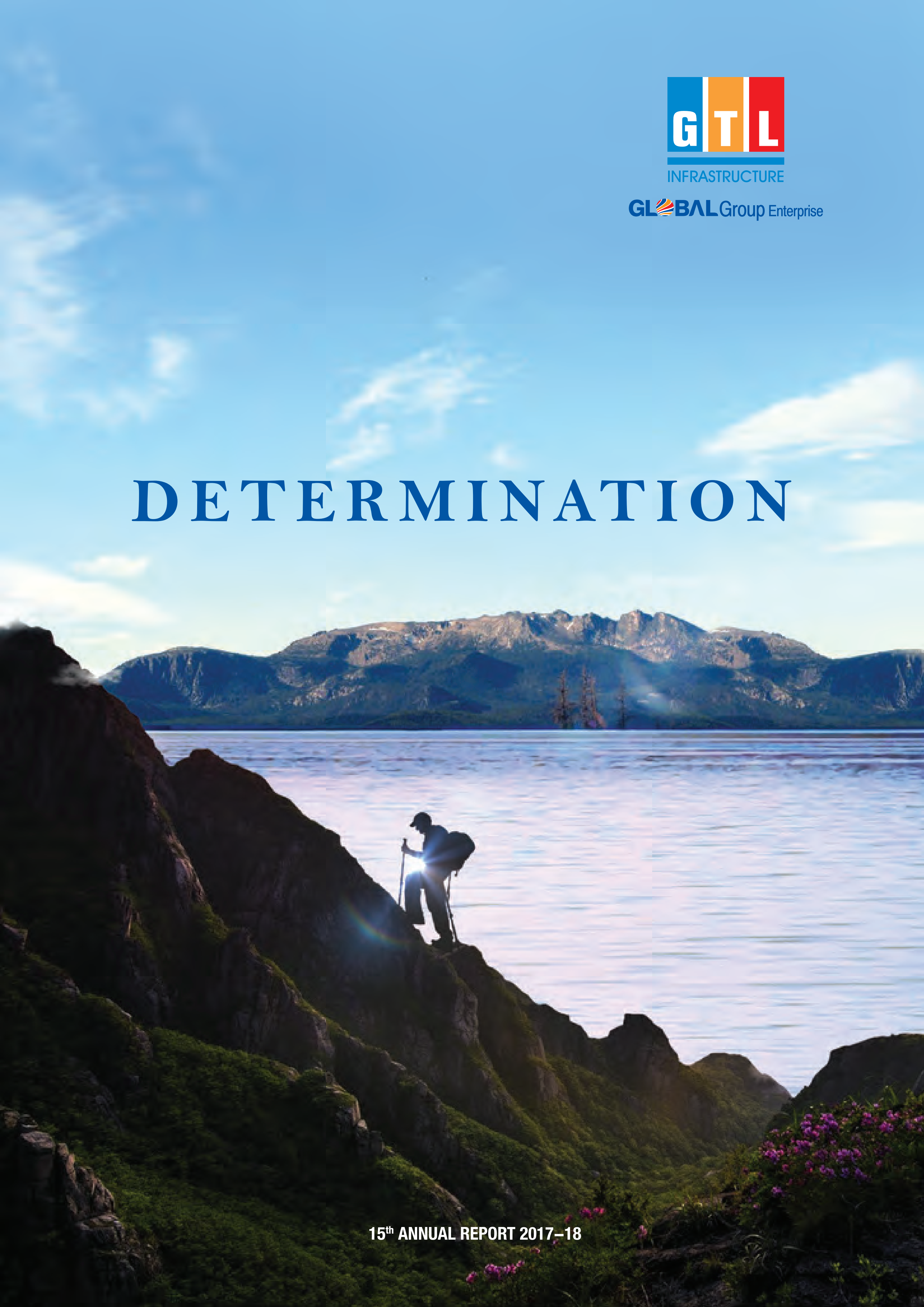


GTL INFRASTRUCTURE

GLOBAL Group Enterprise

DETERMINATION

15th ANNUAL REPORT 2017–18

CONTENTS

CORPORATE OVERVIEW

STATUTORY REPORTS

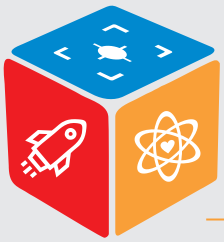
FINANCIAL STATEMENTS

NOTICE

VISION, MISSION & VALUES

VISION

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



MISSION

At the Global Group, 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 Group brings a distinct set of capabilities.

VALUES

The Global Group Enterprises 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

OUR DETERMINATION

Since 1995, when the first mobile call was made in India, the country's telecom industry underwent several path breaking transformations like, massive tariff reduction, from a peak of ₹ 16 per minute for a voice call to the current era of free voice calls; cancellation of 122 telecom licenses in 2012; slower than expected 3G growth and the launch of 4G services –with pay for data only tariffs, that has made India in 2017, the largest consumer of mobile data in the world. The period has also witnessed serious consolidation with several telecom operators either exiting or merging their operations on account of lower margins and unsustainable debts.

We at GTL Infrastructure Limited (GTL Infra) grew the business to register an all time high tower tenancies of 51,587 by December 2017 and Revenue of ₹ 23,333 Mn for FY 2017–18. All of this was achieved while regularly servicing the debt obligations and paying the Lenders ₹ 63,415 Mn during the last 7 years out of operating cash–flows alone.

