18th ANNUAL REPORT 2020-21

Enabling Social Closeness

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Enabling Social Closeness

The NCOVID 19 pandemic altered the conventional trade and commerce, education, travel and healthcare services. The NCOVID 19 appropriate behaviour demanded citizens to maintain social distancing and stay at home unless utmost necessary amidst the lockdowns. However, as humans we all had to stay connected and closer with each other, more than ever before in these turbulent times.

Thanks to the Digital India initiative that bridged the digital divide, our unstoppable nation quickly leveraged its telecom infrastructure to keep businesses, governments, and societies connected and going.

In FY 2020–21 while playing the important role of essential services provider, the Company focused on enabling social closeness for the fellow citizens by channelizing it's financial resources and human capital towards improvisation of telecom networks. The Company's staff maintained towers overcoming hurdles of lockdowns, travel restrictions, logistical barriers and several natural calamities, so that families living around our towers enjoy access to telecom services.

Beyond the challenges of facing uncertainty over some customers' financial health, profitability issues of telecom sector and various litigations impacting cash flow and performance, the Company –

- added 1568 new tenants at gross level to expand telecom services in the country, however due to the consolidation amongst the telecom operators it also lost 975 tenants
- invested capex of ₹ 779 Mn to deliver high uptime on towers
- recovered sites affected by natural calamities in record time

The Company continues to earn SLA rewards as an indicator of services rendered above SLA threshold even during the pandemic.

The Company managed to achieve Revenue and Normalized EBITDA of ₹ 14,097 Mn and ₹ 2,185 Mn respectively for FY 21 as against Revenue of ₹ 14,169 Mn and Normalized EBITDA of ₹ 1,982 Mn for FY 20.

The Company believes that it is well placed to tap the emerging opportunities from the currently expanding 4G and upcoming 5G networks. However, the fate of some of the struggling operators and the outcome of certain litigations with lenders is likely to have material impact on the Company's prospects in FY 22.

"We remain committed to maximising the interests of all our stake holders and enabling the social closeness of the families residing around our towers"

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Manoj G. Tirodkar	Chairman
Mr. N. Balasubramanian	Independent Director – Vice Chairman
Mr. Milind K. Naik	Whole–time Director (w.e.f. January 20, 2021)
Dr. Anand P. Patkar	Independent Director
Mr. Charudatta K. Naik	Director
Ms. Dina S. Hatekar	Independent Director
Mrs. Sunali Chaudhry	Director
Mr. Vinod B. Agarwala	Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Nitesh A. Mhatre

CHIEF FINANCIAL OFFICER

Mr. Bhupendra J. Kiny

AUDITORS

M/s. Pathak H. D. & Associates LLP, Chartered Accountants

TRUST AND RETENTION ACCOUNT BANK

Union Bank of India

BANKS / INSTITUTIONS

Canara Bank*
Corporation Bank (now Union Bank of India)*
DEG, Germany
IDBI Bank Ltd.*
Indian Bank*
Life Insurance Corporation of India*

REGISTERED OFFICE

GTL Infrastructure Limited
'Global Vision', 3rd Floor, Electronic Sadan – II,
MIDC, TTC Industrial Area, Mahape,
Navi Mumbai – 400 710, Maharashtra, India.
Tel: +91 22 6829 3500 | Fax: +91 22 6829 3545
Website: www.gtlinfra.com
CIN : L74210MH2004PLC144367

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Service Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East,
Mumbai – 400 059, Maharashtra, India.
Tel : +91 22 6263 8200 / 221 / 222
Fax: +91 22 6263 8299
Email: info@bigshareonline.com
Online form based investor correspondence link:
www.bigshareonline.com/InvestorLogin.aspx

** The issue related to status of aforesaid creditors whether to be financial creditors or not is sub–judice before the Hon'ble Supreme Court.*

FINANCIAL SNAPSHOT

Various developments in Indian Telcom Sector during last few years, which were beyond the control of the Company and the management, continued to hamper the business prospects of the Company. The Company not only lost more than 60,000 tenants over last ten years but is also unable to recover its dues from various telecom operators who either closed down their operations or filed for bankruptcy. During current financial year as well, continued consolidation of few telecom operators and cash flow constraints on telecom operators due to cost pressure, lower tariffs and AGR payouts led to tenancy exits and lower than expected revenue growth. Also, inaction from lenders to reduce debt to a sustainable level, impacted performance of the Company.

Accordingly, the brief highlights of financials of the Company are as follows:

Parameter	Units	FY 20–21	FY 19–20	FY 20–21	FY 19–20
Tower Tenancy Parameters		₹ / Nos		US$ / Nos	
Total tower count	Nos	**26,038**	27,209	**26,038**	27,209
Unoccupied tower count	Nos	**14,050**	14,989	**14,050**	14,989
Occupied tower count	Nos	**11,988**	12,220	**11,988**	12,220
Tenants [Refer Note 2]	Nos	**24,076**	23,483	**24,076**	23,483
Average tenancy per occupied tower	Times	**2.0**	1.9	**2.0**	1.9
Financials					
Revenue (net of taxes)	Mn	**14,097**	14,169	**192**	193
Total Costs [Refer Note 6]	Mn	**11,911**	12,187	**163**	166
Normalized EBITDA [Refer Note 6]	Mn	**2,185**	1,982	**30**	27
CAPEX	Mn	**779**	535	**11**	7
Key ratios					
Normalized EBITDA margin [Refer Note 6]	%	**16**	14	**16**	14
Network uptime delivered – YE basis	%	**99.90**	99.90	**99.90**	99.90
Tower Revenue Parameters – Occupied Towers					
Parameters		**FY 20–21**	FY 19–20	**FY 20–21**	FY 19–20
		₹		US$	
Sharing Revenue per Tower/Month [Refer Note 4]		**56,746**	53,765	**774**	733
Sharing Revenue per Tenant/Month [Refer Note 4]		**31,180**	30,423	**425**	415
EM Revenue per Tower/Month		**36,654**	35,918	**500**	490
EM Revenue per Tenant/Month		**24,211**	23,651	**330**	323

Notes:

1. The above results and subsequent management discussion refer to GTL Infrastructure Limited as 'The Company'.
2. Tenants refers to Full Paying equivalent Tenants
3. EM : Energy Management
4. The Sharing revenue per tower and sharing revenue per tenant are calculated on the basis of revenue from existing tenants on occupied towers as of March 31, 2021.
5. For the purpose of financial analysis, the figures in ₹ for the financial results referred to have been converted at a constant rate of ₹ 73.30 per US$ as on March 31, 2021 and the same rate has been applied to other FYs referred in this statement and the other sections of this Annual Report.
6. Normalized EBITDA is calculated after considering all costs related to operations but excludes Ind AS impact on P&L items, foreign exchange difference, Loss on Dismantling/Sale/Retirement of Fixed Assets (Net), other one–time expenses / revenue, non–operational expenses / other income, etc. Figures for the previous financial year have been regrouped / rearranged wherever necessary to make them comparable with that of FY 20–21.
7. The company continued to incur its contractual commitments on unoccupied sites caused by further exit of tenancies during FY 20–21. The Company faces costs in respect of dismantled or closed down sites as many operators failed or continue to fail to pay dues on time.

VISION

To be India's most efficient and environment friendly telecom tower Company.

MISSION

Our purpose is to enable people to be in touch with each other and improve the quality of life of the communities we serve. We do this through leadership in sectors like Telecom and associated infrastructure, to which the Company brings a distinct set of capabilities

VALUES

We share a set of 6 core values which guide and drive the Company and its people towards growth and success.

- Ethics and Transparency
- Proactively Manage Change
- Delight Customers through Superior Services
- Develop Entrepreneurs through an Achievement Oriented Culture
- Build a Sustainable Global Organisation
- Share Knowledge and Focus on End Results

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS SNAPSHOT

GTL Infrastructure Limited (GTL Infra or the Company) is IP–1 registered with Department of Telecommunications, India. The Company provides passive infrastructure on shared basis to telecom operators (Telcos) for hosting their active network components. The business model of passive infrastructure sharing is based on building, owning, operating and maintaining passive telecom infrastructure sites capable of hosting active network components of various technologies of multiple Telcos. This model enables Telcos to re–assign their resources from capital expenditure to operational expenditure model, thus allowing them to utilise capital for their respective core operations. The Company played a pioneering role in shaping this industry and it was the first independent tower company in India to get listed on the stock exchanges.

Salient features of the passive infrastructure business model

- Capable of hosting multiple technologies such as 2G/3G/4G LTE/5G/IOT and enterprise data systems
- Growth linked with expansion of wireless networks and technology upgradation
- Annuity driven business model
- Long term (up to 15 years, usually renewable) contracts with Telcos, with built–in annual escalation
- Fixed energy management contracts with Telcos
- Relatively fixed cost structure and low level of maintenance expenses / costs
- Predictability in free cash flows
- Additional tenancies (post anchor tenant) lead to higher EBITDA margins and higher percentage of revenue translating to cash flow

INDUSTRY STRUCTURE & DEVELOPMENT

i) Structure & business model of Telecom Industry

The telecom market can be broadly split into three segments – Mobile (wireless), Fixed Line (wireline) and Internet services. The wireline consist of companies that operate and maintain switching and transmission facilities to provide direct communication through landlines, microwave or a combination of landlines and satellite link–ups whereas wireless comprises companies operating and maintaining switching and transmission facilities to provide direct communication via airwaves. Internet services include Internet Service Providers (ISPs) that offer broadband internet connections through consumer and corporate channels.

Expanding telecom subscriber base

India is currently the second–largest telecommunication market with second–highest number of internet users in the world

- India's telephone subscriber base increased from 1,173.83 Mn in December 2020 to 1,183.49 Mn in January 2021
- Teledensity (defined as the number of telephone connections for every 100 individuals) in India stood at 87.01% as of January 2021
- The total wireless or mobile telephone subscriber base increased to 1,163.41 Mn in January 2021 from 1,153.77 Mn in December 2020

(Source :TRAI)

Increase in wireless segment and rural subscribers

The share of the wireless segment in India's telecommunications market increased steadily

- The wireless segment accounted for 98.30% of the total telephone subscriptions in January 2021
- Rural subscribers' teledensity increased from 29.92% in December 2020 to 29.94% in January 2021

Wireless subscriptions witness robust growth over the years

Wireless subscription too grew robustly over the past few years

- Growth in wireless subscriptions led to significant rise in wireless tele–density
- In FY20, wireless subscription stood at 1,157.75 Mn, whereas wireless tele–density reached 85.57%
- As of January 2021, wireless subscriber base of Jio stood at 410.73 Mn, Bharti Airtel at 344.60 Mn and Vodafone Idea at 285.97 Mn

Exponential growth in data consumption

India holds the distinction of being the largest consumer of mobile data globally. Data consumption in India also witnessed exponential growth over the past few years

- Total wireless data usage in India grew 1.82% quarterly to reach 25,227 PB (petabytes) in the 3rd quarter FY21
- Contribution of 3G and 4G data usage to the total volume of wireless data usage stood at 2.81% and 96.48% respectively, in the 3rd quarter FY21 with share of 2G data usage at 0.71% only for the same quarter

Internet

(Source: Economic Survey 2019–20)

Strong growth in broadband drives internet access revenues

- Total broadband subscription in India grew from 149.75 Mn in FY16 to 687.44 in FY20
- The number of wired broadband subscriptions stood at 19.18 Mn in FY20

- Wireless broadband subscribers stood at 668.26 Mn in FY20
- As of January 2021, the top service providers including Reliance Jio Infocomm Ltd., Bharti Airtel, Vodafone Idea, BSNL etc contributed 98.84% to the total broadband subscribers.

Number of internet subscribers increasing at a fast pace

The total number of internet subscribers increased from 749.07 Mn in June 2020 to 776.45 Mn in September 2020, of which the number of wired internet subscribers stood at 24.36 Mn and wireless internet subscribers at 752.09 Mn.

- The number of internet subscribers in India expected to double by 2021 to 829 Mn with overall IP traffic expected to grow four–fold at a CAGR of 30% by 2021
- As per TRAI, average wireless data usage per wireless data subscriber stood at 11 GB per month in FY20, expected to reach 18 GB by FY24

Notable Trends

- **Commercial SMS traffic –** Due to higher post–pandemic digital adoption, daily commercial SMS traffic in India increased by ~20%, currently aggregating ~1.3 billion SMSs sent every day.
- **Policy Support**
    - **Public Wi–Fi Networks –** In December 2020, the Government approved a proposal by DoT for setting up of Public Wi–Fi Networks by Public Data Office Aggregators (PDOAs) to provide public Wi–Fi services through Public Data Offices (PDOs);
    - **Universal Service Obligation Fund –** In December 2020, the Government also approved the provision for a 'Universal Service Obligation Fund (USOF)' scheme to provide mobile coverage in Arunachal Pradesh and certain parts of Assam under Comprehensive Telecom Development Plan (CTDP) for North Eastern Region
    - **Mobile banking –** Department of Posts launched mobile banking for its saving account customers. Over 200 banks went live on unified payment interface (UPI)
    - **Investment in optical fibre networks –** On September 21, 2020, the Government of India launched a project to connect all 45,945 villages in Bihar with optical fibre internet service expected to be completed in 2021 with a capital outlay of ₹ 1,000 Crore (US$ 135.97 Mn) partly to be funded by DoT
- **Consumer spending –** In the 1st quarter FY21, customer spending on telecom services increased 16.6% YOY, with over 75 % spent on data services, despite COVID–19 disruption

ii) Structure & business model of Telecom Infrastructure Industry (TowerCos)

Broadly the tower companies can be categorized into (i) operator owned tower companies; (ii) towers owned by Government operators and (iii) independent tower companies.

Telecom towers form the backbone of wireless networks and provide last mile connectivity to subscribers. Tower requirements usually depend on Network Coverage (which, in turn, depends upon geographical area, population density and spectrum bands) and Network Capacity i.e. maturity of wireless industry, cellular and data penetration and data usage per subscriber, quantum of spectrum and wireless data technology (whether it is 2G/3G/4G/5G) or IOT.

As the number of tenants on a tower increases, tower companies are able to generate incremental revenue and EBITDA. The key driver of tower revenue growth is tenancy. Apart from tenancies, tower company revenues are also influenced by the pricing charged per tenant.

Operating cost components for the tower business are site rentals, repairs and maintenance, security charges, insurance and cost of outsourced resources. As major expense items are fixed in nature, cost for additional tenant is minimal. Hence, the tenancy ramp–up results in a significant percentage of incremental revenues, ROI and cash flow.

To gain market penetration and 4G Network expansion at optimal cost, Telcos continued to rent towers from TowerCos, thereby considerably reducing costs while allowing them to focus on their core. Renting towers from TowerCos enabled these Telcos to go to market within a short time.

iii) Key Developments in Telecom Sector

AGR Update: Further to the judgment passed by the Hon'ble Supreme Court dated October 24, 2019, the Hon'ble Supreme Court vide its judgement dated September 1, 2020 inter–alia granted the telecom operators 10 years to clear their respective Adjusted Gross Revenue (AGR) dues. In January 2021, Vodafone Idea, Bharti Airtel and Tata Teleservices filed separate applications seeking modification of the above judgement. However, the Hon'ble Supreme Court on July 20, 2021 dismissed the pleas of three telecom companies to allow correction of alleged arithmetical errors in AGR computation.

Spectrum Auction: The latest auction of fourth–generation (4G) telecom spectrum held in March 2021 attracted bids worth ₹ 77,814.80 crore, 18 percent more than the previous sale of airwaves to mobile phone service providers in October 2016. Winners of the auction acquired 855.60 megahertz (MHz), which is 37 percent of the offered 2308.80 MHz by volume, and 19 percent by value. Only three companies participated in latest auction, compared with seven bidders in 2016. *(Source: Moneycontrol)*

Consolidation in Telecom and Tower industry – Vodafone India and Idea merged and completed network integration to form Vodafone Idea in June 2020. Further, the merger of Bharti Infratel and Indus Towers to create a mega tower company has been completed in November 2020. In September, 2020, Brookfield Infrastructure Partners L.P. announced that it has completed the previously announced acquisition of a 100% stake in a telecom tower company in India, comprising of around 135,000 recently constructed communication towers, from Reliance Industrial Investment and Holdings Limited, a wholly owned subsidiary of Reliance Industries Limited. The said entity is now called Summit Digitel Infrastructure Private Limited.

Investment in Jio Platform: During FY 2020–21, Reliance Industries Limited and Jio Platforms Limited announced stake sale around 32.9% stake worth ₹ 1.52 trillion (US$ 21.57 billion) to various global investors in separate deals including to Facebook, General Atlantic, Mubadala, Abu Dhabi Investment Authority (ADIA), Intel Capital, Qualcomm Ventures and Google.

Fund raising by Bharti Airtel: During FY 2020–21, Bharti Airtel raised about $1.25 billion overseas via two sets of global papers — perpetual and vanilla bonds.

Other significant developments:

- Airtel acquires strategic stake in conversational AI Focused Startup Voicezen – May 2020
- Airtel deploys India's largest open cloud–based volte network with Nokia software products – July 2020
- COVID–19 crisis changes internet user behaviour: Internet Exchange Operator de–cix India reports massive increase in data traffic – April 2020
- Jio partners with Aeromobile to launch India's first in–flight mobile services – September 2020
- Nokia and VIL business partner to enable digital transformation for enterprises – December 2020
- Nokia and Vodafone Idea complete DSR deployment to improve network coverage and enhance connectivity – June 2020
- Nokia partners EY to help business unlock the power of 5G and accelerate digital transformation – April 2021
- Some of telecom operators hiked base post–paid plans for corporate users and base pre–paid rates to boost ARPUs
- Bharti Airtel and Tata Group announced a strategic partnership for implementing 5G networks solutions for India – June 2021

OPPORTUNITIES & THREATS

Opportunities

Tower fiberisation: Due to advent of new technologies like internet of things (IoT), artificial intelligence (AI), machine learning (ML), cloud, video consumption etc., the data surge got accelerated. This necessitates augmentation of capacity at the tower sites. In order to achieve such higher capacities and to support new technologies, fibre needs to be deployed across all tower sites as traditional microwave will not be able to provide such high speeds. As per industry reports, the site count for 5G networks will double from the current 0.5 Mn to around 1 Mn by 2022. The new sites will require network densification, including the deployment of small cells and increased fiberisation of tower sites.

In the era of 5G, telecom companies stand to earn 70% of their revenue from core beneficiaries of 5G. Currently, they earn 30% from enterprises. While implementation and rollout of 5G is still some time away, the standards and ecosystem on 5G have already gathered pace with more and more use cases coming into picture. During the year, Telcos have announced various updates on their 5G initiatives in plans. In fact, few Telcos have already started testing 5G trials in various cities.

Post COVID–19 related lockdown, work from home may become a new normal for many organizations, thus creating opportunities for different telecommunication services across the spectrum– fixed line, broadband, enterprise solutions besides pure mobile connectivity.

The Government of India has introduced Digital India Program where sectors such as healthcare, banking, will be connected through internet providing ample opportunities for growth in the sector.

Several opportunities have become available as the Government fast–tracked reforms in the telecom sector which provides for growth. Some of this key initiatives taken by the Government of India which are expected to propel growth is as under–

- The production–linked incentive (PLI) scheme aggregating ₹ 12,195 Crore (US$ 1.65 billion) for telecom sector approved by Government of India expected to bring in investment of around ₹ 3,000 Crore (US$ 400.08 Mn) and generate huge direct and indirect employment
- In 2021–22, DoT has been allocated ₹ 58,737 Crore (US$ 8 billion) of which 44 % is towards capex outlay

  Vide Union Budget 2021–22, Government of India allocated ₹ 14,200 Crore (US$ 1.9 billion) for telecom infrastructure entailing completion of optical fibre cable–based network for Defence services, broadband rollout in 2.2 lakh panchayats and improving mobile services in the North East

- On January 15, 2021, India and Japan signed MoU to enhance cooperation in the field of Information and Communications Technologies
- On November 4, 2020, Government of India signed a MoU with United Kingdom Government towards cooperation in the field of telecommunications/information and communication technologies (ICTs)
- Increase in the FDI cap of the telecom sector to 100% from 74%, of which 49% would be through automatic route and rest with FIPB approval. 100% FDI permissible for infrastructure providers offering dark fibre, electronic mail and voice mail

Threats

Financial Stress of Telecom Sector: In the last few years, intense price competition, regulatory pay–outs including AGR dues and spectrum related payments have put financial stress on telecom operators. According to The Cellular Operators Association of India (COAI), the telecom industry, which facilitated wide–spread digital adoption during the pandemic, continues to be financially stressed and seeks government support on issues like liquidity, rationalisation of levies, AGR and spectrum pricing *(Source: Indian Express)*. Chairman of one of the leading Telcos said that existing three private operators need to survive. He has expressed concerned that due to financial stress on the sector only two private operators may remain in near future *(Source: Bloomberg Quint)*. Thus, strained cash flow position of telecom operators can affect their ability to pay for infrastructure services rendered by tower companies. There are already delays and defaults by few Telco in payment of dues of TowerCos. Promoter of one of the Telco has also offered to handover their stake in Telco to keep the Telco afloat.

Pricing risk due to renewals: Any unfavourable terms such as lower pricing upon renewal of agreements with telecom operators are likely to have adverse impact on cash flow of the Company.

Operator consolidation: Various developments in Indian Telecom sector during last few years including forced consolidation and exits have resulted in telecom operators (regional and national) reducing from 18 to 4. Any further consolidation amongst Operators can lead to material reduction in demand for additional sites.

Competition: Few Telcos have strategic interest in TowerCos. It is expected that these TowerCos will get preference of new sites from such Telcos.

Spectrum sharing & carrier aggregation: If spectrum sharing is allowed in India, it may negatively impact the additional site requirements across operators.

Traffic off–loading: Due to large traffic volumes expected in next 4 to 5 years, operators are expected to off load large amount of traffic onto micro sites, small cells and Wi Fi. This action may render lesser than expected growth in macro site tenancy.

COMPANY OPERATIONS

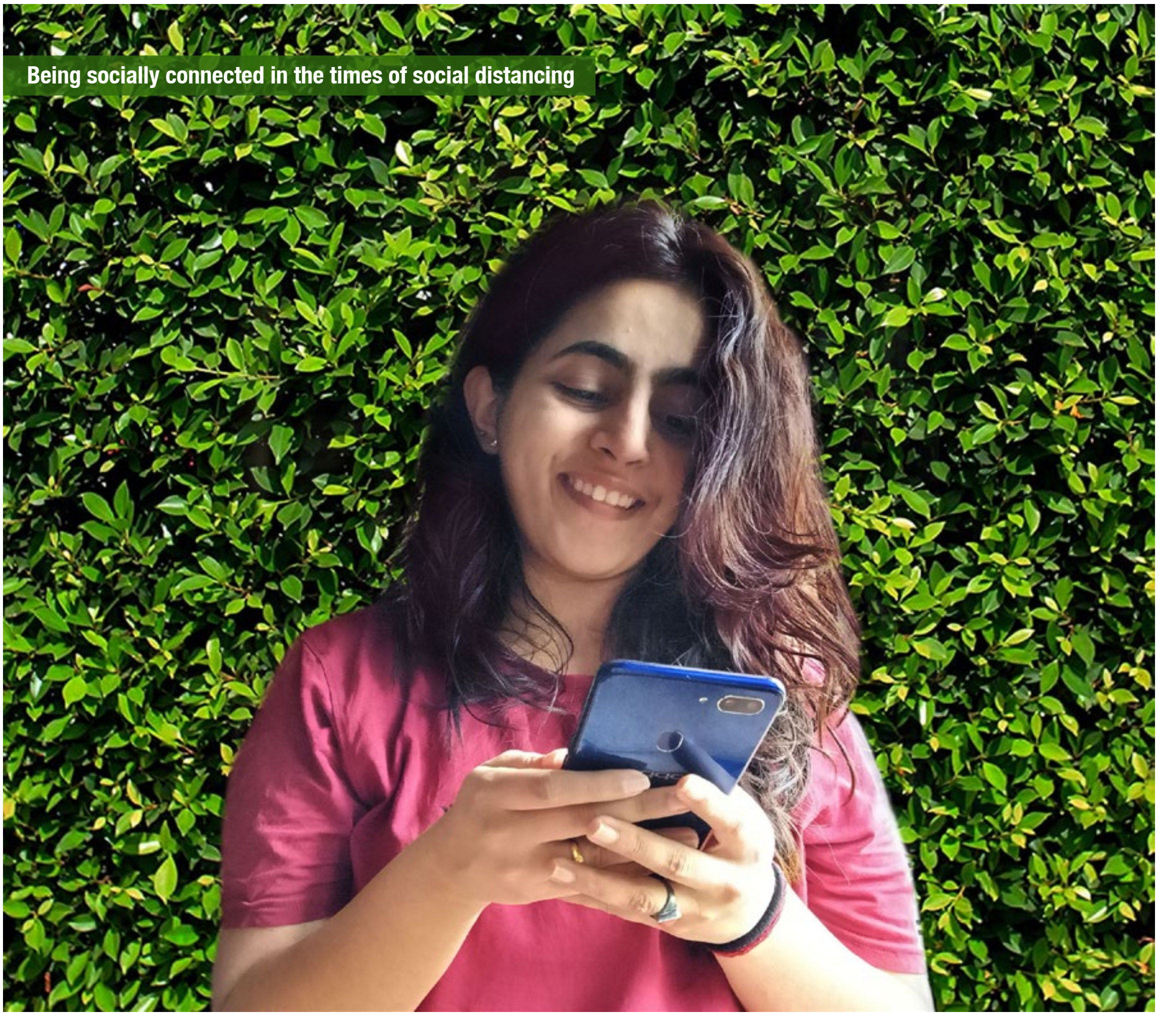
Shut down/exit of 12–14 telecom operators resulted into abandonment of more than 14,000 towers of the Company by them, making such towers unoccupied. Consequently, the Company suffered huge losses of revenue towards the Infrastructure Provisioning Fees/ Rentals and related costs. Post abandonment of these towers, the discontinuing operators didn't make payment of their contractual dues including rents payable to landlords, which is pass through for the Company. Due to non–receipt of rental amounts from the discontinuing operators as per contractual arrangement, the rentals to landlords for such sites remained unpaid. During the year ended March 31, 2021, disgruntled landowners / miscreants dismantled 1171 out of the above unoccupied sites. Thus, total number of towers of the Company reduced to 26,038 as at March 31, 2021.

The number of tenants stood at 24,076 as on March 31, 2021, as against 23,483 as on March 31, 2020 due to continued focus on tenancies build up and quality service, thereby maintaining average tenancy per occupied tower at 2 as against 1.9 during previous financial year.

The Company continued to judiciously invest capex for the upgradation of its network, which enabled it in maintaining network uptime and reduced SLA penalties at substantial sites. The Company also started earning SLA rewards as an indicator of services rendered above SLA threshold during the pandemic time.

Pandemic COVID–19

The outbreak of corona virus (COVID–19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Ministry of Home Affairs notified telecommunication services including telecom infrastructure services among the essential services which continued to operate during lock down. The passive infrastructure as well as active telecom operations are actively engaged in fulfilling the surge in demand arising out of the choice exercised by almost all industries to conduct their operations remotely. The "second wave" that significantly increased the number of cases in India, resulted in operational challenges in carrying out field work due to regional / local restrictions in areas with significant number of COVID–19 cases. The Company is trying its best to keep the customer focus and maintaining network uptime. The Company continues to closely monitor the development and possible effects that may result from the current pandemic, on its financial condition, liquidity & operations and it is actively working to minimize the impact of this unprecedented situation.



Customer engagement

Despite the pandemic situation across the country, several measures taken by the Company on a continuous basis helped in improved network uptime in most circles as well as rollout of tenancy and upgrades, as per customers' needs. The Company received appreciation from various customers for its efforts and, it was heartening to realise that our customers continued to experience the same quality of services and delivery certainty from the Company, as before.

FUTURE OUTLOOK

The Company is of the view that even though the telecom infrastructure sector (including itself) lost sizeable number of tenants over the past few years due to the consolidation of business by telcos and other factors, the Company looks forward to stabilise its operations by focussing on reducing cost on its non–radiating sites and adding capacities through incremental tenancies on towers. The Company also continues to pursue contractual claims of approx. ₹ 152,484 Mn as on June 30,2021 (US$ 2080 Mn) from various operators in respect of premature exits by them in the lock in period. However, factors beyond management control as mentioned elsewhere in this report can potentially still affect the telecom sector and with it, the Company's performance. Additionally, any further operators / site consolidation or delay in launch of 5G services and any delay in debt restructuring and prolonged litigations with lenders will adversely affect the Company. The future outlook also depends upon lenders / creditors / ARC behaviour on cutting down / restructuring debt based on ground realities and sustainable earnings.

DISCUSSIONS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS

The Financial Year ("FY") 20–21 is the fourteenth year of operations for the Company. The discussion and analysis of 'Results of Operations' and 'Balance Sheet' that follows are based upon the financial statements, which have been prepared in accordance with the Accounting Standards notified under the relevant provisions of the Indian Companies Act, 2013 as amended from time to time and adopted consistently by the Company and further based on guidelines issued by the Securities and Exchange Board of India (SEBI), to the extent applicable.

Segment wise reporting

The Company is in the business of providing 'Telecom Towers' on shared basis and as such there are no separate reportable segments. The Company's operations are only in India.

Particulars	FY 20–21		FY19–20	
	₹	US$	₹	US$
Summary of Financials (In Mn)				
Revenue from operations	**14,097**	**192**	14,169	193
Less:				
Infrastructure Operation & Maintenance Cost	**8,710**	**119**	8,643	118
Employee benefit expenses	**615**	**8**	613	8
Other expenses	**2,192**	**30**	1,435	20
Ind AS and other Adjustments (net) [Refer Note 1& 2]	**395**	**5**	1,496	20
Total Costs	**11,912**	**162**	12,187	165
Normalized EBITDA [Refer Note 1]	**2,185**	**30**	1,982	27
Normalized EBITDA %	**16%**	**16%**	14%	14%

1. Normalized EBITDA is calculated after considering all costs related to operations but excludes Ind AS impact on P&L items, foreign exchange difference, Loss on Dismantling/Sale/Retirement of Fixed Assets (Net), other one–time expenses / revenue, non–operational expenses / other income, etc. Figures for the previous financial year have been regrouped / rearranged wherever necessary to make them comparable with that of FY 20–21.

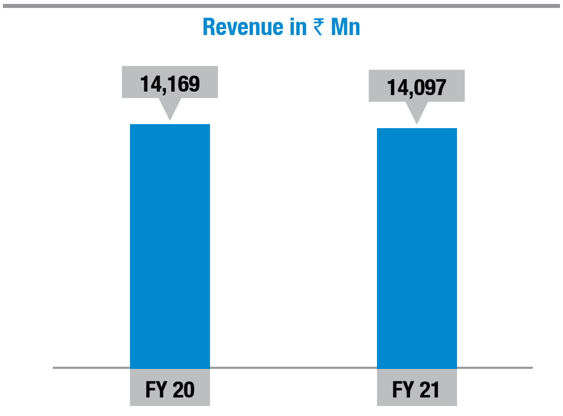
2. Ind AS 116 impact on Rentals: The nature of expenses in respect of non–cancellable operating lease has changed from lease rent to depreciation and finance costs for the ROU assets and lease liabilities respectively. This has resulted in increase in depreciation and amortization expense of ₹ 1,157 Mn (PY ₹ 1,289 Mn), finance costs of ₹ 616 Mn (PY ₹ 640 Mn) and decrease in infrastructure operations and maintenance cost of ₹ 1,520 Mn (PY ₹ 1,602 Mn) and decrease in other expenses of ₹ 21 Mn (PY ₹ 21 Mn) for the year ended March 31, 2021. Please refer Note no. 3 and 37 in the financial statements for further details.

Tower Count Vs Financial & Operational Performance

Various developments in Indian Telcom Sector during last few years, which were beyond the control of the Company and the management, continued to hamper the business prospects of the Company. The Company not only lost more than 60,000 tenants over last ten years but is also unable to recover its dues from various telecom operators who either closed down their operations or filed for bankruptcy. During current financial year as well, continued consolidation of few telecom operators and cash flow constraints on telecom operators due to cost pressure, lower tariffs and AGR payouts led to tenancy exits and lower than expected revenue growth. Also, inaction from lenders to reduce debt to a sustainable level, impacted performance of the Company.

Revenue from Operations

The Company's revenue from operations has decreased from ₹ 14,169 Mn (US$ 193 Mn) in FY19–20 to ₹ 14,097 Mn (US$ 192 Mn) in FY 20–21.



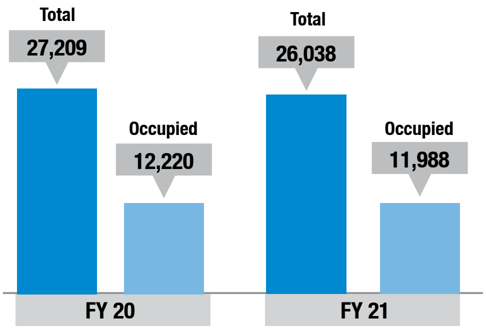
This decrease and lower than expected growth is mainly on account of continued consolidation by Telcos and BSNL / VIL exits due to uncertainty of payments.

Occupied Towers, Tenants and Tenancy Ratio

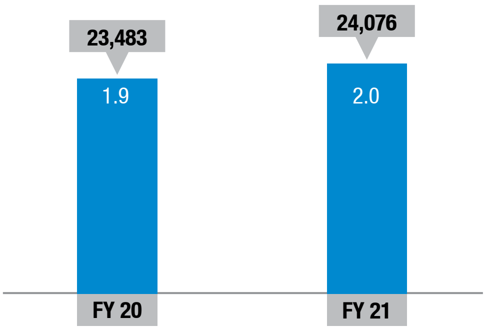
The Company owns 26,038 towers out of which 11,988 were occupied with 24,076 radiating tenants having a tenancy ratio of 2.0 on occupied towers as of March 31, 2021.

Whereas as on March 31, 2020, 12,220 towers were occupied with 23,483 radiating tenants having a tenancy ratio of 1.9 on occupied towers.

Tower Count



Tenants and Tenancy Ratio



Other Income includes interest income, profit on sale / fair value gain on current investments, extinguishment of liability, miscellaneous income etc.

The other income of the Company stood at ₹ 392 Mn (US$ 5 Mn) in FY 20–21 as compared to ₹ 203 Mn (US$ 3 Mn) in FY 19–20 mainly on account of extinguishment of liability on conversion of foreign currency convertible bonds during the year.

Operating Expenses

Infrastructure Operations & Maintenance Cost (net of recovery) – (Infra O&M cost)

The Infra O&M cost consists of rentals for cell site premises, security costs, power & fuel expenses, operations & maintenance costs, annual maintenance charges for network assets such as diesel generators, air conditioners, battery banks, towers etc. Out of the above, major costs such as rent, power and fuel are substantially recoverable from customers as per respective contractual terms.

Operating expenses in ₹ Mn (net of recovery)

₹ Mn

Infrastructure Operations & Maintenance Cost	FY 20–21	FY19–20
Site rental (net)	2,418	2,385
Power, fuel & maintenance charges (net)	1,136	1,214
Repairs & maintenance to plant and equipments	266	120
Stores & spares consumption	3	1
Other operating expenditure – security	574	697
Total	**4,397**	**4,418**

The figures mentioned above for site rental and power, fuel & maintenance charges are net of recovery from customers and exclude Ind AS impact & one time expenses.

The Infra O&M cost (net of recovery) of the Company stood at ₹ 4,397Mn (US$ 60 Mn) as on March 31, 2021.

1. **Site Rental**: Increase in site rental cost by 1.3% during the year is mainly on account of yearly escalations / renewals as per agreement with landlords.
2. **Power, Fuel & Maintenance (net)**: The decrease in Power, Fuel & Maintenance cost is mainly on account of cost optimization initiatives of the company and tenancy exit as a cause of continued industry consolidation and AGR impact during FY 20–21.
3. **Repairs & Maintenance**: Repairs & Maintenance cost stood at ₹ 266 Mn during FY 20–21 against ₹ 120 Mn during FY 19–20. The increase is mainly on account of onetime expenses incurred on cyclone prone sites.
4. **Other operating expenditure**: Other operating expenses mainly consist of site security cost. On account of company's cost optimization initiatives, site security cost reduced to ₹ 574 Mn during FY 20–21 from ₹ 698 Mn for FY 19–20.

Network Uptime & SLA

The Company continues to maintain network uptime as per SLAs under normal conditions in many circles. The Company undertook several initiatives to further improve the network uptime under difficult terrains and situations.

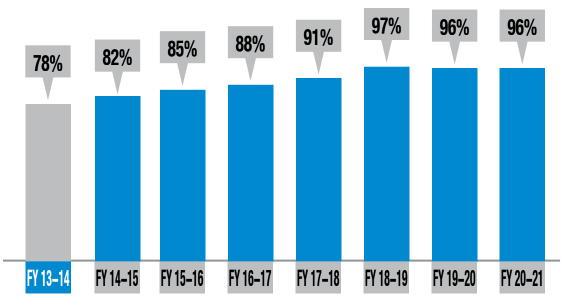
CAPEX

During the year, the Company continued to judiciously invest capex for the upgradation of its network. This resulted in maintaining network uptime and reduced SLA penalties at substantial sites. Various projects were undertaken by deploying CAPEX not only at chronic SLA defaulting sites but also at business critical customer's sites. As part of Company's commitment towards supporting our customers and governments efforts as an essential service provider, the Company plans to invest approximately ₹ 1,000 Mn during FY 21–22 towards network upgradation and revenue protection, subject to approval from its lenders.

Electrification & Diesel Free Sites

Total EB connected occupied site count stood at 96% as of March 31, 2021.

EB sites as % of Occupied Towers as on March 31



The number of operational 'Diesel Free Sites' on the entire portfolio are 3,064 as of March 31, 2021.

Employee Benefit Expenses

The 'Employee Benefit Expenses' includes salaries and allowances, contribution to provident fund, gratuity fund and other funds besides employee welfare and related expenses.

Employees Benefit Expenses	FY 20–21	FY 19–20
In ₹ Mn	**615**	613
In US$ Mn	**8**	8
Expenses as % of revenue	**4%**	4%

The Company's employee benefits expenses stood at ₹ 615 Mn (US$ 8 Mn) for FY 20–21.

Other Expenses

This mainly comprises of admin costs such as rentals of office/ warehouse, travel and conveyance, insurance premium, audit fees, legal & professional fees etc.

Other Expenses	FY 20–21		FY 19–20	
	₹ Mn	US$	₹ Mn	US$
Total Other Expenses	**2,192**	**30**	1,435	20
Less : One Time & Other Adjustments	**(1,561)**	**(21)**	(704)	(10)
Total Other Expenses (Normalised)	**631**	**9**	730	10
Other Expenses (Normalised) as % of revenue	**4%**	**4%**	5%	5%

The above figure of One–time and Other Adjustments comprises of Loss on Dismantling/Sale/Retirement of Fixed Assets (Net), Ind AS impact and bank charges, etc.

Shut down/exit of 12–14 telecom operators resulted into abandonment of more than 14,000 towers of the Company by them, making such towers unoccupied. Consequently, the Company suffered huge losses of revenue towards the Infrastructure Provisioning Fees/ Rentals and related costs. Post abandonment of these towers, the discontinuing operators didn't make payment of their contractual dues including rents payable to landlords, which is pass through for the Company. Due to non–receipt of rental amounts from the discontinuing operators as per contractual arrangement, the rentals to landlords for such sites remained unpaid.During the year ended March 31, 2021, disgruntled landowners / miscreants dismantled 1,171 out of the above unoccupied sites. This has resulted into a loss of ₹ 1,631 Mn (US$ 22 Mn) for the year ended March 31, 2021 which is included in other expenses. The Company has initiated process of intimation to police, legal actions against the landlords and lodging of the insurance claims.

Earnings before Interest, Taxes, Depreciation and Amortisation (Normalized EBITDA)

Financial Year	FY 20–21	FY 19–20
In ₹ Mn	**2,185**	1,982
In US$ Mn	**30**	27

Normalized EBITDA

On account of cost optimization plan put in place during FY 20–21, the Company was able to improve its normalized EBITDA for FY 20–21 at ₹ 2,185 Mn as compared to FY 19–20 at ₹ 1,982 Mn.

Depreciation and Amortization expenses

Depreciation and Amortization for FY 2020–21 was ₹ 5,472 Mn (US$ 75 Mn) as compared to ₹ 6,344 Mn (US$ 87 Mn) for FY 2019–20.

Exceptional Items

The Company, in accordance with the Indian Accounting Standard (Ind AS 36) 'Impairment of Assets', performed an impairment test based on current expectations of the impact of recent developments in telecom Sector on projected cash flows in tower business. The Carrying value of these assets exceeds its value in use and accordingly an impairment loss of Building ₹ 37 Mn (US$ 0.5 Mn) and Plant & Equipments ₹ 3,652 Mn (US$ 50 Mn) has been recognized for the year ended March 31, 2021 and the same has been disclosed as exceptional item (previous year Building ₹ 52 Mn (US$ 0.7 Mn) and (Plant & Equipments ₹ 4,042 Mn (US$ 55 Mn)).

