within the telecom sector. This has impacted realisation of advances since Aircel is not settling vendor dues. The Group performed an Impairment test based on current expectation of the impact of the Bankruptcy on projected cash flows of the Company related to Aircel projects. As a result an impairment of ₹ 727.79 Crore has been taken. Accordingly, these provisions are shown under "Exceptional items"

9. OTHER NON–CURRENT ASSETS

₹ Crore

Particulars	31 March 2018	31 March 2017
Capital advances	**0.07**	0.07
Less: Allowance for credit losses	**(0.07)**	NIL
Total	**NIL**	0.07

10. INVENTORIES

₹ Crore

Particulars	31 March 2018	31 March 2017
Consumables	**NIL**	5.94
Total	**NIL**	5.94

10.1 For basis of valuation – Refer Point No. 8 of Note No. 2.1"Significant Accounting Policies"

11. TRADE RECEIVABLES

₹ Crore

Particulars	31 March 2018	31 March 2017
Trade receivables		
Unsecured,		
considered good	**0.84**	77.20
Doubtful	**264.82**	194.03
	265.67	271.24
Allowance for credit losses	**(264.82)**	(194.03)
Total	**0.84**	77.20
Trade receivables (Net of allowance for credit losses)		
Associates	**NIL**	30.66
Others	**0.84**	46.54
Total	**0.84**	77.20

11.1 The Parent Company has sought the balance confirmations from the customers and has received such confirmations from some customers. In respect of remaining customers, balances are subject to confirmation and appropriate adjustment, if necessary, will be considered in the year of reconciliation.

11.2 The recent headwinds faced by telecom operators and single largest customer of the Group has filed for insolvency has material adverse impact on the Group. This has resulted in difficulty in making recovery of trade receivable.

Considering this aspect, as prudent practice the Company has impaired receivables of ₹ 70.79 Crore based on Expected Credit Loss (ECL).

12. CASH AND CASH EQUIVALENTS

₹ Crore

Particulars	31 March 2018	31 March 2017
Balances with banks		
In current accounts	**15.33**	82.30
Cheques on hand (Since realised)	**NIL**	13.11
Cash on hand	**0.05**	0.05
Total	**15.38**	95.46

13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ Crore

Particulars	31 March 2018	31 March 2017
Margin money with banks against guarantees	**4.29**	5.78
Earmarked bank balances towards unclaimed dividend	**0.20**	0.34
Total	**4.49**	6.12

*Includes ₹ 0.16 Crore (₹ 1.03 Crore as at March 31,2017) having maturity after 12 months.

14. LOANS (CURRENT)

₹ Crore

Particulars	31 March 2018	31 March 2017
Unsecured		
Loans to employees	**0.00**	0.00
Deposits with body corporates and others		
considered good	**0.80**	14.16
considered doubtful	**4.55**	2.37
Total	**5.35**	16.54
Allowance for credit losses on deposits	**(4.55)**	(2.37)
Total	**0.80**	14.17

15. OTHERS (CURRENT)

₹ Crore

Particulars	31 March 2018	31 March 2017
Considered good to the extent not provided		
Advance to Suppliers (Refer note 8.1)	**192.58**	192.58
Interest receivable (Refer note 15.1)	**45.91**	45.91
Interest receivable on term deposit	**0.16**	0.21
Other Advances	**3.36**	4.03
Receivable towards reimbursible of cost / expenses	**4.85**	13.02
Unbilled Revenue	**NIL**	77.51
Total	**246.86**	333.25

₹ Crore

Particulars	31 March 2018	31 March 2017
Allowance for credit losses		
Advance to Suppliers	**(192.58)**	NIL
Interest receivable	**(45.91)**	(45.91)
Other Advances	**(2.57)**	(2.00)
Receivable towards reimbursible of cost / expenses	**(4.85)**	(11.72)
	(245.91)	(59.63)
Total	**0.95**	273.63

15.1 Includes ₹ 26.54 Crore as at March 31,2018, (₹26.54 Crore as at March 31,2017), receivable from a related party.

16. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

₹ Crore

Particulars	31 March 2018	31 March 2017
Claims receivables – Distribution Franchise (net) (Refer note 16.1)	**43.83**	43.83
Allowance for credit losses on claims receivables – DF	**(43.83)**	(43.83)
Total	**NIL**	NIL

16.1 During the financial year 2014–15 Distribution Franchise (DF) agreement between the Company and MSEDCL got terminated. With regards to Distribution Franchise activity The reconciliation and settlement of several claims of the Company and MSEDCL are under process. The amount payable of ₹ 210.76 Crore to MSEDCL is adjustable against receivable of ₹ 254.59 crore from them and accordingly has been presented net. The Company has tested the amount receivable from MSEDCL for expected credit loss and accordingly ₹ 43.83 crore is provided for during Previous financial year 2016–17

17. CURRENT TAX ASSETS (NET)

₹ Crore

Particulars	31 March 2018	31 March 2017
Advance Income Tax & Tax deducted at source (Net of provision)	**18.64**	27.28
Total	**18.64**	27.28

18. OTHER CURRENT ASSETS

₹ Crore

Particulars	31 March 2018	31 March 2017
Prepaid Expenses	**0.98**	0.83
Input Tax Recoverable	**16.65**	15.20
Advance to Suppliers	**17.93**	21.85
Less: Allowance for credit losses	**(4.70)**	(5.16)
	13.23	16.69
Advances to employees	**0.13**	0.27
Less: Allowance for credit losses	**(0.13)**	(0.17)
	NIL	0.10
Total	**30.86**	32.82

19. SHARE CAPITAL

Authorised Share Capital

	Equity shares		Preference shares	
	No. in Crore	**₹ Crore**	**No. in Crore**	**₹ Crore**
At 1 April 2016	290,000,000	290.00	810,000,000	810.00
Increase / (decrease) during the year	NIL	NIL	NIL	NIL
At 31 March 2017	290,000,000	290.00	810,000,000	810.00
Increase / (decrease) during the year	NIL	NIL	NIL	NIL
At 31 March 2018	**290,000,000**	**290.00**	**810,000,000**	**810.00**

19.1 Terms/ rights attached to equity shares

The Parent Company has only one class of equity shares having a face value of ₹ 10/– per share. Each holder of equity share is entitled to one vote on show of hands and in case of poll, one vote per equity share. A member shall not have any right to vote whilst any call or other sum shall be due and payable to the Parent Company in respect of any of the equity shares of such member. All equity shares of the Parent Company rank pari–passu in all respects including the right to dividend.

In the event of winding–up of the Parent Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Parent Company, if any, after distribution of all preferential amounts in proportion to the number of shares held at the time of commencement of winding–up.

The equity shareholders have all other rights as available to equity shareholders as per the provisions of Companies Act, 2013 , read together with Memorandum and Articles of Association of the Parent Company.

19.2 Terms, Rights, Preferences and restrictions attached to 0.01% – Non Participating Optionally Convertible Cumulative Preference Shares (OCPS):

The Parent Company has only one class of preference shares, having face value of ₹ 10/– per share allotted to GTL Infrastructure Limited (GIL), a Company's associate. In terms of the issue, GIL had right to convert OCPS into equity shares from the expiry of 6 months from the date of allotment till 18 months of the date of allotment. However, GIL has opted for non–conversion of OCPS into equity shares.

The OCPS carry a dividend of 0.01 % per annum, payable on a cumulative basis on the date of conversion / redemption as the case may be. Any declaration and payment of dividend shall at all times be subject to the availability of Profits and the terms of the restructuring of the debts under the Corporate Debt Restructure (CDR) Mechanism, unless otherwise agreed by the CDR Lenders. Further, in the event of inability of the Parent Company to declare / pay dividend due to non–availability of Profits / pursuant to the terms of restructuring, the dividend may be waived by GIL.

After the expiry of a period of 6 months from the Allotment Date, the OCPS may at the Option of the Parent Company be redeemed at any time prior to the expiry of 20 years from the date of the allotment, in part or in full, after providing a prior written notice of 30 days to GIL. As agreed by the OCPS holder, the original term providing Yield to Maturity of 8% by way of redemption premium has been repealed by the Board.

Other than as permitted under applicable laws, GIL will not have a right to vote at the Parent Company's General Meetings. GIL has also agreed to waive the right to vote in the event it waives the right to receive dividend.

In the event of winding–up of the Parent Company, the OCPS holder/s will be entitled to receive in proportion to the number of shares held at the time of commencement of winding–up, any of the remaining assets of the Company, if any, after distribution to all secured creditors and their right to receive monies out of the remaining assets of the Parent Company shall be reckoned pari–passu with other unsecured creditors, however, in priority to the equity shareholders. The OCPS holder/s shall have such rights as per the provisions of Companies Act, 2013, read together with Memorandum of Association of the Parent Company.

The OCPS holder/s shall have all other rights as available as per the provisions of Companies Act, 2013, read together with Memorandum and Articles of Association of the Parent Company.

19.3 Issued equity capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	No.	₹ Crore
At 1 April 2016	157,296,781	157.30
Changes during the year	NIL	NIL
At 31 March 2017	157,296,781	157.30
Changes during the year	NIL	NIL
At 31 March 2018	157,296,781	157.30

19.4 Details of shareholders holding more than 5% shares in the Parent Company

Equity Shares

Name of the shareholder	As at 31 March 2018		As at 31 March 2017	
	No. in Crore	% holding in the class	No. in Crore	% holding in the class
Global Holding Corporation Private Limited (One of the Promoters and the Company's associate)	**2.90**	**18.42**	2.90	18.42
Syndicate Bank	**2.20**	**13.99**	2.20	13.99
Mr. Manoj G. Tirodkar	**1.86**	**11.82**	1.86	11.82
Preference Shares				
GTL Infrastructure Limited (Company's associate)	**65.00**	**100.00**	65.00	100.00

20. BORROWINGS

₹ Crore

Particulars	31 March 2018	31 March 2017
Non–current borrowings		
Non–current interest bearing loans and borrowings:		
Unsecured loans		
Liability component of compound financial instrument		
0.01% Non–Participating Optionally Convertible Cumulative Preference Shares (OCPS) of ₹ 10/– each fully paid – up	**141.19**	127.08
Total	**141.19**	127.08

20.1 Liability component of compound financial instrument i.e 0.01% Non–Participating Optionally Convertible Cumulative Preference Shares (OCPS) is determined considering effective interest rate.

20.2 Refer note 19.2 for Terms, Rights, Preferences, redemption details and restrictions attached to 0.01% – Non Participating Optionally Convertible Cumulative Preference Shares (OCPS)

21. PROVISIONS

₹ Crore

Particulars	31 March 2018	31 March 2017
Provision for Employee Benefits		
Gratuity	**NIL**	NIL
Leave Encashment	**0.66**	0.97
	0.66	0.97

22. TRADE PAYABLES

₹ Crore

Particulars	31 March 2018	31 March 2017
Trade payables	**93.89**	83.60
Trade payables to related parties	**5.50**	29.69
Total	**99.39**	113.28

22.1. Details of Trade payable – related parties

₹ Crore

Particulars	31 March 2018	31 March 2017
Associates	**5.50**	29.69
Total	**5.50**	29.69

22.2 The Parent Company has sought the balance confirmations from the trade payables and has received such confirmations from some purchasers. In respect of remaining purchaser, balances are subject to confirmation and appropriate adjustment, if necessary, will be considered in the year of reconciliation.

22.3 Disclosure in accordance with Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. The information required to be disclosed has been furnished to the extent parties have been identified as Micro, Small and Medium Enterprises on the basis of information available in this regard with the Parent Company.

₹ Crore

Particulars	31 March 2018	31 March 2017
Principal amount remaining unpaid	**1.38**	0.94
Interest due thereon	**3.08**	2.80
The amount of interest paid in terms of section 16, along with the amounts of the payment made beyond the appointed day during accounting year	**NIL**	NIL
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	**NIL**	NIL
The amount of interest accrued and remaining unpaid at the end of accounting year	**3.08**	2.80
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	**0.28**	0.21

23. OTHER FINANCIAL LIABILITIES

₹ Crore

Particulars	31 March 2018	31 March 2017
Secured		
Payable to CDR lenders (Refer Note 23.1 and 23.2)	2,767.59	2,793.59
Unsecured		
Payable to External Commercial Borrowings (ECB) lenders (Refer Note 23.3)	633.38	720.13
Payable to Holders of Rated Redeemable Unsecured Rupee Non–Convertible Debentures (NCD) (Refer Note 23.3)	1,640.18	1,649.16
Interest accrued and due on borrowings (Refer Note 23.4)	1,461.29	1,461.01
Interest accrued and due on Others	3.08	2.80
Liability towards guarantee obligation	1.85	58.92
Unpaid dividend	0.20	0.34

₹ Crore

Particulars	31 March 2018	31 March 2017
Accrued expenses	20.87	17.34
Security Deposit Received	17.08	2.28
Accrued salaries & Employee benefits	0.93	1.09
Capex Creditors	0.47	0.41
Expense Creditors	4.85	10.85
Others	1.11	1.10
Total	**6,552.88**	**6,719.02**

23.1. In view of non–adherance to the agreed CDR terms for repayment of principal loan, interest and other conditions, the entire liability of the Parent Company towards CDR lenders is presented under current financial liability on implementation of Ind AS. Parent Company's proposal for negotiated settlement of debts was agreed in principle by all sets of lenders viz. CDR, NCD and ECB Lenders.