Bad Debts, Provision for Trade Receivables & Energy Recoverables

Bad Debts and Provision for Trade Receivables and Advances for the year ended March 31, 2021 stood at ₹ 43 Mn (US$ 0.6 Mn) as against ₹ 524 Mn (US$ 7 Mn) for the financial year 19–20. This reduction is mainly on account of collection against provisions made during the earlier years.

Exchange Differences (Net)

Exchange difference for the FY 20–21 is at a gain of ₹ 155 Mn (US$ 2 Mn) as against loss of ₹ 331 Mn (US$ 5 Mn) in FY 19–20 mainly represented by measurement of FCCBs as of reporting date at the prevailing exchange rates.

Finance Costs

Finance costs (net) comprises of interest expenses, Finance cost on Lease Liability as per Ind AS 116 and Exchange difference as an adjustment to borrowing cost. Finance costs for FY 20–21 stood at ₹ 6,631 Mn (US$ 90 Mn) vis–à–vis ₹ 6,622 Mn (US$ 90 Mn) in FY 19–20.

BALANCE SHEET ITEMS

Fixed Assets

The carrying amount of these assets comprising of Property, Plant and Equipment, Capital work–in–Progress, Intangible Assets, Right of Use Assets and Investment Property as on March 31, 2021 stood at ₹ 55,421 Mn (US$ 756 Mn) compared to ₹ 64,971 Mn (US$ 886 Mn) as of March 31, 2020. The capital work–in–progress comprises of capital goods inventory.

The Company, in accordance with the Indian Accounting Standard (Ind AS 36) 'Impairment of Assets', performed an impairment test based on current expectations of the impact of recent developments in telecom Sector on projected cash flows in tower business.

The Carrying cost of these assets exceeds its value in use and accordingly impairment loss of ₹ 3,689 Mn (US$ 50Mn) has been recognized for the year ended March 31, 2021 and the same has been disclosed under exceptional items. The Company continues to pursue contractual claims of approximately ₹ 152,236 Mn (US$ 2,077 Mn) arising out these developments.

Other Non–Current Assets

Other non–current assets of the Company stood at ₹ 1,059 Mn (US$ 14 Mn) as on March 31, 2021 as compared to ₹ 1,083 Mn (US$ 15 Mn) as on March 31, 2020. The non–current assets primarily consist of site related electricity and rent deposits, capex advance, tax assets etc.

Equity

Equity Share Capital

The paid up equity share capital of the Company stood at ₹ 124,966 Mn (US$ 1,705 Mn) compared to ₹ 123,191 Mn (US$ 1,681 Mn) as on March 31, 2020.

Particulars	**₹ Mn**	**US$ Mn**
Other Equity as on March 31, 2020	**(125,124)**	(1,707)
Add: Total Comprehensive Income for the year	**(12,713)**	(173)
Other Equity as on March 31, 2021	**(137,837)**	**(1,880)**

Borrowings:

Particulars	**March 31, 2021**		March 31, 2020	
	₹ Mn	**US$ Mn**	₹ Mn	US$ Mn
Secured debt				
Rupee term loans:				
Banks, Financial Institutions & Asset Reconstruction Trust	**40,662**	**555**	40,662	555
Less: Amount debited by IDBI Trusteeship	**(3,560)**	**(49)**	–	–
Total	**37,102**	**506**	40,662	555
Foreign currency loans:				
Financial institutions	**646**	**9**	624	9
Total Secured loans	**37,748**	**515**	41,286	563
Unsecured loans:				
FCCB^	**4,341**	**59**	6,502	89
Total Borrowings	**42,089**	**574**	47,788	652
Interest accrued– due and not due	**15,456**	**211**	9,336	127
Ind AS Impact^	**1,368**	**19**	1,685	23
Total	**58,913**	**804**	58,809	802

Note–

^Decrease in FCCB liability is primarily on account of conversion of 27,249 series B2 bonds into Equity Shares during the year & exchange difference. Impact of Ind AS in borrowings is shown separately in the above mentioned table for better understanding. However, these line items are reported along with Ind AS impact in financial statements in the respective note.

The borrowings (including current maturities and interests) of the Company as on March 31, 2021 stood at ₹ 58,913 Mn (US$ 804 Mn) as against ₹ 58,809 Mn (US$ 802 Mn) as at March 31, 2020. It comprises of rupee term loans, foreign currency term loans and FCCBs. These borrowings are measured at amortized costs on the reporting date in terms of relevant Ind AS requirements.

As of March 31, 2021, 79.34% of Indian Rupee Debt of ₹ 32,263 Mn (US$ 440 Mn) have been assigned in favour of Edelweiss Asset Reconstruction Company ("EARC") acting in its capacity as Trustee of EARC Trust–SC 338 vide assignment agreement executed in favour of EARC. The Company is contesting and pursuing legal proceedings to enforce Reserve Bank of India's Master Circular on "Prudential Norms on Income Recognition, Assets Classification and Provisioning Pertaining to Advances" dated July 1, 2015 ("IRAC") clause 6.4 (d) (ii) against remaining lenders before the Hon'ble Supreme Court. Pursuant to the same, the Company has not obtained balance confirmations from these lenders.

One of the remaining secured lenders, referred in note no. 20.1 (a) above, allegedly claiming ₹ 6,464 Mn (US$ 88 Mn) has filed proceedings before the National Company Law Tribunal (the "NCLT") under Insolvency and Bankruptcy Code 2016 which has not been admitted so far.

The Hon'ble Supreme Court vide its order dated March 6, 2020 issued a notice and directed the lenders to maintain status quo in the abovementioned matters against which an application for early hearing and vacation of Status quo order has been filed by one of the lenders.

Further, in accordance with the revised guidelines, the Company has also presented multiple Resolution Plans starting from April 2018 for consideration of lenders' consortium updating such plans from time to time after taking into account various developments in telecom sector. In the opinion of the management, EARC consortium have an obligation to restructure the debt in time bound manner after completing TEV study as per RBI guidelines. However, EARC / lenders failed to restructure the debt of the Company till date although the Company is not in a position to service such a huge debt. Instead EARC has, without the consent of the Company, debited a total amount of ₹ 3,560 Mn (US$ 49 Mn) from the TRA account during financial year 2020–21. The Company has raised objections to such a withdrawals. Additionally, the Company has received notices of recall of loans from EARC and IDBI Bank claiming alleged default in terms of Master Restructuring Agreement dated December 31, 2011. The Company is currently seeking legal advice and will take such necessary actions as it may be advised. Post receipt of recall notices, the Company is in discussion with lenders about proposed realignment of its debt.

As per the original agreements with the Lenders, the Company is required to comply with certain covenants and non–compliance with these covenants may give rights to the lenders to demand Repayment of the loans. Considering alleged claims of lenders and to comply with the requirement of Ind AS –1 "Presentation of Financial Statement", the Company has classified Non–Current borrowings as Current Financial liability as an abundant precaution, which was classified for the first time in the Balance Sheet as at March 31, 2019.

Other Non–Current Liabilities

The non–current Liabilities of the Company stood at ₹ 6,334 Mn (US$ 86 Mn) as of March 31, 2021 as compared to ₹ 6,567 Mn (US$ 90 Mn) as on March 31, 2020. The non–current Liabilities primarily consist of lease liabilities, provisions related to assets retirement obligation, deposits received from customers etc.

Current Assets

The current assets of the Company stood at ₹ 7,987 Mn (US$ 109 Mn) as of March 31, 2021 as compared to ₹ 8,248 Mn (US$ 113 Mn) as on March 31, 2020. The current assets primarily consist of trade receivables, cash and cash equivalents, opex advances, deposits, balance with govt. authorities, unbilled income, tax etc.

Current Assets	March 31, 2021		March 31, 2020	
	₹ Mn	US$ Mn	₹ Mn	US$ Mn
Inventories	37	0.5	26	0.4
Investments	631	9	601	8
Trade receivables	1,054	14	794	11
Cash & cash equivalents(note)	4,369	60	2,186	30
Other bank balances	22	0.3	2,937	40
Loans	225	3	157	2
Others	1,649	23	1,547	21
Total	**7,987**	**109**	8,248	112

(i) The above balance includes ₹ 721 Mn (previous year ₹ 720 Mn) towards operational expenses / electricity board/ statutory accounts in process of utilization duly approved by lenders.

(ii) In terms of Judgment of the Hon'ble Delhi High Court, dated November 18, 2020, the Company is required to maintain a deposit of ₹ 4400 Mn in TRA account pursuant to pending arbitration matter between GTL Limited and the Company. Presently the said matter is subjudice. For details, please refer to note no. 36 (b) of the Financial Statements.

Current Liabilities

The current liabilities of the Company were ₹ 12,091 Mn (US$ 165 Mn) as on March 31, 2021 as compared to ₹ 10,861 Mn (US$ 148 Mn) as at March 31, 2020. These Liabilities primarily consist of provision towards arbitration claim raised by GTL Limited, lease liabilities, statutory dues, Assets retirement obligation (ARO) and operational provisions toward site rent, site EB etc.

Current Liabilities	March 31, 2021		March 31, 2020	
	₹ Mn	US$ Mn	₹ Mn	US$ Mn
Trade payables & capex creditors	**207**	**3**	174	2
Lease liabilities	**2,173**	**30**	1,674	23
Deposits from customers	**780**	**11**	542	7
Advance Revenue	**61**	**1**	74	1
Operational incl. long term provisions, property tax etc.	**8,558**	**117**	8,030	110
Others	**312**	**4**	367	5
Total	**12,091**	**165**	10,861	148

Borrowings, though disclosed under Other Current Financial Liabilities in Balance Sheet for the reasons specified therein, are not considered in the abovementioned analysis but duly covered under the heading borrowings.

Total current liabilities presented above represent sum total of note. no. 24, 25 (excluding borrowings), 26,27 and lease liabilities

Summarized Liability Statement of the Company

₹ Mn

Particulars	Liabilities provided in the Books of Accounts	Contingent Liability	Total Liability
Creditors	207	–	207
Rent	4,135	192	4,327
Major Provisions			
Power, Fuel, O&M (includes claim of GTL Limited under arbitration as per note 36(b))	4,185	3,172	7,357
Security/KHA	236	–	236
Salary & employee related liabilities	18	38	56
Statutory Dues			
Employee related	261	–	261
Demands under dispute			
Indirect taxes			
Against Demand– J&K	–	526	526
Against Demand– Right to Use	–	1,271	1,271
Against Demand– Trading in securities	–	385	385
Restoration of Cenvat Credit	–	799	799
GST on arbitration dues	–	833	833
Indirect taxes others	–	59	59
Direct taxes			
Direct taxes	–	84	84
Others			
Bond Holder Dispute	–	1,996	1,996
Property Tax	462	975	1,437

Particulars	Liabilities provided in the Books of Accounts	Contingent Liability	Total Liability
NOC/Stamp Duty	–	743	743
Canara Bank	3,683	2,781	6,464
Labour Related dispute	–	213	213
Other legal cases/contingent liability	129	31	160
Commercial Dispute	–	1,577	1,577
Total	**13,316**	**15,675**	**28,991**

The amounts given above exclude impact of Ind AS, if any.

1. Due to adverse telecom sector developments beyond management control over last few years, the Company is saddled with operational costs and claims related to 14,050 unoccupied towers resulting from customer exits, vendor claims related to contractual defaults by operators, certain statutory levies/claims due to recent judicial pronouncements related to telecom industry and demands under dispute. This was largely due to 18 (regional and national) telecom operators in 2010/2012 being reduced to 3/4.

2. The Resolution Plans submitted by the Company to EARC / lenders provide for earmarking of funds towards certain statutory dues, property tax, operational dues, rental etc. However EARC's refusal to approve such earmarking of funds (despite approval from the lender appointed Concurrent Auditor after receipt of due information / documentation) and subsequent debit of ₹ 3,560 Mn (US$ 49 Mn) from the TRA account during financial year 2020–21 by EARC for their benefit without settling statutory and operational liabilities has jeopardized the Company's ability to discharge its obligations towards statutory and operational dues. This impacts performance of network and operations.

Significant Changes in Key Financial Ratios

Ratio	Unit of Measurement	March 31, 2021	March 31, 2020	Reasons for variation
Debtors Turnover	No. of Times	9.0	8.2	1. Please refer note no. 59 & 3a(vi) in Financial Statements which explains the causes of variation in key financial ratios
Interest Coverage Ratio	No. of Times	0.5	0.5	
Debt Equity Ratio*	No. of Times	(4.6)	(30.4)	
Operating Profit Margin	%	18.2	17.7	2. Calculation of Current Ratio includes borrowings classified as current in terms of Ind AS 1 (refer note no 20.1)
Net Profit Margin	%	(90.2)	(131.5)	
Current Ratio	No. of Times	0.1	0.1	
Return on Net Worth / Equity	%	NA#	NA#	

Note: Above figures are before considering the impact of Ind AS
*Debt to equity is negative because of negative net equity
#Return on Net worth cannot be defined as denomInator & numerator functions are negative for ratio calculation
Loss for the year of (₹ 127,077) Lakhs and Net Equity of (₹ 128,710) Lakhs

DEBT RESOLUTION PLAN

Telecom Sector Developments post CDR

As reported from time to time, due to slowdown in telecom sector since 2010–11 coupled with constant increase in interest rates affecting profitability of entire telecom sector, the Company had undertaken Corporate Debt Restructuring (CDR) exercise under the aegis of CDR mechanism in July 2011. Post implementation of the CDR package, the telecom sector continued to be under relentless stress, which had material adverse impact on the achievement of the Company's CDR projections. Some of the adverse developments, which were beyond the management control have been enumerated below:

a. Decision of cancellation of 122 2G licenses upheld by the Hon'ble Supreme Court;

b. Cancellation of 'Right of First Refusal' by Aircel Group;

c. Vodafone Tax Litigation;

d. Slower 3G & BWA growth;

e. Freeze on substantial expansion by telecom operators;

f. Lack of deployment of capex for modernization and replacement

As a result, in 2016 the lenders of the Company invoked Scheme of Strategic Debt Restructuring (SDR) as per guidelines issued by the Reserve Bank of India. The Company fully cooperated with the lenders in SDR implementation. The Company also complied with the stipulations under SDR including that of merger of Chennai Network Infrastructure Limited with the Company and steps taken towards induction of new investor. Since SDR, the Company paid ₹ 11,445.78 Mn towards debt servicing in terms of SDR.

Telecom Sector Development post SDR

However, various extraneous developments in telecom sector subsequently such as (i) aggressive pricing by Telcos; (ii) reduction in interconnect usage charges and (iii) increasing unsustainable levels of debts of existing Telcos, impacted the profitability / cash flow of all participants in the sector making it unsustainable to remain viable and / or continue operations as evidenced through series of events / announcements listed below:

(i) Aircel Group's admission to National Company Law Tribunal (NCLT) under Insolvency & Bankruptcy Code (IBC) in 2018;

(ii) Reliance Communication Limited (RCom) decision to shut down wireless business and subsequent filing of insolvency petition with NCLT under IBC in 2017;

(iii) Sale of Sistema Shyam Teleservices Limited (SSTL) to RCom and consequent merger of both in 2017;

(iv) Tata Group's decision to exit telecom business and consequent merger with Bharti Airtel Limited (Airtel) and Tata Teleservices Limited (TTSL) in 2017;

(v) Vodafone India Limited (Vodafone) and Idea Cellular Limited (Idea) merger in 2018;

(vi) Airtel and Telenor (India) Communication Private Limited (Telenor) merger in 2017

All of these factors have had a material adverse effect on the Company and its future business prospects. The table below, clearly highlights the impact of tenancy loss the Company faced over the last 9–10 years, despite having long term binding contracts with the telecom operators:

Sr. No.	Events of Tenancy Loss	No. of tenants	Period	Comments
1.	Cancellation of 2G licenses	4,319	Upto December 2017	Supreme Court Judgement on cancellation of 122 2G telecom licenses
2.	Slower 3G/BWA growth	4,750	Since FY 2012–2013	Industry slowdown following the Supreme Court verdict
3.	Operator scale back due to auction	3,500		
4.	Aircel default of ROFR commitment	15,200	May 2014	Legal and financial issues
5.	RCom shutdown of wireless business	1,386	August & September 2017	Unsustainable business due to competition
6.	TATA exit from wireless business	2,899	Since May 2017	
7.	Merger of Vodafone – Idea	3,080	Since April 2018	Forced industry consolidation due to competition
8.	Consolidation: Airtel–Telenor	1,395	During 2018–19	
9.	Aircel filing of bankruptcy	23,727	January 2018	Unsustainable business due to competition
10.	BSNL exits due to uncertainty of collection	848	Since FY 2018–19	Uncertainty of collection
11	Exit during business course with various reasons	2,720	Since April 2013	
	Aggregate tenants lost from 2012 to 2021	**63,825**		

Thus, these extraneous developments in telecom sector especially during the last 4–5 years, once again unavoidably pushed the Company to a position from where it is required to again rebuild itself and also to realign its overall debt (including unsecured foreign currency bonds) to sustainable level with revised cash flows.

Assignment of Debt to ARC

By its circular dated February 12, 2018, the Reserve Bank of India withdrew and repealed the CDR and SDR guidelines. Although the Company was regular and current in its interest and principal payments to lenders as per SDR terms, purely on technical grounds as per RBI's circular dated February 12, 2018, certain lenders downgraded the account.

Post these various adverse developments in telecom sector, the Company had proactively presented a resolution plan on April 27, 2018 (with an intent to maximize recovery of dues) to the lenders who constituted a significant majority of the outstanding debt of the Company.

However, the lenders had elected to pursue sale of their debt to an Asset Reconstruction Company (ARC). Edelweiss Asset Reconstruction Company Limited, acting as a trustee on behalf of EARC – Trust SC 338 ("EARC"), emerged as the highest bidder in July, 2018 on a Swiss auction basis conducted by the lenders. As on August 31, 2021, 79.34% of the Indian Rupee Lenders have assigned their respective rights, title and interest in the financial assistance granted to the Company in favour of EARC. The Company is contesting and pursuing legal proceeding to enforce the applicable IRAC Guidelines (Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances) dated July 1, 2015 against remaining lenders.

In the meantime, one of the secured lenders alleged claiming ₹ 6,464 Mn has filed proceedings before the National Company Law Tribunal under Insolvency and Bankruptcy Code 2016, which has not been admitted so far. The Hon'ble Supreme Court Vide its Order dated March 6, 2020 was pleased to issue notice and directed all parties to maintain *status quo* in the matter.

Meanwhile, the RBI issued the Prudential Framework for Resolution of Stressed Assets on June 7, 2019 ("Prudential Framework"). The Prudential Framework does not repeal the provisions of IRAC Guidelines, which dealt with the procedure for sale of banks / FI's financial assets to asset reconstruction companies. Accordingly, the Company believes that the relevant provisions of IRAC Guidelines were (at the time of acceptance of offer from EARC) and continue to apply as on the date hereof to any sale of assets to ARCs. In view of the Prudential Framework, the Company continued to pursue with the remaining lenders to comply with their obligations under the IRAC Guidelines and complete the assignment / sale of their financial interest in the Company to EARC.

Resolution Plan under Prudential Framework

In accordance with the revised guidelines, the Company has also presented multiple Resolution Plans starting from July 2019 for consideration of lenders' consortium updating such plans from time to time after taking into account various external developments in telecom sector and its impact on the Company.

With reference to the claim of GTL related to OME / TSP contracts with the Company, an interim arbitration award was passed in favor of GTL Limited ("GTL") on December 17, 2019 wherein the Company was directed to pay ₹ 4,400 Mn to GTL. The Company's appeal in the Delhi High Court against the said interim arbitration award was dismissed by the Delhi High Court. In compliance with the arbitral award and High Court order, given the ongoing discussions of insourcing of OME with EARC Consortium and submissions of GTL of their negotiated settlement with its lenders before end March 2020, the Company entered into a settlement agreement with GTL in March 2020. Subject to approval of respective lenders of both companies, the Company proposed to make payment of ₹ 3,123 Mn to GTL in March 2020 towards settlement of all claims of GTL on the Company and also insourcing of OME into the Company. However in April 2020, despite the interim arbitral award and High Court order, the lenders consortium led by EARC refused to approve the settlement agreement terms.

This action of lenders jeopardized the proposed Resolution Plan submitted by the Company. As an alternate to using the funds for insourcing OME, Company's proposal for one time settlement of remaining lenders was also rejected by EARC consortium.

Thereafter, in May 2020 the Company once again submitted an updated Resolution Plan to the lenders. In the meantime, lenders appropriated ₹ 3,560 Mn from TRA account of the Company without taking consent from the Company against which the Company has raised objections. The Company believes that such appropriation is incorrect and illegal and in direct violation of the status quo order of the Supreme Court.

As detailed in Risk section, the Hon'ble Delhi High Court, in the appeal filed by EARC against interim arbitration award, vide its judgment dated November 18, 2020 clearly directed to deposit amount of interim arbitration award in the TRA account created and maintained in accordance with TRA mechanism and remain subject to further order to be passed by the learned Arbitral Tribunal. Accordingly, the Company requested TRA bank to arrange to deposit amount debited by lenders in TRA to comply with the Delhi High Court's order. However, EARC chose to file subsequent application before the Hon'ble Delhi High Court seeking further clarification on the above judgment, which has been dismissed by Hon'ble Delhi High Court. Further EARC continues to interpret the Delhi High Court's judgment in a way that is beneficial to them at the cost of the remaining public sector lenders and has attempted another petition in the form of review petition before the Hon'ble Delhi High Court.

In the meeting of unassigned public sector lenders, it was decided to impress upon EARC for not to utilise fund in TRA account of the the Company except for operational expenses till a final decision on resolution of the Company and exit of unassigned lenders is finalised. Further, the unassigned lenders have also initiated discussion with the Company for a negotiated one time settlement of their unassigned debt.

In terms of the Securitisation Companies and Reconstruction Companies (Reserve Bank) Guidelines and Directions, 2003 (vide Notification No. DNBS.2/CGM(CSM)–2003 dated April 23, 2003), as amended from time to time, the securitization company (SC) / reconstruction company (RC) should mandatorily assess sustainable debt on the basis of evaluation of detailed business plan with projected level of operation, which can be serviced by the Company and also complete the resolution within the planning period (i.e. 6 months). Further, SCs / RCs are permitted to convert a part of residual unsustainable debt into equity of the borrower company as a measure of asset reconstruction provided their shareholding does not exceed 26% of the post converted equity of the company under reconstruction. Further, in terms of the RBI Guidelines on Sale of Stressed Assets (DBR. No.BP.9/21.04.048/2016–17 Circular dated September 1, 2016), banks are permitted to sell their stressed assets to SCs/ RCs. The said guidelines also provides for price discovery and valuation exercise to be undertaken to ensure banks do not sell at a low price. Thus, there is implied assumption that the fair value or base for resolving the debt to sustainable levels would be the bid value, which in this case is ₹ 24,000 Mn.

However, EARC consortium's demands relating to conversion of debt into equity in excess of 76% and keeping debt level over ₹ 45,000 Mn are against the aforesaid mandate issued by RBI and also the earlier agreed position with Public Sector Lenders whereat the original offer of ₹ 24,000 Mn was only to acquire the financial debt of the lenders. Even after assignment of financial debt, Public Sector Lenders were willing to continue to hold the equity in the Company and are entitled to get the upside thereto.

The Company believes that EARC consortium was fully aware of the status of the Company at the time of assignment and had an obligation to restructure the debt in time bound manner after completing TEV study as per RBI guidelines, which EARC consortium has failed to do. Further, deliberate attempts to propose higher debt by EARC is also unacceptable to the Company.

RISK MANAGEMENT

This report, prepared in accordance with Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, provides an overview of key strategic risks, the Company's risk control framework and its approach to risk management.

Shareholders and other readers are cautioned that the risks outlined here are not exhaustive and are for information purpose only. New risks and uncertainties arise from time to time and it is impossible for us to predict these events or how they affect us.

Introduction – Objectives & Approach

The Company conducts risk management activities covering all of its operations with the aim of taking pre–emptive actions to mitigate sources of risk, that is, any factors that could potentially impede the accomplishment of business objectives.

At the Company, risk management is at the core of the operating structure of the group and functions in parallel with the development and execution of management strategies. The Company's senior management and core functional officers, being the Chairman, Whole Time Director, Chief Financial Officer and the Legal and Secretarial teams, as a matter of routine, assess potential operating and strategic risks informally in order to ensure that the Company at all times has a mitigation plan. The Company believes that by combining these two functions, it is better positioned to accomplish its business objectives and to increase its value.

The Company seeks to achieve an appropriate balance between risk and reward, and continue to build and enhance the risk management capabilities that assist in delivering the growth plans in a controlled environment. Thereby, the Company seeks to limit adverse variations in earnings and capital by managing risk exposures within agreed levels of risk appetite.

Market Risks

Revenue from existing business lines are dependent on the sustainability of the Telecom sector in turn is dependent on several macro–economic factors, such as the growth of the Indian economy, favourable interest rates, increased transparency and certainty in the regulatory environment, the cost of spectrum and the overall stability of the Indian Telecom sector.

Based upon the spectrum auctions, the license charges paid by the telecommunications operators (Telecom Operators) will continue to impact the net margins of the Telecom Operators. Hence, the increased capital charges (the interest outgo on account of debt raised for 3G and 4G network rollout, and the amortization of spectrum charges) would place additional pressure on Telecom Operators' bottom lines.

As the revenues from company's tower business are dependent on the sustainability of Telecom sector, Company believes that macro–economic factors, including the growth of Indian economy, interest rates as well as political & economic environment, have a significant direct impact on company's business, results of operations & financial positions.

Recently, the Hon'ble Supreme Court ruled that AGR for Telecom should include all revenue accrued to the carriers, including from non–core activities. The decision has gone against the telecom operators. Bharti Airtel (Airtel) and Vodafone–Idea (VIL) have been saddled with dues of around ₹ 475,766–Mn and ₹ 504,000 Mn respectively. This clearly is likely to cause a huge strain on the operators.

The Hon'ble Supreme Court in its judgment dated September 1, 2020, allowed Telecom operators to make a payment of 10% of the total dues as demanded by Department of Telecommunications (DoT), by March 31, 2021 and remaining dues in yearly instalments by March 2031. Further, SC had also informed that any default in payment would invite interest, penalty, and contempt of court.

In January 2021, VIL, Airtel and Tata Teleservices filed separate applications seeking modification of the above judgement that declared the DoT AGR calculation as final. However, the Hon'ble Supreme Court on July 20, 2021 dismissed the pleas of three telecom companies to allow correction of alleged arithmetical errors in AGR computation. This clearly is likely to cause a huge strain on the operators, which can be seen from delays in payments by two telecom operators.

In case of BSNL, due to long pending overdues and uncertainty in collection, the Company has taken necessary action to mitigate the funding risk by terminating certain non–paying sites due to the non–payment breach on the part of BSNL.

Thus, financial difficulties of Telecom Operators may impact their payment obligations in short and medium term. As a vendor to these Telecom Operators, the Company is currently facing credit risk in medium term. The Company believes that considering recent news reports on relief package to telecom sector likely to be considered by government, it may ease pressure on such Telecom Operators.

Operator Consolidation

The average revenue per user in India is amongst the lowest in the world. Further, in recent years, the industry has been through a phase of hyper–competition, resulting in consolidation amongst operators, phasing out many of the incumbent players leading to loss of tenancies. The consolidation wave has reduced the number of players from 18 (regional and national) to 4. The consolidation of operators has resulted in co– location churn for tower companies due to consolidation and rationalization of network. The Company has been a clear victim of the continued consolidation. This consolidation has resulted in significant loss of tenancies for the Company.

The Company proposes to leverage existing lock–in arrangements in its contracts with operators to procure commitments for fresh towers or sites and get lock–in extension for out of lock–in sites in lieu of towers or sites made redundant as a result of consolidation onslaught in the telecom sector.

Liquidity Risk

The Supreme Court ordered in December 2016 that mobile towers are exigible to property tax. The said ruling means significant additional costs for telecom tower operators, resulting in a strain on liquidity. This issue affects all telecom infrastructure providers. The Company has agreements with some of its customers for reimbursing on the property tax liability and is currently negotiating similar rights with all its customers, so the Company may be in a position to recover additional costs. In addition, under the TRA waterfall mechanism, the priority is given to statutory levies from the available cash flow.

At this moment, it is not possible to ascertain exact amounts involved. However, the Company has challenged the various components and retrospective levy of property tax demands raised by the respective Municipal Corporations.

Strategic Risks

Concentration Risk

There is a high concentration risk for the Company for the following reasons:

The Company operates primarily in one sector namely, the Telecom Sector. The telecom sector moving towards an oligopolistic structure, with three players accounting for more than 90% of market share, will pose challenges for Tower companies. This will put pressure on rent revenue per tower as the number of tenants per tower would go down.

Further, the stressed financial condition of debt–laden telecom incumbents will restrain any material hike in rentals, at least over the medium term.

Risk on account of Customer's Overdue Recovery

INSOLVENCY OF CUSTOMERS

Aircel was the Company's single largest customer, contributing around 45% of revenue. On March 1, 2018, Aircel Group voluntarily filed for insolvency proceedings before National Company Law Tribunal, Mumbai ("NCLT"). The Company has filed its claims against Aircel Group before Resolution Professional (RP) amounting to ₹ 133,940 Mn as financial creditor and other claims relating to Corporate Insolvency Resolution Process cost amounting to ₹ 2,482 Mn. The Misc. Applications Filed by Company challenging reclassification of the Company from Financial Creditor to Operational Creditor and subsequent verification of the Company's Claims as Financial Creditor has also been disposed of and the Company's claim has been rejected by the NCLT on November 27, 2019. Against the said order, GIL has also filed an appeal being Company Appeal Company Appellate Tribunal, Insolvency (AT–Insolvency) No.08 of 2020 before NCLAT challenging that portion of the Order dated November 27, 2019 to the extent it relates to NCLT Mumbai rejecting GIL's claim as Financial Creditor. The Company's another Misc. Application Claiming CIRP Cost has been approved by the NCLT vide order dated November 27, 2019 and December 06, 2019. Resolution Professional has filed an appeal being Company Appeal (AT) (Insolvency) No.1410 of 2019 against Para 33 of the Order dated November 27, 2019 passed by NCLT and second appeal being 1503 of 2019 filed by the Resolution Professional against the order dated December 06, 2010 (which is essentially clarified and extensions of earlier order stated at Para 33 of order dated November 27, 2019). SBI & COC has also filed an appeal being Company Appeal (AT) (Insolvency) No.26–27 of 2019 and opposing CIRP payments to GIL. The RP has filed an application under Section 31 before the NCLT for approval of the Resolution Plan and the same has been approved by the NCLT on June 9, 2020. The company has challenged the said NCLT order dated June 9, 2020 by way of an appeal being Company Appeal (AT) (Insolvency) No. 734 of 2020, as the Company's CIRP cost approved by NCLT has not been considered in the Resolution Plan.

The Company's claim against Reliance Communication Limited and Reliance Telecom Infratel Limited (including that of Shyam Sistema Pvt Ltd) to the tune of ₹ 1,502 Mn as Operational

Creditor has been filed before IRP on May 21, 2019 and moratorium period is effective. No invitation has been given to the Company for Committee of Creditors meeting as our claim does not meet the criteria of 10% claim.

In April, 2018 State Bank of India had filed Insolvency Petition against Videocon Telecommunications Limited and the Petition was admitted by the NCLT Mumbai and IRP has been appointed. We have filed our claim to the tune of ₹ 654 Mn as an operational creditor and moratorium period is effective. No invitation has been given to the Company for Committee of Creditors meeting as our claim does not meet the criteria of 10% claim.

However, since the above referred telecom operators are undergoing the Corporate Insolvency Resolution Process (CIRP), it remains to be seen what residual value would be left for distribution after appropriation by the secured banks / lenders, especially post recent amendments in Insolvency & Bankruptcy Code thereby bringing clarity on preference to financial creditors over operational creditors /unsecured financial creditors. There is a significant risk that there may not be any monies left after distributing proceeds to the secured banks / lenders of these telecom operators. Such unprecedented shutdown of network operators has led to frustration of various network improvisation measures that the Company had undertaken and also led to shrinking of cash flow.

RECOVERY PROCEEDINGS

Further, Tata Teleservices Limited (TTSL) and Tata Teleservices (Maharashtra) Limited (TTML) announced their intention to close down their wireless operations in India in or around October 2017. Subsequently thereto, TTSL and TTML announced a merger with Bharti Airtel Limited (Bharti Airtel) whereby its customers and the spectrum has been taken over by Bharti Airtel together with its liability towards spectrum to pay instalments in future to Government of India. As it is unfolded, it appeared that the contracted tenancy obligations which were to be transferred to Bharti Airtel, did not actually get transferred as part of the transaction with Bharti Airtel. Consequently, exit notices were issued by TTSL and TTML for its tenancies with the Company. TTSL and TTML also owes several amounts to the Company under multiple binding agreements and the Company under believes it would be essential to proceed for recovery. As such company has invoked arbitration proceedings against TTSL and TTML before the 3 Arbitrator Tribunal comprising of Hon'ble Retd. Justice S. N. Variava (Being presiding Arbitrator), Hon'ble Retd. Justice F. I. Rebello and Hon'ble Retd. Justice A. P. Shah. The Company has filed its Statement of Claim and TTSL and TTML have filed their Statement of Defence along with Counter Claim. Cross examination of witnesses for both the parties have been completed and the matter is posted for final hearing As on June, 2021, the Company has a claim of ₹ 429 Mn against TTSL and TTML.

Through ATC Telecom Private Limited ("ATC"), Company had provided Infrastructure Services to Telenor (India) Pvt. Ltd. Since Telenor got merged into Bharti Airtel Limited, consequently, exit notices were issued by ATC for its tenancies with the Company taken for its Customer Telenor. ATC also owes several amounts to the Company under multiple binding agreements and the Company under believes it would be essential to proceed for recovery. As such company has invoked arbitration proceedings against ATC for CNIL Sites before Single Arbitrator Hon'ble Retd. Justice Manmohan Singh. Company has filed its Statement of Claim and ATC has also filed their Statement of Defence. Issues have been framed and the matter is posted for filing of the evidence. The Company has also filed a Summary Suit before Bombay High Court for GIL Sites and the matter is now posted for framing of the issues. As on June 2021, the Company has a total claim of ₹ 402 Mn against ATC.

Since 2010, the Company had been providing infrastructure provisioning and energy services to Bharat Sanchar Nigam Limited (BSNL) on more than 2700+ sites across the country. However, the Company had, off and on, experienced delays and defaults in recoveries of its dues for such services rendered by it. Recovery of dues from BSNL further got deteriorated. There were huge overdues of BSNL for over six months or at times, in respect of some sites, even upto a year. As on June 30, 2021, the total outstanding claims are approximately ₹ 3,055 Mn. As such Company has invoked arbitration proceedings against BSNL before Single Arbitrator appointed by Delhi High Court, Hon'ble Retd. Supreme Court Justice Madan Lokur. The Company is in process of filing its Statement of Claim.

Since 2007–2008, the Company had been providing infrastructure provisioning and energy services to Vodafone Idea Limited (Earlier known as Idea Limited and Vodafone India Limited (VIL), now both merged in August, 2018) on more than 7,600 tenancies across the country. Since August, 2018 till June 30, 2021 VIL has given exit notices on 2852 sites, out of the said sites 1337 sites are within lock in period. The Company has raised the exit penalty claim to the tune of ₹ 769 Mn along with interest of ₹ 207 Mn as on June 30, 2021. The recent news article in The Times of India states that VIL, in its letter to the Telecom Secretary on June 25, 2021, has said that "it will be unable to pay the instalment of ₹ 8,292 crores due on April 9, 2022 (to government) due to cash being used for payment of AGR (Adjusted Gross Revenue) dues and the inability of the operations to generate the required cash in a predatory pricing situation." Additionally, the Hon'ble Supreme Court on July 20, 2021 dismissed the pleas of VIL, Airtel and Tata Tele to allow correction of alleged arithmetical errors in AGR computation. This clearly is likely to cause a huge strain on the operators, which can be seen from delays in payments of monthly IPF and energy by VIL. Further several earlier press reports indicate that the promoters have ruled out any further capital infusions. The Company has sent several reminder letters to VIL, to pay the exit penalty charges and other charges i.e. IP Fees, unilateral deductions etc. which are long pending for more than 30 months. Presently the Company has invoked arbitration proceedings against VIL. As on June 30, 2021, the total outstanding claims are approximately ₹ 2,104 Mn. Considering recent news articles about financial crisis at VIL, there is significant risk that the Company may not receive its legitimate dues.

Following table depicts claims of the Company as on June 30, 2021 against telecom operators:

Name of Operators	Amount of claim (in ₹ Mn.)
Aircel exit penalty	133,940
Aircel	10,000
TATA	429
RCOM	1,334
MTNL Del + Mum	312
VIL	2,104
BSNL	3,055
Datacom	654
ATC Viom – CNIL	157
ATC Viom – GIL	245
Others	254
Total	**152,484**

*Certain operators including RPs of operators who filed for bankruptcy have disputed the claims of the Company

Dismantling of Towers

Consequent to shut down/exit of 12–14 telecom operators as stated above, more than 14,000 towers of the Company were abandoned by such discontinuing operators, thereby making such towers unoccupied, which is more than 50% of the total tower portfolio. These external events were beyond the control of the management and the Company. Post abandonment of these towers, the discontinuing operators didn't make payment of their contractual dues. The Company has already litigating with such discontinuing operators to recover its contractual dues as stated above.

Due to non–receipt of the rental amounts from the discontinuing operators as per contractual arrangement, the rentals to landlords for those sites remained unpaid. During the year ended March 31, 2021, disgruntled landowners / miscreants dismantled 1171 sites out of the above unoccupied sites. The Company has already initiated various steps to protect its assets from such miscreants including legal actions against such miscreants, recovering site material, lodging of police complaints / FIR and insurance claim etc. However, there is a risk of further dismantling of un–occupied / discontinued sites of the Company if the said issue remains unresolved. The Company, while presenting, resolution plan to its lenders, has also made necessary provision in the proposed resolution plan towards resolving the said issue, however the Company has not received any feedback on the same.

RISK OF SUSTAINABILITY OF DEBT

The various extraneous developments in telecom sector as reported from time to time especially during the last 18– 24 months, once again unavoidably pushed the Company to realign its overall debt (including unsecured foreign currency bonds) to sustainable level with revised cash flows. In April 2018, the Company had proactively presented a resolution plan (with an intent to maximize recovery of dues) to the lenders who constituted a significant majority of the outstanding debt of the Company. Instead the lenders had elected to pursue sale of their debt to an Asset Reconstruction Company (ARC). As on date, 79.34% of the Indian Rupee Lenders have assigned their respective rights, title and interest in the financial assistance granted to the Company in favour of Edelweiss Asset Reconstruction Company Limited, acting as a trustee on behalf of EARC – Trust SC 338 ("EARC").

As per Reserve Bank of India's Master Circular on Prudential Norms on Income Recognition, Assets Classification and Provisioning Pertaining to Advances dated July 1, 2015 issued by the Reserve Bank of India ("IRAC Guidelines"), in case of a sale of financial assets to an ARC by lenders of a consortium, if 75% in value of the consortium accept the offer from the ARC, the balance are obliged to assign their debt to ARC.

Few lenders did not assign their respective debt as mandated under IRAC Guidelines. Instead, Canara Bank chose to file Insolvency Application. Initial application was dismissed following the Hon'ble Supreme Court's decision in Dharani Sugar vs. Union of India & Ors. Fresh application was filed by Canara Bank before NCLT, Mumbai, once again seeking initiation of CIRP in respect of the Company and allegedly claiming a default of ₹ 6,464 Mn in aggregate.

The Company had filed Writ Petition before the Hon'ble Bombay High Court, seeking a writ of mandamus against the Canara Bank and other dissenting Banks to assign the debts owed by the Company in favour of the EARC in accordance with the Prudential Framework and also sought status quo against NCLT Proceedings. The Hon'ble Bombay High Court dismissed the Writ Petition vide its Judgment dated 3rd February 2020 holding that the Company has option to press for writ grounds before NCLT and no interference in Writ Jurisdiction is necessary.

Consequently, the Company has filed Special Leave Petition ("SLP") challenging the Bombay High Court's order. The Hon'ble Supreme Court vide its order dated March 6, 2020 was pleased to issue notice and directed the Respondents to maintain status quo. In the month of October, 2020, Canara Bank has filed an application before the Hon'ble Supreme Court for vacating the said Status Quo Order. After various urgent hearing applications filed by Canara Bank, on April 5, 2021 matter was listed before the Hon'ble Court. After hearing the parties Hon'ble Court has issued notice and has directed the Petitioner and other Respondents to file their reply to the said Vacation of Status Quo application filed by Canara Bank. The matter is now posted for final hearing by the Hon'ble Supreme Court in first week of September 2021.

Further, the said lender i.e. Canara Bank and also Indian Bank have filed an application against the Company for recovery of its debts before the Debt Recovery Tribunal, Chennai. Since, the said lenders are bound under IRAC Guidelines to assign its debt to EARC, the Company is contesting the same. The status quo order of Hon'ble Supreme Court is applicable to this case as well.

In accordance with the new framework issued by RBI on June 7, 2019, the Company has presented multiple Resolution Plans for consideration of lenders consortium since July 2019. Despite acknowledging the need for debt restructuring in JLF held in July 2019, neither the Inter Creditor Agreement is yet executed nor have the lenders engaged in any meaningful discussions to arrive at mutually acceptable and viable resolution plan to stabilize and grow the Company. Further, a Techno–Economic Viability Study ("TEV Study"), as suggested by lenders consortium for better understanding of the realistic sustainable debt, was also delayed by EARC Consortium without any justifiable reason. Instead EARC consortium have insinuated that it is the Company which has delayed restructuring.