Parent Company

Details of defaults in repayment of due to the lenders (as per CDR / Sanctioned terms)

₹ Crore

Particulars	31 March 2018	31 March 2017
Payable to CDR Lenders June 14 15 to March 18 (June 14 to March 17) (Includes Term loan of ₹ 1,365.31 Crore, FITL of ₹ 303.90 Crore and Dues towards BG invocation ₹ 111.13)	1,373.02	901.50
Payable to External Commercial Borrowings (ECB) lenders (Due since september 2011)	633.38	720.13

23.2 Nature of security: – Parent Company

I) Security created in favor of CDR Lenders:

a) A first charge and mortgage on all immovable properties, present and future;

b) A first charge by way of hypothecation over all movable assets, present and future;

c) A first charge on the Trust and Retention Account and other reserves and any other bank accounts wherever maintained, present & future;

d) A first charge, by way of assignment or creation of charge, over:

i. all the right, title, interest, benefits, claims and demands whatsoever in the Project Documents duly acknowledged and consented to by the relevant counter–parties to such Project Documents, all as amended, varied or supplemented from time to time;

ii. all the rights, title, interest, benefits, claims and demands, whatsoever, in the Clearances;

iii. all the right title, interest, benefits, claims and demands, whatsoever, in any letter of credit, guarantee, performance bond provided by any party to the Project Documents;

iv. all the rights, title, interest, benefits, claims and demands, whatsoever, in Insurance Contracts / proceeds under Insurance Contracts;

e) Pledge of all shares held in the Company by one of the Promoters of the Parent Company namely Mr. Manoj G. Tirodkar;

f) Pledge of all investments of the Parent Company, except investment in Global Rural Netco Ltd (GRNL) which will be pledged on fulfillment of financial covenant agreed with the lenders of GRNL;

g) Mr. Manoj G. Tirodkar, one of the promoters of the Parent Company, has extended a personal guarantee. The guarantee is limited to an amount of ₹ 394.28 Crore; and

h) Mr. Manoj G. Tirodkar and Global Holding Corporation Private Limited (GHC), promoters of the Parent Company, have executed sponsor support agreement to meet any shortfall or expected shortfall in the cash flows towards the debt servicing obligations of the Company;

II) Security offered to CDR Lender's pending creation of charge

a) The Parent Company's one of the promoters namely GHC along with its step down subsidiaries has to extend corporate guarantee; and

b) GHC has to pledge its holding in the Parent Company that is currently pledged by GHC in favor of its lenders, as and when released, either in full or part.

III) Prior to the restructuring of the Parent Company's debts under CDR Mechanism, the Parent Company created security on certain specified tangible assets of the Company in favour of Andhra Bank, Punjab National Bank, Union Bank of India, Vijaya Bank, IDBI Bank Limited, State Bank of Hyderabad, Bank of Baroda, UCO Bank, Indian Overseas Bank, Indian Bank, Canara Bank and Dena Bank for their respective credit facilities other than term loans, aggregating ₹ 1,572 Crore. In terms of CDR Documents inter–alia Master Restructuring Agreement, the earlier charges are not satisfied by the Parent Company after creation of new security as stated in I above.

23.3 As stated in the previous years, the JLF in its meeting held on 4th December 2015 agreed to the One Time Settlement Proposal (OTS) and requested the lenders to give their individual approvals for monetization of the assets, business and investments for settling the dues of the lenders. Subsequently, the unprecedented consolidation in the telecom industry resulted in tenancy surrender by Reliance Infocom (R.Com), Telenor and Tata Teleservices and filing of voluntary insolvency by Aircel Group, all of which led to the business and valuation of the Company going down. RBI vide its letter dated 12th February 2018, also withdrew the CDR, SDR and other Schemes. On this background, the CDR lenders considered the revised proposal of the Company and asked the Company to improve the offer to acceptable level and submit the same for consideration of the consortium, in order to proceed with recovery measures. Accordingly the Company has submitted its further revised proposal to the lenders. In the meanwhile, in the winding up petition filed by the NCD Holder, parties have resolved the matter to their mutual satisfaction and filed the consent terms before the Bombay High Court on 19th March 2018, based on which the Bombay High Court has disposed of the winding up petition, In the ECB matter some of the ECB lenders have filed recovery suit following the court order got by some other ECB lenders which is subjudice.

23.4 Details Interest accrued and due on borrowings comprises of:

a) Overdue Interest of ₹ 502.79 Crore relating to the period March 14 to March 17 on amounts due to holders of Rated Redeemable Unsecured Rupee Non–convertible Debentures;

b) Overdue Interest of ₹ 164.79 Crore relating to the period for December 12,2011 to March 31,2017 on External Commercial Borrowings; the variation in the interest accrued amount as at March 18 is on account of exchange fluctuation

c) Overdue Interest of ₹ 727.80 Crore relating to the period June 2014 to March 2017 on Secured Term Loan;

d) Overdue interest of ₹ 22.64 Crore relating to the period June 2014 to March 2017 on Secured Funded Interest Term Loan;

e) Overdue interest of ₹ 23.00 Crore September 2014 to March 2017 on Cash Credit facility;

f) Overdue interest of ₹ 20.27 Crore November 2014 to March 2017 on Dues towards BG Invocation.

24. OTHER CURRENT LIABILITIES

₹ Crore

Particulars	31 March 2018	31 March 2017
		₹ Crore
Advance from customers	**2.11**	3.70
Unearned Revenue	**NIL**	27.07
Withholding and other taxes payable	**8.14**	8.11
Others	**0.02**	0.02
Total	**10.27**	38.90

25. PROVISIONS

₹ Crore

Particulars	31 March 2018	31 March 2017
Provision for Employee Benefits		
Gratuity	**0.01**	NIL
Leave Encashment	**0.04**	0.06
Total	**0.05**	0.06

26. LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS CLASSIFIED AS HELD FOR SALE

₹ Crore

Particulars	31 March 2018	31 March 2017
Liabilities directly associated with the assets classified as held for sale	**606.42**	560.83
Total	**606.42**	560.83

27. REVENUE FROM OPERATIONS

₹ Crore

Particulars	31 March 2018	31 March 2017
Sale of products		
Telecom Products	**NIL**	4.91
Sale of Services		
Telecom Network Services	**147.63**	148.52
Energy Management and Operation Maintenance	**840.79**	1,053.20
Telecom Turnkey Projects	**5.77**	14.48
Other Operating Revenue	**1.30**	NIL
Total	**995.49**	1,221.11

28. OTHER INCOME

₹ Crore

Particulars	31 March 2018	31 March 2017
Interest income		
Bank Deposits	**0.70**	0.95
Others	**1.51**	8.14
Gain on foreign currency transactions (Net)	**NIL**	19.12
Profit on sale of Fixed Assets (Net)	**0.07**	0.35
Lease and rent income	**3.21**	3.22
Other non–operating income	**4.40**	1.73
Total	**9.89**	33.51

29. COST OF PURCHASES / SERVICES RENDERED

₹ Crore

Particulars	31 March 2018	31 March 2017
Cost of Purchases		
Purchase of Stock–in–Trade	**NIL**	4.54
Cost of Services rendered		
Electricity and Diesel cost for Energy Management	**715.40**	304.12
Sub–Contractor Charges	**50.96**	582.45
Vehicle Hire Charges	**7.93**	6.88
	774.29	893.45
Total	**774.29**	897.99

30. CHANGES IN INVENTORIES OF STOCK–IN– TRADE

₹ Crore

Particulars	31 March 2018	31 March 2017
Consumables	**5.94**	(5.94)
Total	**5.94**	(5.94)

31. EMPLOYEE BENEFITS EXPENSES

₹ Crore

Particulars	31 March 2018	31 March 2017
Salaries, wages and bonus	**44.56**	45.24
Contribution to provident and other funds	**3.37**	3.03
Staff welfare expense	**2.74**	3.04
Outsourced wages and Manpower Cost	**100.73**	88.48
Total	**151.40**	139.79

32. FINANCE COSTS

₹ Crore

Particulars	31 March 2018	31 March 2017
Interest		
– On fixed period loan	**2.82**	532.64
– On OCPS	**14.11**	12.70
– Others	**1.60**	1.78
Total	**18.53**	547.12

33. DEPRECIATION AND AMORTIZATION EXPENSE

₹ Crore

Particulars	31 March 2018	31 March 2017
Depreciation of tangible assets (note 3)	**17.37**	47.31
Amortization of intangible assets (note 5)	**0.07**	0.05
Depreciation on Investment Properties (note 4)	**0.05**	0.06
Total	**17.49**	47.42

34. OTHER EXPENSES

₹ Crore

Particulars	31 March 2018	31 March 2017
Communication Expenses	**1.63**	1.58
Advertisement Expenses	**0.37**	0.68
Business Promotion Expenses	**0.35**	0.37
Rates & Taxes	**0.58**	0.80
Rent	**3.22**	3.57
Electricity Charges	**1.82**	2.00
Insurance	**1.90**	0.54
Legal and Professional Fees	**16.11**	10.22
Travelling & Conveyance Expenses	**2.81**	3.79
Director's Sitting Fees	**0.61**	0.72
Auditor's Remuneration	**0.32**	0.42
Repairs & Maintenance – Others	**1.62**	1.57
Allowance for credit losses – Trade Receivables	**70.79**	36.43

₹ Crore

Particulars	31 March 2018	31 March 2017
Allowance for credit losses– Other Receivables (refer note 34.1)	**31.22**	68.03
Loss on Foreign Currency Transactions (Net)	**1.72**	–
Other Expenses	**2.65**	25.00
Total	**137.72**	155.72

34.1 Includes ₹ NIL Crore (March 31, 2017 ₹ 43.83 Crore) towards receivable of distribution franchisee business.

35. EXCEPTIONAL ITEMS

₹ Crore

Particulars	31 March 2018	31 March 2017
Expected Credit loss		
Advance to supplier (refer note 35.1)	**727.79**	NIL
Total	**727.79**	NIL

35.1 The Current financial year saw unprecedented consolidation in telecom industry with five operators ceasing to exist either on account of mergers or outright shut down of operations. One of the group's major customer's Aircel group filed for voluntary liquidation on account of significant headwinds within the telecom sector. This has impacted realisation of advances since Aircel is not settling vendor dues. The Group performed an Impairment test based on current expectation of the impact of the Bankruptcy on projected cash flows of the Company related to Aircel projects. As a result an impairment of ₹ 727.79 Crore has been taken.

36. DISCONTINUED OPERATIONS

In respect of certain divestment, the Company has entered into agreements for sale which is subject to final approval of lenders of the Company and the investee companies and other necessary regulatory approvals. Pending completion of these transactions, the assets and liabilities of investee companies are treated as "Assets Held for Sale and discontinued operations" in terms of Ind AS 105

i) The results of discontinued operations are presented below :

₹ Crore

Particulars	31 March 2018	31 March 2017
Total Income	**414.08**	420.36
Operating Expenses	**389.68**	541.69
Interest Expenses	**65.90**	58.58
Loss before tax	**(41.50)**	(179.91)
Income tax Expenses	**11.33**	10.49
Loss from operating activities after tax	**(52.83)**	(190.39)

ii) The carrying amount of liabilities (net of assets) pertaining to discontinued Operations as at March 31, 2018 and March 31, 2017, is ₹ 608.34 Crore and ₹ 560.83 Crore respectively.

iii) The net cash flows attributable to the discontinued operations are stated below :

₹ Crore

Particulars	31 March 2018	31 March 2017
Operating	**62.30**	(24.43)
Investing	**3.73**	(1.83)
Financing	**(54.32)**	1.03
Translation adjustment	**(14.52)**	15.82
Net cash (outflow)/inflow	**(2.81)**	(9.41)

iv) Earnings per share:

₹ Crore

Particulars	31 March 2018	31 March 2017
Basic	**(3.36)**	(12.10)
Diluted	**(3.36)**	(12.10)

37. Earnings per share (EPS)

₹ Crore

Particulars	31 March 2018	31 March 2017
Loss after tax :		
Continuing operations	**(401.64)**	(803.50)
Add :		
Dividend payable on cumulative Preference Shares	**(0.07)**	(0.07)
Tax on cumulative Preference Dividend payable	**(0.01)**	(0.01)
Loss attributable to equity holders of continuing operations for basic earnings	**(401.72)**	(803.58)
Loss attributable to equity holders of discontinued operations for basic earnings	**(52.83)**	(190.39)
Loss attributable to equity holders total operations for basic earnings	**(454.55)**	(993.97)
Weighted average number of Equity shares for basic EPS	**15.73**	15.73
Weighted average earnings per share (basic and diluted) (continuing operations)	**(25.53)**	(51.08)
Weighted average earnings per share (basic and diluted) (discontinued operations)	**(3.36)**	(12.10)
Weighted average earnings per share (basic and diluted) (total operations)	**(28.89)**	(63.18)

37.1. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

37.2. There were no potentially dilutive equity shares which would have been outstanding as at the year end

38. Significant accounting judgements, estimates and assumptions

The preparation of the Parent Company's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Parent Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Consolidated financial statements:

Estimates and assumptions

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

The Management believes that the judgments and estimates used in preparation of financial statement are prudent and reasonable.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long–term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 44 for further disclosures.

Allowances for credit loss on Trade Receivable, Advance to supplier and other receivable

The Provision for allowances for credit loss for Trade Receivable , Advance to supplier and other receivable are based on assumptions about the risk of defaults and expected credit loss. The Group uses judgment in making these assumption and selecting the inputs to the calculation of provision for allowance based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Provisions for impairment loss on Investment

Provisions for impairment loss on Investment is based on evaluation of financial position of investee companies to meet their obligations for honouring their commitments towards the investment held by the Group.

39. GRATUITY AND OTHER POST–EMPLOYMENT BENEFIT PLANS

a) Defined Benefit Plan

In case of Parent Company, the employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust maintained with Life Insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences is recognized in same manner as gratuity.

In case of Parent Company's wholly owned International Subsidiaries Including step down subsidiaries except for GTL Overseas Middle East JLT, separate provision for gratuity and Compensated absences is not required as the same accrues to the employees on year to year basis and accordingly gets provided. As regards the GTL Overseas Middle East JLT, the present value of obligation in respect of gratuity and compensated absences is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Based on accturial valuation obtained as at the Balance Sheet date the following table sets out the details of Defined Benefit obligation.

1. Movement in obligation–Gratuity

₹ Crore

Particulars	31 March 2018	31 March 2017
Defined Benefit Obligation at beginning of the period	**4.89**	4.70
Current service cost	**0.94**	0.42
Interest cost	**0.36**	0.38
Benefits paid	**(0.79)**	(1.03)
Actuarial changes arising from changes in financial assumptions	**(0.19)**	0.30
Experience adjustments	**(0.21)**	0.12
Defined Benefit Obligation at end of the period	**5.00**	4.89

2. Movement in Plan Assets – Gratuity

₹ Crore

Particulars	31 March 2018	31 March 2017
Fair value of plan assets at beginning of year	**4.89**	4.75
Expected return on plan assets	**0.36**	0.38
Employer contributions	**0.55**	0.81
Benefits paid	**(0.79)**	(1.03)
Actuarial gain / (loss)	**(0.02)**	(0.02)
Fair value of plan assets at end of year	**4.99**	4.89
Present value of obligation	**5.01**	4.89
Net funded status of plan	**(0.01)**	0.01
Actual return on plan assets	**0.34**	0.36

The components of the gratuity cost are as follows:

3. Recognised in profit and loss

₹ Crore

Particulars	31 March 2018	31 March 2017
Current Service cost	**0.94**	0.42
Interest cost	**(0.00)**	(0.00)
Total	**0.94**	0.42
Actual return on plan assets	**0.34**	0.36

4. Recognised in Other Comprehensive Income

₹ Crore

Particulars	31 March 2018	31 March 2017
Remeasurement – Acturial loss/(gain)	**(0.39)**	0.42
Return on plan assets, excluding Interest Income	**0.02**	0.02
Total	**(0.37)**	0.44

5. The principal actuarial assumptions used for estimating the Group's defined benefit obligations are set out below:

Particulars	Parent Company	
	31–Mar–18	**31–Mar–17**
Weighted average actuarial assumptions		
Attrition rate	**2.00%**	2.00%
Discount Rate	**7.78%**	7.29%
Expected Rate of increase in salary	**5.50%**	5.50%
Expected Rate of Return on Plan Assets	**7.78%**	7.29%
Mortality rate	**IALM 2006–08 Ultimate**	IALM 2006–08 Ultimate
Expected Average remaining working lives of employees	**15 Years**	15 Years

6. **Sensitivity analysis:**

Particulars	**Changes in Assumption**	**31–Mar–18 ₹ Crore**	31–Mar–17 ₹ Crore
Discount rate	+1%	**(0.35)**	(0.40)
	–1%	**0.40**	0.46
Salary Growth rate	+1%	**0.30**	0.46
	–1%	**(0.28)**	(0.41)
Withdrawal Rate	+1%	**0.08**	0.05
	–1%	**(0.09)**	(0.05)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

7. **History of experience adjustments is as follows:**

₹ Crore

Particulars	**31 March 2018**	31 March 2017
Plan Liabilities – (loss)/gain	**(0.21)**	0.11
Plan Assets – (loss)/gain	**(0.02)**	(0.02)

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	**₹ Crore**
01 Apr 2018 to 31 Mar 2019	0.83
01 Apr 2019 to 31 Mar 2020	0.16
01 Apr 2020 to 31 Mar 2021	0.34
01 Apr 2021 to 31 Mar 2022	0.22
01 Apr 2022 to 31 Mar 2023	0.35
01 Apr 2023 Onwards	2.27

8. **Statement of Employee benefit provision**

₹ Crore

Particulars	**31 March 2018**	31 March 2017
Gratuity	**0.01**	NIL
leave encashment	**0.70**	1.03
Total	**0.71**	1.03

40. COMMITMENTS, CONTINGENCIES AND PROVISIONS

a. **Leases**

Operating lease commitments — Group as lessee

The Group's lease agreements are in respect of operating lease for office premises, guesthouses, warehouses, and vehicles. These lease arrangements are cancellable by either parties there to as per the terms and conditions of the agreements. The lease rental recognised in the Statement of Profit and Loss during the year under the heading 'Rent' and 'Other Expenses' is ₹ 3.19 Crore (₹ 3.57 Crore).

The lease obligations due within next five–years are ₹ 3.58 Crore. (₹ 4.19 Crore.). Future minimum rentals payable under non–cancellable operating leases as at 31 March are, as follows:

₹ Crore

Particulars	31 March 2018	31 March 2017
Within one year	**2.03**	1.57
After one year but not more than five years	**1.55**	2.62
More than five years	**NIL**	NIL
Total	**3.58**	4.19

b. Commitments

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for:

₹ Crore

Particulars	31 March 2018	31 March 2017
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) (Cash out flow is expected on execution of such contracts on progressive basis.)	**NIL**	NIL

c. Contingent liabilities

₹ Crore

	Particulars	31 March 2018	31 March 2017
i)	Claims against the Company not acknowledged as debts (refer note 40.C.1)	**2,172.96**	2,104.03
ii)	Put option by IFCI on optionally convertible loan of GRNL (refer note 40.C.2)	**108.52**	171.04
iii)	Guarantees given by Banks on behalf of the Company	**44.10**	44.35
iv)	Performance Guarantees issued to banks on behalf of Associates and affiliates	**5.00**	5.00
v)	Corporate Guarantee given by the Company for loans taken by Associates and affiliates	**NIL**	24.90
vi)	Disputed Sales tax liabilities for which appeals are pending (Amount deposited ₹ 4.62 Crore (FY 16–17 ₹ 2.85 Crore)	**109.36**	63.02
vii)	Disputed Service Tax liabilities for which appeals are pending (Amount deposited / adjusted ₹ 0.97 Crore (FY 16–17 0.97)	**18.35**	18.32
viii)	Dividend on 0.01% Non–Participative Optionally Convertible Cumulative Preference Share	**0.36**	0.30

Future cash outflows in respect of vi and vii matters are determinable only on receipt of judgments or decisions pending at various forum. The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required in respect of above liability.

40.c1 Claims against the Parent Company not acknowledged as debts

As on March 31, 2018, there were 48 cases against the Company, pending in various Courts and other Dispute Redressal Forums.

i) In 8 out of 48 cases, the Parent Company has been implicated as proforma defendant i.e. there are no monetary claims against the Parent Company. In most of these cases, dispute concerns matters like loss of share certificate, title claim / ownership / transfer of the shares etc. The Company's implication in these matters is with a view to protect the interest of the lawful owners of the shares. Upon the final orders passed by the Court(s), the Parent Company shall have to release the shares, which are presently under 'stop transfer', in this regard to the rightful claimants. There is no direct liability or adverse impact on the business of the Company on account of the said 8 cases.

ii) Out of the balance 40 cases, 21 cases are from its earlier power business, 9 cases are from telecom related businesses and 1 case is in respect of non–allotment / non–refund of money in its IPO, which are handled by the Parent Company's advocates, who have the necessary expertise on the subject. It is found that in most of the cases the claims are unsubstantiated and therefore the parent Company is resisting and defending these claims. (In the aforesaid 21 case, 9 cases pertain to Labour Court matter wherein the employees filed for reinstatement on termination consequent to termination of Aurangabad Distribution Franchisee Agreement of the Company. These are being settled with affected employees). The contingent liability in respect of these 31 cases is ₹ 1.34 Crore.

There are 5 cases in which the parent Company has invoked arbitration proceedings against MSEDCL and the contingent liability towards counter claims of MSEDCL is ₹ 147.76 Crore In 1 case, a bank has filed commercial suit against the parent Company in the Hon'ble Bombay High Court in respect of the Company's comfort letter issued in favour of one of its Wholly Owned Subsidiaries (WOS) towards WOS's credit facilities. The contingent liability in respect of which is ₹ 237.28 Crore.

iii) In 2 cases of winding up filed against the Parent Company, one by the NCD Lender and another by the lender of the Parent Company's one of the associate company, both the matters were disposed off based on consent term(s) filed by both the parties. The contingent liability in respect of these 2 cases is ₹ 206.60 Crore.

iv) In the balance 1 case, the Department of Telecom (DoT) has raised a frivolous demand of ₹ 1,509.50 Crore based on Adjusted Gross Revenue for ISP license fee pertaining to the business carried out by the parent Company well before the year 2009 and the relevant ISP license was surrendered to DoT in 2009 for which DoT had issued a no–dues certificate in November 2010. The parent Company is contesting this demand in an appropriate forum.

v) Claim of ₹ 179.00 Crore from Global Holding Corporation, an associate of the parent Company towards loss occurred to the associate on account of invocation by lender of share investment held by the associate in the parent Company which was offered as pledge for the credit facility availed by the parent Company.

vi) Apart from the above, in respect of ECB some of the Lenders have filed recovery suit, following the court order got by some other ECB lenders

d. Movement in provisions

Disclosures as required by Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets:–

₹ Crore

Particulars	31 March 2018	31 March 2017
Compensated Absences at beginning of the period	**1.03**	1.16
Addition	**(0.20)**	0.06
Benefits paid	**(0.13)**	(0.19)
Compensated Absences at end of the period	**0.69**	1.03

41.1 RELATED PARTIES

A Associates

a) GTL Infrastructure Limited

b) Global Rural Netco Pvt. Ltd.

c) Global Holding Corporation Private Limited

B Key Managerial Personnel

a) Mr. Manoj Tirodkar, Chairman and Managing Director

b) Mr. Sunil S. Valavalkar – Whole Time Director

c) Mr. Vidyadhar Apte, Company Secretary

d) Mr. Milind Bapat, Chief Financial Officer

41.2 Related Party Disclosures – Transactions With Related Party

₹ Crore

Sr. No.	Party Name	Year	Closing Balance as on 31–Mar–2018						
			Deposit Received	Receivable towards Bank claim paid by the Company	Receivables	Receivables towards Reimbursable cost / expense	Advance received / Accrued Receivables	Accrued Expenses	Payables (incl. Advance received
1	**Associates**								
1a	GTL Infrastructure Limited	31–Mar–18	16.96	NIL	NIL	NIL	NIL	59.61	14.47
		31–Mar–17	2.16	NIL	27.78	1.36	NIL	19.70	3.78
1b	Global Rural Netco Pvt. Ltd.	31–Mar–18	NIL	NIL	5.12	2.05	26.54	NIL	NIL
		31–Mar–17	NIL	NIL	5.13	2.15	26.54	NIL	NIL
1c	Chennai Network Infrastructure Ltd.	31–Mar–18	NIL	NIL	NIL	NIL	NIL	NIL	NIL
		31–Mar–17	NIL	NIL	2.88	NIL	NIL	35.92	27.43
1d	Global Holding Corporation Private Limited	31–Mar–18	NIL	NIL	NIL	0.26	NIL	NIL	NIL
		31–Mar–17	NIL	NIL	NIL	0.26	NIL	NIL	NIL

41.2.1 The Above amounts with respect to advances & debtors are before making allowances for credit loss.

41.2.2 Claim from Global Holding Corporation Pvt. Ltd. an associate of Parent Company of ₹ 179 Crore which is not acknowledged as debt is considered in " Contingent liability" and hence not shown in the above Statement.

41.2.3 During the current financial year Chennai Network Infrastructure Limited (CNIL) merged with GTL infrastructure Limited (GIL) and hence current year figures are shown under GIL

41.2.4 Terms and conditions of transactions with related parties

The credit period towards sale to related parties are in line with other external customers. The outstanding balances at the year–end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided to or received from any related party with respect to receivables or payables. For the year ended 31 March 2017, the parent Company has provided impairment loss against amount due from related parties and the impairment provision as at March 31, 2018 is ₹ 34.03 Crore (31 March 2017: ₹ 34.03 Crore). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

41.3 Related Party Disclosures – Transactions With Related Party

₹ Crore

Sr. No.	Party Name		Transaction during the year April 2017 to March 2018										
		Year	Sales & Services	Reimbur–sement Expenses from	Reimbur–sement Expenses to	Interest Income	Rent received	Advance Received	Advance Repaid	Purchase of Property, plant and equipment	Sale of Property, plant and equipment	Short Term Employee benefits	Post Employee benefits
1	**Associates**												
1a	GTL Infrastructure Limited	**31–Mar–18**	**493.75**	**7.60**	**421.31**	**NIL**	**3.14**	**NIL**	**NIL**	**NIL**	**0.03**	**NA**	**NA**
		31–Mar–17	337.50	1.16	76.48	NIL	2.54	NIL	NIL	NIL	0.05	NA	NA
1b	Global Rural Netco Pvt. Ltd.	**31–Mar–18**	**NIL**	**0.09**	**NIL**	**NIL**	**0.06**	**NIL**	**NIL**	**NIL**	**NIL**	**NA**	**NA**
		31–Mar–17	NIL	0.05	0.00	NIL	0.07	NIL	NIL	NIL	NIL	NA	NA
1c	Chennai Network Infrastructure Ltd.	**31–Mar–18**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**
		31–Mar–17	286.49	0.11	113.07	NIL	NIL	20.00	20.00	NIL	NIL	NA	NA
2	Key Managerial Personnel												
2a	Mr. Manoj Tirodkar	**31–Mar–18**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**0.46**	**0.02**
		31–Mar–17	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.59	0.03
2b	Mr. Sunil S. Valavalkar	**31–Mar–18**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**0.13**	**0.01**
		31–Mar–17	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.14	0.01
2c	Mr. Vidyadhar Apte	**31–Mar–18**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**0.52**	**0.02**
		31–Mar–17	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1.05	0.02
2d	Mr. Milind Bapat	**31–Mar–18**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**1.07**	**0.02**
		31–Mar–17	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1.02	0.02

41.3.1 The sales to and purchases from related parties are made on terms equivalent to those that prevail for arm 's length transactions.

41.3.2 The amounts disclosed in the table related to key management personnel are the amounts recognised as an expense during the reporting period.