Thus, any delay in implementation of the Resolution Plan will negatively impact the sustainability of the Company. Further, any attempt to pursue a resolution plan under Insolvency and Bankruptcy Code ("IBC") will lead to erosion of debt and equity value.

EARC consortium is mostly being controlled and driven by Oaktree Capital which had used EARC's platform to acquire the debt. Oaktree Capital, as it transpires, is a credit fund interested only in maximising its returns at the cost of all other stakeholders. The Company engaged with them for over 24 months without being able to agree on a resolution plan. In our view Oaktree Capital's demands, such as debt in excess of ₹ 45,000 Mn, equity holding of 76% against conversion of small portion of debt diluting shareholding of public sector banks / financial institutions who converted debt under CDR and SDR schemes and other minority shareholders, rate of interest @ 12% etc., were unreasonable and detrimental to other stakeholders, as debt restructuring on such terms is not viable considering revenue and EBITDA of the Company.

Further, EARC consortium unilaterally debited ₹ 3,560 Mn (in direct violation of the status quo order of the Supreme Court), has created liquidity issues and non–availability of funds to meeting operational and statutory liabilities.

The Hon'ble Supreme Court in its judgment in case of Mardia Chemicals Ltd. v. UOI & Ors. [(2004) 4 SCC 311] noted about lenders liability. It is noted that "Arguments have been advanced as to how far principles of lender's liability are applicable. Whatever be the position, however, it cannot be denied that the financial institutions, namely the lenders owe a duty to act fairly and in good faith. There has to be a fair dealing between the parties and the financing companies / institutions are not free to ignore performance of their part of the obligation as a party to the contract. They cannot be free from it. ……. It cannot be a one–sided affair shutting out all possible and reasonable remedies to the other party, namely, borrowers and assume all drastic powers for speedier recovery of NPAs ….. The borrowers cannot be left remediless in case they have been wronged against or subjected to unfair treatment violating the terms and conditions of the contract. They can always plead in defence deficiencies on the part of banks and financial institutions."

Hence, the aforementioned acts of the EARC consortium completely ignoring lenders' liability and responsibility may result in permanent damage to equity holders of the Company.

GTL–GIL ARBITRATION RISK

Arbitration has been invoked by GTL Limited ("GTL") against the Company for GTL's historical claims before Three (3) Supreme Court retired Judges ("Tribunal"). On examination of the factual matrix, an interim award for the admitted dues of ₹ 4,400 Mn has been passed by the Tribunal. The Board of the Company directed the management to file an appeal before Hon'ble Delhi High Court against the said Interim Award. However, the Hon'ble Delhi High Court although appreciated GIL's argument raised for uncontrolled situation in telecom sector and other defences, took a view that the Interim Award passed by Arbitral Tribunal is not at all bad in law and thus proceeded to dismiss the appeal.

In the month of June, 2020 EARC challenged the Interim Award dated December 17, 2019 by way of an appeal before the Hon'ble Delhi High Court bearing ARB. A. (COMM.) 13/2020 (**"EARC Appeal"**), contending that Company and GTL Limited have acted in collusion to obtain the Arbitral Award to defeat EARC's rights under the MRA and TRA and that the Arbitral Award ought to be set aside. After detailed hearing on the said appeal of the EARC the said matter was disposed of by the Hon'ble Delhi High Court on November 18, 2020 thereby allowing the appeal of the EARC and held that the Interim Award is an order under Section 17 and thereby modifying the Interim Award dated December 17, 2019 to the extent that all payments directed thereunder, would be deposited, not with the Company or in an Escrow Account to be maintained by the Company, but in the TRA, created and maintained in accordance with the TRA Agreement. The said deposit shall remain subject to further orders to be passed by the learned Arbitral Tribunal. Importantly, the Hon'ble Delhi High Court did not find any ground to hold that Company and GTL acted in collusion or that they perpetrated fraud either on the learned Tribunal or on the Hon'ble Delhi High Court.

After the said Judgment and Order dated November 18, 2020, EARC had filed a Clarification application regarding the said Judgment and Order dated November 18, 2020. The said Clarification Application was dismissed by the Hon'ble Delhi High Court on February 3, 2021 thereby stating that the Application is misconceived.

In the month of April, 2021 EARC has attempted another petition in the form of review Petition before the Delhi High Court. The Company has filed its reply with the Court and the matter is posted for final disposal on September 29, 2021.

The balance claim of GTL is still under consideration by the Arbitral Tribunal and Cross Examination of the witness of the Company and GTL are completed and matter is posted for Final hearing in the month of September, 2021

OME activity is critical for maintaining network on towers of the Company. The Company did its best to contest the claims of GTL. It has appealed to EARC consortium for settlement of GTL's claim along with on–boarding of OME, however EARC consortium continues to oppose the proposed settlement with GTL. Thus, any material action by GTL can impact network significantly.

RISK RELATED TO LITIGATION WITH EARC

EARC has filed a Commercial Suit before Hon'ble Bombay High Court against the Company, GTL Limited and others praying for permanently restraining Company from transferring, alienating and / or conveying the amount owed by Company to GTL under an interim arbitral award dated December 17, 2019 or any amount owed in favour of GTL. No interim order has been passed by the Hon'ble Bombay High Court.

EARC has also filed a review petition before Hon'ble Delhi High Court against the Company and GTL, challenging the interim arbitral award dated December 17, 2019 passed by Tribunal in arbitration matter between the Company and GTL. The Hon'ble court has issued notices and has directed the Company and GTL to file its reply.

If EARC is successful in its suit / appeal, while monetarily it will benefit the Company, its impact on GTL and its continued services to the Company cannot be ascertained. Since OME is critical of the stability of network of the Company and is being managed by GTL, it may impact network significantly. Certain third party employees and vendors may vandalize the network if settlements are not paid to them and cost may escalate.

Writ against EARC before Supreme Court

In the month of June, 2021, the Company has filed a Writ Petition before the Hon'ble Supreme Court against EARC for (i) violation of applicable laws including but not limited to Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, ARC Guidelines, Change of Management Guidelines, IRAC Guidelines, Stressed Asset Guidelines and Fair Practice Code, (ii) for failure of EARC consortium to restructure the debt to sustainable level in timely manner in accordance with applicable laws, (iii) for violation of the Hon'ble Supreme Court Status Quo order dated 6th March, 2020. The matter is pending for hearing.

FOREIGN CURRENCY CONVERTIBLE BONDS RISK

The terms and conditions of the Series A FCCBs, which are otherwise compulsorily convertible into equity upon maturity, provide that principal will become immediately due and payable upon certain events of default under such Series A FCCBs, which include certain cross–defaults triggered by defaults under other debt instruments. The Company received a notice of acceleration from Citicorp International Ltd., the Trustee of the Series A FCCBs, at the direction of a holder of 25% or more of the Series A FCCBs, calling upon the Company to repay principal amount claiming the same as outstanding under Series A Bonds. The said acceleration notice is based on an alleged cross–default triggered by a delinquent interest payment on the Series B FCCBs and the Company is defending the case. The Series A FCCB Trustee has filed Commercial Suit before the Hon'ble Bombay High Court in November 2017 for recovery of US$ 27.21 Mn [equivalent to ₹ 1,755 Mn (as per US Dollar rate of 64.5136 as on December 4, 2017)] and also seeking to injunct mandatory conversion of the bonds into equity. However, the Bombay High Court refused to grant any interim relief in the matter and accordingly, the Company has converted US$ 19.022 Mn worth of Series A Bonds into equity. In the suit, the Trustee has also demanded interest at the rate of 7.5335% per annum on the Redemption Amount from the date of filing of the above suit till the realization of the amounts owed by the Company to the Trustee. The said suit is presently pending before the High Court for adjudication.

However, for the bondholders on behalf of whom the Trustee has filed the said suit, the Company has been unable to credit the resultant equity shares to respective bondholders, on account of the non–availability of a demat accounts of such bondholders from the Trustee. Thus there is a risk that in case the Commercial Suit is allowed, then, as claimed by the Trustee the Company would be liable to pay to the trustee the outstanding amounts in terms of Acceleration Notice and the Company would be liable to pay to the Trustee the aforesaid sum of US$ 27.21 Mn with further default interest on the Redemption amount.

Competitive Risks

The competition is intense among the incumbent tower companies. Telecom Operators such as Bharti Airtel and Vodafone Idea have business interest and ownership in the TowerCo Indus Towers. Similarly Reliance Jio has business interests in the Brookfield owned Summit Digitel Infrastructure Pvt. Ltd. It is expected that these TowerCos will get preference of new sites from Bharti Airtel, Vodafone Idea and Reliance Jio respectively.

To mitigate this, the Company would continue to render SLA driven services and capitalise on its strategic foot print of radiating and non–radiating towers to make it attractive for the operators for new tenancy. However, if debt restructuring by EARC consortium is not completed in time bound manner, it will result in decline in customer demand for our towers.

Operational Risks

Supply Chain Risk

The Company requires materials and services for tower upgradation and preventive maintenance of passive infrastructure. Delay in supplies of such materials and services, may impact smooth functioning of business operations resulting into penalties and claims for damages by customers.

Additionally, suppliers may tighten credit and other terms that they may be extending to the Company thereby increasing the liquidity strain on the Company and hampering its ability to deliver projects and running operations on a timely basis.

The Company faces high operational level challenges for the energy management like payment settlement issues, invoicing and addressing of concerns. In order to streamline the energy management operations, the Company is focusing on arranging fixed energy contracts with the customers.

Manpower Risks

Post exit of tenants due to shut downs or consolidation in telecom sector, the Company has implemented various cost optimization measures. The Company may face increased levels of attrition, due to inter–creditor disputes and NCLT proceedings threat, resulting in challenges in project execution and service delivery.

Network Equipment Risks

Network equipment such as diesel generators, battery bank, power supply equipment (SMPS) and air conditioner are ageing towards end of life. Improper functioning of these equipment may impact smooth functioning of business operations resulting into penalties and claims for damages by customers.

Legal, Contractual and Compliance Risk

Legal, Contractual and Compliance risk may arise from occasional non–adherence to timely deliverables and Service Level Agreements (SLA), for the reasons mentioned above and in some cases beyond company and management control, especially where certain operators default on their contractual obligation to pay in a timely manner and the Company is saddled with costs related to discontinued tenants.

The Company takes adequate insurance cover to protect against possible liabilities from non–performance of contracts, reviewing them continually and initiating corrective action. As a policy, open–ended contracts with open–ended obligations are rejected.

Considering pending application before NCLT, in the event of admission of the Company under IBC the Customers may exit from sites, which may in turn result in loss of business for the Company. The Company may also misplace its right to claim lock in compensation. The Company has made lenders aware of the same.

The Company has a talented and committed legal and compliance team, however several external risks related to legal, contractual and compliance keep surfacing given ever changing rules, regulations and laws.

The company is not regulated by any regulatory agency and faces the general regulatory environment that is prevalent in the country. However, the customers in the telecom sector are regulated by Telecom Regulatory Authority of India and the Company is IP–1 registered with Department of Telecommunications. India.

Environmental Risk

The Company's assets are subject to risk from natural disasters like cyclone or external factors. The Company maintains insurance for its assets which cover for damages caused by fire, special perils and terrorist attacks. However, disruption to the Company's network from natural calamities, though temporary in nature, is always a possibility. There are some environmental concerns from citizen's groups as well.

EMF radiations are the invisible electric and magnetic forces arising from the active infrastructure installed at telecom towers. In the recent past some citizen's groups have raised concerns around the radiations and its ill effects. Although the risk related to EMF radiation is completely attributed to the Company's customers, any litigation concerning this and resultant adverse orders, could affect tower business as well. It may be noted that EMF radiation norms in India are more stringent than in Europe and non–adherence can invite hefty fines from regulator. Also, there has been no conclusive evidence as such of the ill effect of radiations on human health. The Department of Telecommunications (DoT) has recognized campaigns and media articles. Also, DoT has set up 'TERM Cells' to monitor the radiations and certify the locations.

During the year, due to severe super cyclonic storm, the towers of the Company were adversely affected. Considering the current condition of COVID–19 and in adherence with government norms of social distancing, the management created a Virtual War Room at each circle to deal with such situations and our centralized crisis management team was coordinating with the team of engineers, mechanics and technicians at circle level to monitor such situations closely. Considering travel restrictions in the country, the management have maneuverer its available resources in best possible way to ensure normalization of the operations in affected areas at the earliest keeping in mind health and safety of its employees. The Company's assets are adequately insured, however, we cannot assess financial loss to the Company's assets at this juncture as the assessment is to be carried out by the Independent Surveyors of the Insurance Company.

Risk due to outbreak of COVID–19

The outbreak of corona virus (COVID–19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Ministry of Home Affairs notified telecommunication services including telecom infrastructure services among the essential services which continued to operate during lock down. The passive infrastructure as well as active telecom operations are actively engaged in fulfilling the surge in demand arising out of the choice exercised by almost all industries to conduct their operations remotely. The current "second wave" that has significantly increased the number of cases in India has resulted in operational challenges in carrying out field work due to regional / local restrictions in areas with significant number of COVID–19 cases. The Company is trying its best to keep the customer focus / network uptime. The Company continues to closely monitor the development and possible effects that may result from the current pandemic, on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation.

Risk Mitigation Plan

Sr. No.	Type of Risk	Mitigation Plan
1	**Liquidity and Leverage Risk**	The Company is ensuring that monthly Infrastructure Provisioning Fees and other Revenue streams such as Energy, Rent etc. are realised fully. Timely revision in Fixed Energy Billing contracts with Telcos is pursued to improve liquidity flow and mitigation of Energy losses. Reduction in various operating costs as per Cost Optimisation Plan has ensured cost optimisation compared to tenancy exit and revenue losses. Agreement with Telcos for up–gradation of sites by way of CAPEX funding to be adjusted against IPF. This has resulted in increasing network uptime and increased tenancies. The Company has been successful in finalising agreements with some of its customers for reimbursing on its property tax liability. It is also negotiating similar rights with all its customers, so the Company may be in a position to recover this additional cost completely.
2.	**Risk on account of Customer Overdue Recovery**	The Company has already initiated the arbitration and recovery proceedings against the defaulting customers. The Company has also submitted its claims with respective Resolution Professionals where CIRP process has been initiated against our customers.
3.	**Operational Risk**	End of life equipment needs to be upgraded or replaced. The Company has accordingly invested in various projects and ensured its network is upgraded as with latest technology/ equipment. SLA penalties have been reduced by resolving infra and non–Infra issues in time and additional CAPEX infusion. This has resulted in maintaining network uptime at 99.90% under normal conditions.
4.	**Sustainability of Debt Risk**	In accordance with the revised Prudential Guidelines issued by the Reserve Bank of India, the Company has presented a Resolution Plan for consideration of lender consortium.
5.	**Environmental Risk**	The Company's assets are subject to risk from natural disasters or external factors. The Company maintains insurance for its assets which cover for damages caused by fire, special perils and terrorist attacks. However, disruption to the Company's network from natural calamities, though temporary in nature, is always a possibility. Whenever there are instances of storm, cyclone or any other natural calamities affecting the Company's assets, the Company forms special task force to facilitate restoration of network, recovery of damages and protection of its assets.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company is committed to ensure that its operations are carried out within a well–defined internal control framework. Good governance, robust systems and processes, a vigilant finance function and an independent internal audit function are the foundations of the internal control systems. The Company believes that a strong internal controls framework is an essential pre–requisite of growing its business.

The Company has an internal control system in place, commensurate to its size and spread in order to achieve orderly and efficient conduct of its business, including adherence to management policies, safeguarding of assets, prevention and detection of fraud and error, accuracy and completeness of the accounting records and timely preparation of reliable financial information. The internal control system encompasses financial and operational controls and statutory compliances.

There are suitable controls with reference to policies and procedures, risk assessment, ethics that are clearly established, communicated and monitored. Also there is a periodic review and assessment of the relevant controls to improve effectiveness, reduce cost and improve business performance.

The authority matrix, responsibility and accountability i.e., delegation of authority and segregation of duties are clearly defined such that decisions are made and actions taken at an appropriate level.

The control environment ensures commitment towards integrity and ethical values and independence of the board of directors from the management. The control activities incorporate, among others, continuous monitoring, routine reporting, checks and balances, purchase policies, authorisation and delegation procedures.

The internal audit function performs audit to monitor and evaluate the effectiveness of the Company's internal control systems and adherence to management policies and statutory requirements. It maintains a regular surveillance over the entire operations.

The audit coverage in the internal audit function of the Company is in line with the objectives of internal audit as prescribed by the Institute of Chartered Accountants of India (ICAI). The role of internal audit in the Company is as given below:

- Understanding and assessing risks and evaluating adequacies of the prevalent internal controls.
- Identifying areas for system improvement and strengthening controls.
- Ensuring optimum utilisation of the resources of the Company.
- Ensuring proper and timely identification of liabilities, including contingent liabilities of the Company.
- Ensuring compliance with internal and external guidelines and policies of the Company as well as the applicable statutory and regulatory requirements.
- Safeguarding the assets of the Company by setting up a process of every change record.
- Reviewing and ensuring adequacy of information systems security control.
- Reviewing and ensuring adequacy, relevance, reliability and timeliness of management information system.

The internal audit function is monitored by the audit committee of the Board which periodically reviews audit plans, audit observations of both internal and external audits, audit coverage, risk assessment and adequacy of internal controls. Thus effective internal control structure has been set up in the Company to enhance organisational performance and contribute towards accomplishment of its objectives.

QUALITY

The Company is following ISO 9001:2015 standard. The standard has helped the Company in periodically giving recommendations for achieving long–term, sustained success and focus on meeting the needs and expectations of all relevant stakeholders.

As part of the continuous learning process, the Company updates its processes and quality plans, whilst reviewing the said process for suitability and sustainability. These processes are documented and maintained by the concerned process owners, and audited as and when required by an independent QMS team to assess the level of maturity of the different components of the system and identify and prioritize potential areas for improvement. Modifications are made to the processes where required to help the organization

HSE Responsibility

The Company educates its employees for identified needs related to HSW like electrical safety requirement, height safety training, first–aid, road safety, 4–wheeler defensive driving, absolute safety rules (ASR) and other specific trainings as may be required for delivering the job.

Regular field visits are conducted by the Management teams to ensure all health and safety related matters are complied with in order to minimize the consequences of occupational hazards, accidents and injuries, and occupational and work–related accidents. The Company carries out regular assessment of conditions of occupational hygiene and factors in the organization of work which may give rise to risks for the health of workers

HUMAN RESOURCES

As the Company continues to focus on its client–centric approach, the Company ensures a diverse and motivated workforce that understands the varied needs of its customers.

The Company is primarily an equal opportunity employer with a strong culture of talent development and management. The environment in the Company promotes job enrichment, learning and growth opportunities. Performance is recognized at every level through a structured rewards and recognition programme. Employees also enjoy a very good work life balance.

Engagement

Employees are the ambassadors of the Company who promote good will. The Company engage with its employees to better understand and respond to their needs and concerns and motivate them to deliver the Company's brand strategy and business objectives.

The Company has set up positron teams across PAN India to work with employees addressing their needs including:

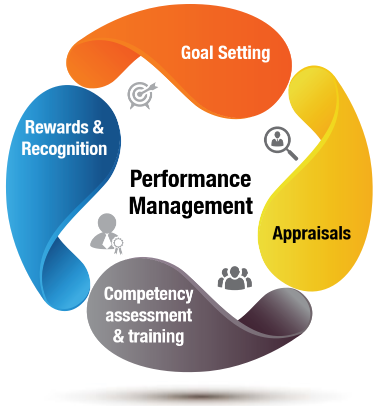
1. Covid 19 cases
2. Hospitalisation due to Covid
3. Vaccinations.

Inspite of a COVID 19 pandemic the Company has been able to engage its people through effective goal setting, performance reviews and the rewards and recognition programs.

Performance Management:

The performance management system in the Company is structured to get the best out of every employee. Though we were all drowned with the COVID 19 backlash, as an organisation the Company continued to focus on its goals through the Performance Management System which revolves around –

1. Goal setting
   - by ensuring that the employee understands the objectives of the Company as a whole as well as his specific function/department.
   - by setting the employee's target and assessing how these employees perform against the defined target
   - by providing feedback to each employee.



2. Reviewing and monitoring the work force performance
3. Assessing the competencies to achieve the objectives
4. Training to build capabilities
5. To reward and recognize employees

Rewards & Recognition:

The Company's 'Rewards & Recognition' Program is designed to encourage all employees to make a difference in their performance individually and through teams, besides assisting in creating a culture of mutual respect amongst the employees.

The program helps to recognize and promote positive behaviors that support individuals and teams, in achieving the Company's objectives.

During the Covid period, there has been significant contribution by employees to ensure network uptime. This has been instrumental to ensure its customers' are delighted. The Company took a step forward to ensure all contributing employees through the appraisal system were paid incentives for the hard work put in. This has led to higher employee delight and an overall better performance.

Compliance

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).

Employees and family members at the GTL Infra vaccination camp

Discharging Responsibilities as an Essential Services Provider

Being a key constituent of the Indian telecom industry, the Company plays an important role as a source of access to mobile communications and internet for communities residing around it's towers.

The Company focussed on delivering high performance on it's telecom towers so that rich and poor alike, living around the towers are able to stay socially (digitally) connected from the comfort of their homes. This meant that the Company continued to invest in capex and opex to maintain uptime while treating its operations as essential services.

The Company's staff devotedly worked as front liners performing their duties both remotely as Work From Home staff and at tower sites for maintenance and upgradation tasks. Adequate care was taken for the employee wellbeing for achieving business continuity, uninterrupted operations and living up to the expectations of being an essential services provider.

We get the joy in enabling your social closeness

Radiating high performance telecom networks from our towers

Employee Wellbeing Initiatives

24 x 7 helpdesk for NCOVID 19 assistance to employees

Full wages paid to all employees well in advance to cater to their financial planning

Assured financial support beyond medical insurance for families during NCOVID 19 pandemic

Provision for additional 7 days of Sick Leave and Casual Leave in case an employee falls sick due to NCOVID 19

Additional conveyance to cater to travel safely and extra wages of one month paid to technicians and field employees

Work from home to all office and back–end support staff Essential services pass for all field employees

Scheduled calls with field teams to check on their health and well being

Periodic Communication sent to employees with useful information on do's and don'ts on NCOVID 19

Frequent reinforcements to ensure all employees follow all guidelines issued by various state and Central Governments

Laptops for education, usher in a promising future for children

Corporate Social Responsibility

The Company fulfils its social responsibilities through employee volunteerism and non–financial means, by supporting the causes adopted by Global Foundation, a public charitable trust.

The NCOVID 19 pandemic continued in FY 2020–21 with severe intensity in it's second, wave disrupting education, healthcare, commerce, social engagements and every other sphere of life. Daily wage earners, laid off employees and many businesses lost their income and savings.

Online education primarily became the norm. Medical facilities got stretched due to the pandemic front liners, healthcare providers, police personnel, essential services providers themselves got affected.

There were some untimely and unfortunate deaths due to the virus. Rampant spread of NCOVID 19, affected the people and the economy.

As a responsible corporate citizen the Company along with Global Foundation worked towards easing out the unprecedented challenges faced by our nation. Our volunteers "Positrons" went beyond their Key Result Areas by offering their personal time and support to enable us to stand by people in need of help and support.

Social Impact of Global Foundation during FY 2020–21 and till July 2021

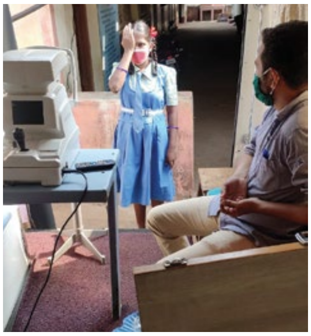
Education

1200 students were awarded Gyanjyot Scholarships

85 children received laptop Computers under Gyan Suvidha initiative for online education

185 students were provided with Internet Aid, valid for 2 years

Health, Hygiene and Sanitation

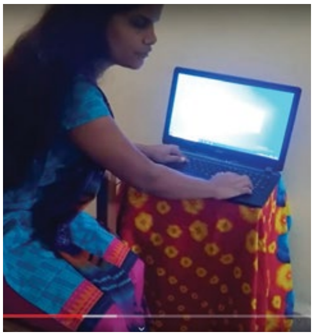


55 oxygen Concentrators were donated to aid our Government's efforts in the fight against NCOVID 19

2,000 people were served through rural medical camps

97 families received medical aid for treatments

Disability



During the lockdowns, the blind faced maximum risk of falling behind in their efforts to learn computer skills. Global Foundation's Advanced Computer Center for the Blind, initiated online classes for blind students.

A youtube channel dedicated for the blind to learn computers was created

Community Development

10 computer training camps were conducted for rural children imparting nuances of online education

12 Families received financial aid for rebuilding their homes destroyed in natural calamities

Nutritious meals and monthly Grocery Kits were donated to on duty medicos, NCOVID 19 patients and adversely affected tribals

Toilets were built for girls & boys under Swachh Bharat Abhiyan at the Shivaji English School Pandurtitha, Sindhudurg

To
The Members,

Your Directors are pleased to present their Eighteenth Annual Report together with the Audited Financial Statements for the year ended March 31, 2021.

1. STATE OF COMPANY'S AFFAIRS

Financial Highlights

(₹ in Lakhs)

Particulars	FY 2020–21	FY 2019–20
Revenue from Operations	**140,968**	141,694
Other Income	**3,916**	2,029
Total Revenue	**144,884**	143,723
Profit / (Loss) before Depreciation & Amortization Expenses, Finance Costs, Exceptional Item & Tax	**30,841**	28,258
Less: Depreciation & Amortization Expenses	**54,718**	63,444
Profit / (Loss) before Finance Costs, Exceptional Item & Tax	**(23,877)**	(35,186)
Less: Finance Costs	**66,312**	66,222
Profit / (Loss) before Exceptional Items & Tax	**(90,189)**	(101,408)
Less: Exceptional Items [Impairment of Assets]	**36,888**	84,946
Profit / (Loss) before Tax	**(127,077)**	(186,354)
Less: Tax Expenses	**–**	–
Profit / (Loss)	**(127,077)**	(186,354)
Other Comprehensive Income	**(52)**	(26)
Total Comprehensive Income	**(127,129)**	(186,380)

Figures regrouped / reclassified wherever necessary to make them comparable.

Results of Operations

Key Highlights of the Company for the financial year ended March 31, 2021 are as under:

- Total Revenue from Operations for current financial year stands at ₹ 140,968 Lakhs as against ₹ 141,694 Lakhs for the previous financial year.
- Normalized EBITDA for current financial year stands at ₹ 21,853 Lakhs as against ₹ 19,825 Lakhs for the previous financial year.

Telecom Sector Developments and its impact

The Company has from time to time informed about various developments in Indian Telecom Sector, which were beyond the control of the Company and the management. These forced consolidation and exits in the telecom sector has resulted in the number of telecom operators (national and regional) reducing from 18 to 4.

All of these factors have had a material adverse effect on the Company and its future business prospects. The table below clearly highlights the impact of tenancy loss the Company faced over the last 9–10 years, despite having long term binding contracts with the telecom operators:

Sr. No.	Events of Tenancy Loss	No. of Tenants	Period	Comments
1.	Cancellation of 2G licenses	4,319	Upto December 2017	Supreme Court Judgement on cancellation of 122 2G telecom licenses
2.	Slower 3G/BWA growth	4,750	Since FY 2012–2013	Industry slowdown following the Supreme Court verdict
3.	Operator scale back due to auction	3,500		
4.	Aircel default of ROFR commitment	15,200	May 2014	Legal and financial issues
5.	RCom shutdown of wireless business	1,386	August & September 2017	Unsustainable business due to competition
6.	TATA exit from wireless business	2,899	Since May 2017	
7.	Merger of Vodafone – Idea (VIL)	3,080	Since April 2018	Forced industry consolidation due to competition
8.	Consolidation: Airtel–Telenor	1,395	During 2018–19	

Sr. No.	Events of Tenancy Loss	No. of Tenants	Period	Comments
9.	Aircel filing of bankruptcy	23,727	January 2018	Unsustainable business due to competition
10.	BSNL exits due to uncertainty of collection	848	Since FY 2018–19	Uncertainty of collection
11	Exit during business course with various reasons	2,720	Since April 2013	
	Aggregate tenants lost from 2012 to 2021	**63,825**		

These developments have culminated into abandonment of tower sites by such discontinuing operators, making more than 14,000 towers of the Company unoccupied, which is more than 50% of the total tower portfolio. As a result, the Company has been saddled with the operational cost on such unoccupied towers without any revenue. Post abandonment of these towers,the discontinuing operators didn't make payment of their contractual dues, including rent payable to landlords, which is pass through for the Company.

Due to non–receipt of the rental amounts from the discontinuing operators as per contractual arrangement, the rentals to landlords for those sites remained unpaid. The Company in its proposed Resolution Plan included settlement of such landlords' dues along with operational dues. However, Edelweiss Asset Reconstruction Company Limited ("EARC") consortium didn't approve the same till date. Hence, during the year ended March 31, 2021, disgruntled landlords / miscreants dismantled 1,171 sites out of the above unoccupied sites. Further, during quarter ended June 30, 2021, additional 61 sites were dismantled. The Company has already initiated various steps to protect its assets from such miscreants including legal actions against such miscreants, recovering site material, lodging of police complaints / FIR and insurance claim etc.

Further, recent judgment of the Hon'ble Supreme Court dismissing plea of three telecom operators to allow corrections of alleged arithmetical errors in AGR computation is likely to cause a huge strain on the operators, even though as per news reports, Vodafone Idea Limited (VIL) and Bharti Airtel Limited has filed review petition against the said judgment. Thus, financial stress on telecoms can be clearly seen from delays and defaults in payment of monthly dues by VIL and Bharat Sanchar Nigam Limited, which is in addition to non–payment of exit penalty charges.

These developments have impacted cash flow of the Company adversely. Further, reduction in the revenue and earnings has resulted in erosion of Company's net worth. Despite above, the Company continues its efforts towards curtailing its operating expenditures such as diesel cost, EB cost, O&M Cost, security cost, wages, vendor cost, which enables the Company to continue to maintain network uptime for its occupied towers. The Company also continues to pursue its contractual claims of approx. ₹ 1,524,839 Lakhs (as on June 30, 2021) from its customers who have either closed down their business or have got merged with other Telecom operators or even exited their tenancies, much ahead of their respective contract terms.

However, unilateral appropriation of ₹ 35,600 Lakhs by EARC consortium without implementing Resolution Plan and without taking in to account statutory and operational liabilities including contingent liabilities and not giving consent for completing insourcing of OME business from GTL Limited has frustrated efforts of the management to revive and stabilize the Company. Additionally, the Company has received notices of recall of loans from EARC and IDBI Bank claiming alleged default. The Company is currently seeking legal advice and will take such necessary actions as it may be advised. Despite above, the management continues its efforts to engage with lenders consortium for completing restructuring process.

Going Concern

Considering the proposed realignment of debt in accordance with cash flow and various resource optimization initiatives undertaken by the Company, which can lead to stabilization and revival, the Company continues to prepare the financial statements on a going concern basis.

2. RECENT DEVELOPMENTS AT MACRO AND MICRO ECONOMIC LEVEL

The details in respect of recent developments at macro and micro economic level are covered under Management Discussion and Analysis (MD&A) Report, which forms part of the Annual Report.

3. MANAGEMENT DISCUSSION AND ANALYSIS

The MD&A Report for the year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") is presented in a separate section forming part of the Annual Report.

4. DEBT RESTRUCTURING

The details in respect of debt resolution plan are provided in separate section under the heading "Debt Resolution Plan" under MD&A Report, which forms part of the Annual Report.

5. TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserve for the financial year ended March 31, 2021.

6. DIVIDEND

Since your Company has posted losses for the current financial year, your Directors express their inability to recommend any dividend on the paid up Equity Share Capital of the Company for the financial year ended March 31, 2021.

As per Regulation 43A of the Listing Regulations, top 1000 listed companies based on market capitalization shall formulate a dividend distribution policy, which shall be disclosed on the website of the listed entity. Accordingly, the Dividend Distribution Policy is available on the Company's website www.gtlinfra.com.

7. SHARE CAPITAL

a. The movement of Equity shares due to allotment of shares is as under:

Particulars	No. of Equity Shares
Equity Shares as on April 1, 2020	**12,319,097,031**
Add: Allotments of Equity Shares to Bond Holders upon conversion of Bonds during the year	177,496,169
Equity Shares as on March 31, 2021	**12,496,593,200**
Add: Allotments of Equity Shares to Bond Holders upon conversion of Bonds post March 31, 2021	115,510,277
Equity Shares as on September 2, 2021	**12,612,103,477**

The Company has only one class of equity shares and it has not issued equity shares with differential rights or sweat equity shares.

Further to information furnished in the Directors' Report for financial year 2019–20, 94,843,348 equity shares allotted to Trust are yet to be listed due to pending receipt of requisite details from Series A Bondholders.

b. Foreign Currency Convertible Bonds (FCCBs)

The details of outstanding Foreign Currency Convertible Bonds are as follows:

Particulars	No. of Series B1 Bonds (of US$ 1,000 each)	No. of Series B2 Bonds (of US$ 1,000 each)	No. of Series B3 Bonds (of US$ 1,000 each)	Total No. of Bonds (of US$ 1000 each)	No. of Equity Shares issued upon conversion
FCCBs allotted	80,745	86,417	30,078	197,240	–
Converted till date	46,826	27,378	17,442	91,646	596,969,202
Balance as on September 2, 2021	33,919	59,039	12,636	105,594	–

If bonds are converted into equity shares of the Company, the number of equity shares would go up by 687,824,531.

8. FIXED DEPOSITS

During the year under review, the Company has not accepted any public deposits under chapter V of the Companies Act, 2013 (the "Act") from public or from its members.

9. 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.

10. PROMOTER GROUP

The Company was promoted by GTL. Subsecquent to lenders action to convert debt in to equity and action under SARFAESI Act, 2002 total equity holding of lenders increased to around 77%, thereby reducing Promoter groups' holding to 3.33% as on September 2, 2021.

11. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, in respect of financial year ended March 31, 2021 confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards had been followed and there were 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.

12. DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Charudatta K. Naik (DIN: 00225472), Director of the Company, retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re–appointment.

Mr. Milind K. Naik (DIN: 00276884) had retired during the year and was re–appointed as the Additional Director and Whole–time Director of the Company with the effect from January 20, 2021. The Board placed an appropriate resolution for appointment of Mr. Naik as the Director and Whole–time Director for consideration of members.

The background of the Directors proposed for re–appointment / appointment is given under the Corporate Governance Report, forming part of this Report.

Pursuant to the provisions of Section 203 of the Act, currently, Mr. Milind K. Naik – Whole–time Director, Mr. Bhupendra J. Kiny – Chief Financial Officer and Mr. Nitesh A. Mhatre – Company Secretary are the Key Managerial Personnel of the Company.

13. 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.

14. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met Ten (10) times during the financial year, the details of which are given in Corporate Governance Report that forms part of this Report.

15. BOARD EVALUATION

The Board of Directors has carried out an 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 Listing Regulations.

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

In a separate meeting of Independent Directors, performance of non–independent directors, performance of Board as a whole and performance of the Chairman were evaluated taking into account the views of executive directors and non–executive directors.

16. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company has put in place appropriate policy on Directors' Appointment and remuneration and other matters as required by Section 178(3) of the Act, which is provided in the Policy Dossier that has been uploaded on the Company's website www.gtlinfra.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.

17. 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 and the percentage increase in remuneration of each director, chief financial officer, company secretary or manager, if any, in the financial year:

Executive Directors	**Ratio to median remuneration**	**% increase in remuneration in the financial year**
Mr. Milind K. Naik*	1:9.87	Nil
Non–executive Directors (sitting fees only)**	**Ratio to median remuneration**	**% increase in remuneration in the financial year**
Mr. Manoj G. Tirodkar	N.A.	N.A.
Mr. N. Balasubramanian	N.A.	N.A.
Dr. Anand P. Patkar	N.A.	N.A.
Mr. Charudatta K. Naik	N.A.	N.A.
Mr. Vinod B. Agarwala	N.A.	N.A.
Mrs. Sunali Chaudhry	N.A.	N.A.
Ms. Dina S. Hatekar	N.A.	N.A.
Chief Financial Officer		
Mr. Bhupendra J. Kiny	–	No Change#
Company Secretary		
Mr. Nitesh A. Mhatre	–	26.18%#

*Retired as Director w.e.f. July 20, 2020 and re–appointed as Additional and Whole–time Director on January 20, 2021.

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

#Considered only CTC while calculating.

ii. The percentage increase / (decrease) in the median remuneration of employees in the financial year: (1%)

iii. The number of permanent employees on the rolls of the Company : 636

iv. Average percentage increase already made in the salaries of employees other than the managerial personnel in last financial year and its comparison with the percentage 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 1.4%. During the year, the Board has re–appointed Mr. Milind K Naik as Whole–time Director with effect from January 20, 2021, hence comparison cannot be provided.

v. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms that the remuneration is as per the remuneration policy of the Company.

18. INTERNAL FINANCIAL CONTROL SYSTEMS

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

19. AUDIT COMMITTEE

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

20. AUDITORS AND AUDITORS' REPORT

M/s Pathak H.D. & Associates LLP (FRN: 107783W / W100593), Chartered Accountants, Mumbai were appointed as an Auditor of the Company at the fifteenth (15th) AGM to hold office from conclusion of the fifteenth (15th) AGM till conclusion of twentieth (20th) AGM to be held in calendar year 2023.

For the FY 2020–21, the Auditor of the Company have issued modified opinion w.r.t. the Company's inability to quantify the amount of property tax on its telecom towers to be ultimately borne by it due to petition pending before the appropriate Courts, non–receipt of property tax demands in respect of majority of telecom towers and Company's contractual rights to recover such property tax from its customers. In this regard, the Company has given appropriate explanation in its Note No. 40 of Notes to the Financial Statements. Further, as regards the Auditors opinion regarding material uncertainty related to Going Concern, the Company has furnished required details / explanations in Note nos. 59 Notes to the Financial Statements.

21. COST AUDIT

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

22. SECRETARIAL AUDITORS' REPORT

The Secretarial Auditor Report is given in **Annexure A** (Form No. MR–3) forming part of this Report.

Further, in terms of Regulation 24A of the Listing Regulations, a Secretarial Compliance Audit Report given by Mr. Chetan A. Joshi, Practicing Company Secretary, is annexed as **Annexure B** to this Report.

23. COMPLIANCE WITH SECRETARIAL STANDARD

The Company has complied with applicable secretarial standards as prescribed by the Institute of Company Secretary of India.

24. RISKS

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

25. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, the Company has not provided any corporate guarantees. The particulars of loans and investments have been disclosed in the Note nos. 6 & 14 and 4 & 10 of Notes to the Financial Statements respectively.

26. PARTICULARS OF RELATED PARTY TRANSACTION

All related party transactions entered into during the financial year were on an arms' length basis and were in ordinary course of business. None of the transactions with related parties falls under the scope of Section 188(1) of the Act. Accordingly, a statement pursuant to provisions of Section 129(3) of the Act in Form No. AOC–2 is not required to be furnished.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.gtlinfra.com.

27. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have Subsidiary or Joint Venture Company. Accordingly, a statement pursuant to provisions of Section 129(3) of the Act in Form No. AOC–1 is not required to be furnished.

28. CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and other details are furnished in **Annexure C** 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.gtlinfra.com.

29. ANNUAL RETURN AS ON MARCH 31, 2021

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft Annual Return having all the available information of the Company as on March 31, 2021 is available on the Company's website at www.gtlinfra.com/wp–content/uploads/2021/08/GTLINFRA_MGT7_2021.pdf

30. CORPORATE GOVERNANCE AND VIGIL MECHANISM

The Company has complied with the Regulations 17 to 27 and clauses (b) to (i) of sub–regulation (2) of the Regulation 46 of the Listing Regulations. A separate Report on Corporate Governance along with the Certificate of the Auditor, M/s Pathak H.D. & Associates LLP, Chartered Accountants, Mumbai confirming compliance of conditions of Corporate Governance as required under Regulation 34(3) of the Listing Regulations forms part of this Report.

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

31. BUSINESS RESPONSIBILITY REPORT

Regulation 34(2) of the Listing Regulations, as amended, *inter alia*, provides that the Annual Report of the top 1000 listed entities based on market capitalization (calculated as on 31st March of every Financial Year), shall include a Business Responsibility Report (BR Report). Accordingly, the Company has presented its BR Report for the Financial Year 2020–21, which is part of this Annual Report as **Annexure D**.