41.3.3 Provision for contribution to Gratuity fund and Leave encashment on retirement which are made based on actuarial valuation on an overall Company basis are not included in remuneration details of key managerial personnel

41.4 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary and associates

Name of the entity		Net Assets i.e. Total Assets minus Total Liabilities		Share of profit or loss	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1		2	3	4	5
Parent					
GTL Limited	(A)	54%	(3,488.34)	182%	(826.89)
Subsidiaries					
Indian					
ADA Cellworks Wireless Engineering Pvt. Ltd.	(B)	0%	(8.55)	0%	(0.15)
Foreign					
International Global Tele–Systems Limited		17%	(1,092.72)	11%	(48.82)
GTL International Limited		7%	(435.70)	1%	(4.01)
Total of foreign subsidiaries	(C)	24%	(1,528.42)	12%	(52.83)
Total of subsidiaries	(D)=(B+C)	24%	(1,536.97)	12%	(52.98)
Share in associates *	(E)	22%	(1,387.14)	–94%	425.76
Total consolidated assets minus liabilities	**(F)=(A+D+E)**		**(6,412.45)**		**(454.11)**

Associates	Percentage of loss	Investment Amount	Basis of accounting of investment
Indian			
GTL Infrastructure Limited	NA	841.89	Equity method
Global Rural Netco Limited	NA	–	Equity method

41.5 Salient features of Financial Statements of Subsidiaries and Associates as per Companies Act, 2013

Part "A": Subsidiaries

Sr. No.	Name of the Susbsidary Company	Curr.	Year Ending	Exchange Rate Bal. Sheet	Exchange Rate P&L	Capital	Reserves	Other Liabilities	Total Liabilities	Total Assets	Invest–ments	Turn–over	PBT	Provision for Tax	Profit after Tax	Proposed Dividend	% of Share holding
	Operating Companies:																
A	**ADA Cellworks Wirless Engineering Pvt. Ltd.**	INR	31 March	1.000	1.000	0.09	1.08	0.01	1.18	1.18	NIL	NIL	(0.15)	NIL	(0.15)	NIL	100%
B	**International Global Tele–Systems Ltd.**	USD	31 December	64.845	67.411	465.34	(1,092.72)	736.65	114.43	114.43	NIL	–	(51.04)	–	(51.04)	–	100%
C	GTL International Ltd.	USD	31 December	64.845	67.411	51.88	(149.14)	372.34	275.08	275.08	NIL	2.69	(15.30)	–	(15.30)	–	100%
C.1	GTL (Singapore) Pte Ltd.	USD	31 December	64.845	67.411	1.95	56.11	7.71	65.77	65.77	NIL	47.18	18.06	0.42	17.64	–	100%
C.2	GTL Overseas (Middle East) DMCC	AED	31 December	17.766	18.469	0.09	(23.67)	27.14	3.55	3.55	NIL	4.39	(4.56)	–	(4.56)	–	100%
C.3	GTL Europe Ltd.	GBP	31 December	92.005	86.590	4.60	(5.55)	38.07	37.12	37.12	NIL	197.03	5.27	2.98	2.29	14.68	100%
C.4	GTL Nepal Pvt. Ltd.	NPR	31 December	0.627	0.651	1.22	11.44	24.11	36.77	36.77	NIL	61.45	13.49	3.41	10.08	0.11	100%
C.5	iGTL Myanmar Limited	MMK	31 March	20.658	19.872	1.12	8.42	53.31	62.85	62.85	NIL	115.92	8.30	2.43	5.87	0.54	100%

Part "B" : Associates and Joint Ventures

Statement persuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Sr. No.	Name of Associates	Latest audited Balance Sheet date	Equity Shares of Associates held by the Company on the year end			Net worth Attributable to shareholding as per latest available Balance Sheet (₹ in Crore)	Share for the year including other comprehensive income of associates		Description of How there is significant influence	Reason why the Associates is not Consolidated
			No.	Amount of Investment in Associates (₹ in Crore)	Extent of Holding %		Considered in Consolidation (₹ in Crore)	Not Considered in Consolidation		
1	GTL Infrastructure Limited	31–Mar–17	2,046,505,865	2,229.03	16.65%	841.89	425.76	NIL	Note – A	NA
2	Global Rural Netco Pvt. Ltd	31–Mar–17	75,000,000	75.00	42.86%	(270.12)	NIL (Refer note D)	NIL	Note – B	NA

Note:

A. In earlier years, the Parent Company's holding GTL Infrastructure Limited (GIL) was more than 20% and on account of percentage holding GIL became the Parent Company's associates and continues to be an associates

B. There is significant influence due to percentage (%) holding in associates

C. On adoption of IND AS effective 1 April, 2015, the share of loss attributable to the Company in its associates GIL and CNIL is accounted in terms of Ind AS 28. The Share in loss upto 31 March 31, 2015 of ₹ 591.55 Crore in GTL Infrastructure Limited and ₹ 939.95 Crore in Chennai Network Infrastructure Limited has been adjusted against retained earnings.

D. The Share in associate Global Rural Netco Pvt. Ltd. stands recognised to the extent of investment held in that associate.

42. FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments

₹ Crore

	Carrying value		Fair value	
	31–Mar–18	**31–Mar–17**	**31–Mar–18**	**31–Mar–17**
Financial assets				
FVTPL financial investments				
Investment in Preference Shares – Associates				
Global Rural Netco Ltd.	**–**	–	**200.00**	200.00
Investment in Preference Shares – Others				
European Projects and Aviation Ltd	**–**	–	**111.65**	111.65
Global Proserv Ltd	**–**	–	**100.24**	100.24
Investment in Debentures – Associates				
Global Rural Netco Ltd	**–**	–	**150.00**	150.00
Investment in Equity Shares – Associates				
GTL Infrastructure Ltd.	**841.89**	–	**841.89**	–
Chennai Network Infrastructure Ltd.		416.13		416.13
Global Rural Netco Ltd.	**–**	–	**–**	–
Investment in Equity Shares – Others				
European Projects and Aviation Ltd	**–**	–	**–**	–
Financial assets designated at amortised cost				
Non–current assets (refer note 42.1)				
Loans	**1.17**	7.41	**1.17**	7.41
Other	NIL	535.67	NIL	535.67
Current assets (refer note 42.1)				
Trade receivables	**0.84**	77.20	**0.84**	77.20
Cash and cash equivalents	**15.38**	95.46	**15.38**	95.46
Bank balance other than included in Cash and cash equivalents above	**4.49**	6.12	**4.49**	6.12
Loans	**0.80**	14.17	**0.80**	14.17
Other	**0.95**	273.63	**0.95**	273.63
Total	**865.52**	1,425.79	**1,427.41**	1,987.68
Financial liabilities designated at amortised cost				
Borrowings				
Fixed rate borrowings	**5,791.59**	5,913.31	**5,791.59**	5,913.31
0.01% Non–Participating Optionally Convertible Cumulative Preference Shares (OCPS) (refer note 42.2)	**141.19**	127.08	**141.19**	127.08
Trade payables (refer note 42.1)	**99.39**	113.28	**99.39**	113.28
Other Financial Liabilities (refer note 42.1)	**761.29**	805.71	**761.29**	805.71
Total	**6,793.47**	6,959.39	**6,793.46**	6,959.39

42.1 The management assessed that trade receivables cash and bank balances, loans, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short–term maturities of these instruments.

42.2 The fair values of the Group's fixed interest–bearing borrowings and loans is determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non– performance risk as at 31 March 2018 was assessed to be insignificant as borrowing are fixed interest bearings.

43. FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at

₹ Crore

Particulars	March 31, 2018			March 31, 2017		
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
	(Level 1)	(Level 2)	(Level 3)	(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:						
FVTPL financial investments (Note 42):						
Investment in Preference Shares – Associates						
Global Rural Netco Ltd.		NIL			NIL	
Investment in Preference Shares – Others						
European Projects and Aviation Ltd		NIL			NIL	
Global Proserv Ltd		NIL			NIL	
Investment in Debentures – Associates						
Global Rural Netco Ltd		NIL			NIL	
Investment in Equity Shares – Associates						
GTL Infrastructure Ltd.	841.89			841.89		
Chennai Network Infrastructure Ltd.		416.13			416.13	
Global Rural Netco Ltd.					–	
Investment in Equity Shares – Others						
European Projects and Aviation Ltd						
Assets for which fair values are disclosed :						
Investment properties (Refer note 4.3)						
Office properties		42.53			40.55	

Quantitative disclosures fair value measurement hierarchy for liabilities as at :

₹ Crore

Particulars	March 31, 2018			March 31, 2017		
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
	(Level 1)	(Level 2)		(Level 1)	(Level 2)	(Level 3)
Liabilities for which fair values are disclosed (Note 42):						
Borrowings (Note 42):						
Fixed Interest bearing Loans		5,791.59			5,913.31	
Convertible preference shares		141.19			127.08	

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise of loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finance for the Group operations. The Group's principal financial assets include investments, trade and other receivables, supplier advance and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by Risk Management Group (RMG), Investment committee and Resource committee that advises on financial risks and the appropriate financial risk governance framework for the group. The Risk Management Group, Investment committee and Resource committee provides assurance to the group senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the group policies and risk objectives. It is the group policy that no trading in derivatives for speculative purposes may be undertaken. The Audit Committee of the Board and the Board of Directors review and monitor risk management and mitigation plans. The financial risks are summarised below.

44.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings and deposits. As the revenues from the group's network service business is dependent on the sustainability of telecom sector, Parent Company believes that Macro – economic factor, including the growth of global economy as well as political and economic environment, have a significant direct impact on the group's business, results of operations and financial position.

44.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of financial instrument will fluctuate because of changes in market interest rates. The significant part of financial instrument which can be considered in case of the group as subject to interest rate risk are borrowings . However the Group's borrowings carry fixed interest rate and therefore the group is not exposed to significant interest rate risk.

44.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Only the parent Company is exposed to the risk of changes in foreign exchange rates and the foreign currency risk relates primarily to the External Commercial Borrowings of the parent Company. Foreign currency risk is managed by effective foreign risk management policy based on risk preception of the management.

Foreign currency sensitivity

The impact on the Group's loss before tax on account of variation in exchange rates can be on account of fluctuation in USD as the Parent Company's External Commercial borrowings liability is USD denominated liability .The following table demonstrates the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. 1% increase or decrease in USD rate will have the following impact on loss before tax :

Particulars	**2017–18**		2016–17	
	1% Increase	**1% Decrease**	1% Increase	1% Decrease
USD Denominated monetary liabilities	**8.91**	**(8.91)**	8.90	(8.90)

44.4 Equity price risk

The Group's equity investment in one of its Parent Company's associates is listed and all other investments are in unlisted entities. All the investments of the Group are trade and strategic investments and therefore are not considered to be exposed or susceptible to market risk.

44.5 Commodity price risk

The group is engaged in business of providing "Network Services" comprising mainly of Operation maintenance and energy management (OME) and other network services. In OME the major component of cost are electricity and Fuel. The variation in the price of electricity and fuel is index based i.e. additionally charged to customer. With regards to other services the contracts are cost plus margin and therefore commodity price risk is mitigated

44.6 Credit risk

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

Trade receivables

Customer credit risk is managed subject to the Group's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and defined in accordance with customer assessment. Outstanding customer receivables are regularly monitored.

The Group follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring lifetime ECL allowance for trade receivables, the Group estimates irrecoverable amounts based on the ageing of the receivable balances . Individual trade receivables are written off when management deems them not to be collectible. The Group does not hold any collateral as security against these trade receivables. The contractually agreed terms effectively manage the concentration risk.

Financial Assets and bank deposits

Credit risk from balances with banks is managed by the group treasury department in accordance with the estabilshed policy in this regards. The group considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which its balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Group has also availed borrowings. The group does not maintain significant cash and deposit balances other than those required for its day to day operations.

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2017 and 31 March 2016 is the carrying amounts as appearing in Note 8,13,14,15,16,17 and 20.

44.7 Liquidity risk

Liquidity risk is that the Group will not be able to settle or meet its obligation on time or at reasonable price. Group's principal sources of liquidity are cash flows generated from its operations.

The group continues to take various measures such as cost optimisation, improving operating efficiency to increase group's operating results and cash flows. Further more the parent Company has made a proposal for a negotiated settlement of debts which has been agreed in principle by all set of lenders. The management is of the view that upon the implementation of the parent Company's negotiated settlement proposal, the group would be in a position to meet its liabilities and continue its operations.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

₹ Crore

Particulars	March 31, 2018			March 31, 2017		
	On demand	More than 1 Year	Total	On demand	More than 1 Year	Total
Year ended 31/3/2018						
Convertible preference shares	NIL	650.00	650.00	NIL	650.00	650.00
Other financial liabilities	6,552.88	NIL	6,552.88	6,719.02	NIL	6,719.02
Trade and other payables	99.39	NIL	99.39	113.28	NIL	113.28
Total	**6,652.27**	**650.00**	**7,302.27**	**6,832.30**	**650.00**	**7,482.30**

45. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, Securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Group's capital management is to safeguard continuity of the business operations.

In view of slow down in telecom industry in last few years, the Group's business received a set back which resulted in incurrence of huge losses and adversely impacting the capital of the Group. For effective capital management, the Parent Company has submitted a proposal for negotiated settlement of debts and the same has been agreed in principle by all set lenders. On implementation of the above proposal for negotiated settlement, there will be substantial improvement in capital structure of the Group.

Calculation of Capital Gearing ratio

₹ Crore

Particulars	31–Mar–18	31–Mar–17
Equity Capital	**157.30**	157.30
Reserves	**(7,353.29)**	(6,910.24)
	(7,195.99)	(6,752.94)
Borrowings*	**5,041.16**	5,162.87
Liability component of compound financial instrument	**141.19**	127.08
	5,182.35	5,289.96
Capital Gearing ratio	**(1.39)**	(1.28)
Capital Gearing ratio %	**(138.86)**	(127.66)

*Fixed cost bearing funds have been included in calculation of the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

46. DEFERRED TAX

Deferred tax liabilities / (Assets) of parent Company

₹ Crore

Particulars	31–Mar–18	31–Mar–17
Relating to		
Property, Plant and Equipment	**(23.44)**	(25.30)
Other Intangible Assets	**(0.98)**	(0.81)
Financial Asset – Others	**(234.64)**	(219.82)
Disallowance Under Section 43B of the Income Tax Act, 1961	**–**	(338.15)
Provision for doubtful debts	**(26.26)**	(59.96)
Unabsorbed Depreciation	**(153.65)**	(145.51)
Total	**(438.99)**	(789.55)

46.1 The Company has a Deferred Tax Asset of ₹ 438.97 Crore as on March 31, 2018 (₹ 789.55 Crore as on March 31, 2017). The same has not been recognised in the financial statement in the absence of probable taxable profits against which the same can be utilised.

46.2 Amount and expiry date of unused tax losses which are not considered in deferred tax assets disclosed above – Parent Company

₹ Crore

Carried Forward Till AY	Unused tax Loss	Carried Forward Till AY
2012–13	104.75	2020–21
2013–14	87.81	2021–22
2014–15	408.80	2022–23
2015–16	194.04	2023–24
2016–17	141.28	2024–25
2017–18	9.17	2025–26
2018–19	5.00	2026–27
Total	**950.85**	

From last few years the Parent Company is incurring losses and doesn't expect sufficient future taxable income in the near future against which the unused business losses can be utilised and therefore the Parent Company has not considered the same for working of unrecognised DTA disclosed above .

47. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186 (4) OF THE COMPANIES ACT, 2013

Details of Investments made are provided in note no. 6 The Parent Company has not given any loans except loans to employees

Details of Corporate Guarantees given by the Parent Company in respect of loans taken by the subsidiaries and Other Body Corporates

₹ Crore

No.	Name of the Company	As at March 31, 2018	As at March 31, 2017
1	Subsidiaries	162.16	161.88
2	Other Body Corporate	NIL	425.00

48. GOING CONCERN

In last few years, the Group has incurred cash losses, resulting in erosion of its entire net worth. The Group's current liabilities are higher than its current assets. While winding up petitions have been disposed of based on consent terms filed.

The management is of a view that upon acceptance and implementation of the parent Company's revised negotiated settlement proposal, it would be in a position to meet its liabilities and continue its operations. In view of the above, the Group continues to prepare above results on Going Concern basis.

49. OF INFORMATION AS REQUIRED BY REGULATION 34(3) OF LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS

a) Details of Loans or Advances in the nature of loans given to wholly owned Subsidiaries and step–down Subsidiaries.

₹ Crore

Name of the Company	Relationship	Outstanding As at March 31,		Maximum balance during the year	
		2018	2017	2018	2017
GTL International Bangladesh Pvt. Ltd.	100% subsidiary of GTL Europe Limited	**10.47**	10.46	**10.49**	10.66
GTL International Limited	100% subsidiary of GTL Limited	**55.67**	55.61	**55.99**	58.44
International Global Tele–Systems Limited	100% subsidiary of GTL Limited	**221.43**	221.15	**222.88**	234.17

Note :

1) Increase in outstanding amount and maximum balance during the respective years is on account of exchange variation

2) The Company has made full provision for impairment against the said advances during the FY 2015–2016.

b) None of the Subsidiaries to whom advances are given per se, have investment in the shares of the Company.

50. DETAILS OF ROUNDED OFF AMOUNTS

The financial statements are presented in ₹ in Crore. Those items which are required to be disclosed and which were not presented in the financial statement due to rounding off to the nearest ₹ in Crore are as follows

Note	Description	As at	
		31–Mar–18	31–Mar–17
	Loans to employees	1,022	46,077
	Interest cost (Refer note 39.a.3)	(7,816)	(38,041)

51. The previous year figures, wherever necessary, have been regrouped/rearranged/recast to make them comparable with those of the current year.

52. Figures in brackets relate to the previous year unless otherwise stated.

As per our report of even date
For **M/s. GDA and Associates**
Chartered Accountants
FRN No.135780W

Mayuresh V. Zele
Partner
M.No. 150027

Mumbai, May 03,2018

For and on behalf of the Board

Manoj G. Tirodkar
Chairman and Managing Director

Sunil S. Valavalkar
Whole Time Director

Vijay Vij
Director

Milind Bapat
Chief Financial Officer

Vidyadhar Apte
Company Secretary

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Members of GTL Limited will be held on Thursday, September 27, 2018 at 10:30 A.M. at Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai 400703, Maharashtra to transact the following business:

Ordinary Business

1. To consider and adopt:
   a. the Audited Financial Statements of the Company for the financial year ended March 31, 2018, together with the Reports of the Board of Directors and Auditors thereon; and
   b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018, together with the Report of the Auditors thereon.

Special Business

2. To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

   "RESOLVED that pursuant to the provisions of Section 152(6) and 152(7) of the Companies Act, 2013 (including any amendment or re–enactment thereof) the consent of the members be and is hereby accorded to the Company for the appointment of Dr. Mahesh Murlidhar Borase (DIN: 03330328) as a Director of the Company, to fill up the vacancy created by Mr. Manoj G. Tirodkar (DIN: 00298407).**"**

3. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

   "RESOLVED that pursuant to the provisions of Sections 196, 197, 203 of the Companies Act, 2013 (the Act) read with Schedule V to the Act and other applicable provisions, if any, of the Act (including any modification or re–enactment thereof for the time being in force) and subject to necessary approvals, if required, consent of the members be and is hereby accorded for appointment of Mr. Sunil Sadanand Valavalkar (DIN: 01799698) as a Whole–time Director of the Company, with effect from December 16, 2017 for a period of three years i.e. up to December 15, 2020, as approved by the Board of Directors, on the terms and conditions as set out in the Explanatory Statement annexed hereto.

   RESOLVED FURTHER that the Board be and is hereby authorised to alter, vary and modify the said terms including salary, allowances, perquisites and designation in such manner as may be agreed to between the Board and Mr. Sunil S. Valavalkar within and in accordance with and subject to the limits prescribed in Schedule V to the Act, and if necessary, as may be stipulated by the concerned authorities and as may be agreed to between the Board and Mr. Sunil S. Valavalkar.

   RESOLVED FURTHER that notwithstanding anything hereinabove stated where in any financial year, during the currency of the term of Mr. Sunil S. Valavalkar as a Whole–time Director, the Company has no profits or its profits are inadequate, he shall be paid the remuneration stated in the Explanatory Statement annexed hereto as "Minimum Remuneration" in the respective financial year(s) not withstanding that the same may exceed the ceiling limit laid down in Section 197 and Schedule V to the Act, subject to such approvals, as may be required.

   RESOLVED FURTHER that the Board be and is hereby authorized to execute all such documents, writings and agreements and to do all such acts, deeds, matters and things as may be considered necessary or expedient for giving effect to this resolution."

4. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

   "RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification and re–enactment thereof for the time being in force) and Regulations 17, 25 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), Mrs. Siddhi Mandar Thakur (DIN:07142250), a non–executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby re–appointed as an Independent Director of the Company for a period of five years with effect from April 1, 2018 up to March 31, 2023 as approved by the Board of Directors."

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

   "RESOLVED that the consent of the members of the Company be and is hereby accorded to the Company to enter into and implement appropriate resolution plans and/ or settlement proposals with the lenders of the Company, including pursuant to any applicable circulars / guidelines / law (including the Insolvency and Bankruptcy Code, 2016) as may be deemed legally appropriate.

   RESOLVED FURTHER that Mr. Sunil Valavalkar, Whole–time Director and / or any other person authorized by the Board be and are hereby jointly authorized to do all such acts, deeds, matters and things on behalf of the Company as may be necessary for giving effect to this resolution."

By Order of the Board of Directors,

Place: Mumbai
Date: August 23, 2018

Vidyadhar A. Apte
Company Secretary

Registered Office:
GTL Limited, "Global Vision", Electronic Sadan No. II, M.I.D.C., T.T.C. Industrial Area, Mahape, Navi Mumbai – 400 710. Maharashtra, India.
Tel: +91–22–27612929 Ext. Nos.: 2232–35; **Fax:** +91–22–2768 9990–0171
E–mail: gtlshares@gtllimited.com; **Website:** www.gtllimited.com
CIN: L40300MH1987PLC045657

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights:

   Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

The instrument of proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting i.e. by 10:30 am on September 25, 2018. Proxies / authorizations submitted on behalf of body corporate, societies etc. must be supported by appropriate resolutions / authority, as applicable.

2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in respect of business under Item Nos. 2 to 5 to be transacted at the 30th Annual General Meeting is annexed hereto.

4. Pursuant to the provisions of Sections 124 and 125 of the Act, the Company has transferred unclaimed dividends up to the Financial Year (FY) 2009–10 to the Investor Education and Protection Fund (IEPF). The Company has not declared / paid any dividend for FY 2010–11 and thereafter. Therefore, no further Unclaimed / Unpaid Dividend(s) are due for transfer to the IEPF as of date.

   Members may refer to section 'Unpaid / Unclaimed Dividends' in the Corporate Governance Report forming part of this Annual Report, for full details.

5. Members holding shares in physical form are requested to notify, immediately, any change in their address or bank details to the Company at its 'Investor Service Centre', "Global Vision", Electronic Sadan–II, M.I.D.C., T.T.C. Industrial Area, Mahape, Navi Mumbai – 400710, Maharashtra. Members holding shares in electronic form should update such details directly with their respective Depository Participants.

   Further, SEBI has advised all listed entities to collect details of Permanent Account Numbers (PAN) and pertinent details of bank accounts from shareholders holding shares in physical form. SEBI has also directed that except for cases of transmission or transposition of securities, requests for effecting transfer of securities will no longer be permitted with effect from December 5, 2018, unless the securities are held in dematerialized form. In accordance with the SEBI directives, a separate letter is being sent along with this Annual Report / Notice to all shareholders holding shares in physical form, seeking the desired information.

6. All documents referred to in the above Notice *inter–alia* Register of Contracts and Directors' shareholding are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the Annual General Meeting (AGM).

7. The Notice of the AGM along with the Annual Report 2017–18 is being sent by electronic mode to those Members whose e–mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy. For Members who have not registered their e–mail addresses, physical copies are being sent by the permitted or requested modes. The Notice is being sent to all Members whose names would appear in the Register of Members as on Friday, August 24, 2018, the Directors and Auditors of the Company.

8. The Company's Equity Shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Further, the Listing Fees in respect of equity shares of the Company have been paid to BSE and NSE for the FY 2018–19.

   Privately placed Rated Redeemable Unsecured Rupee Non–Convertible Debentures (NCDs) issued by the Company in February 2010 are listed with BSE under the Debt Segment. In view of pending restructuring of NCDs due to inter–creditor issues and non–completion of documentation, currently, the same are suspended for trading.

9. Members are requested to forward their queries on Financial Statements or other Sections of the Annual Report to the Company Secretary at least 10 days in advance for enabling it to provide appropriate response. In order to minimize paper cost / work, shareholders / investors are requested to forward their queries pertaining to Annual Accounts and other Sections of Annual Report by e–mail to gtlshares@gtllimited.com

10. Members / proxies are requested to bring their copy of the Annual Report to the Meeting.

11. In keeping with the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the purpose of sending Notices and other documents to its members through electronic mode to the email address furnished to the Company / Depositories, members who have so far not provided their email addresses to the Company (for holdings in physical form) or to the Depositories (for holdings in electronic form) are requested to provide the same to the Company / Depository Participant respectively, in support of this initiative and for savings on paper / printing & postage cost. Members are further requested to note that they shall be entitled to be furnished free of cost with a physical copy of such documents sent by email upon receipt of a requisition from such members.

12. Voting through electronic means:

    Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, the Company is pleased to provide its members the facility to exercise their right to vote for the 30th AGM by electronic means (remote e–voting) and the business may be transacted through such voting. The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating the e–voting. The process for remote e–voting is appended hereto.

13. The Members who have already cast their vote by remote e–voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

14. The facility for voting, either through electronic voting system or ballot paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e–voting shall be able to exercise their right to vote at the AGM.

15. The **instructions** for shareholders voting electronically **(remote e–voting)** are as under:

    (i) The voting period begins on Monday, September 24, 2018 at 09:00 AM and ends on Wednesday, September 26, 2018 at 05:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut–off date of Friday, September 21, 2018 may cast their vote electronically. The e–voting module shall be disabled by CDSL for voting thereafter.

    (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

    (iii) The shareholders should log on to the e–voting website www.evotingindia.com

    (iv) Click on Shareholders.

    (v) Now Enter your User ID

        a. For CDSL: 16 digits beneficiary ID,

        b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha–numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the voting serial number in the PAN field. • In case the voting serial number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with voting serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or the Company please enter the 16 digit member–id or folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e–voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e–voting on the resolutions contained in this Notice.

(xii) Click on the EVSN of **"GTL LIMITED"** on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution(s) you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's **mobile app m–Voting** available for android based mobiles. The m–Voting app can be downloaded from **Google Play Store.** iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non–Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e–voting, you may refer the Frequently Asked Questions ("FAQs") and e–voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

16. The Company has appointed Mr. Virendra G. Bhatt, a Practicing Company Secretary, as the Scrutinizer for conducting the entire remote e–voting and at the meeting venue in a fair and transparent manner.

17. The Scrutinizer shall immediately after the conclusion of voting at the General Meeting first count the votes cast at the meeting, thereafter unblock the votes cast through remote e–voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

18. The results of the voting shall be declared on or after the AGM of the Company, but within forty eight (48) hours after the conclusion of the meeting and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the Resolutions.

19. The results declared along with the Scrutinizer's Report will be hosted on the Company's website at www.gtllimited.com and on CDSL's website at www.evotingindia.com for information of the Members, besides being communicated to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.

20. The route map showing directions to reach the AGM venue is annexed.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 2

The Members of GTL Limited ("the Company"), in their Annual General Meeting held on September 17, 2013, had appointed Mr. Manoj Tirodkar as the Chairman & Managing Director of the Company for 5 years from August 18, 2013. Mr. Manoj Tirodkar's term as the Chairman & Managing Director expired on August 17, 2018.

The Company was admitted to Corporate Debt Restructuring ("CDR") mechanism in 2011. In light of the various obligations contained in the CDR related documents, Mr. Manoj Tirodkar had sought the requisite consent from the lenders for re–appointment as the Chairman & Managing Director of the Company. However, despite repeated follow ups, the consent was not received.

In addition, there was an issue with respect to the disqualification of the directors on account of alleged non–payment of interest and / or principal amounts in respect of the non–convertible debentures issued by the Company. In the Company's case, there have been inter–creditor issues which prevented the Company from making such payments. This was completely beyond management's control. In this context, the Company had sought a clarification / exemption from the appropriate Statutory Authority with regard to its specific facts and circumstances as well as companies undergoing CDR and /or other similar debt restructuring programs. The Company has been actively pursuing the clarification / exemption, but the same has not been received.

Mr. Manoj Tirodkar has been advised that in the absence of the consent from the lenders and receipt of the required clarification / exemption from the appropriate Governmental Authority, it would be prudent not to seek reappointment at this stage.

Mr. Manoj Tirodkar proposes Dr. Mahesh Murlidhar Borase to be appointed as his nominee on the Board of Directors to fill up the vacancy so created, pursuant to which appointment, the current constitution / management set–up of the Company can be retained. The Company has received the necessary amount as deposit from Mr. Manoj Tirodkar proposing candidature of Dr. Mahesh Borase.

Brief resume of Dr. Mahesh Borase, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter–se as stipulated under the Regulation 36(3) of the Listing Regulations, is provided in the Corporate Governance Report forming part of the Annual Report.

Mr. Manoj Tirodkar has, however, clarified that his directorship issue will be taken up again following receipt of the aforesaid consents / exemptions / clarifications. In the meantime, Mr. Manoj Tirodkar confirmed that (a) he will continue to remain in control / management control and will guide and steer the Company in his capacity as sponsor / promoter of the Company; and (b) he will remain engaged with the lenders of the Company to work with them to pursue the appropriate settlements.

The Board commends passing of the resolution at Item No. 2 of the accompanying Notice.

Except Mr. Manoj G. Tirodkar, none of the Directors / Key Managerial Personnel of the Company and their relatives is, in anyway, concerned or interested, financially or otherwise, in passing of this Resolution.

Item No. 3

The Board of Directors of the Company in its meeting held on February 5, 2015 appointed Mr. Sunil Sadanand Valavalkar as an Additional Director and Whole–time Director for a period of 3 years w.e.f. December 16, 2014. Since the term of appointment of Mr. Sunil S. Valavalkar expired on December 15, 2017, the Board by way of passing resolution by circulation on December 14, 2017 subject to the approval of the secured lenders and Central Government, reappointed Mr. Sunil S. Valavalkar as a Whole–time Director for a period of 3 years w.e.f. December 16, 2017, which was noted and ratified by the Board in its meeting held on February 6, 2018, on such remuneration and perquisites as detailed below.

The salient features of the terms and conditions of appointment of Mr. Sunil S. Valavalkar are as follows:

Sr. No.	Terms & Conditions	Mr. Sunil Sadanand Valavalkar	
1.	Period	The appointment is effective from December 16, 2017 for a period of three years i.e. up to December 15, 2020.	
2.	Remuneration	Salary Basic	: ₹ 62,500/– p.m.
		HRA	: ₹ 3,125/– p.m. (5% of Basic)
		Education Allowance	: ₹ 300/– p.m.
		Transport Allowance	: ₹ 1,600/– p.m.
		Flexi Benefit Plan	: ₹ 34,975/– p.m.
		Provident Fund	: ₹ 7,500/– p.m. (12% of Basic)
		Gratuity	: ₹ 2,500/– p.m. (4% of Basic)
		Variable Pay	: ₹ 12,500/– p.m.(10% of CTC)
		Leave	: As per Company Rules
		Annual Increment	: The Board will decide the Annual increment based on merit.
		Performance Linked Bonus	: Such sum per annum depending upon the profitability of the Company and the performance of the appointee, as may be decided by the Board
		Perquisites and Allowances	: The Company's contribution to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or together are not taxable under the Income–tax Act, 1961, Gratuity payable as per the rules of the Company, encashment of leave at the end of the tenure and use of Company's Car for official duties and telephone at residence (including payment for local calls and long distance calls) shall not be included in the computation of limits for the remuneration as per Schedule V of the Companies Act, 2013 (the Act).

Sr. No.	Terms & Conditions	Mr. Sunil Sadanand Valavalkar
3.	Minimum Remuneration	Where in any financial year during the currency of the tenure of the Whole–time Director, the Company has no profits or its profits are inadequate, the appointee shall be paid the aforesaid remuneration as "Minimum Remuneration" in the respective financial year(s) notwithstanding that the same may exceed the ceiling limit laid down under Section 197 and Schedule V to the Act, subject to the approval of the Central Government, if required.
4.	Modification in terms	The terms and conditions of appointment may be altered and varied from time to time by the Board and / or Nomination & Remuneration Committee as it may, in its discretion deem fit, notwithstanding the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and / or Nomination & Remuneration Committee and the appointee subject to such approvals as may be required.
5.	Termination	The agreement may be terminated by either party by giving three months' notice or the Company paying three months' remuneration in lieu of the notice.
6.	Inspection	The Agreement entered into between the Company and the appointee is open for inspection by the Shareholders at the Registered Office of the Company on all working days (except Saturdays, Sundays and holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the Annual General Meeting.

In terms of the requirements as per sub – clause (iv) of the proviso to Sub–paragraph B of Paragraph (1) of section II of Part II of Schedule V to the Act, the information is furnished as below:

Sr. No.	Particulars	Information			
I	**General Information**				
	1. Nature of Industry	GTL, a Global Group Enterprise, is a diversified technology and infrastructure services company focused on Telecom. It provides Network Service solutions to telecom operators, OEMs & Tower Companies.			
	2. Date or expected date of commencement of commercial production.	The Company is an existing Company and carrying on business for last about 30 years.			
	3. In case of a new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable			
	4. Financial Performance based on given indicators				**Amt. ₹ in Crore**
			March 31, 2018	**March 31, 2017**	**March 31, 2016**
		Share Capital			
		Equity	157.30	157.30	157.30
		Reserves & Surplus	(6,469.40)	(3,842.11)	(3,211.81)
		Total Income *	1,005.38	1,254.62	1,280.50
		Profit Before Tax *	(2,628.03)	(635.19)	(2,373.71)
		Profit After Tax *	(2,627.66)	(629.86)	(2,373.71)
		*Continuing business operations			
	5. Foreign Investment or collaborators, if any.	Not Applicable			
II	**Information about the Appointee**				
	1. Background details	Mr. Sunil S. Valavalkar is a Commerce Graduate of the University of Mumbai and also holds a certificate in Marathi Journalism. He has over 33 years of work experience, of which he was associated with General Insurance Corporation of India for about 25 years and has also been associated with State Bank of Bikaner & Jaipur, Air India and HDFC. During his association with the Company since August 2010, he has handled various assignments and since December 16, 2014 he is associated in the capacity of Whole–time Director and supporting the Chairman & Managing Director in the day to day functioning.			
	2. Past Remuneration	Mr. Sunil Valavalkar was appointed as Whole–time Director since December 16, 2014 and his last remuneration drawn was ₹ 0.15 Cr. p.a. for which requisite approval was granted by the Ministry of Corporate Affairs, Government of India, vide its letter bearing Ref. No. SRN C75006197/4/2016–CL.VII dated July 22, 2016.			
	3. Recognition or awards	None			
	4. Job profile & his suitability	As Whole–time Director, he will be supporting the Chairman & Managing Director in the day to day functioning and attend to other assignments as may be allocated by the Board from time to time.			
	5. Remuneration proposed	Details of the total remuneration comprising of Salary, HRA, Education Allowance, Transport Allowance, Flexi benefit plan etc. which is proposed to be paid to Mr. Valavalkar for the period of his appointment is set out above.			
	6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	There is not much comparison available in the market in terms of the business in which the Company operates. However, the general trend in telecom companies shows that the managerial remuneration paid to Whole–time Director is ranging anywhere between ₹ 1–5 Cr. per annum.			

Sr. No.	Particulars	Information
	7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.	Mr. Valavalkar does not have any pecuniary relationship, directly or indirectly with the Company or with any key managerial personnel nor does he have any direct or indirect interest in the Equity Share capital of the Company besides the remuneration set out above.
III	**Other information**	
	1. Reasons of loss or inadequate profits.	The Company got admitted into Corporate Debt Restructure (CDR) mechanism w.e.f July 1, 2011 on account of the adverse circumstances surrounding the telecom and power sectors. Post admission into CDR, the developments such as the cancellation of 122 Nos. of 2G licenses by the Supreme Court of India, cancellation of 20,000 tenancies by Aircel Group (from whom the GTL Group purchased 17,500 telecom towers in 2010 with 20,000 additional tenancy commitments), suspension of fixed line contract by BSNL, cancellation of MSEDCL contract etc. made it difficult for the Company to adhere to the CDR Plan. To overcome the difficulty, the Company submitted One Time Settlement (OTS) proposal to the lenders for monetization of its assets / business divisions / investments for settlement of the dues of the lenders. Though the lenders gave their in–principle approval for the OTS proposal, before completion of the process for the same by the lenders, the Reserve Bank of India (RBI) vide its circular dated February 12, 2018 *inter alia* withdrew the CDR and other restructuring Schemes.
	2. Steps taken or proposed to be taken for improvement	Focus on Cost: Looking at the external environment, the Company has already initiated several measures across administration, procurement, transportation, energy etc. that would bring down the administration and wage costs. The Company will also continuously monitor the cost structures and would take suitable action as and when required. Monetizing Assets / business division Investments: The Company continues to keep its monetization proposal open for settlement of the dues of the lenders. Settlement of Debts: In terms of the RBI Circular dated February 12, 2018, the Company has submitted a revised resolution / settlement proposal to its lenders and is hopeful of receiving a positive response, which will give a permanent solution to the problems faced by the Company.
	3. Expected increase in productivity and profits in measurable terms	The year 2017–18 is a watershed year in the telecom history in India. The intense competition in the telecom industry led to: a. merger of Vodafone India Ltd. & Idea Cellular Ltd., Bharti Airtel Ltd. & Telenor Communications Ltd., Reliance Communications Ltd. & Sistema Shyam Teleservices Ltd. and Bharti Airtel Ltd. & Tata Tele services Ltd. b. withdrawal from wireless space by Tata Group and Reliance Communications Ltd. c. filing of voluntary insolvency by Aircel Group. The above have led to heavy losses to almost all telecom operators and uphill challenges in the FY 2017–18. The above developments have resulted in significant loss of business to the Company as it is in the business of providing telecom network services to the telecom operators, OEMs and tower companies and the merger/exits of the telecom operators / tower companies had a direct impact on the financials of the Company. From the facts and position explained above it can be noticed that the situation faced by the Company has been due to macro and micro factors and reasons beyond the control of its management. However, the management is continuously initiating steps for finding a permanent solution for settlement of the dues of the lenders and at the same time taking steps for reducing the cost and improving the performance and is hopeful that the reinforced and dedicated efforts would bring about an improvement in the operational growth in future, once its settlement proposal receives a positive response from the lenders..
IV	Disclosures	The shareholders of the Company have been informed of the proposed remuneration package of Mr. Sunil S. Valavalkar in the explanatory statement for resolution No. 3 of the Notice of 30th Annual General Meeting. Disclosure on all elements of remuneration package of all the Directors of the Company including details of Stock Options, if any, issued by the Company, pension etc. have been made in the Corporate Governance Report which forms a part of the Report of the Board of Directors in the Annual Report of the Company for FY 2017–18

Brief resume of Mr. Sunil S. Valavalkar, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter–se* as stipulated under the Regulation 36(3) of the Listing Regulations, is provided in the Corporate Governance Report forming part of the Annual Report.

The Board commends passing of the resolution at Item No. 3 of the accompanying Notice.

Except Mr. Sunil S. Valavalkar, none of the Directors / Key Managerial Personnel of the Company and their relatives is, in anyway, concerned or interested, financially or otherwise, in passing of this Resolution.

Item No. 4

Pursuant to the provisions of Section 149 of the Companies Act, 2013 (the Act), Regulations 17(1)(a) and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), every listed company is required to have at least one woman director and at least 1/3rd of the Board of Directors shall comprise of independent directors. In order to comply with the statutory requirements, on the recommendations of the Nomination & Remuneration Committee, the Board of Directors of the Company by way of passing resolution by circulation on March 28, 2018 reappointed Mrs. Siddhi Mandar Thakur (whose previous term of 3 years expired on March 31, 2018) as an Independent Director for a term of five years w.e.f. April 1, 2018 upto March 31, 2023, which was noted and ratified by the Board in its meeting held on May 3, 2018.

Mrs. Siddhi Thakur, Non–Executive Director of the Company has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Act.

In the opinion of the Board, Mrs. Siddhi Thakur fulfills the conditions specified in the Act and the Rules framed there under for appointment as an Independent Director and she is independent of the management.

Brief resume of Mrs. Siddhi Thakur, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter–se* as stipulated under the Regulation 36(3) of the Listing Regulations, is provided in the Corporate Governance Report forming part of the Annual Report.

The terms and conditions of appointment of Ms. Siddhi Thakur is available for inspection by members at the Registered Office of the Company on all working days (except Saturdays, Sundays and holidays) between 10:00 a.m. and 12:30 p.m. up to the date of the Annual General Meeting.

This Statement may also be regarded as a disclosure under Regulation 36(3) and other applicable Regulations of the Listing Regulations.

The Board commends passing of the resolution set out at Item No. 4 of the accompanying Notice.

Except Mrs. Siddhi Thakur, none of the other Directors / Key Managerial Personnel of the Company and their relatives is, in anyway, concerned or interested, financially or otherwise, in passing of this Resolution.

Item No. 5

Background

The Company is an independent telecom network services provider with a range of offerings such as network planning and design, network deployment and network operations and maintenance. Its shares are listed on BSE Limited and the National Stock Exchange of India Limited. The Company promoted GTL Infrastructure Limited **("GIL")** a passive telecom infrastructure provider. GIL owns telecom towers (ground based towers and roof top towers) and offers these towers to its customers on a shared and chargeable basis whereas the Company operates and maintains these towers including providing Energy Management Services (EMS) to GIL and other third party clients.

Aircel Acquisition & Related Growth Plans

Through a special purpose vehicle, Chennai Network Infrastructure Limited[1] **("CNIL")** set up for this purpose, the Global group entered into Business Transfer Agreement dated January 14, 2010 with Aircel Limited, Aircel Cellular Limited and Dishnet Wireless Limited (collectively **"Aircel")** to acquire the passive infrastructure business of Aircel, which comprised of 17,500 telecom towers with equivalent tenancies and additional about 3,500 external (i.e. third party) tenancies. As part of the composite transaction, CNIL and Aircel entered into (i) an Existing Site Agreement to govern their relationship in respect of use of the passive infrastructure facilities by Aircel; and (ii) a New Site Agreement under which Aircel had committed to grant CNIL and GIL a "Right of First Refusal" (RoFR) in respect of 20,000 additional contracted tenancies.

The transaction was envisaged to provide strategic growth opportunities for the Company, via (i) network deployment opportunities; (ii) network operations & maintenance; (iii) energy management solutions; and (iv) active infrastructure management. The revenue estimated by the Company from Aircel for the period 2011 through 2015 was as follows for which the Company obtained requisite approval from shareholders by passing a special resolution in Postal Ballot, results of which were declared on March 12, 2010:

₹ Crore

Services Offering (Revenue streams)	2011	2012	2013	2014	2015	Total
Network Deployment	1,250	1,250	1,250	1,250	1,250	6,250
Network Maintenance	486	594	702	810	918	3,510
Energy Management	540	660	780	900	1,020	3,900
Active Infrastructure Mgmt.	486	594	702	810	918	3,510
Total Business Opportunity	**2,762**	**3,098**	**3,434**	**3,770**	**4,106**	**17,170**

Accordingly, the Company and Aircel also entered into an Energy Management Agreement dated January 14, 2010 **("EMA")** pursuant to which the Company was to provide operations and maintenance services of the respective sites[2]. As stated above, Aircel had committed additional deployment of 20,000 RoFR sites in 3 years, for which the Company was required to deploy, operate, maintain, and provide energy management solutions and active infrastructure management services to Aircel. This demanded large initial outlay.