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

a. **Conservation of Energy**:

During the year, the Company continued its efforts towards conservation of energy by way of reduction of diesel consumption at telecom tower sites through several initiatives of energy efficiency and fuel savings as under:

i) **the steps taken or impact on conservation of energy:**

a. Regular and timely induction / replacement of Passive Infrastructure related Capex like Battery Banks, Power Systems, Automation systems at tower site for optimal energy consumption leading to reduction in wastage and increasing performance.

b. Periodical Corrective and Preventive Maintenance of assets to ensure right levels of load to power ratio, thereby controlling excessive overrun of Energy utilized.

c. Operating high EB availability sites with optimal fuel stock , thus reducing wastage as well as making sites Fuel Free. A total of 3064 sites are operating as Diesel free sites.

d. Increased drive to get sites connected / reconnected with EB (as applicable), thus reducing diesel consumption for a clean Energy operation.

e. Sustained efforts to reduce potential pilferage of fuel and electricity at site through a strong governance mechanism in the field.

f. Constant monitoring of excessive energy use sites to identify root causes and rectify the same, thereby controlling the excess consumption and conserving Energy.

ii) **the steps taken by the Company for utilizing alternate source of energy:**

Undertaking Proof of Concept trials for introducing new technologies like Li Ion Batteries, as a potential replacement of Lead acid Batteries and Diesel Generators in extremely high dependent tower sites with excessive Energy consumption and such other steps currently under evaluation by the Company.

iii) **the capital investment on energy conservation equipment:**

Not Applicable

b. Technology Absorption:

1.	Efforts made towards technology absorption	:	The Company has not absorbed, adopted and innovated any new technology. Hence, the details relating to technology absorption are not furnished.
2.	The benefits derived like product improvement, cost reduction, product development or import substitution	:	
3.	In case of imported technology (imported during last 3 years reckoned from the beginning of the financial year) following information may be furnished.	:	
	a. the details of technology imported	:	
	b. the year of import	:	
	c. whether the technology been fully absorbed?	:	
	d. if not fully absorbed, the areas where absorption has not taken place, reasons thereof	:	
4.	the expenditure incurred on Research and Development	:	No expenditures were incurred during the year.

c. Foreign Exchange Earnings and Outgo:

During the year under review, the inflow and outgo of foreign exchange in actual terms were ₹ Nil respectively.

33. HUMAN RESOURCE

The associate base of the Company as on March 31, 2021 stood at 717. For full details / disclosures refer to the Human Resources section in the MD&A Report, which forms part of the Annual Report.

34. 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 as stipulated in said Rules are required to be set out in a statement to this Report. This Report is being sent to the Members excluding the aforesaid statement. In terms of Section 136 of the Act, the said statement is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary at the Registered Office of the Company. None of the employees listed in the said statement is related to any Director of the Company.

35. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation and acknowledge with gratitude the support and cooperation extended by the customers, 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,

Mumbai
September 2, 2021

Manoj G. Tirodkar
Chairman

ANNEXURE A TO DIRECTORS' REPORT

Form No. MR–3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2021

[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 Infrastructure Limited (CIN: L74210MH2004PLC144367)
3rd Floor, "Global Vision", Electronic Sadan No.II, MIDC,
TTC Industrial Area, Mahape, Navi Mumbai– 400710.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GTL Infrastructure Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board–processes and compliance–mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

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

iii. The Depositories Act, 1996 and the Regulations and Bye–laws framed thereunder;

iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the 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, 2015;

   c) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

   During the period under review, provisions of the following regulations were not applicable to the Company for the financial year ended 31st March, 2021:–

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

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

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

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

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

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

vi. As confirmed & Certified by the Management, there are no Sectoral laws specifically applicable to the Company based on the Sectors/ Businesses.

I have also examined compliance with the applicable clauses of the following:

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

(ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) & National Stock Exchange of India Limited (NSE);

(iii) Secretarial Standards with regard to Meeting of Board of Directors (SS–1) and General Meetings (SS–2) issued by The Institute of Company Secretaries of India;

During the period under review, the Company has complied with the relevant provisions of the Act / regulations / agreements / Standards, as may be applicable, mentioned.

During the audit period, the Company has also taken the necessary actions to comply with the observations made in previous reports by filing pending quarterly report under Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018.

I further report that,

The Board of the Company is duly constituted with proper balance of Executive Directors, Non–Executive Directors, Independent Directors and Woman Director. There was a Resignation of Mr. Milind Naik from the Directorship of the Company w.e.f. July 20, 2020. Mr. Milind Naik was re–appointed as an Additional director and Whole time Director w.e.f. January 20, 2021 for the period of 3 years. Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the Minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Date:02/09/2021 | Chetan Anant Joshi
Place: Thane | (FCS:7052, COP: 7744)
UDIN: F007052C000876140

This Report is to be read with my letter of even date which is annexed as 'Annexure I' and forms an integral part of this report.

'Annexure I'

To,

The Members,
GTL Infrastructure Limited (CIN: L74210MH2004PLC144367)
3rd Floor, "Global Vision", Electronic Sadan No.II, MIDC,
TTC Industrial Area, Mahape, Navi Mumbai– 400710.

My report of even date is to be read along with this letter

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and process 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 Secretarial records. I believe that the process and practices, I followed, provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. I have conducted online verification and examination of records, as facilitated by the Company due to Covid–19 and subsequent lockdown situation for the purpose of issuing this Report.

Date: 02/09/2021 | Chetan Anant Joshi
Place: Thane | (FCS: 7052, COP: 7744)

ANNEXURE B TO DIRECTORS' REPORT

SECRETARIAL COMPLIANCE REPORT

OF

GTL INFRASTRUCTURE LIMITED
(CIN: L74210MH2004PLC144367)

For the year ended 31st March, 2021

1. I, Chetan Anant Joshi – Practicing Company Secretary have examined:

   (a) all the documents and records made available to me and explanation provided by GTL INFRASTRUCTURE LIMITED CIN – L74210MH2004PLC144367 ("the listed entity"), arising from the compliances of specific regulations listed under Clause 2 of this report;

   (b) the filings or submissions made by the listed entity to the stock exchanges in connection with the above,

   (c) website of the listed entity and

   (d) all other document/ filing, as may be relevant, which has been relied upon to make this certification, for the financial year ended 31st March, 2021 ("Review Period") in respect of compliance with the provisions of:

      (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

      (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

2. The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:–

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

   (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; ***(not applicable during the review period)***

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

   (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

   (not applicable during the review period)

   (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; ***(not applicable during the review period)***

   (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***(not applicable during the review period)***

   (g) Securities and Exchange Board of India (Issue and Listing of Non–Convertible and Redeemable Preference Shares) Regulations, 2013; ***(not applicable during the review period)***

   (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

   (j) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer agent) Regulations, 1993 regarding the Companies Act and dealing with client– ***(not applicable during the review period)***

   and based on the above examination, I hereby report that, during the Review Period:

   (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder except in respect of matter specified below

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	N.A.	N.A.	N.A.

   (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges ***(including under the Standard Operating Procedures issued by SEBI through various circulars)*** under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
		NIL		

(d) During the review period, as per the information provided by the Company, prima facie there are no instances of transactions by the Designated Person in the Securities of the Company during the closure of trading window period.

(e) The listed entity has taken following actions to comply with the observations made in the previous report:

Sr. No.	Observations by the Practicing Company Secretary in the previous report	Observations made in the Secretarial Compliance report for the year ended	Actions taken by the listed entity, if any	Comments of the Practic–ing Company secretary on actions taken by the listed entity
1	Quarterly filing under Regulation 74 (5) of SEBI (Depositories and Participants) Regulations, 2018: During the review period, due to non–receipt of Certificate from RTA, the Company could not file report under Regulation 74 (5) of SEBI (De–positories and Participants) Regulations, 2018 for the quarter ended March 31, 2019, Further the company has filed report for the quarter ended June 30, 2019 and September 30, 2019 jointly after receipt of the same from RTA.	31st March, 2020	The Company filed pending quarterly report under Reg–ulation 74 (5) of SEBI (Depositories and Participants) Regulations, 2018	During the re–view period, the Company has complied with the said requirement regularly

(f) Due to prevailing conditions owing to COVID–19, I am unable to verify the information physically, therefore I relied on the information as provided by the Company in the electronic mode.

Chetan Anant Joshi
Practicing Company secretary
(FCS: 7052, CoP: 7744)
UDIN: F007052C000348701

Date: 20/05/2021
Place: THANE

ANNEXURE C TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2020–21

[Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **A brief outline on CSR policy of the Company:**

   The Company acknowledges debts towards the society in which it operates and in order to discharge its responsibility, it will undertake, 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.

2. **The Composition of the CSR Committee:**

Sl. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Manoj G. Tirodkar	Chairman and Non–Executive Non–Independent Director	1	1
2.	Dr. Anand P. Patkar	Member, Non–Executive Independent Director	1	1
3.	Mrs. Sunali Chaudhry	Member, Non–Executive Non–Independent Director	1	1
4.	Mr. Milind K. Naik*	Member, Executive Director	NA	NA

**Appointed as Member w.e.f. February 9, 2021*

3. **Provide the web–link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**
   The Company's CSR Policy and composition of CSR committee has been uploaded on the Company's Website at following link: http://www.gtlinfra.com/investors/corporate–governance/

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub–rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)**: Not applicable in view of losses incurred by the Company.

5. **Details of the amount available for set off in pursuance of sub–rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** Not applicable in view of losses incurred by the Company

6. **Average net profit of the company as per section 135(5):** Average Net Loss of ₹ 175,266 Lakhs

7. **(a)** **Two percent of average net profit of the company as per section 135(5):** Not Applicable
   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Not Applicable
   (c) **Amount required to be set off for the financial year, if any:** Not Applicable
   (d) **Total CSR obligation for the financial year (7a+7b–7c):** Not Applicable

8. (a) **CSR amount spent or unspent for the financial year:** Not Applicable
   (b) **Details of CSR amount spent against ongoing projects for the financial year:** Not Applicable
   (c) **Details of CSR amount spent against other than ongoing projects for the financial year:** Not Applicable
   (d) **Amount spent in Administrative Overheads:** Not Applicable
   (d) **Amount spent on Impact Assessment, if applicable:** Not Applicable
   (e) **Total amount spent for the Financial Year (8b+8c+8d+8e):** Not Applicable
   (f) **Excess amount for set off, if any:** Not Applicable

9. (a) **Details of Unspent CSR amount for the preceding three financial years:** Not Applicable
   (b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not Applicable

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset–wise details):**
    a. **Date of creation or acquisition of the capital asset(s)**: Not Applicable
    b. **Amount of CSR spent for creation or acquisition of capital asset**: Not Applicable
    c. **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.**: Not Applicable
    d. **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

Mumbai
September 2, 2021

Milind K. Naik
Whole–time Director

Manoj G. Tirodkar
Chairman –
Corporate Social Responsibility Committee

ANNEXURE D TO DIRECTORS' REPORT

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L74210MH2004PLC144367	
2.	Name of the Company	GTL Infrastructure Limited	
3.	Registered address	'Global Vision', 3rd Floor, Electronic Sadan–II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400710, Maharashtra, India.	
4.	Website	www.gtlinfra.com	
5.	E–mail id	gilshares@gtlinfra.com	
6.	Financial Year reported	2020–21	
7.	Sector(s) that the Company is engaged in (industrial activity code–wise)	National Industrial Classification Code	Description
		619	Providing Telecom Towers on shared basis to multiple telecom operators
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Providing passive infrastructure on shared basis to telecom operators for hosting their active network components for 2G, 3G, 4G, IoT and Enterprise Wireless Network	
9.	Total number of locations where business activity is undertaken by the Company	Presence across 22 Telecom Circles in India serving all the major telecom operators	
	(a) Number of International Locations (Provide details of major 5)	Nil	
	(b) Number of National Locations	Presence across 22 Telecom Circles in India serving all the major telecom operators	
10.	Markets served by the Company – Local/State/National/ International	At present, the Company is only serving Indian market.	

SECTION B: FINANCIAL DETAILS OF THE COMPANY

		FY 2020–21
1.	Paid up Capital	₹ 1,249,659 Lakhs
2.	Total Turnover	₹ 140,968 Lakhs
3.	Total profit after taxes	₹ (127,077 Lakhs)
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Nil
5.	List of activities in which expenditure in 4 above has been incurred: –	Not Applicable

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	No
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30–60%, More than 60%]	Not Applicable

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of the Director/Director responsible for implementation of the BR policy/policies and Details of the BR head

1.	**Director Identification Number (if applicable)**	00276884
2.	**Name**	Mr. Milind K. Naik
3.	**Designation**	Whole–time Director
4.	**Telephone Number**	+91 22 69283500

2. Principle–wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		While there is no formal consultation with all stakeholders, the relevant policies have evolved over a period of time by taking inputs from the concerned internal stakeholders.								
3	Does the policy conform to any national / interna–tional standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies has been drafted on the basis of applicable laws, code of conduct and applicable standards								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Policies mandated under the Companies Act, 2013 ("Act") and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("Listing Regulations") are approved by the Board and other policies are approved by the Whole–time Director / Functional Heads of the Company as appropriate from time to time.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the imple–mentation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Whole–time Director and the Functional Heads oversee implementation of the policies.								
6	Indicate the link for the policy to be viewed online?	Policies mandated to be displayed on website of the Company as per the Act and Listing Regulations are displayed at http://www.gtlinfra.com/investors/corporate–governace/								

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Except policies mandated under the Act and Listing Regula–tions, which are available on website of the Company, all other policy documents are uploaded on the intranet and are accessible to all employees of the Company.								
8	Does the company have in–house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N
		Implementation of the policies is evaluated internally.								

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3–6 months, Annually, More than 1 year

The Whole–time Director and Functional Heads assess the BR performance of the Company on annual basis.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Yes, the Business Responsibility Report is published annually as part of annual report. The Report can also be accessed on the Company's website at http://www.gtlinfra.com/investors/corporate–governance/.

SECTION E: PRINCIPLE–WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

   The Company has a Code of Conduct for Directors as well as all employees of the Company which covers issues *inter–alia* related to ethics and bribery. It also covers dealing with suppliers, customers and other stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   During the financial year, three complaints were received from the shareholders. The complaints were related to the anomaly in trade volumes reported by National Stock Exchange of India Limited (NSE), which was later rectified by NSE as can be seen on its website. The complaints related to an issue on NSE website, over which the Company had no control, however, investors were sent requisite replies by the Company.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   a. Regular and timely induction / replacement of Passive Infrastructure related Capex like Battery Banks, Power Systems, Automation systems at tower site for optimal energy consumption leading to reduction in wastage and increasing performance.

   b. Periodical Corrective and Preventive Maintenance of assets to ensure right levels of load to power ratio, thereby controlling excessive overrun of Energy utilized.

   c. Operating high EB availability sites with optimal fuel stock, thus reducing wastage as well as making sites Fuel Free. A total of 3064 sites are operating as Diesel free sites.

d. Increased drive to get sites connected / reconnected with EB (as applicable), thus reducing diesel consumption for a clean Energy operation.

e. Sustained efforts to reduce potential pilferage of fuel and electricity at site through a strong governance mechanism in the field.

f. Constant monitoring of excessive energy use sites to identify root causes and rectify the same, thereby controlling the excess consumption and conserving Energy.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Energy Conservation efforts resulted in reduction in sourcing of Diesel as compared to earlier year. Judicious and holistic approach to site upgradation / rectification resulted in optimum capex sourcing. Better warehouse and inventory management avoided excessive distribution costs.

b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

With sustained efforts on both technology as well as creating social awareness under various initiatives as mentioned at sr.no 1, the Company achieved significant reduction in consumption of Fuel and Electricity at sites.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes. The Company has undertaken various projects for sustainable sourcing e.g. deep discharge batteries, solar installations in the past and is continuously exploring new sources like Li ion battery, Fuel Cells etc.

The Company has created a telecom circle based structure taking operations near to the telecom site and thus saving on unnecessary wastage and costs.

Funding of procured fuel and electricity is done though centralised portals, petro cards and online payments thus reducing dependence on paper bills as well as cash transaction at field level.

Transporters and service vendors are sourced locally within the circle wherever available to avoid unnecessary burden on resources and costs.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes. Please refer to description given at sr .no 3

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5–10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes. The Company supports recycling, e.g. in case of Lead from Lead acid batteries and iron from non–usable towers, through its registered vendors from time to time. The Company also looks at possible measure of reusing the same product e.g. batteries by boost charging so that maximum productivity can be achieved.

Principle 3

1. Please indicate the Total number of employees: 636
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.: 29
3. Please indicate the Number of permanent women employees: 25
4. Please indicate the Number of permanent employees with disabilities: 1
5. Do you have an employee association that is recognized by management? No
6. What percentage of your permanent employees is members of this recognized employee association? Not Applicable
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up–gradation training in the last year?

(a)	Permanent Employees	Fire & safety 90% skill upgradation 70%
(b)	Permanent Women Employees	Fire & safety 90% skill upgradation 60%
(c)	Casual/Temporary/Contractual Employees	Fire & safety 90% skill upgradation 70%
(d)	Employees with Disabilities	NA

Principle 4

1. Has the company mapped its internal and external stakeholders? Yes
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders? Yes
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

   The Company acknowledges debt towards society in which it operates including disadvantaged, vulnerable and marginalised section. It discharges its social responsibilities by supporting the cause adopted by 'Global Foundation', public charitable trust, through employee volunteerism and non–financial means. During COVID–19 many people lost their jobs and migrated to their home town / villages. The Company through volunteers supported Global Foundation in distributions of grains, food, water to such migrants, jobless workers and needy people.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures / Suppliers / Contractors / NGOs / Others?

   The Company does not have a specific policy only on human rights. However, principles of the same have been covered in Code of Conduct and Grievance Handling Policies, which also covers dealing with suppliers, customers and other stakeholders.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   The Company has not received any complaint regarding violation of human rights.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

   The Company's Health, Safety and Environment policy extends to all employees of the Company.
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? If yes, please give hyperlink for webpage etc.

   We have sensitized every employee of our organisation towards the impact of global warming on our planet. We execute a detailed study on the impact of our projects on air, water, land, flora, fauna and human beings. The study enables us to train and educate the stakeholders to address the concerned environmental issues appropriately. Our endeavor as an IP player is to extend our efforts in reducing CO2 footprint as part of telecom engagement.
3. Does the company identify and assess potential environmental risks? Yes
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   Presently, the Company is not undertaking any projects related to Clean Development Mechanism.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. If yes, please give hyperlink for web page etc.

   a. Regular and timely induction / replacement of Passive Infrastructure related Capex like Battery Banks, Power Systems, Automation systems at tower site for optimal energy consumption leading to reduction in wastage and increasing performance.

   b. Periodical Corrective and Preventive Maintenance of assets to ensure right levels of load to power ratio, thereby controlling excessive overrun of Energy utilized.

   c. Operating high EB availability sites with optimal fuel stock, thus reducing wastage as well as making sites Fuel Free. A total of 3064 sites are operating as Diesel free sites.

   d. Increased drive to get sites connected / reconnected with EB (as applicable), thus reducing diesel consumption for a clean Energy operation.

   e. Sustained efforts to reduce potential pilferage of fuel and electricity at site through a strong governance mechanism in the field.

   f. Constant monitoring of excessive energy use sites to identify root causes and rectify the same, thereby controlling the excess consumption and conserving Energy.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   The Company is, in most of the cases, well within the permissible limits.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. – Nil

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   Yes, The Confederation of Indian Industry (CII)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   The Company participates in seminars, conferences and other forums on issues and policy matters that impacts the interest of its stakeholders.

Principle 8

1. Does the company have specified programmes /initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.

   The Company through its employee participation and non–financial means supports the causes adopted by 'Global Foundation'.

2. Are the programmes/projects undertaken through in–house team/own foundation/external NGO/government structures/any other organization? Not Applicable

3. Have you done any impact assessment of your initiative? Not Applicable

4. What is your company's direct contribution to community development projects– Amount in INR and the details of the projects undertaken? Not Applicable

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. – Not Applicable

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year? Nil

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. /Remarks (additional information) – Not Applicable

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anti–competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so. – No

4. Did your company carry out any consumer survey/ consumer satisfaction trends? No.

REPORT ON CORPORATE GOVERNANCE

In accordance with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the report on compliance of Corporate Governance at GTL Infrastructure Limited is given as under:

1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's Philosophy on Corporate Governance as adopted by its Board of Directors is to:

- Ensure that the quantity, quality and frequency of financial and managerial information, which the management shares with the Board, fully place the Board Members in control of the Company's affairs.
- Ensure that the Board exercises its fiduciary responsibilities towards shareowners and creditors, thereby ensuring high accountability.
- Ensure that the extent to which the information is disclosed to present and potential investors is maximized.
- Ensure that the decision–making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board/ Committees thereof.
- Ensure that the Board, the Management, the Employees and all concerned are fully committed to maximizing long–term value to the shareowners and the Company.
- Ensure that the core values of the Company are protected.
- Ensure that the Company positions itself from time to time to be at par with any other world–class companies in operating practices.

2) BOARD OF DIRECTORS

i) Size and composition of the Board

The current policy is to have an appropriate mix of Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As on March 31, 2021, the Company has 8 Directors with a Non–Executive Chairman and a Non–Executive Vice Chairman. Of the 8 Directors, 7 (i.e.87.50%) are Non–Executive Directors and 4 (i.e.50.00%) are Independent Directors. The composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations and Section 149 of the Companies Act, 2013 (the "Act").

ii) All the Directors have informed the Company periodically about their directorship and membership on the Board Committees of other public limited companies. As per disclosure received from Director(s), none of the Directors on the Board hold membership in more than ten (10) committees or chairmanship in more than five (5) committees across all the public limited companies in which he/she is a Director.

The composition of the Board, category of directorship, the number of meetings held and attended during the year, the directorships /chairmanship/ committee positions in other public limited companies as on March 31, 2021 are as follows:

Name of Director	Category*	Attendance in Board Meetings		Attendance at the last AGM	Number of Directorships in other Indian public limited companies **	Other Companies				Directorship in other Listed entity (Category of Directorship)
						Board Directorship **	Board Chairmanship**	Committee Chairmanship/ Membership ***		
		Held	Attended					Chairman	Members	
Mr. Manoj G. Tirodkar @ (Chairman) DIN 00298407	NID/ NED	10	9	Yes	0	0	0	0	0	0
Mr N. Balasubramanian (Vice–Chairman) DIN 00288918	ID	10	10	Yes	0	0	0	0	0	0
Mr. Milind K. Naik $ (Whole–time Director) DIN 00276884	NID/ED	5	5	Yes	0	0	0	0	0	0
Dr. Anand P. Patkar DIN 00634761	ID	10	10	Yes	0	0	0	0	0	0

Name of Director	Category*	Attendance in Board Meetings		Attendance at the last AGM	Number of Directorships in other Indian public limited companies **	Other Companies				Directorship in other Listed entity (Category of Directorship)
						Board Directorship **	Board Chairmanship**	Committee Chairmanship/ Membership ***		
		Held	Attended					Chairman	Members	
Mr. Charudatta K. Naik DIN 00225472	NID/NED	10	10	Yes	0	0	0	0	0	0
Mrs. Dina S. Hatekar DIN 08535438	ID	10	10	Yes	0	0	0	0	0	0
Mrs. Sunali Chaudhry DIN 07139326	NID/NED	10	10	Yes	0	0	0	0	0	0
Mr. Vinod B. Agarwala DIN 01725158	ID	10	10	Yes	3	3	0	2	3	1. Supreme Infrastructure India Ltd. (NID/ID) 2. Technocraft Industries (India) Ltd. (NID/ID) 3. IRIS Business Services Ltd. (NID/ID)

* ED – Executive Director, NID – Non– Independent Director, NED– Non– Executive Director, ID– Independent Director

** In Indian Public Limited Companies

*** In Audit committee and Stakeholders' Relationship Committee in Indian public limited companies (listed and unlisted).

@ Mr. Manoj Tirodkar is interested in Promoter Group Company. All other Directors are Non–Promoter Directors. There are no inter–se relationships between our Board members.

$ Retired as Director w.e.f. July 20, 2020. Re–appointed as Additional Director & Executive Director w.e.f. January 20, 2021

iii) skills/expertise/competencies of the Board of Directors

The Board Comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees.

In view of the objectives and activities of our Business, the Company requires skills/ expertise/ competencies in the areas of Finance, Regulatory, Strategy, Business Leadership, Law, Sales & Marketing and Risks & Governance.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence required for it to function effectively.

The area of core expertise of each directors is given below:

Name of Director	Area of Expertise
Mr. Manoj G. Tirodkar	Finance, Strategy, Business Leadership, Risks & Governance
Mr. N. Balasubramanian	Finance, Strategy, Business Leadership
Mr. Milind K. Naik	Strategy, Business Leadership, Sales & Marketing
Dr. Anand P. Patkar	Finance, Strategy, Business Leadership
Mr. Charudatta K. Naik	Strategy, Business Leadership, Sales & Marketing
Ms. Dina S. Hatekar	Business Leadership, Law, Sales & Marketing
Mrs. Sunali Chaudhry	Law, Risks & Governance, Finance, Strategy, Sales & Marketing
Mr. Vinod B. Agarwala	Finance, Regulatory, Strategy, Law, Risks & Governance

iv) Independent Directors are non–executive directors as defined under Regulation 16(1)(b) of the Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Act . All the Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the Listing

Regulations. Further, in terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board of Directors confirms that in the opinion of the Board of Directors, the independent directors fulfill the conditions specified in the Regulation 16(1)(b) of the Listing Regulations and are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

The details of familiarization programmes imparted to independent directors, are available on website of the Company at following link.

http://www.gtlinfra.com/investors/corporate–governance/

During the year under review, a separate meeting of the Independent Directors was held on March 23, 2021 and all the Independent Directors were present for this meeting.

v) **Number of Board Meetings held and the dates on which held:** The Board of Directors met ten (10) times during the year under review. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. The details of the Board Meetings are as under:

Date of Board Meeting	Board Strength	No. of Directors Present
May 28, 2020	08	08
June 24, 2020	08	08
August 18, 2020	07	07
September 4, 2020	07	07
September 23, 2020	07	07
November 5, 2020	07	07
November 21, 2020	07	07
January 20, 2021	07	06
February 9, 2021	08	08
February 24, 2021	08	08

Due to the exceptional circumstances caused by the Covid–19 pandemic and consequent relaxations granted by Ministry of Corporate Affairs (“MCA”) and Securities and Exchange Board of India (“SEBI”), all Board and Committee meetings in financial year 2020–21 were held through video conferencing.

vi) **Details of equity shares of the Company held by the Directors as on March 31, 2021 are as under:**

Name of Director	Number of Shares
Mr. Manoj G. Tirodkar	5,897,783
Mr. N. Balasubramanian	530,046
Dr. Anand P. Patkar	100,000
Mr. Charudatta K. Naik	1,325,900
Mr. Vinod B. Agarwala	459,000
Mrs. Sunali Chaudhry	67,500
Ms. Dina S. Hatekar	9,425
Mr. Milind K. Naik	19,000

3) BOARD COMMITTEES

A. Audit Committee:

i) **Composition:** The Audit Committee of the Board comprises of two Independent Directors namely Mr. N. Balasubramanian and Mr. Vinod B. Agarwala and one Non–Independent / Non–Executive Director Mr. Charudatta K. Naik. All the Members of the Audit Committee possess financial/accounting expertise/exposure. The composition of the Audit Committee meets the requirements of Section 177 of the Act, Regulation 18 of the Listing Regulations. Mr. N. Balasubramanian is the Chairman of the Committee.

The Company Secretary acts as the secretary to the Audit Committee.

ii) **Terms of Reference**: The terms of reference of the Audit Committee are as under:

- 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.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - ➢ Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub – section 3 of section 134 of the Act.
  - ➢ Changes, if any, in accounting policies and practices and reasons for the same.
  - ➢ Major accounting entries involving estimates based on the exercise of judgment by management.
  - ➢ Significant adjustments made in the financial statements arising out of audit findings.
  - ➢ Compliance with listing and other legal requirements relating to financial statements.
  - ➢ Disclosure of any related party transactions.
  - ➢ Modified Opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter–corporate loans and investments;.
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post–audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non–payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- To review the following information:

- ➢ the management discussion and analysis of financial condition and results of operations;
- ➢ Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- ➢ Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- ➢ Internal audit reports relating to internal control weaknesses; and
- ➢ The appointment, removal and terms of remuneration of Chief Internal Auditor.
- ➢ Statement of deviations:

  a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

  b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).

iii) The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of finance function), representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings.

iv) The previous Annual General Meeting of the Company was held on September 30, 2020 and was attended by Mr. N. Balasubramanian, Chairman of the Audit Committee.

v) Number of Audit Committee Meetings held and the dates on which held:

The Audit Committee met six (6) times during the year under review on May 28, 2020, June 24, 2020, July 8, 2020, August 18, 2020, November 5, 2020 and February 9, 2021. The necessary quorum was present for all the meetings. The details of attendance of each Member at the Audit Committee meetings held during the year are as under:

Name	Category	Number of meetings during the year 2020–2021	
		Held	Attended
Mr. N. Balasubramanian (Chairman)	Independent, Non–Executive	6	6
Mr. Vinod B. Agarwala	Independent, Non–Executive	6	6
Mr. Charudatta K. Naik	Non–Independent, Non–Executive	6	6

B. Nomination & Remuneration Committee:

i) Composition: The Nomination & Remuneration Committee of the Board comprises of two Independent Directors namely Mr. Vinod Agarwala and Mr. N. Balasubramanian, and one Non–Independent / Non–Executive Director, Mr. Charudatta K. Naik. Mr. Vinod Agarwala is the Chairman of the Committee.

The Company Secretary acts as the secretary to the Nomination & Remuneration Committee.

ii) Terms of Reference: The terms of reference of the Nomination & Remuneration Committee are as under:

- 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;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of Board of Directors;
- 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;
- 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; Administer and supervise Employees Stock Option Schemes including allotment of shares arising out of conversion of Employees Stock Option Scheme(s) or under any other employee compensation scheme;
- Formulate 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.

- Perform such other functions consistent with applicable regulatory requirements.

iii) **Number of Nomination & Remuneration Committee Meetings held and the dates on which held:** The Nomination & Remuneration Committee met seven (7) times during the year under review on June 24, 2020, September 3, 2020, November 5, 2020, January 20, 2021, February 24, 2021, February 26, 2021 and March 16, 2021. The necessary quorum was present for all the meetings. The details of attendance of each Member at the Nomination & Remuneration Committee meetings held during the year are as under:

Name	Category	Number of meetings during the year 2020–21	
		Held	Attended
Mr. Vinod B. Agarwala (Chairman)	Independent, Non–Executive	7	7
Mr. N. Balasubramanian	Independent, Non–Executive	7	7
Mr. Charudatta K. Naik	Non–Independent, Non–Executive	7	7

iv) **Performance evaluation criteria for Independent Directors:** The Nomination and Remuneration Committee specified down the evaluation criteria for performance evaluation of Independent Directors, Board and its Committees. Following are the major criteria applied for performance evaluation:

- Attendance and Participation
- Pro–active and positive approach with regard to Board and Senior Management particularly the arrangements for management of risk and steps needed to meet challenges from the competition
- Maintaining confidentiality
- Acting in good faith and in the interest of the company as a whole
- Exercising duties with due diligence and reasonable care
- Openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion
- Capacity to effectively examine financial and other information on operations of the company and the ability to make positive contribution thereon.

v) **Remuneration of Directors :**

(a) Pecuniary Relationship of Non–Executive Directors: The Company has no pecuniary relationship or transaction with its Non–Executive Directors other than payment of sitting fees for attending Board and Committee meetings.

(b) The Policy Dossier approved by the Board of Directors contains compensation policy for Directors, (including criteria for making payments to non– executive directors) which has been uploaded on the website of the Company at following link –

http://www.gtlinfra.com/investors/corporate–governance/

inter–alia, provides for the following:

Executive Directors:

➢ Salary and commission not to exceed limits prescribed under the Act.

➢ Remuneration from time to time depending upon the performance of the Company, individual Director's performance and prevailing Industry norms.

➢ No sitting fees.

➢ No Employee Stock Option Scheme for Promoter Directors.

Non–Executive Directors:

➢ Eligible for commission based on time, efforts and output given by them.

➢ Sitting fees and commission not to exceed limits prescribed under the Act.

➢ Eligible for Employee Stock Option Scheme (other than Promoter and Independent Directors).

(c) Details of Remuneration paid to Directors:

(i) Executive Director:

Details of remuneration of Executive Director for the financial year ended March 31, 2021 is as under:

Name of the Director and period of appointment	Salary (₹ Lakh)	Benefits Perquisites and Allowances (₹ Lakh)	Leave Encashment & Company's Contribution to PF (₹ Lakh)	Performance Linked Incentive (₹ Lakh)	Stock Options Held
Milind Naik $	22.30	78.43	1.36*	–	–

$ Retired as Director w.e.f. July 20, 2020 and re–appointed as Additional and Whole–time Director on January 20, 2021 subject to approval of shareholders.

* Amount mentioned in Leave Encashment & Company's Contribution to PF & Gratuity column is towards Company's contribution to Provident Fund only. Since the provision of leave encashment and gratuity has been made for the Company as whole, separate figure for him is not available.

(ii) Non–Executive Directors:

Name	Sitting Fees* (₹ in Lakh)
Mr. Manoj G. Tirodkar	13.50
Mr. N Balasubramanian #	22.75
Dr. Anand P. Patkar #	15.25
Mr. Charudatta K. Naik	22.00
Mr. Vinod B. Agarwala #	25.75
Mrs. Sunali Chaudhry	14.50
Mrs. Dina S. Hatekar ^	11.50

* Excluding Swachha Bharat Cess Tax

Directors were appointed as Independent Directors from September 16, 2019 to September 15, 2024 and they are not liable to retire.

^ Appointed as Independent Director with effect from August 14, 2019 till August 13, 2024 and she is not liable to retire

Note: Currently, the Company does not have any stock option plans/ schemes.

C. Stakeholders' Relationship Committee:

i) Composition: The Stakeholders' Relationship Committee of the Board comprises two Independent Directors' namely Dr. Anand P. Patkar and Mr. Vinod B. Agarwala and two Non–Independent / Non–Executive Director, Mr. Manoj G. Tirodkar and Mrs. Sunali C54haudhry. Dr. Anand Patkar is the Chairman of the Committee.

The Company Secretary acts as the secretary to the Stakeholders' Relationship Committee.

ii) Terms of Reference: The terms of reference of the Stakeholders' Relationship Committee are as under:

- Look into the redressal of Shareholders' and Investors' complaints/grievances like transfer of shares, non–receipt of Balance Sheet, non–receipt of declared dividends, etc.;
- Review the certificate of the Practicing Company Secretary regarding timely action on transfer, sub–division, consolidation, renewal, exchange or endorsement of calls / allotment monies.
- Oversee the performance of the Registrar and Share Transfer Agent and recommend measures for overall improvement in the quality of investor services.
- Ascertain whether the Registrars & Share Transfer Agents (RTA) are sufficiently equipped with infrastructure facilities such as adequate manpower, computer hardware and software, office space, documents handling facility etc to serve the shareholders / investors;.

- Recommend to the Board, the appointment, reappointment, if required, the replacement or removal of the Registrar and Share Transfer Agent and the fixation of their fees.
- To carry out any other function as required by Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, Companies Act and other Regulations.

iii) **Number of Stakeholders' Relationship Committee Meetings held and the dates on which held:** The Stakeholders' Relationship Committee met four (4) times during the year under review on June 24, 2020, August 18, 2020, November 5, 2020 and February 9, 2021. The necessary quorum was present for all the meetings. The details of attendance of each Member at the Stakeholders' Relationship Committee meetings held during the year are as under:

Name	Category	Number of meetings during the year 2020–21	
		Held	Attended
Dr. Anand P. Patkar (Chairman)	Independent, Non–Executive	4	4
Mr. Vinod B. Agarwala	Independent, Non–Executive	4	4
Mr. Manoj G. Tirodkar	Non–Independent, Non–Executive	4	4
Mrs. Sunali Chaudhry	Non–Independent, Non–Executive	4	4

iv) **Name and designation of compliance officer**: Mr. Nitesh A. Mhatre, Company Secretary is the Compliance Officer under the Listing Regulations.

v) **Details of shareholders' complaints received during year ended March 31, 2021, number not solved to the satisfaction of shareholders and numbers of pending complaints are as follows:**

No. of Complaints received	No. of Complaints resolved	No. of Complaints not solved to the satisfaction of shareholders	No. of Pending Complaints
3	3	0	0

4) GENERAL BODY MEETINGS

A. General Meetings:

i) Annual General Meeting:

Financial Year	Date	Time	Venue
2017–18	September 27, 2018	12.30 p.m.	Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai 400703
2018–19	September 25, 2019	12.30 p.m.	Marathi Sahitya, Sanskriti & Kala Mandal, Sahitya Mandir Hall, Near Navi Mumbai Sports Association, Sector 6, Vashi, Navi Mumbai–400703
2019–20	September 30, 2020	02.00 p.m.	The Company had conducted meeting through Video Conferencing (VC) / Other Audio–Visual Means (OAVM) pursuant to circular issued by MCA dated May 5, 2020 and as such there was no requirement to have a venue of AGM.

ii) Special Resolutions:

a) At the Annual General Meeting of the Company held on September 27, 2018, the following Special Resolution was passed:

- Ratification of payment of remuneration made / to be made to Mr. Milind Naik, Whole–time Director for a period of three years with effect from July 21, 2017
- Ratification of payment of remuneration made / to be made to Mr. Milind Naik, Whole–time Director for a period of three years with effect from July 21, 2014

b) At the Annual General Meeting of the Company held on September 25, 2019, the following Special Resolution was passed:

- Re–appointment of Mr. N. Balasubramanian (DIN:00288918) as an Independent Director of the Company to hold office for a second term of 5 (five) years with effect from September 16, 2019 to September 15, 2024.
- Continuation of Mr. N. Balasubramanian (DIN: 00288918), as an Independent Director of the Company, who shall attain the age of 75 years on September 3, 2021, during his second term as an Independent Director of the Company.
- Re–appointment of Mr. Vinod B. Agarwala (DIN: 01725158) as an Independent Director of the Company to hold office for a second term of 5 (five) years with effect from September 16, 2019 to September 15, 2024.
- Re–appointment of Dr. Anand P. Patkar (DIN: 00634761) as an Independent Director of the Company to hold office for a second term of 5 (five) years with effect from September 16, 2019 to September 15, 2024.
- Keeping the Register of Members and other registers/records of the Company maintained under Section 88 of the Companies Act, 2013 and copies of the Annual returns filed under Section 92 of the Companies Act, 2013 at the office of Registrar and Share Transfer Agent instead of Registered office of the Company.

c) At the Annual General Meeting of the Company held on September 25, 2019, no special resolution was passed.

iii) Tribunal Convened Meeting

Date	Time	Venue
November 1, 2017	11:00 a.m.	Marathi Sahitya, Sanskriti & Kala Mandal, Sahitya Mandir Hall, Near Navi Mumbai Sports Association, Sector 6, Vashi, Navi Mumbai 400 703

Special Resolution – Approval of Scheme of Arrangement between Chennai Network Infrastructure Limited and GTL Infrastructure Limited and their respective Shareholders and Creditors pursuant to Section 230 to 232 and other applicable provisions of the Companies Act, 2013.

iv) Details of Special Resolutions passed last year through postal ballot and details of voting pattern: During the year under review, the Company has not passed any special resolution by postal ballot.

v) Person who conducted the postal ballot exercise: Not Applicable

vi) Whether special resolutions are proposed to be conducted through postal ballot: No special resolution is proposed to be conducted through postal ballot.

vii) Procedure for postal ballot: As and when situation arise, postal ballot shall be conducted as per the provisions of the Act and Rules made there under.

5) MEANS OF COMMUNICATION:

i) Quarterly Results: The Company's quarterly financial statements are generally published in the Free Press Journal (English language) and in Mumbai Navshakti (Local language). The financial statements also displayed on the website of the Company.

ii) Website where displayed: http://www.gtlinfra.com

iii) Official news releases and presentation: Press Releases, if any, made by the Company from time to time are displayed on the Company's website. Presentations made to institutional investors or analysts after declaration of the results, if any, are also displayed on the Company's website.

6) GENERAL SHAREHOLDER INFORMATION:

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the MCA is L74210MH2004PLC144367.

i) **Annual General Meeting:**

Date : September 28, 2021

Time : 2.00 P.M.