*1. **Note:** CNIL has since been merged into GIL with effect from December 22, 2017.*

*2. **Note:** Details contained in the postal ballot notice to the shareholders dated January 14, 2010.*

Corporate Debt Restructuring

During the inception stage, the telecom industry grew exponentially. India's tele–density improved substantially from under 4% in 2001 to around 76% by FY 2012 and the mobile subscriber base (GSM and CDMA combined) grew from under 2 Mn. at the end of FY 2000 to 919 Mn. by FY 2012. The sector registered an average annual growth of nearly 64% during this decade. However, since 2010, certain policy announcements had significant adverse impact on the telecom operators and decelerated growth rate and reduction in revenues and cash flows. The key challenges faced by the telecom industry included: falling ARPU and profit margins, additional capital requirements for 3G and BWA rollouts, poor rural penetration, increased participants' requirement of security clearance for procurement of telecom equipment and higher frequency spectrum license review by the DoT.

As a result, in FY 2011, with sudden and sharp slowdown in the telecom industry coupled with the increase in interest rates by almost 3–4% p.a. and other debilitating factors, the Company had to restructure its debt through the Corporate Debt Restructuring **("CDR")** mechanism[3]. The lenders approved the CDR in December 2011 with July 1, 2011 as the CDR cut–off date.

Developments Post Implementation of CDR

As part of the CDR, to date, the Company settled indebtedness of ₹ 2,388 Crore without any new funds being raised externally. However, the performance of the Company continued to be impacted due to ongoing challenges faced by the telecom sector. The revival of the Company post CDR was challenging with following further developments in the telecom sector:

(i) 2G scam and the resultant cancellation of 122 – 2G licenses by the Supreme Court;

(ii) slower than estimated 3G and BWA growth during the period 2012 to 2015;

(iii) worsening performance of telecom operators from 2010 to 2017;

(iv) freeze on fresh debt and equity;

(v) spectrum auctions from 2010 to 2015 required telecom operators reportedly to pay ₹ 242,000 Crore causing strain on cash flows; and

(vi) suspension of RoFR by Aircel Group in 2013/14 as described below.

In particular, Aircel (biggest client of the Company), was seriously impacted. In addition to the unfavourable industry environment, its promoters (i.e. the Maxis group) faced regulatory issues and investigations, which eventually led Aircel to renege on its committed obligations to Global group. Aircel closed down its operations in multiple telecom circles and reneged on its commitment of 20,000 new rollouts / tenancies, resulting into a loss of planned revenue realization of around ₹ 17,170 Crore and consequent EBITDA upto ₹ 1,900 Crore. As stated above, the Company had in preparation of committed business from Aircel and given the lead time, booked vendors capacities and placed orders on them for materials to ensure timely deliveries and roll out. The Aircel RoFR was cancelled in July 2013, about 18 months after CDR, thus negatively impacting the Company's projections and EBITDA in a material manner and it was stuck with sticky advances and resultant long drawn vendor settlements.

Another division of the Company that was badly impacted leading to complete shutdown was Power Distribution Franchise (Power DF) business. High debt levels of DISCOMs, coal mines license cancellation, reduction on power tariffs by 20% in Maharashtra caused significant challenges for the industry. In addition, the Company was specifically impacted by (1) refusal of some of the lenders – namely, Indian Bank, Bank of Baroda, and Andhra Bank – to issue guarantee despite their respective approval in CDR package and (2) higher transmission and distribution losses disclosed by MSEDCL than as disclosed by the regulatory authority and other breaches and misrepresentations by the regulatory authority. As a result, the Power DF Contract was terminated on November 17, 2014. Consequently, the Company's annual revenue was further hit and was incrementally reduced by about ₹ 1,200 Crore per annum and negatively impacting the Company's projected aggregate business revenues of about ₹ 21,172 Crore for the remainder of the tenure, as the same could not materialize[4]. The loss of business against estimates as per CDR for Power DF business is as under:

₹ Crore

Distribution Franchise	2012	2013	2014	2015	2016–2021
Revenue	624	967	1,954	2,243	21,172
EBITDA	19	29	59	67	635

The following is the year wise break–up of revenue and profit/ loss from Power DF business:

₹ Crore

Distribution Franchise	2011–12	2012–13	2013–14	2014–15	Total
Revenue	622	985	702	1,015	3,324
EBITDA	11	4	(252)	(54)	(292)

3 ***Note:*** *The Company approached CDR lenders forum requesting them to restructure its debt. SBI Caps and IDBI Caps submitted flash report to the Lenders, based on which a special audit was conducted by Concurrent auditors appointed by the lenders. The Company's proposal for restructuring was approved by CDR Empowered Group at its meeting held on November 29, 2011 and communicated to the Company vide its letter dated December 23, 2011. The CDR scheme was thus successfully implemented in December 2011 which also provided for restructuring of the local lenders, ECB facility and NCD facility with pari–passu sharing of cash flow and security amongst all lenders of the Company.*

4 ***Note:*** *The issues regarding the external environment and developments were discussed at various meetings of the Joint Lender Forum and/or Monitoring Committee: (1) 1st March 2013; (2) 30th April 2013; (3) 25th September 2013; (4) 5th February 2014; (5) 9th May 2014; (6) 13th November 2014; (7) 21st Jan 2015; (8) 21st Feb 2015; (9) 17th March 2015; (10) 17th April 2015; (11) 8th June 2015; (12) 12th August 2015; (13) 22nd September 2015; (14) 6th November 2015; (15) 23rd November 2015; (16) 4th December 2015; (17) 4th May 2016; (18) 23rd June 2016; (19) 18th March,2017; (20) 8th September 2017.*

In addition, the Company also addressed the following correspondence to the lenders appraising them of the developments: (1) 5th December, 2012; (2) 27th February, 2013; (3) 17th April, 2013; (4) 10th May, 2013; (5) 10th November, 2013; (6) 13th October, 2014; (7) 6th March,2017; (8) 19th July, 2017. Numerous meeting between the top management of the Company and senior level bank officials took place to explain facts

The Company has initiated appropriate legal proceedings for recovery and dues and damages from Maharashtra State Electricity Distribution Company Limited **("MSEDCL")** and the proceedings are underway. So far, the Company has already received awards of approximately INR 53 Crore recoverable from MSEDCL.

In light of the above factors, which were entirely beyond the control of the Company and its management, the Company submitted a debt realignment proposal to its lenders on September 23, 2013. However, due to inter–creditor issues, the said proposal could not be taken up.

Although the Company had been servicing its debts regularly till May 2014, the series of developments, as stated above, made the aggregate debt levels unsustainable and consequently the Company approached the Lenders with submission of a corrective action plan and thereafter submission of negotiated / One Time Settlement **("OTS")** proposal as described below. First proposal in respect of this was submitted in JLF that was held on September 1, 2014.

OTS Proposal

The Company proactively presented the corrective action plan involving the monetization of all or substantially all of the assets and investments of the Company in the Joint Lender Forum **("JLF")** meetings held on September 1, 2014 and again on November 13, 2014. The Company had already obtained approvals from the shareholders at its AGM held in September 2014.

The Company's proposals were discussed with the lenders time and again for several months at several JLF's[5]. Therefore, in furtherance to past meetings, a high level JLF meeting was convened on December 4, 2015. At the meeting, the OTS proposal was agreed in principle by all lenders and the sharing proportion of each lender was agreed in the following ratio: **CDR (51.59%), ECB (34.59%) and NCD (34.63%).** It was also agreed by all the Lenders that final approval for the settlement proposal from relevant authorities of Banks should be obtained on or before December 31, 2015.

At this JLF meeting, it was also agreed by all the lenders that "the lenders would continue to consider the OTS proposal submitted by the Company as the same appeared to be the best option for maximum recovery at that stage." Despite aforementioned commitment given by all the lenders, only 13.14% percentage of lenders approved the OTS proposal till mid–2016. By the end of FY 2016, percentage of lenders that approved the OTS proposal increased to 46% as against minimum required level of 75%. Hence despite availability of buyers for the assets no sale of assets could take place due to requisite level lenders consent not forthcoming.

Opportunity Loss on account of Delays

The delays caused as a result of the delayed / lack of action by the lenders from 2014 to 2017 as highlighted above and the forensic audit exercise coupled with the time taken by the JLF to close the issue post submission of the forensic audit report, resulted in several lost opportunities for the Company to realize monies in years 2014, 2015 and 2016 and its inability to repay lenders as per proposed OTS. These are explained in detail as below:

a) *Sale of OME Business:*

The Company had in principle negotiated with Intelligent Energy, plc **("IE")**, a UK based company specialized in fuel cell technology across various industry segments (including telecom) to acquire the OME business. E2 Essential Energy Private Limited **("E2")**, the Indian subsidiary of the IE group, had developed a fuel cell solution to address the energy requirements of telecom towers. E2 and the Company signed a term sheet as part of an interim engagement agreement dated August 19, 2014, whereby as a pilot project, 10,000 telecom sites were being outsourced to E2 to be managed by them on fixed energy basis to carry out due diligence upon which a final decision would be taken by E2 to purchase the OME business. Lenders took note of the above at the JLF meeting held on November 13, 2014.

However, despite repeated follow ups, no decision was taken by the lenders. In anticipation of the approvals from the lenders, E2 and the Company had executed a Business Transfer Agreement dated September 30, 2015 pursuant to which E2 was to pay ₹ 850 Crore for the OME business. Based on the lenders in principle consent given for the above, E2 had obtained approval from the Competition Commission of India in December 2015. The prime condition under this agreement was the formal approval of the lenders, which was never received in transaction executable format. This ultimately forced E2 to withdraw its offer. It is pertinent to note that the Company on several occasions kept reminding the lenders about the possible consequences of non–approvals. It is also worthwhile noting that E2 spent over two years in India in anticipation of the transaction closure and suffered significant losses on account of the final non–conclusion of the transaction.

b) *Sale of International Business:*

The Company had identified multinational buyers to acquire the Company's international business. The buyer had submitted a non–binding term sheet dated June 22, 2015, with long stop date being December 31, 2015 to acquire the Company's international business. However, despite repeated follow ups, no decision was taken by the lenders with respect to the sale proposal and the proposed buyer also finally withdrew its offer.

5. ***Note:*** *(1) 13th November 2014; (2) 5th February 2015; (3) 21st February 2015; (4) 17th March 2015 (5) 17th April 2015; (6) 8th June 2015; (7) 12th August 2015 (wherein the DHC valuation report was accepted and the lenders decided that "the lenders may consider OTS subject to compliance of the laid down procedure in this regard") (8) 22nd September 2015; (9) 6th November 2015; and (10) 23rd November 2015.*

c) *Investments in GIL and CNIL:*

The Company had planned to realize an amount of around ₹ 2,400 Crore by selling its holding in GIL and realization of other related assets in tower business. An offer on a combined basis was received on June 23, 2015 from multinational buyers. This offer was submitted to the lenders vide the Company's letter dated June 26, 2015. However, no response was forthcoming from the lenders despite several follow ups. Unfortunately this has resulted in loss of this opportunity way back in 2015.

On September 20, 2016, the lenders of GIL and CNIL recognized the turnaround prospects and invoked the Strategic Debt Restructuring **("SDR")** Scheme prescribed by the Reserve Bank of India (RBI). The SDR scheme required the induction of a new promoter, who can help manage the tower business going forward. As per the SDR Scheme, the sale process was to be completed by March 18, 2018. Initially, the process saw a high level of interest with more than 20 global investors expressing preliminary interest. From the Company's standpoint, it had voluntarily agreed to support and participate in the SDR Scheme as the divestment of the tower assets was in any event an obligation imposed on it under the CDR terms and conditions.

However, as a result of the various issues recently faced by the telecom sector, causing significant loss of tenancies for both GIL and CNIL and RBI Circular of 12th February 2018 along with Bankruptcy proceedings of Aircel, the SDR sale to a new investor could not be completed.

In the meantime, RBI as per its recent circular dated February 12, 2018 have indicated that the extant instructions like SDR, CDR etc. stand withdrawn with immediate effect and consequently JLF as an institutional mechanism for resolution of stressed assets also stands discontinued. Further all cases where any of the schemes have been invoked but not yet been implemented shall be governed by the new framework of Resolution Plan. The lenders of GIL have initiated a sale of debt to an asset reconstruction company and the Company is hopeful that this sale process will be completed by end of August 2018. Conclusion of the sale of debt to the ARC and the consequent restructuring of the debt would have a positive impact on the equity investment of the Company in GIL.

Recent Telecom Sector Developments

The second half of FY 2017–18 saw significant headwinds within the telecom sector on account of the following (i) entry of new participants (i.e. Reliance Jio Infocomm Limited) with aggressive pricing; (ii) reduction in interconnect usage charges by Telecom Regulatory Authority of India; and (iii) increasing unsustainable levels of debts of existing telecom operators. These factors lead to profitability / cash flow impact across all participants in the sector and for many of telecom operators it became unsustainable to remain viable and/or continue operations as is evident through series of transactions/announcements listed below:

(i) Bharti Airtel Limited – Telenor Communications Private Limited merger (announced on February 23, 2017);

(ii) Vodafone India Limited – Idea Cellular Limited merger (announced on March 20, 2017);

(iii) Tata Group's decision to withdraw from the wireless space and consequent Bharti Airtel Limited – Tata Teleservices Limited merger (announced on October 12, 2017);

(iv) Reliance Communication Limited's decision to withdraw from the wireless space and the consequent acquisition by Reliance Jio Infocomm Limited (announced on November 4, 2017); and

(v) Aircel decision to file for voluntary insolvency (refer news reports dated February 19, 2018).