Venue : The Company is conducting meeting through Video Conferencing (VC) / Other Audio–Visual Means (OAVM) pursuant to circular issued by MCA dated May 5, 2020 read with Circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 and as such there is no requirement to have a venue of AGM. For details please refer to the Notice of AGM.

ii) **Financial Year** : April 1 to March 31

iii) **Dividend Payment** : No Dividend has been recommended.

iv) **Listing on Stock Exchanges** : **Equity shares listed at**

i) BSE Limited (BSE) – P. J. Tower, Dalal Street, Mumbai 400 023 and

ii) National Stock Exchange of India Limited (NSE) – Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

Foreign Currency Convertible Bonds (FCCB) are listed at

Singapore Exchange Securities Trading Limited – 2, Shenton Way, #02–02 SGX Centre 1, Singapore 068804.

v) **Listing Fees for 2021–22** : BSE/NSE listing fees for the financial year 2021–2022 was paid by the Company within the prescribed time.

vi) Stock Exchange Codes:

BSE – Equity Shares : 532775

NSE– Equity Shares : GTLINFRA

Reuters Code : GTLI.BO & GTLI.NS

Bloomberg ticker : GTLI:IN

Equity ISIN : INE221H01019

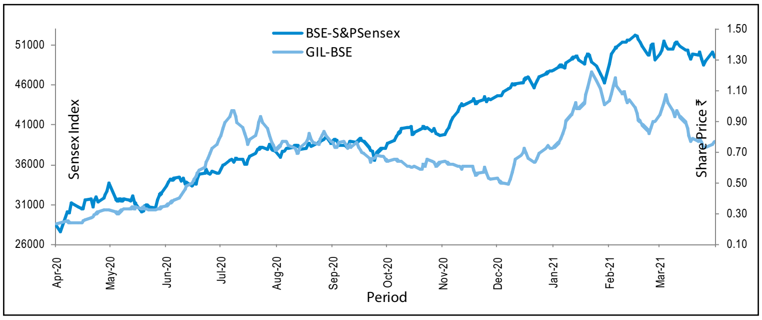
Singapore Exchange Securities Trading Limited : FCCB Series 'B1' – XS1684777912
FCCB Series 'B2' – XS1684779454
FCCB Series 'B3' – XS1698001465

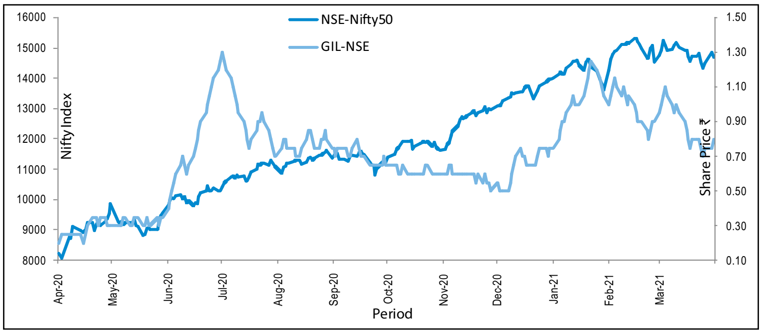
vii) Market price data:

High, low and number of equity shares traded during each month in the year 2020–21 on BSE and NSE:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Nos.)	High (₹)	Low (₹)	Volume (Nos.)
Apr–2020	0.33	0.21	2,03,00,354	0.40	0.20	11,15,25,683
May–2020	0.35	0.29	3,10,95,930	0.35	0.25	6,85,12,467
Jun–2020	0.78	0.35	88,72,937	1.25	0.35	44,40,58,256
Jul–2020	1.01	0.71	9,04,85,951	1.35	0.65	21,69,95,842
Aug–2020	0.84	0.67	7,38,81,859	0.85	0.65	22,50,66,279
Sep–2020	0.78	0.62	6,21,50,344	0.80	0.60	10,59,60,080
Oct–2020	0.68	0.54	3,89,93,092	0.70	0.55	6,67,01,094
Nov–2020	0.66	0.49	10,87,64,509	0.65	0.50	20,34,03,416
Dec–2020	0.75	0.48	31,41,40,927	0.80	0.45	76,39,22,854
Jan–2021	1.28	0.71	16,65,97,789	1.30	0.70	84,72,05,211
Feb–2021	1.22	0.80	21,88,15,616	1.20	0.80	34,36,33,576
Mar–2021	1.08	0.70	14,51,46,185	1.10	0.65	45,92,27,411

viii) Performance of the share price of the Company in comparison to the BSE Sensex and NSE Nifty:





ix) Registrar and Share Transfer Agents:

Name and Address	:	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059
Telephone	:	Telephone No: +91–22–62638200 Extn.221–223 Fax No: +91 22 62638299

x) Share transfer system:

Bigshare Services Private Limited acts as the Registrar and Share Transfer Agent (RTA) for the Company. The Company's equity shares which are in demat form are transferable through the depository system. The shares in physical form are processed and approved by the RTA and reported to the Stakeholders' Relationship Committee / Board of Directors of the Company through the authorized officials of the Company.

Pursuant to Regulation 40(1) of the Listing Regulations, as amended, with effect from April 1, 2019, except in case of transmission or transposition of securities, requests transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository.

xi) Distribution of Shareholding as on March 31, 2021:

a. Distribution of equity shareholding as on March 31, 2021:

No. of Shares	No. of Shareholders	% of Shareholders	Share amount (₹)	% to Total
Upto 500	1,43,981	54.22	24,69,37,830	0.20
501 – 1000	36,057	13.58	31,98,44,550	0.26
1001 – 2000	24,680	9.29	40,21,24,310	0.32
2001 – 3000	11,377	4.28	30,15,71,130	0.24
3001 – 4000	5,542	2.09	20,39,43,650	0.16
4001 – 5000	9,434	3.55	46,02,89,770	0.37
5001 – 10000	14,651	5.52	1,19,79,09,990	0.96
10001 & Above	19,840	7.47	1,21,83,33,10,770	97.49
TOTAL	**2,65,562**	**100.00**	**1,24,96,59,32,000**	**100.00**

b. Distribution of shares by categories of shareholders:

Sr. No.	Category	Nos. of Shares held	%
1	**Promoter & Promoter Group**	**42,01,44,016**	**3.36**
2	Public – Institutions		
	a. – Mutual Funds	214	0.00
	b. – Foreign Portfolio Investors	27,90,47,797	2.23
	c. – Financial Institutions / Banks	7,19,20,18,189	57.55
	d. – Insurance Companies	42,63,53,586	3.41
2	**Public Institutions**	**7,89,74,19,786**	**63.20**
3	Public – Non–Institutions		
	a. – Resident Individuals / HUF	1,58,79,70,345	12.71
	b. – Other – Trusts	10,550	0.00
	c. – Other – Bodies Corporate (Domestic)	2,38,93,21,443	19.12
	d. – Other – Clearing Members	2,30,43,432	0.18
	e. – Other – Non–resident Indians / Foreign National	5,71,32,309	0.46
	f. – Other – Overseas Corporate Bodies	1,97,266	0.00
	g. – Other – Foreign Companies	11,22,23,192	0.90
	h. – Other – Directors & Relatives	90,81,004	0.07
	i. – Other – Unclaimed Suspense Account	49,857	0.00
	Public Non–Institutions	**4,17,90,29,398**	**33.44**
	Total:	**12,49,65,93,200**	**100.00**

c. Top 10 equity shareholders of the Company as on March 31, 2021:

Sr. No.	Beneficiary / Shareholder Name	Category	Shares Held	% Holding
1	IDBI Trusteeship Services Limited #	Domestic Company	2,04,65,05,865	16.38
2	Union Bank of India	Bank	1,54,62,71,529	12.37
3	Punjab National Bank	Bank	95,58,70,115	7.65
4	Central Bank of India	Bank	94,21,54,365	7.54
5	Bank of Baroda	Bank	72,79,74,981	5.83
6	Indian Overseas Bank	Bank	67,00,32,490	5.36
7	ICICI Bank Ltd	Bank	52,78,32,504	4.22
8	Canara Bank	Bank	51,91,15,428	4.15
9	IFCI Ltd	Financial Institution	50,49,90,245	4.04
10	Bank of India	Bank	45,51,76,703	3.64

IDBI Trusteeship Services Limited (“ITSL”) acting as security trustee is holding these shares on behalf of CDR lenders of GTL Limited.

xii) Dematerialization of shares and liquidity:

Trading in equity shares of the Company on the Stock Exchanges is permitted only in dematerialized form as per notification issued by the SEBI. The Shares of the Company are available for trading under the depository systems in India – National Securities Depositories Limited and Central Depository Services Limited. 99.24% of the Company’s shares are held in dematerialized form as on March 31, 2021. The Company’s equity shares are among the actively traded shares on the BSE & NSE.

xiii) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

The details of outstanding convertible instrument as on March 31, 2021 are as follows:

Particulars	No. of Series B1 FCCBs (of US$ 1,000 each)	No. of Series B2 FCCBs (of US$ 1,000 each)	No. of Series B3 FCCBs (of US$ 1,000 each)	Total No. of FCCBs (of US$ 1000 each)	No. of Equity Shares upon conversion
FCCBs allotted	80,745	86,417	30,078	197,240	
Converted till March 31, 2021	29,397	27,249	17,267	73,913	481,458,925
Balance as on March 31, 2021	51,348	59,168	12,811	123,327	

* Series B1 Bonds are compulsorily convertible into equity shares due 2022.

** Series B2 Bonds carry an option to convert these bonds into equity shares at any time up to the close of business on October 27, 2022.

*** Series B3 Bonds are compulsorily convertible into equity shares due 2022

If balance convertible bonds are converted into equity shares of the Company, the total share capital would go up by 803,334,811.

xiv) Equity shares in the Suspense Account:

The Company has no cases as are referred to in Regulation 34 and 53 read with Schedule V of the Listing Regulations.

Members are requested to note that in compliance of Regulation 34 read with Schedule V of the Listing Regulations, the Company has dematerialized all the unclaimed shares into “GTL Infrastructure Limited – Unclaimed Suspense Account” with of the Depository Participant. The voting rights of those members shall remain frozen till the rightful owner claims the shares.

As stipulated under Regulation 34 read with Schedule V of the Listing Regulations, the Company reports the following details of equity shares lying in the suspense account as on March 31, 2021.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares lying in the suspense account as on April 1, 2020	490	49,857
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	0	0
Number of shareholders to whom shares were transferred from suspense account during the year	0	0
Aggregate number of shareholders and the outstanding shares remaining unclaimed as on March 31, 2021	490	49,857

xv) Plant Locations:

The Company is in the business of providing Telecom Towers on a shared basis to multiple wireless telecom service providers. As of March 31, 2021, the Company owns Telecom Towers across all 22 telecom circles in India. List of Branch Offices and addresses are provided elsewhere in this Annual Report.

xvi) Address for correspondence:

Registered Office : GTL Infrastructure Limited,
3rd Floor, “Global Vision”,
Electronic Sadan No. II,
MIDC, TTC Industrial Area,
Mahape, Navi Mumbai – 400710,
Maharashtra, India
Tel: +91–22–68293500
Fax: +91–22–68293545
Website: www.gtlinfra.com
Email for Investor Grievances: gilshares@gtlinfra.com

xvii) The Company has not obtained any credit ratings for any of its debt instruments.

7) DISCLOSURES:

a. There are no material related party transactions during the year under review that have conflict with the interest of the Company.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website at following link :

http://www.gtlinfra.com/investors/corporate–governance/

b. Details of non–compliance by the Company, penalties and 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 viz. 2018–19, 2019–20 and 2020–21 respectively: NIL

c. The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No personnel have been denied access to the Chairman of the Audit Committee. The said policy has been also put up on the website of the Company at following link

http://www.gtlinfra.com/investors/corporate–governance/

d. The Company has complied with Part C of Schedule V of the Listing Regulations.

e. The Company does not have any subsidiary in terms of Section 2(87) of the Act and Regulation 2(1)(zm) of Listing Regulations.

The Company has adopted policy for determining 'material' subsidiary, which is uploaded on web link –

http://www.gtlinfra.com/investors/corporate–governance/

f. The Company has Foreign Currency Loan and Foreign Currency Convertible Bonds (FCCB). These possess a Foreign Currency Risk as this is un–hedged. For a detailed discussion on foreign exchange risk and hedging activities, please refer to note no. 53b of the Financial Statements. The Commodity Price Risk, by and large, is managed contractually through price variation clauses.

g. A certificate has been received from a Practicing Company Secretary that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, MCA or any such statutory authority.

h. Pathak H. D. & Associates LLP, Chartered Accountants (Firm Regd. No. 107783W / W100593) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors fees is given below:

Particulars	Amount
Services as statutory auditor for FY 20–21	₹ 40,00,000/–
Services as statutory auditors for quarterly limited review reports	₹ 9,00,000/–
Total	**₹ 49,00,000/–**

i. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a policy on prevention of sexual harassment in line with the requirements of the sexual harassment of women at the workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaint Committee has been setup to address complaints received regarding sexual harassment.

Details of number of complaints received, disposed of, and pending during year 2020–21 pertaining to the sexual harassment of women at workplace are as under

Number of Complaints filed during the financial year 2020–21	0
Number of Complaints disposed of during the financial year 2020–21	0
Number of Complaints pending as on 31st March, 2021	0

j. Non– Mandatory / Discretionary Requirements

The Company has fulfilled following discretionary requirements as prescribed in Part E of the Schedule II of the Listing Regulations:

i. The Board has Non–Executive Chairman. The expenses incurred by him in the performance of his duties are reimbursed.

ii. Shareholders Rights –

Financial Results for the half year / quarter ended September 30, 2020 were published in the Free Press Journal and Navshakti newspapers and were also displayed on the Company's website www.gtlinfra.com and disseminated to the Stock Exchanges (i.e. BSE & NSE) wherein its equity shares are listed, hence the same are not sent to the shareholders separately.

iii. Modified opinion(s) in Audit Report –

For the F.Y. 2020–21, the Auditor of the Company has issued modified opinions w.r.t. the Company's inability to quantify the amount of property tax on its telecom towers to be ultimately borne by it due to petition pending before the Hon'ble Supreme Court and the matter being still *sub–judice*, non–receipt of property tax demands in respect of majority of telecom towers and Company's contractual rights to recover such property tax from its customers.

iv. Separate post of Chairman and CEO –

The Post of Chairman and Whole–time Director are separate.

v. Reporting of Internal Auditor –

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

k. The Company has complied with all requirements of corporate governance report of sub–paras (2) to (10) of Schedule V of the Listing Regulations.

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

m. Code of Conduct for Directors and Senior Management: In compliance with Regulation 26(3) of the Listing Regulations and the Act, the Company has framed and adopted a Code of Conduct and Ethics ('the Code') for all Board Members and Senior Management of the Company. The members of the Board and Senior Management personnel have affirmed the compliance with the Code of Conduct applicable to them during the year under review. The Annual Report of the Company contains a certificate by the Whole–time Director based on the declarations received from the Independent Directors, Non–Executive Directors and Senior Management. The said Code of Conduct has been uploaded on the website of the Company at following link

http://www.gtlinfra.com/investors/corporate–governance/

DECLARATION OF 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 and Disclosure Requirements) Regulations, 2015, it is hereby declared that all the Board Members and Senior Management Personnel of GTL Infrastructure Limited have affirmed compliance with the Code of Conduct for 'Directors and Senior Management' for the year ended March 31, 2021.

Place: Mumbai
Dated: June 03, 2021

Milind K. Naik
Whole–time Director

INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT/ RE–APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

Mr. Charudatta Naik, Director

Mr. Charudatta Naik aged 55 years is the non– executive, non– independent director of the Company. He has over 31 years of experience in telecom industry spanning across technical support, sales & marketing and business operations. He was also the Chief Operating Officer and Whole–Time Director of GTL Limited where he played a vital role in initiation and establishment of network engineering division of GTL Limited and sale of the Enterprise Solutions division to the global leader Orange Business Services. He has extensive experience in business operations in both domestic and international markets. Mr. Charudatta Naik has earlier worked with companies like Crompton Greaves and Unitel Communications. He is an engineering graduate in electronics & telecom. He is a member of Audit Committee of the Company. Mr. Naik's shareholding in the Company is 1,325,900 equity shares.

Mr. Milind K. Naik, Additional Director

Mr. Milind K. Naik has been appointed as Additional Director since January 20, 2021. He is a Bachelor of Commerce (B.Com) and completed Diploma in Export Management & Business Administration. Born on March 19, 1962, Mr. Naik has over 35 years of enormous experience in the field of Telecom Turnkey Project Implementation, Manufacturing of Steel Structures for Telecom, Transmission, Wind Energy and Infrastructure Industries, R & D and Manufacturing of Energy Management Solutions (EMS) for Telecom Operators, EPC in EMS & Renewable Energy, procurement and logistics, banking and finance. He was Whole–time director and COO of the Company during 2011–2020. He is a member of Corporate Social Responsibility Committee of the Company. Mr. Naik's shareholding in the Company is 19,000 equity shares.

CERTIFICATE

[Pursuant to clause (i) of Point (10) of Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

GTL Infrastructure Limited

Navi Mumbai–400710.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of GTL Infrastructure Limited ('the Company') bearing CIN: L74210MH2004PLC144367 and having its registered office at 3rd Floor, "Global Vision" Electronic Sadan – II, MIDC TTC Industrial Area, Mahape, Navi Mumbai– 400710, Maharashtra, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para–C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2021, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	Director Identification Number (DIN)
1.	Mr. Manoj G. Tirodkar	00298407
2.	Mr N. Balasubramanian	00288918
3.	Mr. Milind K. Naik*	00276884
4.	Dr. Anand P. Patkar	00634761
5.	Mr. Charudatta K. Naik	00225472
6.	Mr. Vinod B. Agarwala	01725158
7.	Mrs. Dina Sanjay Hatekar	08535438
8	Mrs. Sunali Chaudhry	07139326

* appointed as an Additional director w.e.f. January 20, 2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate 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.

Date: 02/09/2021
Place: Thane
UDIN: F007052C000876131

Chetan Anant Joshi
(FCS: 7052, CP: 7744)

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER THE PROVISION OF CHAPTER IV OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,

The Members,

GTL Infrastructure Limited

1. The Corporate Governance Report prepared by **GTL Infrastructure Limited** ("the Company"), contains details 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2021. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the shareholders of the Company.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITORS' RESPONSIBILITY

4. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. 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.

7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedure includes, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.

8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

EMPHASIS OF MATTER

9. We draw your attention to Point No. 3(B)(v)(c)(i) of the report on Corporate Governance regarding remuneration paid to a Additional and Whole Time Director, which is subject to necessary approvals including of Shareholders.

Our Opinion is not modified in respect of this matter.

OPINION

10. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2021, referred to in paragraph 1 above.

OTHER MATTERS AND RESTRICTION ON USE

11. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

12. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

For Pathak H.D. & Associates LLP
Chartered Accountants
Firm Registration No. 107783W / W100593

Gopal Chaturvedi
Partner
Membership No. 090903
UDIN No.: 21090903AAAAFO9728

Place: Mumbai
Dated: September 02, 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

GTL INFRASTRUCTURE LIMITED

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying Financial Statements of **GTL INFRASTRUCTURE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matters described in the 'Basis for Qualified Opinion' para below*, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

Attention is drawn to Note No. 40 to the financial statements which inter alia states that, the Hon'ble Supreme Court of India held that "Mobile Telecommunication Tower" is a building and State can levy property tax on the same. Pending petitions of the Company before the appropriate Courts, non–receipt of demand notices for property tax in respect of majority of the Telecommunication Towers and also due to Company's right to recover such property tax amount from certain customers, the company is unable to quantify the amount of property tax to be borne by it and accordingly the Company has not made any provision for the same. We are unable to quantify the amount of the property tax, if any, to be accounted for and its consequential effects on the financial statements.

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

Material Uncertainty Related to Going Concern

We draw attention to the Note no. 40 & 59 to the financial statements, regarding preparation of financial statements on going concern basis, notwithstanding the fact that the Company continue to incurred the cash losses, net–worth has been fully eroded, defaulted in repayment of principal and interest to its lenders, certain lenders have called back the loans, one of the secured lenders has applied before the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016, Aircel, one of the major customers of the Company has filed Insolvency petition before NCLT and various other events resulting into substantial reduction in the tenancy, provisions for impairment for Property, Plant & Equipment (refer Note No. 3(a)(vi) to the financial statements), dismantling of various telecom sites (refer Note No. 58 to the financial statements); These conditions along with other matters set forth in notes to the financial statements indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Since 79.34% (by value) of the Company's borrowing has been assigned by the lenders to the Edelweiss Asset Reconstruction Company Limited (EARC) and expected to have realignment of debt by the EARC in accordance with the Company's cash flow. The appropriateness of the assumptions of the going concern is critically depended upon the Company's ability to raise finance and generate cash flows in future to meet its obligation and to restructure its borrowing with the lenders.

Our opinion is not modified in respect of this matter.

Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the year ended March 31, 2021. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
1) Impairment of Property, Plant and Equipment (PPE):	
Annually Management reviews whether there are any indicators of impairment of the PPE of the Company by reference to the requirements under Indian Accounting Standards (Ind AS) 36 – "Impairment of Assets". Accordingly, Management has identified impairment indicators (operating losses, significant erosion of net–worth, dismantling of towers etc.) in the Company. As a result, an impairment assessment was required to be performed by the Company by comparing the carrying value of the PPE to their recoverable amount to determine whether impairment was required to be recognised. For the purpose of the above impairment testing, value in use has been determined by forecasting and discounting future cash flows. These conclusions are dependent upon significant management judgments, including in respect of: – Estimated utilization, incremental tenancy (growth rate), frequency of assets replacement expenditure to be incurred, disposal values and discount rates applied to future cash flows. During the year ended March 31, 2021 the management assessed carrying values of PPE and an impairment provision of ₹ 36,888 Lakhs and losses on account of dismantling of PPE of ₹ 16,314 Lakhs (gross) have been recognised and reduce the aggregate carrying value of PPE to ₹ 491,614 Lakhs, to their estimated recoverable value, which is the value in use (Refer Note no. 3(a), 36(a) and 58 to the Financial Statements). We considered this matter as key audit matter due to the significance of the carrying value of the assets being assessed and due to the level of management judgments required in the assumptions impacting the impairment assessment and the sensitivity of the impairment model.	Our audit procedures included, among others: – Updating our understanding of management's annual impairment testing process. – Assessing internal controls designed for identification of impairment indicators. – Ensuring that the methodology of the impairment exercise continues to comply with the requirements of Ind AS as adopted, including evaluating management's assessment of indicators of impairment against indicators of impairment specified within Ind AS 36. – Assessing the assumptions around the key drivers of the cash flow forecasts including incremental tenancy growth, discount rates, estimated one time settlement with disputed operators, etc. – Discussing/Evaluating potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable. – Testing the arithmetical accuracy of the impairment model prepared by the management and obtaining the fair valuation report of value in use from independent SEBI registered Merchant Banker. – Verifying the completeness of disclosure in the financial statements as per Ind AS 36.

Key Audit Matter	How our audit addressed the key audit matter
2) Litigation Matters and Contingent Liabilities	
The Company is subject to number of significant litigations. Major risks identified by the Company in that area related to Service Tax, Property Tax, Legal cases initiated by various rental site owners and by a FCCB holder, Application filed by a lender to the NCLT under IBC for the recovery of loan, arbitration with the vendors / service providers, etc. The amount of litigation may be significant and estimates of the amounts of provisions or contingent liabilities are subject to significant Management judgment. (Refer Note No. 36(b), 38(A), 39, & 40 to the Financial Statements) Due to complexity involved in these litigation matters, management's judgment regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined. Accordingly, it has been considered as a key matter.	Our audit procedure included, among others: – Assessing the procedures implemented by the Company to identify and gather the risks it is exposed to. – Obtaining an understanding of the risk analysis performed by the Company, with relating supporting documentation, and reading written statements from internal and external legal experts, where applicable. – Discussion with the management on the development in these litigations during the year ended March 31, 2021. – Enquiring from the company's legal counsel (internal/ external) and study the responses as received from them. – Verification that the accounting and / or disclosure as the case may be in the financial statements made by the Company is in accordance with the assessment of legal counsel / management. – Obtaining representation letter from the management on the assessment of these matters as per SA 580(revised) – Written representations.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the management discussion & analysis and director's report included in the annual report but does not include the Financial Statements and our auditor's report thereon. The above information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the state of affairs (financial position), loss (financial performance including other comprehensive income), cash flows and the changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the audit of the Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. 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. *Except for the effects of matters described in the Basis for Qualified Opinion paragraph* above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

    d. *Except for the effects of matters described in the Basis for Qualified Opinion paragraph* above, in our opinion, the aforesaid financial statements comply with the Ind AS prescribed under Section 133 of the Act.

    e. The matter described in the *'Basis for Qualified Opinion'* paragraph above and the matter described under Material Uncertainty Related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

    f. On the basis of the written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A".**

    h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

        In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid/ payable by the Company to a whole time director is subject to approval of shareholders in accordance with the provisions of section 197 of the Act.

        i. 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 as amended, 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 financial statements in Note No. 36(b), 38(A) and 39 to the Financial Statements except in respect of property tax as detailed in Note No. 40 to the financial statements where the amount is not quantifiable and which is also a matter of qualified opinion in this report;

        ii. The Company has made provisions, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts including derivative contracts;

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("CARO 2016") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of CARO 2016.

For **Pathak H.D. & Associates LLP**
Chartered Accountants
Firm Registration No. 107783W / W100593

Gopal Chaturvedi
Partner
Membership No. 090903
UDIN No.: 21090903AAAADB9297

Place: Mumbai
Dated: June 03, 2021

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of GTL Infrastructure Limited on the Financial Statements for the year ended March 31, 2021)

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub–section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **GTL INFRASTRUCTURE LIMITED** ('the Company') as of March 31, 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements ('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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards of Auditing 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Pathak H. D. & Associates LLP**
Chartered Accountants
Firm Registration No. 107783W / W100593

Gopal Chaturvedi
Partner
Membership No. 090903
UDIN No.: 21090903AAAADB9297

Place: Mumbai
Dated: June 03, 2021

"ANNEXURE B" TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of GTL INFRASTRUCTURE LIMITED on the financial statements for the year ended March 31, 2021)

i. In respect of its fixed assets:

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.

b. As explained to us, the Company has physically verified certain assets, in accordance with a phased program of verification, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. During the year in the survey / physical verification of plant and equipment the Company observed certain unoccupied towers were dismantled by the disgruntled landlords or miscreants as mentioned in note no. 58 to the financial statements. The same has been properly dealt with in the books of account.

c. According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company except in respect of following immovable properties as detailed below:

(₹ in Lakhs)

Sr. No.	Particulars of the Building	Leasehold/ Freehold	Net Book Value	Remarks
1	Land at Sudhagad, Raigad (Pledged with the Bank)	Freehold	38	The title deed is in the name of Chennai Network Infrastructure Limited (CNIL) which got merged with the Company pursuant to the scheme of arrangement.
2	Building at Wanawadi, Pune (Pledged with the Bank)	Freehold	525	The title deed is in the name of Global Electronic Commerce services Limited, which was merged with GTL Limited (the seller)

Further, as informed to us, in respect of 8 immovable properties having Net Book Value of ₹ 3,471 Lakhs in respect of which the original title deeds have been deposited with the lenders as security, have been verified based on the photocopies of the documents for those immovable properties and based on such documents, the title deeds are held in the name of the company.

ii. As explained to us, inventories have been physically verified during the year by the management and in our opinion the frequency of verification is reasonable. Discrepancies noticed on physical verification of the inventories between the physical inventories and 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. The Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, clause (iii) of paragraph 3 of the CARO 2016 is 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. The Company has not granted any loan or provided any guarantees or security to the parties covered under section 185 and 186.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of section 73 to 76 of the Act and the Rule framed there–under. Therefore, clause (v) of paragraph 3 of the CARO 2016 is not applicable to the Company.

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, clause (vi) of paragraph 3 of the CARO 2016 is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues:

a. The Company has been generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, duty of excise, value added tax, Goods and Services Tax, cess and any other statutory dues as applicable, with the appropriate authorities during the year, however delays have been noticed in case of property tax. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at March 31, 2021 for a period of more than six months from the date they become payable.

b. The disputed statutory dues of income tax, sales tax, entry tax and value added tax and service tax aggregating to ₹ 23,262 Lakhs that have not been deposited on account of disputed matters pending before appropriate authorities as under:

Name of the Statutes	Nature of the Dues	Period to which it relates	₹ in Lakhs (*)	Forum where the dispute is pending
The Central Sales Tax Act, 1956 and Sales Tax Acts of various States	Sales Tax / VAT / Entry Tax	2010–18	12,655	High Court
		2010–11	8	Additional Commissioner
		2006–07	3	Commissioner (A)
		2011–12, 2016–17	206	Asst. Commissioner
		2009–14 & 2015–16	35	Joint Commissioner
		2007–14 To 2015–2017	344	Deputy Commissioner
		2010–11	18	Presiding Member
The Finance Act, 1994	Service Tax/ GST	2006–09 & 2010–17	5,246	Tribunal
		2010–17	3,849	Commissioner
		2017–18	19	Deputy Commissioner (Appeal)
		2018–19	35	Joint Commissioner CT Appeal
The Income Tax Act, 1961	Income Tax	2011–12 & 2017–18	844	CIT(A)
		Total	**23,262**	

(*) Net of amount deposited under protest

Property Tax:

As detailed in Note No. 40 to the Financial Statements the Company has disputed various matters related to Property tax payable on its telecommunication towers in respect of which it is not possible to quantify the amount in dispute.

viii. Based on our audit procedures and information and explanations given by the management, and considering the Corporate Debt Restructuring (CDR) scheme with banks, financial institution; we are of the opinion that as on March 31, 2021 the Company has defaulted in repayments of loans to banks, financial institution, EARC, foreign lenders and FCCB holders aggregating to ₹ 226,483 Lakhs (Refer note no. 20.5 to the financial statements). Lender wise details of such default are as under:

(₹ in Lakhs)

Sr. No.	Bank / Financial Institution /Assets Reconstruction Co.	Amount of default as at the balance sheet date	
		3 to 30 months	Below 3 months
1	Corporation Bank	7,270	2,778
2	Canara Bank	12,419	4,500
3	IDBI Bank	7,048	2,195
4	Indian Bank	2,399	1,318
5	LIC of India	10,021	3,129
6	Asset Reconstruction Trust (ARC)	111,478	41,345
7	FCCB Holders	13,009	206
8	Deutsche Investitions– und Entwicklungsgesellschaft mbH (DEG)	6,659	709
	Total	**170,303**	**56,180**

ix. According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of paragraph 3 of the CARO 2016 is not applicable to the Company.

x. Based on our audit procedures performed for the purpose of reporting the true and fair view of the 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. In our opinion and according to the information and explanations given to us, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act, except remuneration to a whole time directors amounting to ₹ 102 Lakhs, which is subject to approval of shareholders' as required.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, clause (xii) of paragraph 3 of the CARO 2016 is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause (xiv) of paragraph 3 of the CARO 2016 is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non–cash transactions with directors or persons connected with him. Therefore, clause (xv) of paragraph 3 of the CARO 2016 is not applicable to the Company.

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

For **Pathak H. D. & Associates LLP**
Chartered Accountants
Firm Registration No. 107783W / W100593

Gopal Chaturvedi
Partner
Membership No. 090903
UDIN No.: 21090903AAAADB9297

Place: Mumbai
Dated: June 03, 2021

Statement on Impact of Audit Qualifications
for the Financial Year ended March 31, 2021 on Financial Results
GTL Infrastructure Limited (the Company)
[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.

Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (₹ In Lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (₹ In Lakhs)
1.	Turnover / Total income (Including Other Income)	144,884	Refer 'Details of Audit Qualification below'
2.	Total Expenditure (Including Exceptional Items)	271,961	–do–
3.	Net Profit/(Loss)	(127,077)	–do–
4.	Earnings Per Share (in ₹)	(0.99)	–do–
5.	Total Assets	644,666	–do–
6.	Total Liabilities	773,376	–do–
7.	Net Worth	(128,710)	–do–
8.	Any other financial item(s) (as felt appropriate by the management)	Not Applicable	Not Applicable

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

i) "Attention is drawn to Note No. 3 to the Statement, which inter alia states that, the Hon'ble Supreme Court of India held that "Mobile Telecommunication Tower" is a building and State can levy property tax on the same. Pending petitions of the Company before the appropriate Courts, non–receipt of demand notices for property tax in respect of majority of the Telecommunication Towers and also due to Company's right to recover such property tax amount from certain customers, the company is unable to quantify the amount of property tax to be borne by it and accordingly has not made any provision for the same. We are unable to quantify the amount of the property tax, if any, to be accounted for and its consequential effects on the Statement."

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing

Qualification Referred in II (a) (i) – Coming since December 31, 2016

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
Not Applicable

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification: Not Applicable

(ii) If management is unable to estimate the impact, reasons for the same:

The Hon'ble Supreme Court vide its order dated December 16, 2016 upheld that "Mobile Telecommunication Tower" is exigible to Property Tax and the State can levy property tax to Mobile Towers. While deciding the Special Leave Petition (SLP) for Mumbai matters, the Hon'ble Supreme Court had given liberty to agitate the issue with regard to the retrospective operation of assessment/demand of tax and the quantum thereof before the appropriate forum. Post the Judgment of Hon'ble Supreme Court in January 2017; the Company had challenged the quantum of property tax and other issues before the Bombay High Court. By an order dated April 18, 2017, Bombay High Court dismissed the appeal.

Against the said order, the Company preferred a SLP with regards to the manner, quantum, component of property tax and other issues. The same was heard on January 25, 2018 and the Hon'ble Supreme Court was pleased to issue a notice to Municipal Corporation & also directed Municipal Corporations to maintain status quo. The said SLP was finally disposed of by an order dated January 02, 2019 and Hon'ble Supreme Court has set aside the Bombay High Court order dated April 18, 2017 and has directed the Bombay High Court to decide the Writ Petition on merits. The Company has filed an amendment application before the Bombay High Court in view of the Supreme Court order and developments happened during the pendency of the SLP before Supreme Court.

Another IP Company by name ATC Telecom Pvt. Ltd have preferred an appeal before Hon'ble Supreme Court against the Order of the Gujarat High Court on the rates and taxes to be fixed for mobile towers in lieu of the Amendment made in the Gujarat Provincial Municipal Corporation Act, 1949 in the year 2011. Supreme Court after hearing the ATC Company in September, 2018 has granted leave and the matter is pending for final hearing. Further, The Company has also filed a SLP on July 10, 2019, bearing SLP No. 16649 of 2019 before Hon'ble Supreme Court against Nagpur Municipal Corporation challenging the calculation and quantum of the Property Tax. The Hon'ble Supreme Court has given a stay on the High Court Order subject to payment of 50% of the demanded amount and tagged the said matter with ATC SLP.

Also with respect to the few sites where demand notices for property tax have been received, the Company has contested the demands by filing writ petitions in appropriate Courts for the assessment of property tax demand / retrospective levy of property tax, procedure and quantum that have been demanded. Various Hon'ble High Courts passed an order not to take any coercive action till the admission of matter.

The matter being still sub–judice, non–receipt of demand notes for majority of the towers of the Company and the Company's right to recover property tax from certain customers, the Company is unable to quantify actual property tax amount payable excluding the components which are under challenge. The provision will be considered as and when the matter is resolved. In respect of the above, the auditors have issued modified report for the year ended on March 31, 2021.

(iii) Auditors' Comments on (i) & (ii) above:

Refer "Basis for Qualified Opinion" in the Independent Auditors' Report dated June 03, 2021 on the Financial Results of the company for the quarter and year ended March 31, 2021.

For GTL Infrastructure Limited

Milind Naik	**Bhupendra Kiny**	**N. Balasubramanian**
(Whole–Time Director)	(Chief Financial Officer)	(Audit Committee Chairman)
(Din No. 00276884)		(Din No. 00288918)

Refer our Independent Auditors' Report dated June 03, 2021 on the Financial Results of the Company.

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Reg. No. 107783W/ W100593

Gopal Chaturvedi
Partner
Membership No. 090903

Mumbai
Date: June 03, 2021

Balance Sheet as at March 31, 2021

₹ in lakhs

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
(1) Non–Current Assets			
(a) Property , Plant and Equipment	3 (a)	**4,91,614**	5,84,906
(b) Right–of–use assets	3 (b)	**56,674**	58,408
(c) Capital work–in–progress	3 (c)	**2,750**	3,138
(d) Investment Property	3 (d)	**3,169**	3,238
(e) Other Intangible Assets	3 (e)	**1**	18
(f) Financial Assets			
(i) Investments	4	**–**	–
(ii) Other Bank Balances	5	**2**	2
(iii) Loans	6	**7,914**	8,679
(g) Other Non–current Taxes (Net)	7	**915**	120
(h) Other Non–current Assets	8	**1,756**	2,032
		5,64,795	6,60,541
(2) Current Assets			
(a) Inventories	9	**367**	260
(b) Financial Assets			
(i) Investments	10	**6,306**	6,010
(ii) Trade Receivables	11	**10,544**	7,941
(iii) Cash and Cash Equivalents	12	**43,685**	21,861
(iv) Bank Balances other than (iii) above	13	**217**	29,370
(v) Loans	14	**2,247**	1,568
(vi) Others	15	**5,749**	7,513
(c) Current Tax Assets (Net)	16	**465**	992
(d) Other Current Assets	17	**10,291**	6,961
		79,871	82,476
Total Assets		**6,44,666**	7,43,017
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	18	**12,49,659**	12,31,910
(b) Other Equity	19	**(13,78,369)**	(12,51,240)
		(1,28,710)	(19,330)
LIABILITIES			
(1) Non–Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	**–**	–
(ii) Lease Liabilities		**52,188**	51,392
(iii) Other Financial Liabilities	21	**4,422**	6,294
(b) Provisions	22	**5,147**	6,025
(c) Other non–current Liabilities	23	**1,587**	1,957
		63,344	65,668
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	24		
– total outstanding dues of micro enterprises and small enterprises		**107**	35
– total outstanding dues of creditors other than micro enterprises and small enterprises		**1,888**	1,603
(ii) Lease Liabilities		**21,727**	16,736
(iii) Others Financial Liablities	25	**6,71,818**	6,64,303
(b) Other Current Liabilities	26	**7,810**	7,934
(c) Provisions	27	**6,682**	6,068
		7,10,032	6,96,679
Total Equity and Liabilities		**6,44,666**	7,43,017
Significant Accounting Policies	2		
Notes to the Financial Statements	3 to 61		

As per our report of even date
For **PATHAK HD & ASSOCIATES LLP**
Chartered Accountants
Firm Regd. No. 107783W / W100593

GOPAL CHATURVEDI
Partner
Membership No: 090903

Mumbai
Date: June 03, 2021

For and on behalf of the Board of Directors

MILIND NAIK
Whole–Time Director
DIN–00276884

MANOJ TIRODKAR
Chairman
DIN–00298407

BHUPENDRA KINY
Chief Financial Officer

NITESH MHATRE
Company Secretary
Membership No:A18487

Statement of Profit and Loss for the year ended March 31, 2021

₹ in lakhs

Particulars	Notes	For the Year ended March 31, 2021	For the Year ended March 31, 2020
INCOME :			
Revenue from Operations	28	**1,40,968**	1,41,694
Other Income	29	**3,916**	2,029
Total Revenue		**1,44,884**	1,43,723
EXPENSES :			
Infrastructure Operation & Maintenance Cost	30	**87,103**	86,436
Employee Benefits Expense	31	**6,142**	6,141
Finance Costs	32	**66,312**	66,222
Depreciation and Amortization Expenses	3	**54,718**	63,444
Bad Debts and Provision for Trade Receivables and Advances	33	**433**	5,236
Exchange Differences (Net)	34	**(1,554)**	3,306
Other Expenses	35	**21,919**	14,346
Total Expenses		**2,35,073**	2,45,131
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		**(90,189)**	(1,01,408)
Exceptional Items	36	**36,888**	84,946
PROFIT/(LOSS) BEFORE TAX		**(1,27,077)**	(1,86,354)
Tax Expenses		**–**	–
PROFIT/(LOSS) FOR THE YEAR		**(1,27,077)**	(1,86,354)
Other Comprehensive Income			
(A) Items that will not be reclassified to Profit or Loss			
(i) Remeasurement of the defined benefit plans		**52**	26
(B) Items that will be reclassified to Profit or Loss		**–**	–
Total Other Comprehensive Income		**(52)**	(26)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(1,27,129)**	(1,86,380)
Earnings Per Equity Share of ₹ 10 each	42		
Basic and Diluted		**(0.99)**	(1.46)
Significant Accounting Policies	2		
Notes to the Financial Statements	3 to 61		

As per our report of even date
For **PATHAK HD & ASSOCIATES LLP**
Chartered Accountants
Firm Regd. No. 107783W / W100593

GOPAL CHATURVEDI
Partner
Membership No: 090903

Mumbai
Date: June 03, 2021

For and on behalf of the Board of Directors

MILIND NAIK
Whole–Time Director
DIN–00276884

MANOJ TIRODKAR
Chairman
DIN–00298407

BHUPENDRA KINY
Chief Financial Officer

NITESH MHATRE
Company Secretary
Membership No:A18487

GTL INFRASTRUCTURE

Cash Flow Statement for the year ended March 31, 2021

₹ in lakhs

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax as per Statement of Profit and Loss	**(1,27,077)**	(1,86,354)
ADJUSTED FOR		
Depreciation and amortization expenses	**54,718**	63,444
Loss on Dismantling/Sale/Retirement of Fixed Assets (Net)	**15,790**	1,013
Interest Income	**(274)**	(1,019)
Finance Costs	**66,312**	66,222
Extinguishment of liabilities	**(2,347)**	–
Foreign Exchange (Gain)/Loss (Net)	**(1,554)**	3,306
Difference on measurement of financial instruments at fair value through Profit & Loss	**(297)**	(99)
Profit on sale of Investments	**–**	(509)
Exceptional Items	**36,888**	84,946
Balances Written off (Net of Provision written back)	**(5,507)**	240
Provision for Trade Receivables and Energy Recoverables	**5,940**	4,996
Miscellaneous Income on Asset Retirement Obligation (ARO) & Lease	**(176)**	(248)
Miscellaneous Income on reversal of earlier provision for tax	**(309)**	–
Prepaid Rent amortization	**55**	573
Advance revenue on deposits	**(750)**	(831)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	**41,412**	35,680
ADJUSTMENTS FOR		
Trade and Other Receivables	**(4,463)**	4,747
Inventories	**(107)**	51
Trade and Other Payables	**5,018**	513
CASH GENERATED FROM OPERATIONS	**41,860**	40,991
Taxes paid/refund received (Net)	**41**	2,623
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	**41,901**	43,614
CASH FLOW FROM INVESTING ACTIVITES		
Purchase of PPE and Capital Work–in –Progress (CWIP)	**(5,354)**	(5,432)
Proceeds from disposal of PPE & CWIP	**1,156**	2,427
Purchase of Investments	**–**	(1,28,210)
Sale of Current Investments	**–**	1,23,871
Interest Received	**217**	945
NET CASH FLOW USED IN INVESTING ACTIVITIES	**(3,981)**	(6,399)

₹ in lakhs

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long–Term–Borrowings (refer note 20.1)	**(35,600)**	–
Interest and Finance charges Paid	**(129)**	(24)
Payment towards principal portion of lease liability	**(5,916)**	(5,603)
Payment towards interest portion of lease liability	**(3,603)**	(3,776)
Other Bank Balances towards statutory demands under dispute and other commitments etc.	**29,116**	(12,585)
Fixed Deposits with Banks pledged as Margin Money, Debt Service Reserve Account and others	**36**	(8)
NET CASH USED IN FINANCING ACTIVITIES	**(16,096)**	(21,996)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**21,824**	15,219
Effect of exchange differences on cash and cash equivalent held in foreign currency (*previous year Rs 7,199)		
Cash and Cash Equivalents (Opening Balance)*	**21,861**	6,642
Cash and Cash Equivalents (Closing Balance)*	**43,685**	21,861

*Refer Note No.12

(i) The cash flow statement has been prepared under the ''Indirect Method'' as set out in Ind AS – 7 ''Cash Flow Statements''.

(ii) Figures in bracket indicate outflows.

(iii) Changes in liabilities arising from financing activities on account of non current and current borrowings (including current maturities of non current borrowings)

Particulars	March 31, 2021	March 31, 2020
Opening Balance	**4,94,728**	4,91,268
Change from financing cash flows paid	**(35,600)**	–
Changes on account of conversion to equity and extinguishment	**(17,750)**	
Changes on account of changes in foreign exchange rates	**(1,572)**	5,315
Changes on account of measurement of financial liabilities at amortised cost	**(5,234)**	(1,855)
Closing Balance	**4,34,573**	4,94,728

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

As per our report of even date
For **PATHAK HD & ASSOCIATES LLP**
Chartered Accountants
Firm Regd. No. 107783W / W100593

GOPAL CHATURVEDI
Partner
Membership No: 090903

Mumbai
Date: June 03, 2021

For and on behalf of the Board of Directors

MILIND NAIK
Whole–Time Director
DIN–00276884

MANOJ TIRODKAR
Chairman
DIN–00298407

BHUPENDRA KINY
Chief Financial Officer

NITESH MHATRE
Company Secretary
Membership No:A18487

Statement of Changes in Equity for the year ended March 31, 2021

(A) EQUITY SHARE CAPITAL

Particulars	Number	₹ in Lakhs
Equity Shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at April 1, 2019	**12,31,90,97,031**	**12,31,910**
Issued during the Year		
– On conversion of Foreign Currency Convertible Bonds	–	–
Balance as at April 1, 2020	**12,31,90,97,031**	**12,31,910**
Issued during the Year		
– On conversion of Foreign Currency Convertible Bonds		
– On Series B2	17,74,96,169	17,750
Balance as at March 31, 2021	**12,49,65,93,200**	**12,49,659**

(B) OTHER EQUITY

₹ in Lakhs

Particulars	Equity Component of Compound Financial Instruments	Reserves & Surplus				Other Comprehensive Income	Other equity
		Reconstruction Reserve	Capital Reserve	Securities premium	Retained earnings		
Balance as at April 1, 2019	41,792	1,993	1,846	60,667	(11,71,085)	(73)	(10,64,860)
– On conversion of Foreign Currency Convertible Bonds to Equity (Transfer to Share Capital)	–	–	–	–	–	–	–
– Pursuant to the scheme of arrangement	–	–	–	–	–	–	–
– Series B1 & Series B3 Compulsorily Convertible Bonds (Refer Note No. 20.4)	–	–	–	–	–	–	–
Total Comprehensive Income for the year	–	–	–	–	(1,86,354)	(26)	(1,86,380)
Balance as at March 31, 2020	41,792	1,993	1,846	60,667	(13,57,439)	(99)	(12,51,240)
– On conversion of Foreign Currency Convertible Bonds to Equity							
– Series B1 & Series B3 Compulsorily Convertible Bonds (Refer Note No. 20.4)	–	–	–	–	–	–	–
Total Comprehensive Income for the year	–	–	–	–	(1,27,077)	(52)	(1,27,129)
Balance as at March 31, 2021	41,792	1,993	1,846	60,667	(14,84,516)	(151)	(13,78,369)

As per our report of even date
For **PATHAK HD & ASSOCIATES LLP**
Chartered Accountants
Firm Regd. No. 107783W / W100593

GOPAL CHATURVEDI
Partner
Membership No: 090903

Mumbai
Date: June 03, 2021

For and on behalf of the Board of Directors

MILIND NAIK
Whole–Time Director
DIN–00276884

MANOJ TIRODKAR
Chairman
DIN–00298407

BHUPENDRA KINY
Chief Financial Officer

NITESH MHATRE
Company Secretary
Membership No:A18487

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1. CORPORATE INFORMATION

GTL Infrastructure Limited (GIL, the Company, erstwhile standalone company) is domiciled and incorporated in India under the provision of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The registered office of the Company is located at Global Vision, 3rd Floor, Electronic Sadan II, MIDC TTC Industrial Area, Mahape, Navi Mumbai– 400 710, India.

The Company is in the business of passive infrastructure sharing which is based on building, owning, operating and maintaining passive telecom infrastructure sites capable of hosting active network components of various technologies of multiple telecom operators as well providing energy management solutions.

2. BASIS OF PREPARATION AND PRESENTATION

The financial statements of the Company have been prepared on a going concern basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

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
- Defined Benefit Plans– measured at Fair Value

The preparation of the financial statements requires management to make estimates and underlying 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.

The Company's financial statements are presented in Indian Rupees (INR) which is its functional and presentation currency. All values are rounded off to the nearest lakhs (100,000) except when otherwise indicated.

2 (A) Significant Accounting Policies

2.1. Property, Plant & Equipment

(a) Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost, any cost directly attributable to bringing the assets to its working condition for its intended use, net changes on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. On transition to Ind AS, the Company had elected to continue with the previous GAAP carrying values as deemed cost for all items of property, plant and equipment.

(b) The tangible assets at the cellular sites, which are ready to use in the first fifteen days of a month are capitalised on the fifteenth day of that month, whereas, if they are ready to use in the second half of a month, they are capitalised on the last day of that month

(c) Advances paid towards acquisition of property, plant & equipment are disclosed as Capital Advances under Loans and Advances and cost of assets not ready for use before the year–end, are disclosed as capital work in progress.

(d) Depreciation on following assets is provided to the extent of depreciable amount on Straight Line Method over the useful life of the assets as 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.

Asset	Years
Network Operation Assets	9
Air Conditioners	9
Battery Bank	3
Other Electrical and Power Supply Equipment	9
Office Equipment	3
Furniture and fittings	5
Vehicles	5
Diesel Generators	15

The management believes that the useful lives as given above represent the period over which these assets are expected to be used

(e) The towers have been depreciated on straight line method at the rate of 2.72% per annum based on useful life of 35 years in terms of specific approval received from the Ministry of Corporate Affairs, Government of India vide Order no.45/2/2010–CL–III dated May 26, 2010 issued under Section 205(2)(d) of the Companies Act, 1956.The approval continues to be valid vide letter no.51/9/2014–CL–III dated September 19, 2014 received from Ministry of Corporate Affairs, Government of India.

(f) Further, In respect of Fixed Assets whose actual cost does not exceed ₹ 5,000 depreciation is provided at 100% in the year of addition

(g) The leasehold improvements have been depreciated over the lease period.

(h) The revised carrying amount of the assets identified as impaired have been depreciated over residual useful life of the respective assets

(i) 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.

(j) Gains or losses arising from disposal of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed.

2.2. Investment Properties

Property that is held for long–term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. 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.

Depreciation on investment properties are provided using straight line method over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation of investment properties are reviewed at each financial year end and are adjusted prospectively, if appropriate. The effects of any revision are included in the statement of profit and loss when the changes arises.

Though the Company measures investment properties using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of de–recognition.

2.3. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and impairment loss, if any. The cost comprises purchase price, borrowing cost, and any cost directly attributable to bringing the asset to its working condition for the intended use. On transition to Ind AS, the Company had elected to continue with the previous GAAP carrying values as deemed cost.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognised 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 estimated by the management as mentioned below:

Computer Software 3 years

2.4. Impairment of Non–Financial Assets including Investment property

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

2.5. Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis and 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.

2.6. Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks, on hand, cheques in hand, funds in transit and short–term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.7. 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.

I) Financial assets

A. 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.

B. Subsequent measurement

i) 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.

ii) 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.

iii) 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

C. Equity investments

All equity investments other than investment in Subsidiary and Associate 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 makes such election on an instrument–by–instrument basis. The classification is made on initial recognition and is irrevocable.

D. Investment in subsidiaries and associates

The Company accounts for its investments in subsidiaries and associates at cost in financial statements

E. 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 Company's balance sheet) 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.

F. Impairment of financial assets

In accordance with IND AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

a) The 12–months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.to recognising impairment loss allowance based on 12–month ECL.

II. Financial liabilities

A. 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.

B. Subsequent measurement

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

a) 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 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/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liabilities are recognised in the statement of profit and loss. The Company has not designated any financial liability at fair value through profit or loss.

b) 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 or through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition/redemption 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.

This category generally applies to borrowings.

c) 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.

d) 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.

III. 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.

IV. 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.

V. 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.

2.8. Provisions, Contingent Liabilities, Contingent Assets and Commitments

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.

2.9. Fair value measurement

"The Company measures financial instruments at fair value at each balance sheet date.

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:

a) In the principal market for the asset or liability, or

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

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.

2.10. Revenue recognition

The Company's revenue primarily consists of revenue for use of infrastructure facilities on individual / sharing basis and energy revenue for the provision of energy for operations of sites.

Revenue for use of infrastructure (which is termed as "Revenue from Telecom / Network Infrastructure Facilities") is governed by IND AS 116. The same is recognized as and when services are rendered, on a monthly basis as per the contractual terms under agreements entered with customers. The Company has ascertained that the revenue for use of infrastructure facilities is structured to increase in line with expected inflationary increase in cost of the Company and hence, not straight–lined.

Effective April 1, 2018, the Company has applied IND AS 115 "Revenue from Contracts with Customers" which establishes a comprehensive framework to depict timing and amount of revenue to be recognised. The Company has adopted IND AS 115 using cumulative effect method, where any effect arising upon application of this standard is recognised as at the date of initial application i.e. April 1, 2018. Company's revenue for provision of energy for operation of sites is governed by IND AS 115; Company's revenue from use of infrastructure facilities, which is covered in leases is specifically excluded from the Scope of IND AS 115.

Energy revenue is recognized over the period on a monthly basis upon satisfaction of performance obligation as per contracts with the customers. The transaction price is the consideration received from customers based on prices agreed as per the contract with the customers. The determination of standalone selling prices is not required as the transaction prices are stated in the contract based on the identified performance obligation.

The Company provides sharing benefits to its customers based on slab defined in the revenue contracts. Contract also contains clause on Service Level Agreements (SLAs) penalty/rewards, dependent upon the achievement of network uptime level as mentioned in the contract. The Company estimates SLA penalty/rewards at each month end and considers the impact of the same from revenue.

Revenues in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred as unearned revenue).

Revenue from reimbursement of property tax is recognized over the period on a monthly basis upon satisfaction of performance obligation as per contracts with the customers. The transaction price is the consideration received from customers based on prices agreed as per the contract with the customers.

Interest income

Interest Income from financial assets is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

Income from dividends is recognised when the Company's right to receive the dividend has been established.

2.11. Leases

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

i. Company as a lessee

Operating lease:

Effective April 1, 2019, the Company has adopted Ind AS– 116 "Leases" under modified retrospective approach without adjustment of comparatives and has considered a Right of Use (ROU) Assets and corresponding lease liabilities.

The Company recognizes right–of–use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right–of–use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right–of–use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right–of–use asset is depreciated from the commencement date on a straight–line basis over the shorter of the lease term and useful life of the underlying asset. Right–of–use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company may adopt the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in–substance fixed lease payments.

The Company recognises the amount of the remeasurement of lease liability as an adjustment to the right–of–use asset. Where the carrying amount of the right–of–use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re–measurement in statement of profit and loss.

The Company elects not to apply the requirements of Ind AS 116 to Short term leases or the leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as expense on either a straight line basis over lease term or another systematic basis. The Company has opted to recognize the asset retirement obligation liability as part of the cost of an item of property, plant and equipment in accordance with Ind AS 116.

ii. Company as a lessor

Operating lease:

Rental income from operating lease is recognised on a straight line basis over the lease term unless payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected increase in inflationary cost; such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as the lease income. Contingent rents are recognised as revenue in the period in which they are earned.

2.12. 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 Profit and Loss Statement 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 benefits are charged to the other Comprehensive Income.

2.13. Foreign currency transactions

Transactions in foreign currencies are 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 profit or 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 transactions.

2.14. Borrowing Costs

Borrowing Costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. 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.

2.15. Taxes

Tax expense represents the sum of current tax (including income tax for earlier years) and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

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. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

2.16. 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.

2.17. Current and Non–Current Classification

"The Company presents assets and liabilities in statement of financial position 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 is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) Cash 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:

a) Expected to be settled in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Due to be settled within twelve months after the reporting period, or
d) 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."

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non–current assets and liabilities. The Company has identified twelve months as its operating cycle.

2(B) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. 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.

a) Operating Lease

1. As Lessor

The Company has assessed that its master service agreement ("MSA") with operators contains lease of its tower sites and plant and equipment and has determined, based on evaluation of the terms and conditions of the arrangements such as various lessees sharing the same tower sites with specific area, the fair value of the asset and all the significant risks and rewards of ownership of these properties retained by the Company, that such contracts are in the nature of operating lease and has accounted for as such.

The Company has ascertained that the annual escalations in the lease payment received under the MSA are structured to compensate the expected inflationary increase in cost and therefore has not been straight–lined

2. As Lessee

The Company has assessed that agreements entered with the landlords contain lease of the underlying space based on evaluation of terms and conditions of the contracts with landlords and are accounted for as such under Ind AS 116

b) Revenue Recognition

The Company's revenue primarily consists of revenue for use of infrastructure facilities (Rentals) and energy revenue for the provision of energy for operations of sites. Rentals are not covered within the scope of Ind AS 115, hence identification of distinct performance obligation within Ind AS 115 do not involve significant judgement.

Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company provides sharing benefits to its customers based on slab defined in the revenue contracts. Contract also contains clause on Service Level Agreements (SLAs) benefits/penalties dependent upon achievement of network uptime level as mentioned in the contract.

These benefits/SLA penalties are called variable consideration. There is no additional impact of variable consideration as per Ind AS 115 since maximum benefit is already being given to customer and the same is deducted from revenue. There is no additional impact of SLA as the Company already estimates SLA penalty amount and the same is provided for at each month end. This SLA is presented as net off with revenue in the Statement of profit and loss.

c) Depreciation and useful lives of property plant and equipment

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

d) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of trade receivables and determining whether a provision against those receivables is required. Factors considered in assessing the recoverability of trade receivables include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non–payment.

e) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take in the future years, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

f) Impairment of non–financial assets including investment property:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre–tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

g) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

h) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post–employment benefits 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.

i) Fair value measurement of financial instruments

When the fair value 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 Discounted Cash Flow (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.

j) Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and the level of future taxable income together with future tax planning strategies. The Company does not expect availability of future taxable income sufficient to utilise its deferred tax assets. Further details on taxes are disclosed in note 44.

k) Asset retirement obligations

The Company has recognised a provision for asset retirement obligations associated with telecommunication towers. Such Provision is recognised in respect of the costs for dismantling of infrastructure equipment and restoration of sites under operating leases, which are expected to be incurred at the end of the lease term, based on the estimate provided by the internal technical experts. In determining the fair value of such provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs.

The Company estimates that the costs would be incurred at the end of the lease term and calculates the provision using the DCF method based on the discount rate that approximates interest rate of risk free borrowings and current estimate of asset retirement obligation duly adjusted for expected inflationary increase in related costs.

3. (a) Property, Plant and Equipment (PPE)

₹ in Lakhs

Particular	Tangible Assets						Total
	Land	Buildings	Plant and Equipments	Office Equipments	Furniture & Fixtures	Vehicles	
COST							
As at April 1, 2019	**644**	**37,882**	**10,23,013**	**49**	**39**	**70**	**10,61,696**
Additions	–	4	5,286	10	–	49	5,349
Less: Disposals/ Adjustments	–	954	25,505	–	–	–	26,459
As at March 31, 2020	**644**	**36,932**	**10,02,793**	**59**	**39**	**119**	**10,40,586**
Additions	–	277	7,072	38	399	–	7,786
Disposals/ Adjustments	–	2,432	57,980	–	–	–	60,412
As at March 31, 2021	**644**	**34,777**	**9,51,885**	**97**	**438**	**119**	**9,87,960**
DEPRECIATION AND AMORTISATION	–	22,226	2,20,806	18	22	47	2,43,119
IMPAIRMENT	–	2,917	1,39,487	–	–	–	1,42,405
Up to April 1, 2019							
Depreciation for the Year	–	3,587	46,805	18	9	22	50,441
Less: Disposals/ Adjustments	–	660	20,572	–	–	–	21,232
Add: Impairment (Refer Note No. 3 (a) (vi))	–	524	40,423	–	–	–	40,946
DEPRECIATION AND AMORTISATION Up to March 31, 2020	–	25,153	2,47,039	36	31	69	2,72,328
IMPAIRMENT Up to March 31, 2020	**–**	**3,441**	**1,79,910**	**–**	**–**	**–**	**1,83,351**
Depreciation for the Year	–	2,355	40,658	16	21	11	43,060
Disposals/ Adjustments	–	2,213	37,069	–	–	–	39,282
Impairment (Refer Note No. 3 (a) (vi))	–	369	36,519	–	–	–	36,888
DEPRECIATION AND AMORTISATION Up to March 31, 2021	**–**	**25,294**	**2,50,629**	**52**	**52**	**80**	**2,76,106**
IMPAIRMENT Up to March 31, 2021	–	3,810	2,16,429	–	–	–	2,20,239
CARRYING VALUE							
As at March 31, 2020	**644**	**8,339**	**5,75,844**	**23**	**7**	**51**	**5,84,906**
As at March 31, 2021	**644**	**5,674**	**4,84,827**	**45**	**386**	**40**	**4,91,614**

3 (a) (i) Land includes ₹ 38 Lakhs (Previous year ₹ 38 Lakhs) of erstwhile CNIL acquired pursunat to the scheme of arrangement, which are in the process of being transferred in the name of the Company.

3 (a) (ii) Buildings include properties having carrying value of ₹ 525 Lakhs (Previous year ₹ 537 Lakhs) for which deeds of conveyance have yet to be executed in favour of the Company and ₹ 0.07 Lakhs (March 31, 2017 ₹ 0.07 Lakhs) towards cost of 70 shares of ₹ 100 each in a Co–operative Housing Society

3 (a) (iii) Buildings includes Land related properties and Boundary Wall at Sites having carring value of ₹ 7,916 Lakhs (Previous year ₹ 12,315 Lakhs).

3 (a) (iv) Additions to Plant & Equipments includes Net Foreign Exchange Difference of ₹ NIL (Previous year ₹ 336 Lakhs) Capitalised during the year.

3 (a) (v) Property, Plant and Equipment (PPE) includes assets mortgaged as security (Refer Note No. 20.2)

3 (a) (vi) The Company, in accordance with the Indian Accounting Standard (Ind AS 36) 'Impairment of Assets', performed an impairment test based on current expectations of the impact of recent developments in telecom Sector on projected cash flows in tower business. The Carrying value of these assets exceeds its value in use and accordingly an impairment loss of Building ₹ 369 Lakhs and Plant & Equipments ₹ 36,519 lakhs has been recognized for the year ended March 31, 2021 and the same has been disclosed as exceptional item (previous year Building ₹ 524 Lakhs and Plant & Equipments ₹ 40,422 lakhs).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

3. (b) Right–of–use Assets

₹ in Lakhs

Particulars	Right–of–use Assets
COST	
As at April 1,2019	64,412
Additions	8,608
Less: Disposals/ Adjustments	1,929
As at March 31, 2020	**71,092**
Additions	10,929
Less: Disposals/ Adjustments	6,684
As at March 31, 2021	**75,337**
DEPRECIATION / AMORTISATION / IMPAIRMENT	
Up to April 1,2019	–
Depreciation Charged For The Year	12,891
Disposals/ Adjustments	207
Upto March 31, 2020	**12,684**
Depreciation Charged For The Year	11,572
Less: Disposals/ Adjustments	5,595
Upto March 31, 2021	**18,662**
CARRYING VALUE	
As at March 31, 2020	**58,408**
As at March 31, 2021	**56,674**

3. (c) Capital work–in–progress

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Work–in–progress	2,750	3,138

3 (c) (i) Capital Work–in–Progress includes:

Inventory of Capital goods amounting to ₹ 2,401 Lakhs (Previous Year ₹ 2,826 Lakhs)

3. (d) Investment Property

₹ in Lakhs

Particulars	Building
COST	
As at April 1,2019	4,105
Add: Transferred from Property, Plant & Equipments	–
Less: Disposals/ Adjustments	–
As at March 31, 2020	**4,105**
Additions	–
Less: Disposals/ Adjustments	–
As at March 31, 2021	**4,105**
DEPRECIATION / AMORTISATION / IMPAIRMENT	
Up to April 1,2019	800
Transferred from Property, Plant & Equipments	–
Depreciation Charged For The Year	68
Disposals/ Adjustments	–
Upto March 31, 2020	**868**
Depreciation Charged For The Year	68
Less: Disposals/ Adjustments	–
Upto March 31, 2021	**936**
CARRYING VALUE	
As at March 31, 2020	**3,238**
As at March 31, 2021	**3,169**

3 (d) (i) Information regarding Income and Expenditure of Investment Property :

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Rental Income derived from investment property	235	118
Re–imbursement of Expenses	–	–
Less : Direct Operating Expenses (Including repairs & maintenance) generating rental income	(25)	(25)
Income arising from investment property before depreciation	210	92
Less : Depreciation for the year	(68)	(68)
Income from Investment Property (Net)	**142**	**24**

3 (d) (ii) The Company's Investment Property as at March 31,2021 consists of Building as mentioned above

3 (d) (iii) During the Financial year 2018–19, the Company has transferred Certain office premises from buildings to Investment Property as the same have been rented out. The Fair Value of the Property as at March 31,2021 are ₹ 3,540 Lakhs (Previous year – ₹ 3,540 Lakhs).

These valuations are based on ready reckoner rate as on date

The fair value measurement is categorised in Level 3 fair value hierarchy.

3 (d) (iv) Specific Charge – Banks, Financial Institutions and Asset Reconstruction Trust of the erstwhile standalone Company continue to have specfic charge.

3. (e) Intangible Assets*

₹ in Lakhs

Particulars	Software Licenses	Customers Contract	Total
COST			
As at April 1, 2019	**248**	**73,622**	**73,870**
Additions	1	–	1
Less: Disposals/ Adjustments	–	–	–
As at March 31, 2020	**249**	**73,622**	**73,871**
Additions	–	–	–
Less: Disposals/ Adjustments	–	–	–
As at March 31, 2021	**249**	**73,622**	**73,871**
AMORTISATION	186	14,427	14,613
IMPAIRMENT	–	59,195	59,195
Up to April 1, 2019			–
Amortisation Charged For The Year	45	–	45
Less: Disposals/ Adjustments	–	–	–
Add: Impairment	–	–	–
AMORTISATION Up to March 31, 2020	**231**	**14,427**	**14,657**
IMPAIRMENT Up to March 31, 2020	**–**	**59,195**	**59,195**
Amortisation Charged For The Year	17	–	17
Less: Disposals/ Adjustments	–	–	–
Add: Impairment	–	–	–
AMORTISATION Up to March 31, 2021	**248**	**14,427**	**14,674**
IMPAIRMENT Up to March 31, 2021	**–**	**59,195**	**59,195**
CARRYING VALUE			
As at March 31, 2020	**18**	**–**	**18**
As at March 31, 2021	**1**	**–**	**1**

* Other than Internally generated

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

4. NON–CURRENT FINANCIAL ASSETS – INVESTMENTS (Long–term, Trade)

₹ in Lakhs

Particulars	Number As at March 31, 2021	Number As at March 31, 2020	Face Value (₹)	As at March 31, 2021	As at March 31, 2020
Carried at Fair Value through Profit & Loss					
Unquoted, Fully Paid–up					
Others					
(i) 0.01% Non–Participating Optionally Convertible Cumulative Preference Shares (OCPS) in GTL Limited.	**65,00,00,000**	65,00,00,000	10.00	**–**	–
(ii) Equity Shares –					
Global Rural NETCO Ltd.	**3,32,50,000**	3,32,50,000	10.00	**–**	–
TOTAL				**–**	**–**

4.1 Aggregate Amount of Unquoted Investments

4.2 Total Financial Assets Carried at Fair Value Through Profit & Loss

4.3 Refer Note No. 2.7 for basis of valuation

5. Other Bank Balances

₹ in Lakhs

Particulars	As At March 31, 2021	As At March 31, 2020
Fixed Deposits with Banks held as Security for Sales Tax	**2**	2
Total	**2**	2

6. Loans

₹ in Lakhs

Particulars	As At March 31, 2021		As At March 31, 2020	
Securilty Deposit –				
Others				
– Considered good	**7,778**		8,512	
– Which have significant increase in credit risk	**181**		223	
– Credit impaired	**–**		–	
	7,959		8,735	
Less : Provision for expected credit loss	**45**		56	
		7,914		8,679
Total		**7,914**		8,679

7. Other Non–current Taxes

₹ In Lakhs

Particulars	As At March 31, 2021	As At March 31, 2020
Advance income–tax (net of provision for taxation)	**915**	120
Total	**915**	120

8. Other Non–Current Assets

(Unsecured, Considered good unless otherwise stated)

₹ in Lakhs

Particulars	As At March 31, 2021		As At March 31, 2020	
Capital advances –				
Others				
– Considered good	**341**		564	
– Considered Doubtful	**97**		243	
	438		807	
Less: Provision for doubtful advances	**97**		243	
		341		564
Prepaid Expenses		**418**		559
Other Advance*		**997**		909
Total		**1,756**		2,032

* Includes amount paid under protest & refund receivable from Sales Tax Authorities.

9. Inventories

₹ in Lakhs

Particulars	As At March 31, 2021	As At March 31, 2020
Stores, Spares and Consumables	**367**	**260**
Total	**367**	260

Refer Note No. 2.5 for basis of valuation

10. Current Financial Assets – Investments (Other than Trade)

₹ in Lakhs

Particulars	Number		Face Value (₹)	As at March 31, 2021	As at March 31, 2020
	As at March 31, 2021	As at March 31, 2020			
Investment (Carried at Fair Value through Profit & Loss)					
Unquoted					
In Unit of Mutual Funds					
HDFC ULTRA SHORT TERM FUND – REGULAR GROWTH	**3,53,92,030**	3,53,92,030	1,000	**4,193**	3,966
ICICI PRUDENTIAL LIQUID FUND – GROWTH	**5,27,066**	5,27,066	100	**1,597**	1,542
ICICI PRUDENTIAL OVERNIGHT FUND GROWTH	**4,66,442**	4,66,442	100	**516**	502
Total				**6,306**	6,010

Note:

10.1	Aggregate Amount of Unquoted Investments	**6,306**	6,010
10.2	Total Financial Assets Carried at Fair Value Through Profit & Loss	**6,306**	6,010
10.3	Refer Note No. 2.7 for basis of valuation		

11. Trade Receivables

(Unsecured and subject to confirmation)

₹ in Lakhs

Particulars	**As At March 31, 2021**		As At March 31, 2020	
Trade Receivables				
– Considered good	**10,544**		7,941	
– Which have significant increase in credit risk	**–**		–	
– Credit impaired	**26,029**		25,948	
	36,573		33,889	
Less : Provision for expected credit loss – Credit impaired	**26,029**		25,948	
		10,544		7,941
Total		**10,544**		7,941

12. Cash and Cash Equivalents

₹ in Lakhs

Particulars	**As At March 31, 2021**		As At March 31, 2020	
Cash and cash equivalents				
Balances with Banks:				
– in current accounts*	**43,521**		21,860	
– cheques/Demand Draft in hand	**163**		–	
Cash on hand	**1**		1	
		43,685		21,861
Total		**43,685**		21,861

* The above balance includes ₹ 7,205 Lakhs (Previous year ₹ 4,810 Lakhs) towards CMS/EB/Statutory accounts in process of utilisation and further refer Note No. 36 (b).

₹ in Lakhs

12.1	Cash and Cash Equivalents (As per Cash Flow Statement)	**43,685**	21,861

13. Other Bank Balances

₹ in Lakhs

Particulars	**As At March 31, 2021**		As At March 31, 2020	
Margin Money*	**217**		254	
Fixed Deposits with Banks (0 Value stands for ₹ 3,225)	**0**		0	
		217		254
Demand Drafts in hand		**–**		29,116
(Towards contingent & Other liabilities)				
Total		**217**		29,370

* Includes ₹ 3 Lakhs (Previous year ₹ 0.13 Lakh) having maturity period of more than 12 months.

14. Loans

₹ in Lakhs

Particulars	As At March 31, 2021		As At March 31, 2020	
Deposits				
– Considered good	**2,014**		1,216	
– Which have significant increase in credit risk	**659**		434	
– Credit impaired	**–**		–	
	2,673		1,650	
Less : Provision for expected credit loss	**426**		82	
		2,247		1,568
Total		**2,247**		1,568

15. Others Current Financial Assets

₹ in Lakhs

Particulars	As At March 31, 2021		As At March 31, 2020	
Unbilled Income		**5,619**		7,346
Other Receivables (Unsecured, Considered good unless otherwise stated)*				
– Considered good	**–**		–	
– Considered Doubtful	**2,458**		2,458	
	2,458		2,458	
Less: Provision for doubtful advances	**2,458**		2,458	
		–		–
Interest Receivable		**130**		167
Total		**5,749**		7,513

* It include receivables on settlement with one of the customers.

16. Current Tax Assets (Net)

₹ in Lakhs

Particulars	As At March 31, 2021	As At March 31, 2020
Advance income–tax (net of provision for taxation)	**465**	992
Total	**465**	992

17. Other Current Assets

(Unsecured, Considered good unless otherwise stated) ₹ in Lakhs

Particulars	As At March 31, 2021		As At March 31, 2020	
Balance with Government Authorities		**3,681**		3,271
Prepaid expenses		**641**		532
Other Deposits		**1,961**		1,738
Other Advances*				
– Considered good	**4,008**		1,420	
– Considered Doubtful	**100**		3,274	
	4,108		4,694	
Less: Provision for doubtful advances	**100**		3,274	
		4,008		1,420
Total		**10,291**		6,961

* Mainly relating to advances to suppliers, employees, etc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

18. Equity Share Capital

₹ in Lakhs

Particulars	As At March 31, 2021	As At March 31, 2020
Authorised		
16,000,000,000; (16,000,000,000); Equity Shares of ₹ 10 each	**16,00,000**	16,00,000
200,000,000; (200,000,000); Preference Shares of ₹ 100 each	**2,00,000**	2,00,000
	18,00,000	18,00,000
Issued, subscribed and fully paid–up		
12,496,593,200; (12,319,097,031); Equity Shares of ₹ 10 each fully paid–up	**12,49,659**	12,31,910
Total	**12,49,659**	12,31,910

18.1 Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As At March 31, 2021		As At March 31, 2020	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Equity Shares at the beginning of the Year	**12,31,90,97,031**	**12,31,910**	12,31,90,97,031	12,31,910
Issued during the Year				
– On conversion of Foreign Currency Convertible Bonds (Refer Note – 20.4)	**17,74,96,169**	**17,750**	–	–
Equity Shares at the end of the Year	**12,49,65,93,200**	**12,49,659**	12,31,90,97,031	12,31,910

18.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

18.3 Shares reserved for issue under options :

The Foreign Currency Convertible Bonds (FCCB) holders have the option to convert FCCB into 803,334,811 Equity Shares (Previous year 980,830,982). (Refer Note No. 20.4)

18.4 Details of shareholders holding more than 5% shares in the Company

Name of share holders	As At March 31, 2021		As At March 31, 2020	
	Number of Shares held	% holding in Share Capital	Number of Shares held	% holding in Share Capital
IDBI Trusteeship Services Limited	**2,04,65,05,865**	**16.38%**	2,04,65,05,865	16.61%
Union Bank of India	**1,54,62,71,529**	**12.37%**	1,24,87,87,313	10.14%
Punjab National Bank	**95,58,70,115**	**7.65%**	43,75,64,781	3.55%
Central Bank Of India	**94,21,54,365**	**7.54%**	94,21,54,365	7.65%
Bank Of Baroda	**72,79,74,981**	**5.83%**	72,79,74,981	5.91%
Indian Overseas Bank	**67,00,32,490**	**5.36%**	67,00,32,490	5.44%

18.5 Out of total paid up capital, 94,843,348 equity shares allotted pursuant to compulsory conversion of Series A Bonds on maturity are not yet listed, since information regarding the Series A Bondholders are not available with the Company. In the absence of requisite information, the Company has allotted the said equity shares to a Trust, created for the benefit of Series A Bondholders.

19. Other Equity

₹ in Lakhs

Particulars	As At March 31, 2021		As At March 31, 2020	
Equity Component of Compound Financial Instruments				
Opening Balance	**41,792**		41,792	
Add: Series B1 & Series B3 Foreign Currency Convertible Bonds	**–**		–	
	41,792		41,792	
Less: Transferred to Share Capital on conversion of FCCB into Equity Shares	**–**		–	
		41,792		41,792
Reconstruction Reserve		**1,993**		1,993
Balance as per last Balance Sheet				
Capital Reserve		**1,846**		1,846
Balance as per last Balance Sheet				
Securities premium account		**60,667**		60,667
Balance as per last Balance Sheet				
Retained Earnings in the Statement of Profit & Loss				
Opening Balance	**(13,57,439)**		(11,71,085)	
Add: Loss for the Year	**(1,27,077)**		(1,86,354)	
		(14,84,516)		(13,57,439)
Other Comprehensive Income in the Statement of Profit & Loss				
Opening Balance	**(99)**		(73)	
Add: Loss for the Year	**(52)**		(26)	
		(151)		(99)
Total		**(13,78,369)**		(12,51,240)

Nature and purpose of Reserves

19.1 Equity Component of Compound Financial Instruments

Equity Component represents FCCB Series B1 & B3 Bonds compulsorily convertible into equity shares. (Refer Note No. 20.4)

19.2 Share Suspense Account

Share Suspense represents number of equity shares to be issued pursuant to the Scheme of Arrangement between CNIL and the Company and their respective shareholders and creditors (the "Scheme") and got converted into Equity Shares as per the Scheme.

19.3 Reconstruction Reserve

Created pursuant to scheme of arrangement approved by Hon'ble High Court in earlier years. It shall be utilised as per provisions of Companies Act 2013.

19.4 Capital Reserve

Created On Forfeiture of Preferential Convertible Warrants. It shall be utilised as per provisions of Companies Act 2013.

19.5 Securities premium

Created on conversion of Employee Stock Options Scheme , Preferential Warrants and Foreign currency convertible Bonds. It shall be utilised as per provisions of Companies Act 2013.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

20. Borrowings

₹ in Lakhs

Particulars	As At March 31, 2021		As At March 31, 2020	
Secured Loans				
Rupee Term Loans from				
– Banks	**55,804**		64,377	
– Financial Institution	**13,767**		16,399	
– Asset Reconstruction Trust	**1,99,715**		2,40,041	
		2,69,286		3,20,817
Unsecured Loans				
– Foreign Currency Convertible Bonds (Refer Note – 20.4)		**44,532**		66,586
Less:				
Transferred to Other Current Financial Liabilities (Reclassified pursuant to Ind (AS) –1) (Refer Note No. 20.1 & 25)		**(3,13,818)**		(3,87,403)
Total		**–**		–

20.1 a) As of March 31, 2021, 79.34% of Indian Rupee Debt of ₹ 322,625 Lakhs have been assigned in favour of Edelweiss Asset Reconstruction Company ("EARC") acting in its capacity as Trustee of EARC Trust–SC 338 vide assignment agreement executed in favour of EARC. The Company is contesting and pursuing legal proceedings to enforce Reserve Bank of India's Master Circular on "Prudential Norms on Income Recognition, Assets Classification and Provisioning Pertaining to Advances" dated July 1, 2015 ("IRAC") clause 6.4 (d) (ii) against remaining lenders before the Hon'ble Supreme Court. Pursuant to the same, the Company has not obtained balance confirmations from these lenders.

(b) One of the remaining secured lenders, referred in note no. 20.1 (a) above, allegedly claiming ₹ 64,638 Lakhs has filed proceedings before the National Company Law Tribunal (the "NCLT") under Insolvency and Bankruptcy Code 2016 which has not been admitted so far.

(c) The Hon'ble Supreme Court vide its order dated March 6, 2020 issued a notice and directed the lenders to maintain status quo in the abovementioned matters against which an application for early hearing and vacation of Status quo order has been filed by one of the lenders.

Further, in accordance with the revised guidelines, the Company has also presented multiple Resolution Plans starting from April 2018 for consideration of lenders' consortium updating such plans from time to time after taking into account various developments in telecom sector. In the opinion of the managment, EARC consortium have an obligation to restructure the debt in time bound manner after completing TEV study as per RBI guidelines. However, EARC / lenders failed to restructure the debt of the Company till date. Instead EARC has, without the consent of the Company, debited a total amount of ₹ 35,600 Lakhs from the TRA account during financial year 2020–21. The Company has raised objections to such a withdrawals. Additionally, the Company has received notices of recall of loans from EARC and IDBI Bank claiming alleged default in terms of Master Restructuring Agreement dated December 31, 2011. The Company is currently seeking legal advice and will take such necessary actions as it may be advised. Post receipt of recall notices, the Company is in discussion with lenders about proposed realignment of its debt. As per the arrangements with the Lenders, the Company is required to comply with certain covenants and non–compliance with these covenants may give rights to the lenders to demand Repayment of the loans. Considering alleged claims of lenders and to comply with the requirement of Ind AS –1 "Presentation of Financial Statement", the Company has classified Non–Current borrowings as Current Financial liability as an abundant precaution, which was classified for the first time in the Balance Sheet as at March 31, 2019.

20.2 (A) Rupee Term Loans from Banks, Financial Institutions and Asset Reconstruction Trust are secured as follows:

(i) Specific Charge – Banks, Financial Institutions and Asset Reconstruction Trust of the erstwhile standalone Company ₹ 172,248 Lakhs (Previous year ₹ 172,248 Lakhs) and erstwhile CNIL ₹ 234,377 Lakhs (Previous year ₹ 234,377 Lakhs) continue to have specfic charge on the assets or properties of respective companies as existed on the effective date of merger i.e December 22, 2017.

(ii) Personal guarantee of Mr. Manoj Tirodkar (Promoter) and sponsor support from Global Holding Corporation Private Limited (GHC) towards any shortfall in debt servicing to Banks and Life Insurance Corporation of India (LIC).

(B) Foreign Currency Term Loan from Financial Institutions is secured as follows:

Specific Charge – Secured Foreign Currency Lender of erstwhile standalone Company of ₹ 6,458 Lakhs (Previous year ₹ 6,240 Lakhs) will continue to have specific charge on the assets or properties of erstwhile standalone Company as existed on the effective date of merger i.e December 22, 2017.

(C) All Secured Lenders have parri passu charge on all the present and future current assets including Cash flow and assets or properties acquired and erected after the effective date of merger i.e December 22, 2017

20.3 Terms of Repayment

(i) Rupee Term Loans from Banks, Financial Institutions and Asset Reconstruction Trust (including Current Maturities of Long–term borrowings) having an effective yield of 10.75% over the tenure of the facility amounting to ₹ 365,522 Lakhs are repayable in 33 structured quarterly instalments ending on June 30, 2026 as per the SDR termsheet.The Maturity Profile of these loans is as set below:

2021–22	2022–23
₹ 137,740 Lakhs	₹ 50,126 Lakhs

2023–24	2024–25	2025–26	2026–27
₹ 53,508 Lakhs	₹ 53,508 Lakhs	₹ 54,431 Lakhs	₹ 16,209 Lakhs

(ii) Part of Rupee Term Loan from Asset Reconstruction Trust (assigned by ICICI Bank Limited) (including current maturities of Long–term borrowings) having an effective yield of 8 % over the tenure of the facility amounting to ₹ 30,604 Lakhs is repayable in 33 structured quarterly instalments ending on June 30, 2026 as per the SDR terms. The Maturity Profile of these loans is as set below:

2021–22	2022–23
₹ 12,133 Lakhs	₹ 4,030 Lakhs

2023–24	2024–25	2025–26	2026–27
₹ 4,198 Lakhs	₹ 4,366 Lakhs	₹ 4,366 Lakhs	₹1,511 Lakhs

(iii) Rupee Term Loan from Asset Reconstruction Trust having an Interest rate of 8% p.a aggregating to ₹ 10,493 Lakhs are repayable only after the Final Settlement date of all the other restructured Loans i.e., June 30, 2026 as per SDR terms,.