Of the above listed developments, those with most significant and direct impact are:

I. Exit by Tatas

Tata Teleservices Limited **("TTSL")** announced their intention to close down their wireless operations in India in or around October 2017. Subsequent thereto, TTSL announced a merger with Bharti Airtel Limited **("Airtel")** whereby its customers and the spectrum were to be taken over by Airtel together with its liability to pay installments in future to the Government of India. As it unfolds, it appears that the contracted tenancy obligations which were to be transferred to Airtel, did not actually get transferred as part of the transaction with Airtel. Consequently, exit notices were issued by Tata for its tenancies with GIL, which in turn resulted in similar termination notices for the Company.

II. Insolvency of Aircel

More significantly, in so far as Aircel is concerned, it being the single largest client of the Company, contributing substantial revenue, the impact has been fairly adverse. On March 1, 2018, Aircel filed for voluntary insolvency resolution process. However, it appears that there is unlikely to be any revival of Aircel and that it is likely to be liquidated or sold in pieces. The Company has filed a revised claim of about ₹ 1,893 Crore against Aircel on May 30, 2018 in case of revival and if Aircel goes in liquidation then the Company's claim will be to the tune of ₹ 7,198 Crore GIL has also filed a revised claim of about ₹ 1,644 Crore against Aircel on May 30, 2018 in case of revival and if Aircel goes in liquidation then GIL's claim will be to the tune of ₹ 12,843 Crore.

III. Impact on GIL

GIL has been a direct victim of the recent consolidation onslaught in the telecom sector. TTSL, Reliance Communications, Telenor and SSTL have all either withdrawn from their wireless operations or sold to / merged with the existing larger telecom operators. This consolidation has resulted in significant loss of tenancies for GIL and has indicated that it faces a possible reduction from 51,587 tenancies (as of December 2017) to 26,639 tenancies (projected as of March 2018).

Impact on the OME Business

As part of the OME business, the Company amongst others provides support services and products for telecom equipment by ensuring high uptime of telecom towers and in energy management business and services for managing economic power support to enable towers to radiate. It had three major direct customers namely Aircel, TTSL and GIL. Further, the Company supports GIL, back–to–back for all other telecom operators on the entire scope of services in respect of Field Level Management **("FLM")** and EMS. In other words, all telecom operators are directly or indirectly customers of the Company. Any site exit of any telecom operator would adversely impact the Company as much as that of GIL. With the exit of TTSL and Aircel and the significant scale down of GIL, there has been a considerable impact on the business of the Company thereby jeopardizing the long term continuity and stability of its revenue. This would undoubtedly impact EBITDA as the Company would stand to lose significant share of revenue under both the revenue streams namely EMS and FLM services. The summary position of impact on business of the Company is as presented below:

Loss of Active Tenants and Radiating Towers

(Figures are in Units)

Actuals (Under GTL Management)				Projected (Under GTL Management)									
Customer	FY16	FY17	9MFY18	Customer	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Aircel	18,200	18,097	17,735	Aircel	14,500	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Idea	3,733	4,011	3,907										
Vodafone	3,515	3,771	3,649										
Rjio	1,111	2,908	6,266										
Airtel	2,596	2,883	3,056										
TATA	2,502	2,377	2,020										
BSNL	2,579	2,822	3,051	Others	14,185	17,199	21,394	24,972	28,808	32,556	36,431	39,417	40,886
Reliance	1,502	1,398	–										
Uninor	1,383	1,351	1,393										
MTS	504	468	426										
WTTIL	94	73	1										
MTNL, etc.	186	35	65										
Total	**37,905**	**40,194**	**41,569**	**Total**	**26,685**	**17,199**	**21,394**	**24,972**	**28,808**	**32,556**	**36,431**	**39,417**	**40,886**
Radiating Towers	**23,888**	**21,956**	**NA**		**20,360**	**14,369**	**14,369**	**14,369**	**14,369**	**14,369**	**14,369**	**14,369**	**14,369**

The above would result in sharp reduction in Revenue and EBITDA.

Revised Stressed Asset Resolution Framework

While the Company was awaiting approval from lenders for its various negotiated / one–time settlement proposals, the inordinate delay in granting of approvals had severely impacted the valuation of the Company's business as well as its assets including investments. RBI had issued various instructions aimed at resolution of stressed assets in the economy, including introduction of certain specific schemes at different points of time such as CDR, SDR, S4A etc. and various corporate including the Company were trying to find solution for their stressed financial burden under these schemes and the Company was hopeful of coming out of CDR for which it had submitted various settlement proposals. However, in view of the enactment of the Insolvency and Bankruptcy Code, 2016 **("IBC")**, RBI has issued revised framework for resolution of stressed assets vide Circular DBR No. BP.BC.101/21.04.048/ 2017–18 dated February 12, 2018, which substituted the existing guidelines with a harmonized and simplified generic framework for resolution of stressed assets. Resultantly, the earlier schemes stood withdrawn with immediate effect and all accounts, including such accounts where any of the schemes have been invoked but not yet implemented, would be governed by the revised framework. Since the Company was under CDR mechanism and its negotiated / one time settlement proposal was pending for approval of some of the lenders, the same would automatically fall under the revised framework dated February 12, 2018 issued by RBI. As such, the Company has submitted revised resolution plan to all lenders.

Despite vigorous follow–up and repeated requests made to lenders to take decision on the Company's various settlement proposals submitted from time to time and in particular the latest proposal submitted on April 4, 2018 and April 23, 2018, there is lukewarm or absolute lack of response from lenders, that resulted into depletion of the Company's valuation.

Summary

As a consequence of the external circumstances impacting the telecom sector as a whole and specifically the key clients of the Company, all of which have been entirely beyond the control of the Company and its management, the Company was left with no option but to enter into an OTS proposal for settlement of all dues owed to the lenders. The Company had submitted the first such proposal in September 2014. While the lenders had agreed in principle to proceed with the OTS, the same could not be fulfilled due to non–receipt of the requisite consents from the lenders resulting in lost opportunities of sale transactions. Subsequently, the telecom sector continued to face unprecedented headwinds resulting in the shutting down of key customers of the Company and further erosion of value of the Company, in fact, as per the recent News Report dated July 16, 2018 in Business Standard almost all telecom operators incurred heavy losses in the FY 2017–18. To address the same, the Company submitted revised OTS proposals on April 4, 2018 and April 23, 2018. The Company's senior management and promoters made another attempt to provide a workable solution in the meeting dated June 27, 2018. The Company will continue to pursue all solutions to try and maximise realization for its lenders in the current circumstances, including pursuant to any applicable circulars / guidelines / law (including the Insolvency and Bankruptcy Code, 2016) as may be deemed appropriate.

The Board commends passing of the resolution at Item No. 5 of the accompanying Notice.

Except to the Directors' / Key Managerial Personnel and their relatives respective shareholding in the Company, none of the Directors / Key Managerial Personnel of the Company and their relatives is, in anyway, concerned or interested, financially or otherwise, in passing of this Resolution.

By Order of the Board of Directors,

Place: Mumbai
Date: August 23, 2018

Vidyadhar A. Apte
Company Secretary

Registered Office:
GTL Limited, "Global Vision", Electronic Sadan No. II, M.I.D.C., T.T.C. Industrial Area,
Mahape, Navi Mumbai – 400 710. Maharashtra, India.

GTL LIMITED

Regd. Office: "Global Vision", Electronic Sadan–II, MIDC,
TTC Industrial Area, Mahape, Navi Mumbai – 400 710. MH., INDIA
Tel: +91 22 2761 2929 Extn: 2232–2235; **Fax:** +91 22 2768 9990 / 2768 0171.
Email: gtlshares@gtllimited.com; **Website:** www.gtllimited.com; **CIN:** L40300MH1987PLC045657

ATTENDANCE SLIP

Folio No. / DP ID & Client ID No.: .... No. of Shares: ....

NAME AND ADDRESS OF THE MEMBER / PROXYHOLDER:

....

....

....

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HANDOVER AT THE ENTRANCE OF THE MEETING HALL

I certify that I am a registered member / proxyholder for the registered member of the Company.

I hereby record my presence at the Thirtieth (30th) Annual General Meeting of the Company being held on Thursday, September 27, 2018, 10:30 A.M. at Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai 400703, Maharashtra, India.

....

Name of the attending Member / Proxyholder* Member's / Proxyholder's* Signature

* Strike out whichever is not applicable

GTL LIMITED

Regd. Office: "Global Vision", Electronic Sadan–II, MIDC,
TTC Industrial Area, Mahape, Navi Mumbai – 400 710. MH., INDIA
Tel: +91 22 2761 2929 Extn: 2232–2235; Fax: +91 22 2768 9990 / 2768 0171.
Email: gtlshares@gtllimited.com; **Website:** www.gtllimited.com; **CIN:** L40300MH1987PLC045657

FORM NO. MGT–11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s): ....

Registered address: ....

Email ID: ....

Folio No / DP ID & Client ID: ....

I / We, being the member of GTL Limited holding .... shares, hereby appoint,

1. Name: ....

   Address: ....

   E–mail Id: ....Signature: ...., or failing him

2. Name: ....

   Address: ....

   E–mail Id: ....Signature: ...., or failing him

3. Name: ....

   Address: ....

   E–mail Id: .... Signature:..

P.T.O.

GTL LIMITED

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Thirtieth (30th) Annual General Meeting of the members of the Company, to be held on Thursday, September 27, 2018, 10:30 A.M. at Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai 400703, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.:

1. Adoption of Audited Financial Statements for the year ended March 31, 2018 on standalone and consolidated basis and the Reports of the Board of Directors and Auditors thereon.
2. Appointment of Dr. Mahesh M. Borase as a Director, to fill–up the vacancy created by Mr. Manoj G. Tirodkar.
3. Appointment of Mr. Sunil S. Valavalkar as a Whole–time Director.
4. Appointment of Mrs. Siddhi M. Thakur as an Independent Director.
5. Enter into and implement appropriate resolution plans and / or settlement proposals with the lenders.

Signed this .... day of 2018

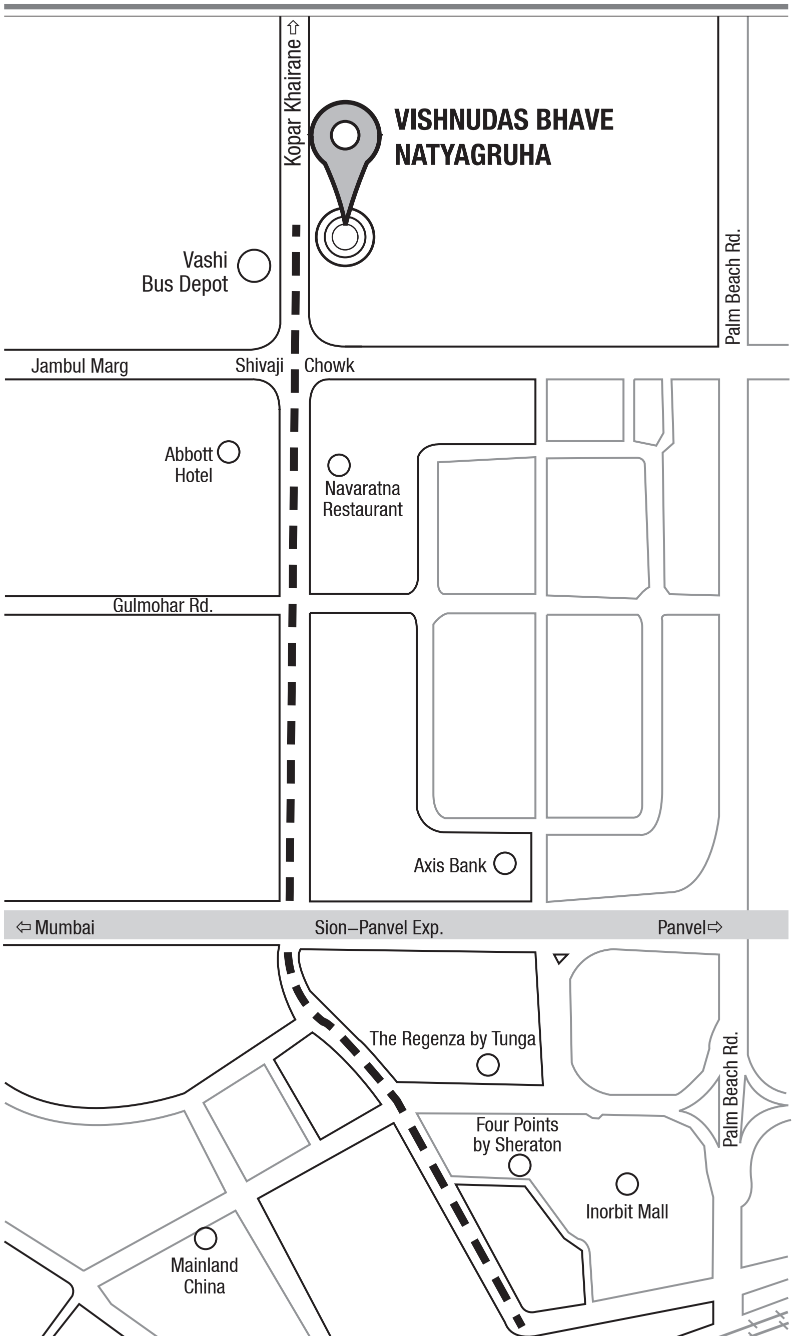
Signature of shareholder: ....

Affix
Revenue
Stamp

Signature of Proxy holder(s): ....

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route Map to the venue of 30th AGM



LIST OF BRANCHES IN INDIA

MUMBAI

412, Janmabhoomi Chambers,
29, Walchand Hirachand Marg,
Ballard Estate, Mumbai – 400 001,
Maharashtra, India.

NAVI MUMBAI

"Global Vision", ES–II, MIDC,
TTC Industrial Area,
Mahape, Navi Mumbai – 400 710,
Maharashtra, India.

PUNE

Plot No. 32/33, Phase 1,
Rajiv Gandhi InfoTech Park,
Hinjawadi, Pune – 411 057,
Maharashtra, India.

www.gtllimited.com

GLOBAL Group Enterprise

GTL Limited

"Global Vision",
Electronic Sadan–II, MIDC, TTC Industrial Area,
Mahape, Navi Mumbai – 400 710, Maharashtra, India.
Tel: +91 22 2761 2929 | Fax: +91 22 2768 9990
CIN No. : L40300MH1987PLC045657

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