(iv) The Foreign Currency Term Loan (included Current Maturities of Long term borrowings) is repayable in 24 equated quarterly instalments of Euro 4 Lakhs starting from June 15, 2013 and ending on March 15, 2021. The loan carries Interest rate of 3 months Euribor+200 bps.

20.4 Foreign Currency Convertible Bonds (FCCBs) :

(i) During the financial year 2017–18, the Company had issued 80,745 Zero Coupon Foreign Currency Compulsorily Convertible Bonds due on 2022 of US$ 1000 each ("Series B1 Bonds), 86,417 Interest Bearing Convertible Bonds due on 2022 of US$ 1000 each ("Series B2 Bonds") and 30,078 Zero Coupon Compulsorily Convertible due 2022 of US$ 1000 each ("Series B3 Bonds") in exchange of the then Existing outstanding Interest Bearing Convertible Bonds due 2017 ("Series B Bonds") of US$ 167,193,000 along with redemption premium and outstanding interest on Series B Bonds, pursuant to Offering Memorandum dated October 26, 2017. Since these bonds were issued against the cashless exchange offer, the Company did not receive any proceeds from the offering of the Series B1 Bonds, Series B2 Bonds and Series B3 Bonds.

(ii) Terms and Conditions of the Series B1 Bonds:

a. The Series B1 Bonds are compulsorily convertible into fully paid equity shares of ₹ 10 each on October 27, 2022 at a fixed rate of exchange of ₹ 65.1386 to US$.1.00 subject to certain adjustments as described in Terms and Conditions of Series B1 Bonds;

b. The Series B1 Bonds are also convertible at the option of the holders of the Series B1 Bonds, (i) at any time from the date of issue of the Series B1 Bonds up to March 20, 2018, into equity shares at a conversion price equal to ₹ 20 per share, provided however, that on occurrence of a proposed Change of Control on and from the date issue of the Series B1 Bonds till March 20, 2018, the conversion price will be reset to ₹ 10 per Share; or (ii) at any time after March 20, 2018, into Shares at a conversion price being the higher of (a) ₹ 10 per Share, or (b) Regulatory Floor Price in each case at a fixed rate of exchange on conversion of ₹ 65.1386 to US$ 1.00 subject to certain adjustments as described in Terms and Conditions of Series B1 Bonds.

c. The Series B1 Bonds do not bear any interest.

(iii) Terms and Conditions of the Series B2 Bonds:

a. The Series B2 Bonds bear interest at a fixed rate of 6.7310% p.a. payable semi–annually in arrears on April 26 and October 26, beginning on the 12 months anniversary of the issuance of the Series B2 Bonds i.e. on October 26, 2018.

b. The Series B2 Bonds are redeemable at 100% of its principal amount on October 27, 2022 unless previously redeemed, converted or purchased and cancelled.

c. The Series B2 Bonds are convertible at the option of the holders of the Series B2 Bonds at any time from the date of the issue of the Series B2 Bonds up to the close of business on October 27, 2022 into Equity Shares at a conversion price equal to ₹10 per Share with a fixed rate of exchange on conversion of ₹ 65.1386 to US$ 1.00 subject to certain adjustments as described in Terms and Conditions of Series B2 Bonds.

d. Following the occurrence of a Change of Control, the holder of each Series B2 Bond will have the right at such holder's option to require the Company to redeem in whole but not in part such holder's Series B2 Bonds at 100% of their principal amount ("Change of Control Put Price"), together with accrued and unpaid interest and default interest (if any) up to and including the date of payment of the Change of Control Put Price.

(iv) Terms and Conditions of the Series B3 Bonds:

a. The Series B3 Bonds are compulsorily convertible into fully paid equity shares of ₹ 10 each on October 27, 2022 at a fixed rate of exchange of ₹ 65.1386 to US$.1.00 subject to certain adjustments as described in Terms and Conditions of Series B3 Bonds;

b. The Series B3 Bonds are convertible at the option of the holders of the Series B3 Bonds at any time from the date of issue of the Series B3 Bonds up to the close of business on October 27, 2022 into Equity Shares at a conversion price equal to ₹ 10 per Share with a fixed rate of exchange on conversion of ₹ 65.1386 to US$ 1.00, subject to certain adjustments as described in Terms and Conditions of Series B3 Bonds.

c. The Series B3 Bonds do not bear any interest.

(v) As on March 31, 2021, 51,348 Series B1 Bonds, 59,168 Series B2 Bonds and 12,811 Series B3 Bonds were outstanding.

20.5 The details of overdue Principal and interest payable as at March 31, 2021 is as follows:

₹ in Lakhs

Particulars	Total Overdue	Aging			
		1 months	3 Months	1 Year	1–3 Years
Principal Payable on Rupee Term Loan from Banks & Financial Institution*	21,274	2,287	2,287	6,445	10,255
Principal Payable on Rupee Term Loan from Asset Reconstruction Trust*	44,205	8,342	8,342	23,811	3,710
Principal Payable on Foreign Currency Term Loan from Financial Institution*	6,460	323	–	969	5,168
Interest Payable on Rupee Term Loan from Banks & Financial Institution**	31,803	6,862	2,485	7,620	14,835
Interest Payable on Rupee Term Loan from Asset Reconstruction Trust**	108,617	15,477	9,182	28,391	55,567
Interest Payable on Foreign Currency Term Loan from Financial Institution**	908	386		77	445
Interest Payable on Foreign Currency Convertible Bonds**	13,215	206	–	3,965	9,044
TOTAL	**226,483**	**33,884**	**22,296**	**71,278**	**99,025**

* Included in Current Maturities of Long–Term Borrowings (Refer Note – 25)

** Shown as Interest accrued and due on Borrowings (Refer Note – 25)

During the financial year, the Company has received notices of recall of loans from Edelweiss Asset Reconstruction Company Limited ("EARC") and IDBI Bank claiming alleged default of ₹ 382,261 lakhs and ₹ 20,102 lakhs respectively, however since the Company is in ongoing litigations with EARC and other remaining lenders before various judicial forums, the Company continues to mention terms of repayment (Refer note No 20.3) and amount of default (Refer note no. 20.5) as on March 31, 2021 in terms of and in accordance with the payment schedule, terms and conditions of Strategic Debt Restructuring Scheme as approved by then lenders. (Refer note No. 20.1)

21. Other non–current Financial Liabilities

₹ in Lakhs

Particulars	As At March 31, 2021	As At March 31, 2020
Deposits from customers	**4,422**	6,294
Total	**4,422**	6,294

22. Provisions

₹ in Lakhs

Particulars	As At March 31, 2021	As At March 31, 2020
Provision for compensated absences	**46**	49
Asset Retirement Obligation	**5,101**	5,976
Total	**5,147**	6,025

23. Other non–current Liabilities

₹ in Lakhs

Particulars	As At March 31, 2021	As At March 31, 2020
Advance Revenue	**1,587**	1,957
Total	**1,587**	1,957

24. Trade Payables

₹ in Lakhs

Particulars	As At March 31, 2021	As At March 31, 2020
Suppliers for goods and services		
– Micro, Small & Medium Enterprises	**107**	35
– Others	**1,888**	1,603
Total	**1,995**	1,638

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

24.1 Details of dues to micro, small & medium enterprises as defined under the MSMED Act, 2006

₹ in Lakhs

Particulars			As at March 31, 2021	As at March 31, 2020
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:			
	(a)	Principal amount Outstanding	**107**	35
	(b)	Interest thereon*	**1**	2
(ii)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period:			
	(a)	Interest paid in terms of Section 16	**NIL**	NIL
	(b)	Delayed principal payments	**NIL**	NIL
(iii)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006		**NIL**	NIL
(iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year		**1**	2
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		**NIL**	NIL

The Company has compiled this information based on intimations received from suppliers of their status as Micro or Small enterprises and / or its registration with the appropriate authority under Micro, Small and Medium Enterprises Development Act, 2006.

* Interest waived by the parties is not considered for the purpose of above disclosure.

25. Other Current Financial Liabilities

₹ in Lakhs

Particulars	As At March 31, 2021		As At March 31, 2020	
Borrowings Reclassified from Non–current Borrowings pursuant to Ind (AS) –1 (Refer Note No. 20 & 20.1)				
Secured Loans				
Rupee Term Loans from				
– Banks	**55,804**		64,377	
– Financial Institution	**13,767**		16,399	
– Asset Reconstruction Trust	**1,99,715**		2,40,041	
		2,69,286		3,20,817
Unsecured Loans				
– Foreign Currency Convertible Bonds (Refer Note – 20.4)		**44,532**		66,586
Current maturities of long–term borrowings (Refer Note – 20.1 & 20.5)				
– Rupee Term Loans from Banks and Financial Institutions	**31,568**		21,274	
– Foreign Currency Term Loans from Financial Institutions	**6,479**		6,246	

₹ in Lakhs

Particulars		As At March 31, 2021		As At March 31, 2020
– Rupee Term Loans from Asset Reconstruction Trust	1,18,309		79,805	
	1,56,356		1,07,325	
Less : Amount debited by IDBI Trusteeship (Adjustment in Principal Repayment)	35,600		–	
		1,20,756		1,07,325
Interest accrued but not due on borrowings		11		9
Interest accrued and due on borrowings (Refer Note – 20.1 & 20.5)		1,55,080		93,827
Deposits from customers		7,802		5,416
Creditors for Capital goods (Refer Note No. 25.1)				
– Micro,Small & Medium Enterprises	7		11	
– Others	66		89	
		73		100
Other Payable*		74,278		70,223
Total		**6,71,818**		6,64,303

* Mainly includes Provision towards Rent, Electricity, Salary, Other expenses and GTL arbitration Claim payable.

25.1 Details of dues to micro, small & medium enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2021	As at March 31, 2020
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
(a) Principal amount Outstanding	7	11
(b) Interest thereon* (0 Value stands for ₹ 6,952 (Previous year ₹ 35,203)	0	0
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period:		
(a) Interest paid in terms of Section 16	NIL	NIL
(b) Delayed principal payments	NIL	NIL
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year (0 Value stands for ₹ 6,952 (Previous year ₹ 35,203))	0	0
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

The Company has compiled this information based on intimations received from suppliers of their status as Micro or Small enterprises and / or its registration with the appropriate authority under Micro, Small and Medium Enterprises Development Act, 2006.

* Interest waived by the parties is not considered for the purpose of above disclosure.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

26. Other Current Liabilities

₹ in Lakhs

Particulars	As At March 31, 2021	As At March 31, 2020
Advance Revenue	**610**	738
Advance received from customer	**17**	24
Property Tax Payable	**4,621**	4,009
Statutory dues	**2,562**	3,163
Total	**7,810**	7,934

27. Provisions

₹ in Lakhs

Particulars	As At March 31, 2021	As At March 31, 2020
Provision for compensated absences	**3**	4
Asset Retirement Obligation	**6,679**	6,064
Total	**6,682**	6,068

28. Revenue from Operations

₹ in Lakhs

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Revenue from Telecom/Network Infrastructure Facilities	**83,852**	84,488
Energy and Other Re–imbursements	**57,116**	57,206
Total	**1,40,968**	1,41,694

(Refer Note no. 46)

29. Other Income

₹ in Lakhs

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest Income	**274**	1,019
Difference on measurement of financial instruments at fair value through Profit & Loss	**297**	99
Profit on Sale of Investments	**–**	509
Extinguishment of Liabilities*	**2,347**	–
Miscellaneous Income	**998**	402
Total	**3,916**	2,029

* Extinguishment of Liabilities towards FCCB Conversion

30. Infrastructure Operation & Maintenance Cost (Net)

₹ in Lakhs

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Short–term Lease – Site Rentals	**10,463**	9,762
Power, Fuel and Maintenance Charges	**68,129**	68,435
Repairs and Maintenance to Plant and Equipments	**1,229**	509
Stores & Spares consumption	**30**	9
Other Operating Expenditure	**7,252**	7,721
Total	**87,103**	86,436

31. Employee Benefits Expense

₹ in Lakhs

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries and Allowances	**5,851**	5,801
Contribution to Providend Fund, Gratuity fund and Other Funds	**276**	300
Employee Welfare and other amenities	**15**	40
Total	**6,142**	6,141

31.1 Mr. Milind Naik, Whole–Time Director of the Company retired during the year and was reappointed on January 20, 2021. Approval of shareholders is awaited towards his managerial remuneration.

31.2 Employee Benefits:

As per Accounting Standard 15 "Employee Benefits" the disclosure of Employee Benefit, as defined in Accounting Standard are given below:

Defined Contribution Plan

₹ in Lakhs

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Employer's Contribution to Provident fund	**139**	159
Employer's Contribution to Pension fund	**83**	80
Total	**222**	239

Defined Benefit Plan

The employee's Gratuity Fund Scheme, which is a defined benefit plan, is managed by the 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 recognises 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 recognised in same manner as gratuity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

a. Reconciliation of opening and closing balances of the present value of the defined benefit obligation

₹ in Lakhs

Particulars	Gratuity Funded	
	As at March 31, 2021	As at March 31, 2020
Defined Benefit Obligation at beginning of the Year	**447**	490
Current Service Cost	**43**	48
Current Interest Cost	**31**	37
Past Service Cost	**–**	–
Liability Transfer In		22
Liability Transfer Out		(1)
Acturial (Gains)/Losses on Obligation – Due to change in Demographic Assumptions	**–**	–
Acturial (Gains)/Losses on Obligation – Due to change in Financial Assumptions	**12**	19
Acturial (Gains)/Losses on Obligation – Due to Experience	**31**	6
Benefits paid	**(95)**	(174)
Defined Benefit Obligation at the end of the Year	**469**	447

b. Reconciliation of opening & closing balances of fair value of plan assets

₹ in Lakhs

Particulars	Gratuity Funded	
	As at March 31, 2021	As at March 31, 2020
Fair Value of Plan Asset at beginning of the Year	**574**	621
Interest Income	**39**	47
Expected Return on Plan Assets	**(9)**	(1)
Actuarial Gain/ (Loss)		
Contributions	**58**	60
Fund Transfer In	**–**	22
Fund Transfer out	**–**	(1)
Benefits paid	**(95)**	(174)
Fair Value of Plan Asset at the end of the Year	**567**	574

c. Reconciliation of present value of obligations & fair value of plan assets

₹ in Lakhs

Particulars	Gratuity Funded	
	As at March 31, 2021	As at March 31, 2020
Fair Value of Plan Asset at the end of the Year	**567**	574
Present Value of Defined Benefit Obligation at end of the Year	**469**	447
Liability/ (Asset) recognised in the Balance Sheet	**(98)**	(127)

d. Expense Recognised During the year

₹ in Lakhs

Particulars	Gratuity Funded	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Service Cost	**43**	48
Net Interest Cost	**(9)**	(10)
Past Service Cost	**–**	–
Net Cost Recognised in Statement of Profit and Loss Account	**34**	38
In Other Comprehensive Income (OCI)	**–**	–
Actuarial (Gain)/ Loss	**43**	25
Return on plan assets	**9**	1
Net (Income)/Expenses for the year recognised in OCI	**52**	26

e. Assumptions used to determine the defined benefit obligation

Particulars	Gratuity Funded	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Mortality Table	**Indian Assured Lives mortality (2006–08) Ultimate**	Indian Assured Lives mortality (2006–08) Ultimate
Discount Rate(p.a.)	**6.44%**	6.82%
Estimated rate of return on Plan Assets(p.a.)	**6.44%**	6.82%
Expected rate of increase in salary(p.a.)	**5.00%**	5.00%

The estimates of rate of increase in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply anad demand in the employment market. The above information is certified by the actuary.

The Expected Rate of Return of Plan Assets is determined considering several applicable factors. Mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets Management.

f. The major categories of plan assets of the fair value of the total plan assets are as follows:

₹ in Lakhs

Particulars	Gratuity Funded	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Insurance Fund	**567**	574

g. Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount trade, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Sensitivity Analysis

₹ in Lakhs

Particulars	**Gratuity Fund**			
	For the year ended March 31, 2021	For the year ended March 31, 2021	**For the year ended March 31, 2020**	For the year ended March 31, 2020
Sensitivity level	**1% Increase**	**1% Decrease**	1% Increase	1% Increase
Assumptions				
Impact of Rate of discounting	**(31)**	**35**	(29)	32
Impact of Rate of salary increase	**28**	**(28)**	27	(26)
Impact of Rate of Employee Turnover	**4**	**(4)**	4	(5)

h. **Expected Contribution towards defined benefit plan in future years**

Maturity Analysis of Projected benefit Obligation :From the Fund

₹ in Lakhs

Particulars	Gratuity Fund	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Within 1 year	**29**	49
1–2 year	**28**	30
2–3 year	**46**	28
3–4 year	**50**	37
4–5 year	**28**	45
5–10 years	**254**	218
11 years & above	**354**	370

Maturity Analysis of Projected Defined Benefit Obligation is done considering future salary, attrition & death in respective year for members as mentioned above.

32. Finance Costs

₹ in Lakhs

Particulars	**For the Year ended March 31, 2021**	For the Year ended March 31, 2020
Interest	**60,155**	57,573
Finance Cost on Lease Liability	**6,157**	6,403
Exchange difference to the extent considered as an adjustment to borrowing costs	**–**	2,246
Total	**66,312**	66,222

33. Bad Debts and Provision for Trade Receivables and Advances

₹ in Lakhs

Particulars	**For the Year ended March 31, 2021**	For the Year ended March 31, 2020
Balances Written Off (Net)	**4,694**	912
Less: Provision for Doubtful Debts/Advances Written Back	**(10,201)**	(672)
	(5,507)	
Provision for Trade Receivables/Energy Recoverables & Deposits	**5,940**	4,996
Total	**433**	5,236

34. Exchange Differences (Net)

₹ in Lakhs

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Exchange differences (net)	**(1,554)**	3,306
Total	**(1,554)**	3,306

35. Other Expenses

₹ in Lakhs

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Short–term Lease	**625**	573
Property Tax Including Rates and Taxes – Others	**924**	6,632
Electricity	**251**	85
Repairs and Maintenance		
– Office Equipments	**33**	40
– Others	**–**	9
Insurance Premium	**803**	552
Communication Cost	**61**	78
Travel and Conveyance	**189**	495
Legal and Professional Charges	**2,012**	3,773
Payment to Auditors	**49**	41
Office Expenses	**341**	357
Printing and Stationery	**20**	42
Directors' Sitting Fees	**125**	103
Advertisement and Business Promotion	**3**	12
Loss on Dismantling/Sale/Retirement of Fixed Assets (Net) (Refer Note No. 58)	**15,790**	1,013
Miscellaneous Expenses	**693**	541
Total	**21,919**	14,346

35.1 Auditor's Remuneration includes

₹ in Lakhs

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Audit Fees	**40**	35
Certification Fees	**9**	6
Total	**49**	41

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

36. Exceptional Items

(₹ in Lakhs)

Particulars		**For the year ended March 31, 2021**	For the year ended March 31, 2020
(i)	Impairment Loss (Refer note 36(a))	**36,888**	40,946
(ii)	GTL Arbitration Claim (Refer note 36(b))	**–**	44,000
Total		**36,888**	84,946

a) Considering the current situation of telecom scenario mentioned in note no. 59 and dismantling of sites as mentioned in note no. 58 below, the Company carried out an impairment test of its property, plant and equipment in accordance with the Indian Accounting Standards (Ind AS) 36 – 'Impairment of Assets' and found that the Carrying cost of these assets exceeds its value in use; therefore, an impairment loss of ₹ 36,888 Lakhs has been recognized for the year ended March 31, 2021 and the same has been disclosed as exceptional items (previous year ₹ 40,946 Lakhs).

b) Pursuant to the Energy Management & Field Level Management Services Agreement and Suspension Agreement, GTL Limited ("GTL"), invoked arbitration against the Company claiming ₹ 69,000 Lakhs along with damages under its recovery. Arbitral Tribunal of 3 (Three) retired Supreme Court Judges has been formed and on examination of the underlying facts, the Hon'ble Tribunal passed its interim award dated December 17, 2019 directing the Company to pay an amount of ₹ 44,000 Lakhs. The Company preferred an appeal before the Hon'ble Delhi High Court, while confirming the interim award passed by the Arbitral Tribunal, the appeal was dismissed by the High Court. In view of the Arbitration award and dismissal of appeal by Delhi High Court, the Company had provided ₹ 44,000 Lakhs as claims against arbitration and disclosed the same as exceptional items in the financial statements in FY 19–20. After the dismissal of the appeal, the Company entered into a Settlement Agreement with GTL, whereby it was agreed between the parties to settle all the pending disputes and to inboard OME division into the Company, for lump sum settlement of ₹ 40,000 Lakhs. Lenders consent of respective Parties were pre–condition to the final settlement. Basis settlement, the Company had earmarked ₹ 31,229 Lakhs. The Company approached the lenders with a request to allow it to make payment as per the agreement but the Lenders of the Company refused to grant consent to the proposed settlement in lenders meeting held on April 23, 2020 and directed the Company to remit the earmarked funds of ₹ 31,229 Lakhs to the Company's TRA. In view of the above, the settlement agreement stands cancelled and earmarked amount was deposited in the TRA Account. Accordingly, the interim award dated December 17, 2019 remains unsatisfied.

In the month of June, 2020 EARC challenged the Interim Award dated December 17, 2019 by way of an appeal before the Hon'ble Delhi High Court ("EARC Appeal"), contending that Company and GTL Limited have acted in collusion to obtain the Arbitral Award to defeat EARC's rights under the MRA & TRA and that the Arbitral Award ought to be set aside. On November 18, 2020 the said EARC Appeal was disposed of by the Hon'ble Delhi High Court thereby allowing the appeal of the EARC and held that the Interim Award is an order under Section 17 and thereby modifying the Interim Award dated December 17, 2019 to the extent that all payments directed thereunder, would be deposited, not with the Company or in an Escrow Account to be maintained by the Company, but in the TRA, created and maintained in accordance with the TRA Agreement. The said deposit amount shall remain subject to further orders to be passed by the learned Arbitral Tribunal. The Hon'ble Delhi High Court did not found any ground to hold that Company and GTL Limited acted in collusion or that they perpetrated fraud either on the learned Tribunal or on the Hon'ble Delhi High Court. After the said Judgment and Order dated November 18, 2020, EARC had filed a Clarification application in regards with the said Judgment and Order dated November 18, 2020. The said Clarification Application was dismissed by the Hon'ble Delhi High Court on February 3, 2021 thereby stating that the Application is misconceived. In the month of April, 2021 EARC has attempted another petition in the form of review Petition before the Delhi High Court and subsequent to year end on April 13, 2021 the matter was posted for 1st hearing. The Hon'ble court has issued notices and has directed the Company and GTL to file its reply. The balance claim of GTL is still under consideration by the Arbitral Tribunal.

37. Disclosure on Leases

Company as a lessor

The Company has entered into operating lease arrangement with its customers for Infrastructure provisioning. The following table sets out the Maturity analysis of lease receivable for the lock in period of the customers after the reporting date:

Maturity Analysis of Lease Receivables on undiscounted basis

₹ in Lakhs

Periods	As of March 31, 2021	As of March 31, 2020
0–1 year	**61,107**	62,460
1–2 Year	**57,517**	59,106
2–3 Year	**54,901**	54,961
3–4 Year	**52,550**	51,813
4–5 Year	**47,733**	49,556
Above 5 Year	**103,411**	128,482
Total	**377,219**	406,378

Company as a lessee

Disclosure as per Ind AS 116

₹ in Lakhs

Particulars	As of March 31, 2021	As of March 31, 2020
Depreciation charge for right–of–use assets	**11,572**	12,891
Interest expense on lease liabilities	**6,157**	6,403
Expense relating to short–term leases:		
–Infra Operation & maintenance cost	**10,463**	9,762
–Other Expenses	**625**	573
Total cash outflow for leases	**9,520**	9,379
Additions to right–of–use assets	**10,929**	8,608
Carrying amount of right–of–use assets	**56,674**	58,408
Carrying amount of lease liabilities	**73,915**	68,128

The Company has entered into operating lease arrangement with its landlords for land occupancies for sites, offices & warehouse premises. The following table sets out the Maturity analysis of lease payables for the lock in period after the reporting date:

Maturity analysis of lease Payables on undiscounted basis

₹ in Lakhs

Particulars	As of March 31, 2021	As of March 31, 2020
Within one year	**14,213**	15,229
After one year but not later than five years	**44,956**	43,348
Later than five years	**27,016**	28,692
Total	**86,185**	87,269

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

38. (A) Contingent Liabilities and Commitments

i) Contingent liabilities not provided for:

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Bank guarantees (provided under contractual and legal obligations)	**29**	29
Claims against the Company not acknowledged as debts	**125,085**	120,295
Disputed liability in respect of indirect taxes matters under appeal	**22,418**	22,542
Disputed liability in respect of direct taxes matters under appeal	**844**	1
Employee related expected claims	**382**	850

ii) Certain Legal issues are outstanding against the Company mainly in relation to the alleged non–compliance of policies of municipal corporations, cases pending for permanent injunctions, objections by the local residents, disputes with site owners, in respect of which the amounts cannot be quantified at this stage and therefore the Contingent Liability in respect of this could not be determined.

The Company does not expect any material financial effect of the above matters under litigation.

(B) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Capital Commitments	**717**	672

Cash outflow is expected on execution of such contracts on progressive basis.

39. During earlier years, as legally advised, the Company's CENVAT credit aggregating to ₹ 7,993 Lakhs was utilized for discharging service tax liability of CNIL, an erstwhile Associate, which subsequently got merged with the Company. CNIL also paid the same amount to the Service Tax Authority under Voluntary Compliance Encouragement Scheme (VCES) in November, 2013. Subsequently, the Company filed a writ petition in High Court of judicature at Mumbai for seeking restoration of this cenvat credit and based on the Mumbai High court direction, CESTAT passed the order in March 2015 for allowing the Company to restore the said amount as Cenvat credit. The Service tax authorities have filed an appeal with the High court challenging the CESTAT order passed in March 2015. The Company has been advised that there will not be any outflows in this regard.

40. The Hon'ble Supreme Court vide its order dated December 16, 2016 upheld that "Mobile Telecommunication Tower" is exigible to Property Tax and the State can levy property tax to Mobile Towers. While deciding the Special Leave Petition (SLP) for Mumbai matters, the Hon'ble Supreme Court had given liberty to agitate the issue with regard to the retrospective operation of assessment/demand of tax and the quantum thereof before the appropriate forum. Post the Judgment of Hon'ble Supreme Court in January 2017; the Company had challenged the quantum of property tax and other issues before the Bombay High Court. By an order dated April 18, 2017, Bombay High Court dismissed the appeal. Against the said order, the Company preferred a SLP with regards to the manner, quantum, component of property tax and other issues. The same was heard on January 25, 2018 and the Hon'ble Supreme Court was pleased to issue a notice to Municipal Corporation & also directed Municipal Corporations to maintain status quo. The said SLP was finally disposed of by an order dated January 02, 2019 and Hon'ble Supreme Court has set aside the Bombay High Court order dated April 18, 2017 and has directed the Bombay High Court to decide the Writ Petition on merits. The Company has filed an amendment application before the Bombay High Court in view of the Supreme Court order and developments happened during the pendency of the SLP before Supreme Court.

Another IP Company by name ATC Telecom Pvt. Ltd have preferred an appeal before Hon'ble Supreme Court against the Order of the Gujarat High Court on the rates and taxes to be fixed for mobile towers in lieu of the Amendment made in the Gujarat Provincial Municipal Corporation Act, 1949 in the year 2011. Supreme Court after hearing the ATC Company in September, 2018 has granted leave and the matter is pending for final hearing. Further, The Company has also filed a SLP on 10th July 2019, bearing SLP No. 16649 of 2019 before Hon'ble Supreme Court against Nagpur Municipal Corporation challenging the calculation and quantum of the Property Tax. The Hon'ble Supreme Court has given a stay on the High Court Order subject to payment of 50% of the demanded amount and tagged the said matter with ATC SLP. Also with respect to the few sites where demand notices for property tax have been received, the Company has contested the demands by filing writ petitions in appropriate Courts for the assessment of property tax demand / retrospective levy of property tax, procedure and quantum that have been demanded. Various Hon'ble High Courts passed an order not to take any coercive action till the admission of matter.

The matter being still sub–judice, non–receipt of demand notes for majority of the towers of the Company and the Company's right to recover property tax from certain customers, the Company is unable to quantify actual property tax amount payable excluding the components which are under challenge. The provision will be considered as and when the matter is resolved. In respect of the above, the auditors have issued modified reports for the year ended on March 31, 2021.

41. As per Ind AS 24, the disclosure of transactions with the related parties are given below:

(a) List of Related Parties and relationships:

(I) Key Management Personnel

Mr. Milind K. Naik, Whole Time–Director

(Retired on July 20, 2020 and reappointed as additional & whole–time director w.e.f January 20, 2021)

Mr. Bhupendra J. Kiny, Chief Financial Officer

Mr. Nitesh A. Mhatre, Company Secretary

(b) Transactions during the year with related parties:

₹ in Lakhs

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
I] KEY MANAGERIAL PERSONNEL		
i) Milind Naik– Whole–Time Director#*		
Salaries & Allowances	**101**	240
Post Employment Benefits	**1**	5
Total	**102**	**245**
ii) Bhupendra Kiny, CFO*		
Salaries & Allowances	**207**	218
Post Employment Benefits	**4**	4
Total	**211**	**221**
iii) Nitesh Mhatre, Company Secretary*		
Salaries & Allowances	**103**	141
Post Employment Benefits	**3**	2
Total	**106**	**143**

*As the Liability for gratuity and leave encashment are provided for the company as a whole amounts accrued pertaining to Key managerial personnel are not included above.

Previous Years remuneration to the Whole Time Director, Mr. Milind Naik, includes the arrears of remuneration of ₹ 65.96 Lakhs for FY 2017–18 and ₹ 48.02 Lakhs for FY 2018–19.

Mr. Milind Naik, Whole–Time Director of the Company retired during the year and was reappointed on January 20, 2021. Approval of shareholders is awaited towards his managerial remuneration.

42. Earnings Per Share

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Loss after tax attributable to Equity Shareholders for Basic/Diluted EPS	**(127,078)**	(186,354)
Weighted average number of equity shares* outstanding for Basic/Diluted# EPS	**12,807,165,165**	12,737,019,781
Basic & Diluted Earnings Per Share of ₹ 10 Each (₹)	**(0.99)**	(1.46)

*Includes shares to be issued to the holders of Foreign Currency Compulsorily Convertible Bonds (FCCB Series–B1 & B3).

#The effect of Foreign Currency Optionally Convertible Bonds (FCCB Series–B2) on the Earnings per Share is anti–dilutive and hence, the same is not considered for the purpose of calculation of dilutive Earning per Share.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

43. Details of loans given, investment made and Guarantees given, covered U/s 186(4) of the Companies Act, 2013

The Company has not given any Loan or Guarantee to any party for their borrowings. Details of Investments are given in note no. 4 to the financial statements.

44. Deferred tax

44.1 Reconciliation of tax expenses and the accounting profit multiplied by domestic tax rate

The Company has incurred losses during the year 2020–21 and previous year 2019–20. The Company has no tax expenses these years as per provisions of Income Tax Act, 1961 and no deferred tax assets recognised. The effective tax rate applicable for Financial Year 2020–21 is 30% at Maximum Marginal rate.

44.2 Deferred tax liabilities / (Assets) relates to the following:

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Property, Plant & Equipment and Investment Property	**54,808**	69,418
Right Out Use	**(5,379)**	(3,033)
Intangible Assets	**(1,313)**	(1,745)
Investments	**(23,462)**	(22,565)
Disallowance Under Section 43B of the Income Tax Act, 1961	**(48,404)**	(29,293)
Provision for doubtful debts	**(8,121)**	(8,096)
Tax Losses :		
Business Losses	**–**	–
Unabsorbed Depreciation	**(147,115)**	(172,976)
Deferred Tax (Assets)/Liability	**(178,985)**	(168,290)

Note: Figures in bracket indicates Deferred Tax Assets

The Company has net Deferred Tax Assets (DTA) as at March 31, 2021 which is not recognised in the Financial Statements in the absence of probable taxable profits against which the same can be utilised.

44.3 Amount and expiry date of unused tax losses for which no deferred tax asset is recognised:

₹ In Lakhs

Assessment Year (AY)	Unused tax Loss**	Carried Forward Till AY
2013–14	30,265	2021–22
2014–15	23,288	2022–23
2015–16	–	2023–24
2016–17	16,641	2024–25
2017–18	30,736	2025–26
2018–19	–	2026–27
2019–20	–	2027–28
2020–21	–	2028–29
2021–22*	13,257	2029–30
Total	**114,188**	

* Subject to filing of the return of Income

** After Adjustment of settlement made under Vivad Se Vishwas Scheme 2020

From last many years the Company is incurring losses and does not expect sufficient future taxable income in the near future against which the unused tax losses can be utilised, so the Company has not recognised the DTA for the same.

45. During the financial year, the Company had made application under Direct Tax Vivad Se Vishwas Scheme, in order to settle the income tax litigations pending before various income tax forums for the AY 2010–11 to 2017–18. Pursuant to the approval obtained from the Board of Directors in the matter, the Company had filed Form No.1 & 2 under the Scheme, for 18 income tax litigation cases pending before Honourable CIT (A), ITAT and High Court from the AY 2010–11 to 2017–18 including that of erstwhile Chennai Network Infrastructure Limited. All the cases applied under the scheme have been considered by the Income Tax Department and issued a certificate of acceptance in Form No.3 except in 1 case which has been rejected being consequential nature. Soon after receipt of the Form No.3, the Company applied for the withdrawal of the cases from the relevant Forum, made payment of tax wherever required and intimated the same to the Income Tax Department through Form No.4 who in turn issued the Order of Settlement in Form No.5. (Except in one case which is awaiting).

The details for cases applied and accepted along with the details losses forgone and liability settled are tabulated as under:

₹ in Lakhs

Assessment Year	No. of Cases Applied			No. of Cases Accepted			Total Losses Forgone for the Accepted Cases			Liability	
	GIL*	CNIL#	Total	GIL	CNIL	Total	GIL	CNIL	Total	Existing	Settled at
2010–11	–	1	1	–	1	1	–	–	–	618	309
2011–12	–	4	4	–	4	4	–	46,138	46,138	1	1
2012–13	–	4	4	–	3	3	–	48,936	48,936	–	–
2013–14	–	1	1	–	1	1	–	61,788	61,788	–	–
2014–15	1	2	3	1	2	3	2,552	59,223	61,775	–	–
2015–16	1	1	2	1	1	2	7,397	43,613	51,010	–	–
2016–17	1	1	2	1	1	2	927	37,286	38,213	–	–
2017–18	1	–	1	1	–	1	27,388	–	27,388	–	–
Total	**4**	**14**	**18**	**4**	**13**	**17**	**38,264**	**296,983**	**335,247**	**619**	**310**

*GIL – GTL Infrastructure Limited (The Company)

#CNIL – Chennai Network Infrastructure Limited (erstwhile Company merged with the Company in the Financial Year 2017–18)

46. Disclosure on Revenue Recognition

(a) Disaggregated Revenue information & Performance Obligation

The Company provides passive infrastructure on shared basis to telecom operators (Telcos) for hosting their active network components. The business model of passive infrastructure sharing is based on building, owning, operating and maintaining passive telecom infrastructure sites capable of hosting active network components of various technologies of multiple Telcos. Company's operation are solely in geographic boundaries of India. The main source of revenue includes Infrastructure Provisioning Fee (IPF) & Reimbursements of Energy & Other Cost. It's an ongoing service performance obligation based on long term contracts with the customers with pre defined lock in periods, contracts are optimally designed based on fixed or actual contract basis matrix. Since the performance obligation is an ongoing process the same is billed on monthly basis which falls due for payments within 30 days of billing or advance as per terms of contract. (Refer note 28).

b) Trade Receivables and Contract balances

The timing of revenue recognition, billings and cash collections results in receivables, unbilled revenue, and unearned revenue on the Company's Balance Sheet. Amounts are billed in accordance with agreed–upon contractual terms on monthly basis. The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of billings from the contracts are classified as financial assets when the right to consideration is unconditional and is due only within a month. Invoicing to the customers is based on the contracts and therefore, the timing of revenue recognition is different from the timing of invoicing to the customers. Invoicing in excess of earnings are classified as unearned revenue. Trade receivables and unbilled revenues are presented net of provision in the Balance Sheet.

The following table discloses the movement in unbilled energy & other reimbursement revenue on Customer contracts during the Year ended March 31, 2021.

₹ In Lakhs

Particulars	**March 31, 2021**	March 31, 2020
Balance at the beginning	**5,146**	6,453
Add : Revenue recognized during the year	**4,725**	5,146
Less : Invoiced during the year	**5,146**	6,453
Balance at the end	**4,725**	5,146

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

47. Movement in provisions: –

Disclosures as required by Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets: –

₹ in Lakhs

Nature of provision	Provision for Compensated Absences	Asset Retirement Obligation	Total
As at April 1, 2019	**74**	**13,567**	**13,641**
Unwinding of finance cost	–	611	611
Addition	–	–	–
Payment	(5)	–	(5)
Reversal / Re–measurement of liability	(16)	(2,138)	(2,154)
As at March 31, 2020	**53**	**12,040**	**12,093**
As at April 1, 2020	**53**	**12,040**	**12,093**
Unwinding of finance cost	–	872	872
Addition	27	–	27
Payment	(3)	–	(3)
Reversal / Re–measurement of liability	(28)	(1,132)	(1,160)
As at March 31, 2021	**49**	**11,780**	**11,829**

48. In the opinion of the Management, Non–Current/Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of the business.

49. Segment Reporting

The Company is predominantly in the business of providing "Telecom Towers" on shared basis and as such there are no separate reportable segments. The Company's operations are only in India.

Revenues from operation includes ₹ 132,437 Lakhs (previous year ₹ 128,238 Lakhs) aggregate amount of revenue from Three customers (previous year three customers), contributing each one of them to more than 10% of total revenue of the company.

These revenues are attributed to the Revenue from Telecom / Network Infrastructure Facilities, energy & Other reimbursements.

50. Fair Values

Set out below, is the carrying amounts and fair value of the Company's financial assets and liabilities that are recognised in the financial statements

a) Financial Assets measured at fair value through profit or loss:

₹ in Lakhs

Particulars	March 31, 2021	March 31, 2020
Financial Assets :		
–Investment in Preference Shares	**–**	–
–Investment in Equity Shares	**–**	–
–Investment in units of Mutual Funds	**6,306**	6,010
Total	**6,306**	6,010

b) The carrying amounts of the following financial assets and financial liabilities are a reasonable approximation of their fair values.

Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately

i) Financial Assets:

– Cash and Cash equivalents

– Bank balances other than cash and cash equivalents

– Loans & advances

– Security Deposits

– Trade Receivables

ii) Financial Liabilities:

– Lease Liabilities

– Trade Payables

– Other Financial current liabilities

– Borrowings

– Customer Deposits

Fair Valuation techniques used to determine fair value

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

i. The fair value of investments in unlisted equity and Preference shares is determined using Net Asset Value (NAV) method.

ii. Fair Value of mutual fund are reported as per Net Asset Value

iii. The fair values of non–current loans/Borrowings and security deposits are calculated based on Discounted Cash Flows technique (DCF) using a current lending rate relevant to the instrument

iv. Fair value of trade receivable, cash & cash equivalents, other bank balances, trade payables, loans and other financial assets and liabilities are approximate to their carrying amounts largely due to the short–term maturities of these instruments.

v. Fair Value of financial instruments measured at amortised cost such as Deposits, Borrowings, Lease Liabilities etc are approximate to their Carrying values.

vi. 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.

51. Financial Instruments by category

The carrying value of financial instruments by categories as at year end is as follows:

₹ in Lakhs

Particulars	**March 31, 2021**		March 31, 2020	
	Fair value Through Profit/Loss	**Amortised Cost**	Fair value Through Profit/ Loss	Amortised Cost
Financial Assets				
Cash & cash equivalents	**–**	**43,685**	–	21,861
Bank Balances	**–**	**219**	–	29,372
Investments	**6,306**	**–**	6,009	–
Loans	**–**	**10,162**	–	10,247
Other Financial assets	**–**	**5,749**	–	7,513
Trade Receivables	**–**	**10,544**	–	7,941
Total	**6,306**	**70,359**	6,009	76,934
Financial Liabilities				
Lease Liabilities	**–**	**73,915**	–	68,128
Trade payables	**–**	**1,995**	–	1,638
Other Financial Liabilities	**–**	**676,239**	–	670,597
Total	**–**	**752,150**	–	740,363

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

52. Fair Value Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques: –

Level 1:– Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value (NAV) is published by mutual fund operators at the balance sheet date.

Level 2:– Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Group specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

Level 3:– Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table provides the fair value measurement hierarchy of the Company's Assets and Liabilities

Particulars	**March 31, 2021**			March 31, 2020		
	Level 1	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Financial Assets measured at fair value through Profit or loss (Investments) :						
–Investment in Preference shares	–	–	–	–	–	–
–Investment in Equity Shares (Unquoted) (refer note no. 4 and 52.1)*	–	–	–	–	–	–
–Investment in Mutual Funds	**6,306**	**–**	**–**	6,009	–	–
Total	**6,306**	**–**	**–**	6,009	–	–

*Description of the inputs used in the fair value measurement:

52.1 Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at March 31, 2021 and March 31, 2020 respectively:

Particulars	**Level 3**	**As at March 31, 2021**	As at March 31, 2020
Financial Assets measured at fair value through profit or loss (Investments):			
	Valuation Technique	**Book Value**	Book Value
Investment in Equity Shares (Unquoted)	Inputs used	**Financial statements**	Financial statements
	Sensitivity	**No material impact on fair valuation**	No material impact on fair valuation

53. Financial Risk Management Objective and Policies:

The Company's principal financial liabilities comprise loans and borrowings including Interest thereon, Trade payables, Capex Creditors, deposits from Customers and others Financial Liabilities. The main purpose of these financial liabilities is to finance the Company's operations, including Tower/Network upgradation projects under implementation. The Company's principal financial assets include Investments, Deposits, loans and advances, receivables and cash and bank balances that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Audit Committee of the Board of Directors of the Company oversees the management of these risks. The focus of Risk Management is to assess risks, monitor, evaluate and deploy mitigation measures to manage these risks within risk appetite.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

1) Market Risk

Market risk is the risk that the fair value of future cash flows of financial instruments 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 Instrument affected by market risk includes loans and borrowings, deposits and derivative financial instruments.

As the revenues from company's tower business are dependent on the sustainability of Telecom sector, Company believes that macro–economic factors, including the growth of Indian economy, interest rates as well as political & economic environment, have a significant direct impact on company's business, results of operations & financial positions.

The Supreme Court ruled that AGR for Telecoms should include all revenue accrued to the carriers, including from non–core activities. The decision has gone against the telecom operators, another devastating blow to the telecom sector. Bharti Airtel ("Airtel") and Vodafone–Idea ("VIL") have been saddled with dues of around ₹ 4,757,660 Lakhs and ₹ 5,040,000 Lakhs respectively.

The Supreme Court in its judgment dated September 1, 2020, allowed Telecom operators to make a payment of 10% of the total dues as demanded by DoT, by March 31, 2021 and remaining dues in yearly instalments by March 2031. Further, SC had also inform that any default in payment would invite interest, penalty, and contempt of court. As per news reports, DoT reported that Airtel and VIL have failed to pay the first instalment towards AGR on or before March 31, 2021, even though Airtel and VIL claimed that they have already paid more than 10% of their total AGR dues and do not need to pay anything by March 31, 2021. This clearly is likely to cause a huge strain on the operators, which can be seen from delays in payments by VIL.

In case of BSNL, due to long pending overdues and uncertainty in collection, the Company has taken necessary action to mitigate the funding risk by terminating certain non–paying sites.

a) Interest Rate Exposure profile appended in the table below:

₹ in Lakhs

Borrowings	March 31, 2021	March 31, 2020
Floating Rate Loans with interest thereon	**7,379**	6,903
Fixed rate Loans with interest thereon	**568,068**	564,333
Total	**575,447**	571,236

b) Foreign Currency Exposure that are not hedged by derivative instruments is as follows:

Unhedged Foreign currency exposure as at March 31, 2021	Currency	Amount in Foreign Currency	₹ in Lakhs
Borrowings and interest thereon	USD ($)	77,179,635	56,628
Borrowings and interest thereon	Euro (€)	8,567,744	7,379
Trade Payable	USD ($)	38,233	28
Total		**85,785,612**	**64,035**

Unhedged Foreign currency exposure as at March 31, 2020	Currency	Amount in Foreign Currency	₹ in Lakhs
Borrowings and interest thereon	USD ($)	98,868,491	74,386
Borrowings and interest thereon	Euro (€)	8,296,456	6,903
Trade Payable	USD ($)	38,233	29
Total		**107,203,180**	**81,318**

Notes:

(i) Above exposure does not include exposure towards Foreign Currency Compulsory Convertible bonds (FCCB) B1 & B3.

(ii) Amounts in INR are at the closing exchange rates at the year end.

(iii) Amounts reported above are at actuals while same are measured at amortised cost in the financial statements.

c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's fixed rate long term borrowings carry step up interest rate with a predetermined yield rate which is fixed throughout the tenor of the borrowings, whereas floating rate long Term

Borrowing is exposed to market rate fluctuations.

In order to manage this risk exposure, management keeps a portfolio mix of fixed & floating interest rate Debts in the total portfolio of financial instruments.

Interest rate sensitivity:

With all other variable held constant the following table reflects the impact of borrowing cost on floating rate portion of total Debt:

₹ in Lakhs

Financial Year ended	Floating Rate Borrowings particular	Risk Exposure on Interest Rate (Increase/ Decrease in basis points)	Consequent effect on profit/ loss before tax
March 31, 2021	Foreign Currency Term Loan	100	74
March 31, 2020	Foreign Currency Term Loan	100	69

d) 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 Company's borrowings related to its foreign currency convertible bonds & foreign currency loan.

Foreign currency risk is managed by effective foreign risk management policy based on risk perception of the management

Foreign Risk sensitivity:

The following table demonstrates the sensitivity in the USD & Euro to Indian ₹ with all other Variable held constant. The effect on loss before tax due to foreign exchange rate fluctuation:

₹ In Lakhs

Particulars	Foreign Currency	Risk Exposure on Forex Rate (Increase/ Decrease in basis points)	Consequent effect on profit/ loss before tax	
			March 31, 2021	March 31, 2020
Foreign Currency Convertible Bonds	USD ($)	100	**566**	744
Foreign Currency Term Loan	Euro (€)	100	**74**	69
Trade Payable	USD ($)	100	**0.29**	0.29
Total			**640**	813

e) Commodity Price Risk

The Company invests on upgradation of its tower assets which includes purchases of A class items like Battery banks, Diesel Generators, SMPS and other electrical items. The prices of these items fluctuate based on the prices of its raw material. Due to current lockdown, imports are impacted due to certain restriction in government policies resulting in increase in prices.

In case of battery bank the Lead price is based on LME rate (London metal exchange), any variation in the LME prices, battery prices also get impacted.

Further, Company consumes Diesel and Electricity for running its tower sites. These rates for Diesel and Electricity fluctuate based on central and state policies. Company has entered into contracts with the Customers for recovery of Diesel and Electricity Expenses. These contracts are linked with actual Diesel and Electricity Rates thus resulting in natural hedging.

Commodity price risk is managed by effective risk management policy with help of company's Supply Chain Management Team and Central Purchasing Committee based on risk perception.

2) Credit Risk

Credit risk refers to the risk of default of obligations by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and investments in mutual funds.

Trade Receivables

The Company periodically assesses the financial reliability of its customers, taking into account the current economic trend, business challenges, historic trend of payments, bad debts & ageing of accounts receivables. The Company provides Passive Telecom Infrastructure to Telecom Operators in India. During previous few years, all telecom companies faced increased pressure on earnings and financing fronts, which in turn adversely impacted financing and fund raising plans of tower companies.

The Company lost substantial number of tenancies in last few years, due to various events which were beyond management control, such as shutdown / exit of major telecom operators namely Aircel Group, Reliance Communications and Tata Tele, Business combination of Vodafone & Idea, Telenor & Airtel, recent AGR developments etc. The Company believes that it has binding long term contractual lock in arrangements with Aircel/other operators and accordingly, continues to pursue its claim of approx. ₹ 1,522,356 lakhs arising out these developments. Further, the Supreme Court's verdict in AGR case put strain on the telecom operators, which can be seen from delays in payments by VIL. Additionally, BSNL is facing financial crunch, which has resulted in long pending overdue and uncertainty in collection from BSNL.

The Company, as a part of its risk management plan, has proactively taken various measures including legal measures to recover its dues from defaulting operators. In case of BSNL, to mitigate the funding risk, the Company has terminated certain non–paying sites by following due contractual process. On the other hand, the Company is taking measures to ensure smooth operations and contracted network time for remaining customers which would enable the Company to keep the credit risk at moderate level. The Company has also obtained rolling advances & security deposits from its customers which in turn mitigate the credit risk to that extent.

The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience with customers.

Financial instruments and Bank deposits

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. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations

3) 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 including deposits and advances received from customers as a part of its contractual terms. In view of recent telecom sector developments affecting the Company, various steps have been initiated by the Company to ensure that liquidity risk remains at low level.

The Company lost substantial number of tenancies in last few years, due to various events which were beyond management control, such as shutdown / exit of major telecom operators namely Aircel Group, Reliance Communications and Tata Tele, Business combination of Vodafone & Idea, Telenor & Airtel, recent AGR developments etc. The Company believes that it has binding long term contractual lock in arrangements with Aircel/other operators and accordingly, continues to pursue its claim of approx. ₹ lakhs arising out these developments. Further, the Supreme Court's verdict in AGR case put strain on the telecom operators, which can be seen from delays in payments by VIL. Additionally, BSNL is facing financial crunch, which has resulted in long pending overdue and uncertainty in collection from BSNL.

The Company, in these circumstances, has proactively taken various steps to ensure smooth operations and contracted network uptime for its existing customers, namely Vodafone Idea Ltd, Reliance Jio, Bharti Airtel, BSNL etc. These steps include realignment of debt with revised cash flows, reduction in fixed/semi variable costs including wages, electricity and diesel charges, operations and maintenance charges, ground rent, terminating non–paying site after following contractual process, initiating arbitration for recovery of dues etc. The Company is also in the process of re–negotiating its arrangements with existing vendors. These steps are expected to enable the Company to remain EBITDA positive during the turnaround phase.

The proceeding initiated by one of the remaining secured lenders, allegedly claiming ₹ 64,638 Lakhs has filed proceedings before the National Company Law Tribunal (the "NCLT") under Insolvency and Bankruptcy Code 2016 which has not been admitted so far. The Hon'ble Supreme Court vide its order dated March 6, 2020 was pleased to issue notice and directed the Respondents to maintain status quo in the matter.

The Company is optimistic that various resource optimization initiatives under taken by the Company along with the restructuring can lead to stabilization and revival.

The below table summarizes the maturity profile of the company's financial liability based on contractual cash flows:

₹ in Lakhs

As at March 31, 2021	Less than 1 year	More than 1 year	Carrying Value
Interest bearing Loans & Borrowing* (Including current maturities)	275,311	313,817	589,128
Other financial liabilities	104,417	56,609	161,026
Trade Payables	1,995	–	1,995

As at March 31, 2020	Less than 1 year	More than 1 year	Carrying Value
Interest bearing Loans & Borrowing* (Including current maturities)	200,692	387,403	588,095
Other financial liabilities	92,944	57,686	150,629
Trade Payables	1,638	–	1,638

*Refer note no. 20.1

54. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, mandatorily convertible foreign currency bonds, securities premium, all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure continuity of the operating activities of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through internal accruals of the Company.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest–bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021.

55. The outbreak of corona virus (COVID–19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Ministry of Home Affairs notified telecommunication services including telecom infrastructure services among the essential services which continued to operate during lock down. The passive infrastructure as well as active telecom operations are actively engaged in fulfilling the surge in demand arising out of the choice exercised by almost all industries to conduct their operations remotely. The current '"second wave" that has significantly increased the number of cases in India has resulted in operational challenges in carrying out field work due to regional / local restrictions in areas with significant number of COVID–19 cases. The Company is trying its best to keep the customer focus / network uptime humming. The Company continues to closely monitor the development and possible effects that may result from the current pandemic, on its financial condition, liquidity & operations and it is actively working to minimize the impact of this unprecedented situation.

56. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post–employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

57. The management and authorities have the power to amend financial statements in accordance with section 130 and 131 of Companies Act, 2013.

58. Dismantling of Unoccupied Sites

During last decade, there were various developments which adversely impacted Indian telecom sector. The extremely challenging external environment during last decade impacted the Indian telecom sector where even multinational companies and/or large Indian conglomerates have either (i) shut down and exited from the telecom sector or (ii) downsized their operations significantly.

Thus, consequent to closure of 12–14 telecom operators, more than 14,000 towers of the Company were abandoned by such discontinuing operators, thereby making such towers unoccupied, which is more than 50% of the total tower portfolio. These external events were beyond the control of the management and the Company. Post abandonment of these towers, the discontinuing operators didn't make payment of their contractual dues. The Company has already litigating with such discontinuing operators to recover its contractual dues, which are amounting to more than ₹ 1,522,356 lakhs.

Due to non–receipt of the rental amounts from the discontinuing operators as per contractual arrangement, the rentals to landlords for those sites remained unpaid. During the year ended March 31, 2021, disgruntled landowners / miscreants dismantled 1,171 sites out of the above unoccupied sites. The Company has already initiated various steps to protect its assets from such miscreants including legal actions against such miscreants, recovering site material, lodging of police complaints / FIR and insurance claim etc.

This has resulted into a loss of ₹ 16,314 Lakhs for the year ended March 31, 2021 which is included in other expenses in the financial Statements.

59. The Company had undertaken a Corporate Debt Restructuring (CDR) exercise in 2011 as per applicable CDR guidelines and regulations. For reasons beyond the management control, post implementation of CDR package, the adverse conditions relating to the telecom sector had a material adverse impact in the achievement of the CDR projections. The Company had met its repayment obligations till June 30, 2016 out of its cash accruals and realization from current assets. However in view of the substantial developments which have had a significant impact on the financial performance of the Company, the repayment obligations were not likely to be met going forward. In view thereof, in the Joint Lender Forum (JLF) meeting held on September 20, 2016, the Rupee Lenders reviewed the account and after deliberations, invoked the scheme for SDR. Thus with secured debt reduced to a sustainable level, there was significant investor interest for buying out lenders equity stake as part of the Strategic Debt Restructuring (SDR) process.

Post implementation of SDR scheme, the unprecedented shut downs of major wireless operators such as Aircel Group, Reliance Communications and Tata Tele, consolidation in telecom industry such as Business combination of Vodafone & Idea, Telenor & Airtel and events likes recent AGR developments have had a material adverse effect on the Company. These event were beyond the control of the management. As a result, the Company lost substantial number of tenancies.

Table below highlights the tenancies lost by the company due to telecom sector events over the past 9–10 years

Sr. No.	Events of Tenancy Loss	No. of Tenancy	Period	Description
1	Cancellation of 2G licenses	4,319	Upto December 2017	Supreme Court judgment on cancellation of of 122 2G telecom licenses
2	Slower 3G/BWA growth	4,750	Since FY 2012–13	Industry slowdown following the Supreme Court verdict
3	Operator scale back due to auction	3,500		
4	Aircel default of ROFR commitment	15,200	May 2014	Legal and financial issues
5	RCom shutdown of wireless business	1,386	August & September 2017	Unsustainable business due to competition
6	Tata exit from wireless business	2,899	Since May 2017	
7	Merger of Vodafone and Idea	3,080	Since April 2018	Forced industry consolidation due to competition
8	Consolidation of Telenor with Airtel	1,395	During FY 2018–19	
9	Aircel filing of bankruptcy	23,727	January 2018	Unsustainable business due to competition
10	BSNL exits due to uncertainty of collection	848	Since FY 2018–19	Uncertainty of Collection
11	Exit during business course with various reasons	2,720	Since April 2013	
	Aggregate Tenancy Loss from 2012 to 2021	**63,825**		

These developments have resulted in reduction in the revenue and earnings resulting in erosion of Company's net worth and provision for impairment of property, plant and equipment. Further the Company has received notices of recall of loans from EARC and IDBI Bank claiming alleged default in terms of Master Restructuring Agreement dated December 31, 2011. The Company has strongly refuted the claims. Simultaneously, the Company is also discussing with Lenders the proposed realignment of debt.

With the telecom sector moving towards stabilization, management believes that below events are positive developments which will lead to stabilization and revival of company.

1. Non–cancellable contract revenue from major 3 operators viz. Reliance Jio, Bharti Airtel and Vodafone Idea Ltd.
2. Constructive progress on negotiations with leading operator for bulk tenancy on unoccupied and single tenant towers
3. The Company also continues to pursue contractual claims of approx. ₹ 1,522,356 lakhs from various operators in respect of premature exits by them in the lock in period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

The Company is optimistic that the proposed realignment of debt with Lenders in accordance with cash flows will be concluded in near future. In addition to the above, various resource optimization initiatives undertaken by the Company, can lead to stabilization and revival. Therefore, the Company continues to prepare the books of account on Going Concern basis.

60. The figures for the corresponding previous year have been regrouped/rearranged wherever necessary, to make them comparable.

61. These financial statements have been approved for issue by the Board of Directors at their meeting held on June 3, 2021.

As per our report of even date
For **PATHAK HD & ASSOCIATES LLP**
Chartered Accountants
Firm Regd. No. 107783W / W100593

GOPAL CHATURVEDI
Partner
Membership No: 090903

Mumbai
Date: June 03, 2021

For and on behalf of the Board of Directors

MILIND NAIK
Whole–Time Director
DIN–00276884

MANOJ TIRODKAR
Chairman
DIN–00298407

BHUPENDRA KINY
Chief Financial Officer

NITESH MHATRE
Company Secretary
Membership No:A18487

NOTICE is hereby given that the Eighteenth (18th) Annual General Meeting of the Members of GTL Infrastructure Limited will be held on Tuesday, September 28, 2021, at 02:00 p.m. (IST), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

Ordinary Business

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Charudatta K. Naik (DIN: 00225472), who retires by rotation and, being eligible, offers himself for re–appointment.

Special Business

3. To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

   "RESOLVED that Mr. Milind K. Naik (DIN: 00276884), who was appointed by the Board of Directors as an Additional Director of the Company with effect from January 20, 2021 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and Article 130 of the Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation."

4. To consider and, if thought fit, to pass, with or without modification, the following resolution as an **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 the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, including any statutory modifications or re–enactment thereof, for the time being in force and all other applicable guidelines on managerial remunerations issued by the Central Government from time to time and subject to necessary approvals, if required, consent of the members be and is hereby accorded for appointment of Mr. Milind K. Naik (DIN: 00276884) as a Whole–time Director of the Company for a period of three years with effect from January 20, 2021 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 between the Board and Mr. Milind K. Naik 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.

   RESOLVED FURTHER that the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary or expedient for giving effect to this resolution."

By Order of the Board of Directors,

Place: Mumbai
Date: September 2, 2021

Nitesh A. Mhatre
Company Secretary

Registered Office:
'Global Vision', 3rd Floor,
Electronic Sadan No. II, M.I.D.C,
T.T.C. Industrial Area, Mahape,
Navi Mumbai 400 710
Tel: +91 22 68293500 Fax: +91 22 68293545
E–mail: gilshares@gtlinfra.com; Website: www.gtlinfra.com
CIN: L74210MH2004PLC144367

Notes:

1. In view of the ongoing COVID–19 global pandemic, the general meetings of the companies have to be conducted as per Circular No. 02/2021 dated January 13, 2021 read with Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 issued by the Ministry of Corporate Affairs (MCA) and SEBI circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (SEBI). Accordingly, the forthcoming 18th Annual General Meeting (AGM) of the Company is being conducted through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in compliance with applicable provisions of the Companies Act 2013 (the Act) read with the terms of the above said Circulars. Hence, Members are requested to attend and participate in the ensuing AGM through VC/OAVM.

2. Explanatory Statement pursuant to Section 102(1) of the Act, relating to Item No. 3 and 4 to be transacted at the AGM is annexed hereto.

3. Since the 18th AGM is being held pursuant to the MCA & SEBI Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure

Requirements) Regulations 2015 (as amended) (Listing Regulations), and the above said Circulars of MCA and SEBI, the Company is providing facility of remote e–voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e–Voting agency. The facility of e–voting for casting votes by a member during the 4 days period prior to the AGM (Remote e–voting) and during the course of the AGM (Venue e–voting) will be provided by CDSL.

5. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without the restriction of first come first served basis.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.

7. Pursuant to MCA Circular No. 14/2020 dated April 8, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, pursuant to Sections 112 and 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e–voting.

8. In line with the MCA Circular No. 17/2020 dated April 13, 2020 and the General Circular No. 20/2020 dated May 5, 2020 issued by MCA and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the SEBI, the Annual Report for FY 2020–21 containing the Notice of AGM, Financial Statements, Directors' Report, Business Responsibility Report, Auditors' Report, Corporate Governance Report and Management Discussion & Analysis, is being sent by electronic mode to those Members whose names would appear in the Register of Members as on Friday, August 27, 2021 and whose e–mail addresses are registered with the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited (BSPL) / Depositories. The Annual Report has been uploaded on the website of the Company at www.gtlinfra.com and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively. A copy of the same will also be made available on the website of CDSL (agency for providing the Remote e–Voting and Venue e–voting system during the AGM) i.e. www.evotingindia.com.

9. The procedure for participating in the AGM through VC / OAVM is explained below in this Notice and a copy of said Notice is also available on the website of the Company www.gtlinfra.com.

10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names, as per the Register of Members of the Company, will be entitled to vote.

11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held in electronic form and to the Registrar and Share Transfer Agent (RTA) at Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makawana Road, Marol, Andheri (East), Mumbai–400059, in case shares are held in physical form.

12. As per Regulation 40 of Listing Regulations, (as amended), securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA, BSPL for assistance in this regard.

13. All documents referred to in this Notice and the Register of Contracts & Directors' shareholding are open for inspection up to the date of AGM and considering the restrictions on the movement of people at several places in the country, due to outbreak of COVID 19, the request for any of above documents may please be sent to gilshares@gtlinfra.com.

14. The Company's Equity shares are listed on BSE and NSE. Further, the Listing Fees in respect of Equity Shares of the Company have been paid to BSE and NSE for the Financial Year 2021–22. The Company's FCCBs are listed on Singapore Exchange Securities Trading Limited (SGX).

15. The venue of the 18th AGM shall be deemed to be the Registered Office of the Company at "Global Vision", 3rd Floor, Electronic Sadan No. II, M.I.D.C., T.T.C. Industrial Area, Mahape, Navi Mumbai–400710, Maharashtra, India.

16. **THE INSTRUCTIONS FOR SHAREHOLDERS FOR E–VOTING ARE AS UNDER:**

(i) The 4 days remote e–voting period prior to AGM begins on Friday, September 24, 2021 at 09:00 a.m (IST) and ends on Monday, September 27, 2021 at 05:00 p.m. (IST) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut–off date (record date) of Wednesday, September 22, 2021 may cast their vote electronically. The e–voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted as above prior to the meeting date would not be entitled to vote during the course of AGM.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Listing Regulations, the Company, being a listed entity is providing e–voting facility to its shareholders, in respect of all shareholders' resolutions.

(iv) In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e–Voting facility provided by Listed Companies, Demat account holders would now be able to cast their vote by way of a single login credential, through their respective Demat accounts / websites of Depositories /Depository Participants, without having to register again with the E–voting Service Providers (ESPs).

17(A) **PROCESS FOR LOGIN FOR E–VOTING AND JOINING VIRTUAL MEETINGS, FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e–Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e–Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e–Voting page of the CDSL e–Voting service provider for casting his/her vote during the remote e–Voting period or joining virtual meeting & voting during the course of the meeting. Additionally, there are also links provided to access the system of all e–Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e–Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e–Voting page by providing Demat Account Number and PAN No. from a e–Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e–Voting option where the evoting is in progress and also able to directly access the system of all e–Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If user is already registered for NSDL IDeAS facility, they may visit the e–Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e–Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. User will have to enter User ID and Password. After successful authentication, user will be able to see e–Voting services. Click on "Access to e–Voting" under e–Voting services and user will be able to see e–Voting page. Click on company name or e–Voting service provider name and user will be re–directed to e–Voting service provider website for casting vote during the remote e–Voting period or joining virtual meeting & voting during the course of the meeting.

Type of shareholders	Login Method
	2) If the user is not registered for IDeAS e–Services, option to register is available at https://eservices.nsdl.com. Select “Register Online” for IDeAS Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e–Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e–Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. User will have to enter User ID (i.e. Sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, user will be redirected to NSDL Depository site wherein user can see e–Voting page. Click on company name or e–Voting service provider name and user will be redirected to e–Voting service provider website for casting vote during the remote e–Voting period or joining virtual meeting and voting during the course of the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	User can also login using the login credentials of demat account through Depository Participant registered with NSDL/CDSL for e–Voting facility. After Successful login, user will be able to see e–Voting option. Once user clicks on e–Voting option, user will be redirected to NSDL/CDSL Depository site after successful authentication, wherein user can see e–Voting feature. Click on company name or e–Voting service provider name and user will be redirected to e–Voting service provider website for casting vote during the remote e–Voting period or joining virtual meeting and voting during the course of the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022–23058738 and 22–23058542–43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

17(B) PROCESS & MANNER OF REMOTE E–VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE AND OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE

a. The shareholders should log on to the e–voting website www.evotingindia.com.

b. Click on “Shareholders” module.

c. 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.

d. Next enter the Image Verification as displayed and Click on Login.

e. If you are holding shares in electronic (‘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.

f. If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual 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) *Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the Sequence Number as provided in the email, 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 company please enter the 16 digit member–id or folio number in the Dividend Bank details field as mentioned in instruction 17(B)C.

g. After entering these details appropriately, click on "SUBMIT" tab.

h. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, Shareholders 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 are to keep your password confidential.

i. For shareholders holding shares in physical form, the details can be used only for e–voting on the resolutions contained in this Notice.

j. Click on the EVSN of **"GTL INFRASTRUCTURE LIMITED"** on which you choose to vote.

k. 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.

l. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

m. After selecting the resolution 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.

n. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

o. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

p. 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.

Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non–Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz. gilshares@gtlinfra.com, if they have voted from individual tab and not uploaded same in the CDSL e–voting system for the scrutinizer to verify the same.

17(C) INSTRUCTIONS FOR SHAREHOLDERS ATTENDING AND PARTICIPATING IN THE AGM THROUGH VC/OAVM:

1) The procedure for attending meeting and voting on the day of the AGM is same as the instructions mentioned above for e–voting.

2) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e–voting.

3) Shareholders who have voted through Remote e–Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi–Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7) Shareholders who would like to express their views or ask questions during the meeting may register themselves as a speaker by sending their request along with questions mentioning their name, demat account number/folio number, email–id, mobile number at gilshares@gtlinfra.com from September 17, 2021 (09:00 am IST) to September 23, 2021 (05:00 pm IST). Members who have registered themselves as speakers will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on availability of time for the AGM.

8) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e–Voting and are otherwise not barred from doing so, shall be eligible to vote through e–Voting system available during the AGM.

9) If any Votes are cast by the shareholders through the e–voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e–voting during the meeting is available only to the shareholders attending the meeting.

17(D) PROCESS FOR SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES – FOR OBTAINING LOGIN CREDENTIALS FOR E–VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1) **Shareholders holding shares in physical form** – please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self–attested scanned copy of PAN card), AADHAR (self–attested scanned copy of Aadhar Card) by email to gilshares@gtlinfra.com / info@bigshareonline.com.

2) **Shareholders holdings shares in demat form** – please provide Demat account details (CDSL–16 digit beneficiary ID or NSDL–16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self–attested scanned copy of PAN card), AADHAR (self–attested scanned copy of Aadhar Card) to gilshares@gtlinfra.com / info@bigshareonline.com.

Queries or issues regarding attending AGM & e–Voting from the CDSL e–Voting System, may be raised by sending email to helpdesk.evoting@cdslindia.com or contact at 022–23058738 and 022–23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Senior Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or by email to helpdesk.evoting@cdslindia.com or call on 022–23058542/43.

18. The Company has appointed Mr. Chetan A. Joshi, a Practicing Company Secretary, (Membership No. FCS 7052, CP 7744) as the Scrutinizer, for conducting the entire remote e–voting process and e–voting process at the meeting, in a fair and transparent manner.

19. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through Remote e–Voting and Venue e–Voting and make, not later than 48 hours of conclusion of the AGM, 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.

20. The Results on resolutions shall be declared on or after the AGM of the Company, but within 48 (forty eight) hours after 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.

21. The results declared along with the Scrutinizer's Report will be hosted on the Company's website at www.gtlinfra.com and on CDSL's website at www.evotingindia.com for information of the Members, besides being communicated to BSE and NSE, where the shares of the Company are listed.

By Order of the Board of Directors,

Place: Mumbai
Date: September 2, 2021

Nitesh A. Mhatre
Company Secretary

Registered Office:
'Global Vision', 3rd Floor,
Electronic Sadan No. II, M.I.D.C,
T.T.C. Industrial Area, Mahape,
Navi Mumbai 400 710
Tel: +91 22 68293500 Fax: +91 22 68293545
E–mail: gilshares@gtlinfra.com; Website: www.gtlinfra.com
CIN: L74210MH2004PLC144367

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3 & 4

In terms of the provisions of Section 203 of the Companies Act, 2013 (the Act), every listed company shall have either Managing Director or Chief Executive Officer or Manager and in their absence a whole–time director (WTD). Accordingly, to fulfil the requirement of the said provision and on the basis of recommendation of the Nomination and Remuneration Committee and subject to approvals, if any, the Board of Directors at their meeting held on January 20, 2021 gave their consent for appointment of Mr. Milind K. Naik (DIN: 00276884) as an Additional Director to hold the office upto the date of this Annual General Meeting of the Company and as the Whole– time Director of the Company for a period of 3 years w.e.f. January 20, 2021. The said appointment as an Additional Director was in pursuance of the provisions of Section 161 of the Act and Article 130 of the Articles of Association of the Company. Accordingly, Mr. Milind K. Naik holds office only up to the date of the 18th Annual General Meeting.

Further, as per confirmation received from him, he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. In terms of the loan documents executed by the Company with the lenders, the Company has made an application to the lenders for their consent for the remuneration of Mr. Milind K. Naik. Based on the response of lenders, the Company shall take appropriate action to fulfil the regulatory requirement.

The salient features of the terms and conditions of appointment of Mr. Milind K. Naik are as follows:

1.	Period	The appointment is effective from January 20, 2021 for a period of three years i.e. up to January 19, 2024
2.	Remuneration	(a) Salary : Upto ₹ 1,050,000/– p.m. (₹ 12,600,000/– p.a.), (b) Leave : As per Company Rules (c) Joining Bonus : ₹ 50 Lakhs, (d) Performance based incentives and other Benefits as may be decided by the Board / Nomination & Remuneration Committee from time to time, subject to maximum of ₹ 75 Lakh p.a., (e) Severance Fees – In case of termination of ₹ 100 Lakhs. The Company's contribution to Provident Fund or Group Gratuity or Annuity Fund to the extent not taxable under the Income Tax Act, Gratuity payable and encashment of leave at the end of the tenure shall not be included in the computation of limits of the remuneration.
3.	Modification in terms	The terms and conditions of the appointment may, subject to the conditions laid down in Schedule V to the Act, be altered and varied in such manner as may be agreed to between the Board and the appointees.
4.	Termination	The agreement may be terminated by either party by giving three months' notice. In case of termination by the Company before the completion of term, Mr. Naik shall be entitled to severance fees of ₹ 100 Lakhs.
5.	Inspection	The Agreement entered into between the Company and the appointee is open for inspection by the Shareholders up to the date of AGM and considering the restrictions on the movement of people at several places in the country, due to outbreak of NCOVID 19, the request for the same may be sent to gilshares@gtlinfra.com

In terms of the requirements as per sub–clause (iv) of the proviso to Paragraph (1) of section II of Part II of Schedule V to the Act, the information is as furnished below:

I General Information

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Information</th></tr>
<tr><td>1.</td><td>Nature of Industry</td><td>GTL Infrastructure Limited (the Company) is IP–1 registered with Department of Telecommunications, India. The Company provides passive infrastructure on shared basis to telecom operators (Telcos) for hosting their active network components. The business model of passive infrastructure sharing is based on building, owning, operating and maintaining passive telecom infrastructure sites capable of hosting active network components of various technologies of multiple Telcos.</td></tr>
<tr><td>2.</td><td>Date or expected date of commencement of commercial production</td><td>The Company is an existing Company and carrying out business for last about 17 years.</td></tr>
<tr><td>3.</td><td>In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.</td><td>Not Applicable</td></tr>
<tr><td>4.</td><td>Financial Performance based on given indicators</td><td>
<table>
<tr><td colspan="4">Amt. ₹ in Lakhs</td></tr>
<tr><th>Particulars</th><th>March 31, 2021</th><th>March 31, 2020</th><th>March 31, 2019</th></tr>
<tr><td>Share Capital Equity</td><td>1,249,659</td><td>1,231,910</td><td>1,231,910</td></tr>
<tr><td>Other Equity</td><td>(1,378,369)</td><td>(1,251,240)</td><td>(1,064,860)</td></tr>
<tr><td>Total Income</td><td>144,884</td><td>143,723</td><td>151,218</td></tr>
<tr><td>Profit Before Tax</td><td>(127,077)</td><td>(186,354)</td><td>(153,940)</td></tr>
<tr><td>Profit After Tax</td><td>(127,077)</td><td>(186,354)</td><td>(153,940)</td></tr>
</table>
</td></tr>
<tr><td>5.</td><td>Foreign Investment or collaborators, if any.</td><td>Not Applicable</td></tr>
</table>

II. Information about the Appointee

1.	Background details	Mr. Milind K. Naik, born on March 19, 1962 has over 35 years of enormous experience in the field of Telecom Turnkey Project Implementation, Manufacturing of Steel Structures for Telecom, Transmission, Wind Energy and Infrastructure Industries, R & D and Manufacturing of Energy Management Solutions (EMS) for Telecom Operators, EPC in EMS & Renewable Energy, procurement and logistics, banking and finance. He was Whole–time director and COO of the Company during 2011–2020. He has enormous experience within the country as well as abroad.
2.	Past Remuneration	Mr. Naik's last remuneration drawn as Whole–time Director of the Company was ₹ 1.26 crore p.a.
3.	Recognition or awards	Mr. Naik has been awarded the 'Manufacturing Icon Award' for the FY 2010–11 from Stars of Industry Group in the Indian Innovation Summit 2011.

	4.	Job profile and his suitability	Mr. Naik, as Whole–time Director of the Company will be in charge and responsible for business operations. Under his able leadership during 10 years from 2011–20, the Company has turned around under adverse business conditions. Hence, the Board considers his re–appointment.
	5.	Remuneration proposed	Details of the total remuneration which is proposed to be paid to Mr. Naik for the period of their 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)	As per details furnished by some of the telecom infrastructure companies during last three years under Section 197(12) of the Act in their respective Annual Reports, the managerial remuneration paid to Executive Director or Whole–time Director or CEO or COO is ranging anywhere between ₹ 2– ₹ 8 Cr. per annum.
	7.	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel or other Director, if any.	Apart from his employment and holding of 19,000 equity shares in the Company, Mr. Naik does not have any other pecuniary relationship with the Company or with any other managerial personnel or other Directors of the Company.
III	**Other Information**		
	1.	Reasons of loss or inadequate profits	The Company is in the business of providing passive shared infrastructure to various telecom operators. This is capital intensive in nature. The Company has from time to time informed about various developments in Indian Telecom Sector, which were beyond the control of the Company and the management. These forced consolidation and exits in the telecom sector has resulted in the number of telecom operators (national and regional) reducing from 18 to 4. All of these factors have had a material adverse effect on the Company and its future business prospects. The Company not only lost more than 60,000 tenancies but is also unable to recover its dues from various telecom operators who either closed their operations or filed for bankruptcy. During the current financial year, continued consolidation in telecom industry and cash flow constraints of telecom operators due to cost pressure, lower tariffs and AGR payouts led to tenancy exits and lower than expected revenue growth.
	2.	Steps taken or proposed to be taken for improvement	Despite the pandemic situation across the country, several measures taken by the Company on a continuous basis helped in improved network uptime in most circles as well as rollout of tenancy and upgrades, as per customers' needs. The Company continue to judiciously invest capex for the upgradation of its network, which enabled it in maintaining network uptime and reduced SLA penalties at substantial sites. The Company has undertaken network cost optimization initiatives over the last few years and has substantially reduced infrastructure operation & maintenance cost (net) mainly in the areas of security power, fuel & maintenance charges without affecting network quality.

	3.	Expected increase in productivity and profits in measurable terms	The Company is of the view that even though the telecom infrastructure sector (including itself) lost sizeable number of tenants over the past few years due to the consolidation of business by telcos and other factors, the Company looks forward to stabilise its operations by focussing on reducing cost on its non–radiating sites and adding capacities through incremental tenancies on towers. The Company also continues to pursue contractual claims of approx. ₹ 1,524,839 Lakhs (as on June 30, 2021) from various operators in respect of premature exits by them in the lock in period. However, factors beyond management control as mentioned elsewhere in this report can potentially still affect the telecom sector and with it, the Company's performance. Additionally, any further operators / site consolidation or delay in launch of 5G services and any delay in debt restructuring and prolonged litigations with lenders will adversely affect the Company.
IV	**Disclosures**		The shareholders of the Company have been informed of the proposed remuneration package of Mr. Naik in this explanatory Statement. 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 part of the Report of the Board of Directors in the Annual Report of the Company for FY 2020–21.

Details as stipulated under the Regulation 36(3) of the Listing Regulations of the proposed appointee, are provided in the Corporate Governance Report forming part of the Annual Report.

The Board commends passing of the resolutions at Item nos. 3 and 4 of the accompanying Notice.

Except Mr. Milind K. Naik, 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 these Resolutions.

By Order of the Board of Directors,
Nitesh A. Mhatre
Company Secretary

Place: Mumbai
Date: September 2, 2021

Registered Office:
'Global Vision', 3rd Floor,
Electronic Sadan No. II, M.I.D.C,
T.T.C. Industrial Area, Mahape,
Navi Mumbai 400 710
Tel: +91 22 68293500 Fax: +91 22 68293545
E–mail: gilshares@gtlinfra.com; Website: www.gtlinfra.com
CIN: L74210MH2004PLC144367

LIST OF OFFICES IN INDIA

ANDHRA PRADESH

207/208, Navketan Bldg. 62,
2nd Floor, Sarojini Devi Road,
Near Clock Tower,
Secunderabad–500 003

ASSAM

3rd Floor, Mayur Garden Building,
Opp. Rajeev Bhavan,
ABC Bus Stop, Bhangagarh, GS Road,
Guwahati–781 005

BIHAR

Markandey Complex, 3rd Floor,
Gayatri Mandir Road,
Near Paneerwalla, Kankerbagh,
Patna–800 020

GUJRAT

101, 1st Floor, Sanmukh Complex,
9 Kalpana Society, Behind Navrangpura
Post Office, Navrangpura, Ahmedabad,
Gujrat–380 009

HARYANA

3rd Floor,
Palm Court Building,
20/4, Sukhrali Chowk,
Gurgaon–122 001

JAMMU & KASHMIR

1st Floor, Sunny Square
Commercial Complex,
Near J & K Bank Ltd, Gangyal,
Jammu–180 010

JHARKHAND

3rd Floor, Raymond Building,
Kutchery Road,
Beside Gopal Complex,
Ranchi, Jharkhand–834 001

KARNATAKA

No. 3, Connaught Road,
Off Queens Road,
Tasker Town,
Bangalore–560 052

KERALA

66/4514, Prabhu Tower, 2nd Floor,
Opp. Chennai Silks, Veekshanam Road,
M. G. Road, North End, Ernakulam,
Kerala–682 035

MADHYA PRADESH

C–204 , 2nd Floor, Block–C,
Kartar Arcade,
Near Capital Petrol Pump,
Raisen Road, Bhopal–462 023

MAHARASHTRA

Global Vision,
3rd Floor, Electronic Sadan No 2,
MIDC, TTC Industrial Area,
Mahape, Navi Mumbai–400 710

MAHARASHTRA

412, Janmabhoomi Chambers,
29 Walchand Hirachand Marg,
Near Arya Honda Showroom,
Ballard Estate, Mumbai–400 001

MAHARASHTRA

Survey No. 61, Hissa No. 2/7,
Plot No. 01, Opp. Oxford Village,
Off. Salunkhe Vihar Road,
Wanawadi, Pune–411 040

ORISSA

Ground Floor, A–102,
Nayapalli,
Janaki Bhawan,
Bhubaneswar–751 012

PUNJAB

Charu Tower, Plot No. F–388,
Ground Floor, Phase 8–B,
Industrial Area, Sector–90,
Mohali, Punjab–160 055

RAJASTHAN

312 To 319, 3rd Floor,
Geetanjali Tower,
Civil Lines, Bombay Walon Ka Bagh,
Ajmer Road, Jaipur–302 006

TAMILNADU

New No. 232, Old No. 186,
City Centre, 3rd Floor,
Purasawalkam High Road,
Kilpauk, Chennai–600 010

UP (East)

Dayal Chamber,
27/6 K.A., Ground Floor,
Ram Mohan Rai Marg, Hazratganj,
Lucknow–226 001

UP (West)

3rd Floor, Park Plaza, Unit No 185/1,
Mangal Pandey Nagar,
University Road, Meerut,
Uttar Pradesh–250 004

WEST BENGAL

Shaila Tower, 7th Floor,
Unit 701, Plot J1/16,
Block EP&GP, Salt Lake, Sec V,
Kolkata–700 091

Scan the QR Code

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“

Relationships are more important than life, but it is important for those relationships to have life in them.

”

- Swami Vivekananda

GTL Infrastructure Limited

‘Global Vision’, 3rd Floor, Electronic Sadan – II, MIDC, TTC Industrial Area,
Mahape, Navi Mumbai – 400 710, Maharashtra, India.
Tel: +91 22 6829 3500 | Fax: +91 22 6829 3545
CIN : L74210MH2004PLC144367
Website: www.gtlinfra.com