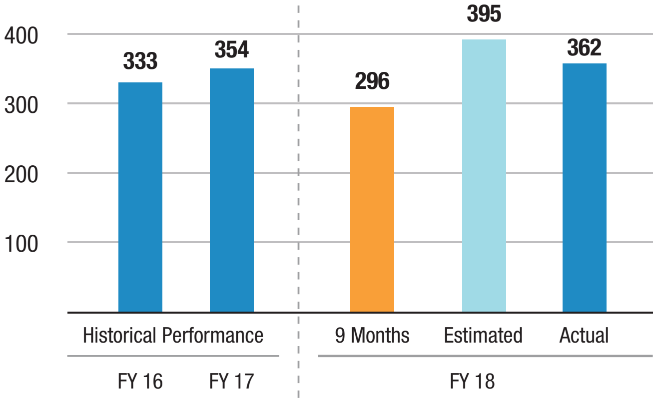
In the second half of FY 2017–18, however, the industry witnessed huge churn with some telecom players exiting the unviable mobile communications business and some telecom operators merging with their rivals. All this led to adverse consequences for our Company. For reasons beyond our control, the new developments in an already stressed telecom sector caused colossal damage in our rebuilding efforts. The loss of tenancies from Aircel, Reliance Communications, SSTL, Tata Teleservices and the merger of Airtel – Telenor and Idea – Vodafone drastically reduces our tenancies to 27,626 by the end of FY 2017–18 and going forward annual EBITDA to ₹ 4,000 Mn for subsequent FY 2018–19 from ₹ 10,596 Mn registered for FY 2017–18.

GTL Infra has once again been pushed into a position from where it has to rebuild itself. We have already begun the process by prioritizing stringent cost optimization measures to align current costs with income and grow the tenancies by offering high quality services to our Customers.

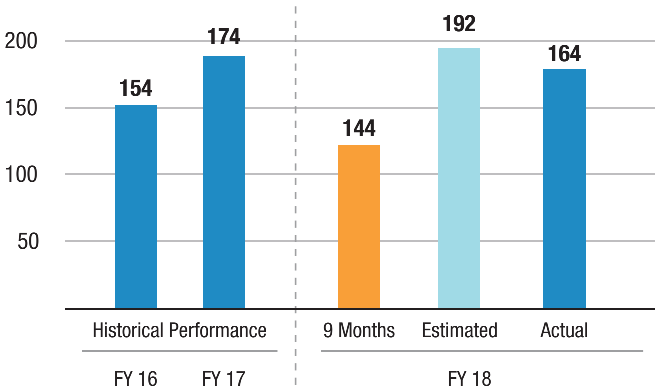
Whatever the odds, we are determined to rise. We have done it before and we will do it again! We will reinvent and rebuild GTL Infra to emerge stronger, dynamic and a committed infrastructure company, adding value to the entire telecom ecosystem.

KEY PEFORMANCE INDICATORS

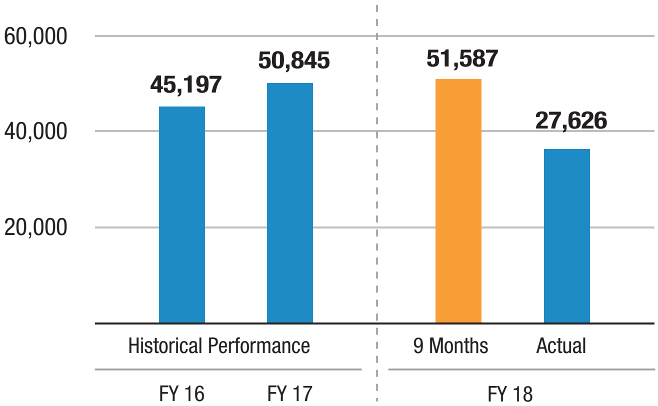
REVENUE in US$ Mn



EBITDA in US$ Mn



TENANTS in Nos.



- **FY 18 Estimated** figures are calculated based on published numbers for 9 months ended December 31, 2017 for the above charts and subsequent management discussions in this Annual Report.
- Key Performance Indicators for 9 months period ending December 31, 2017 indicate that GTL Infra was on course to achieve its estimated Annual Revenue and EBITDA for FY 17–18. However, due to tenancy exits in the second half of FY 17–18 as a result of closure of mobile operations of Aircel, Tata Teleservices, RCom, SSTL and mergers of Airtel – Telenor and Vodafone – Idea, the performance for the full year got impacted.

FINANCIAL SNAPSHOT

Parameter	Units	FY 17–18	FY 16–17	FY 15–16	FY 17–18	FY 16–17	FY 15–16
Tower tenancy parameters		₹ / Nos			US$ / Nos		
Total tower count	Nos	**27,707**	27,759	27,764	**27,707**	27,759	27,764
Unoccupied tower count[2]	Nos	**13,217**	2,312	2,268	**13,217**	2,312	2,268
Occupied tower count[3]	Nos	**14,490**	25,447	25,496	**14,490**	25,447	25,496
Tenants	Nos	**27,626**	50,845	45,197	**27,626**	50,845	45,197
Avg. tenancy ratio per occupied tower	Times	**1.9**	2.0	1.8	**1.9**	2.0	1.8
Financials							
Normalized EBITDA	Mn	**10,596**	11,216	9,915	**164**	174	154
Growth rate[3]	%	**(6)**	13	27	**(6)**	13	27
Major contributors:							
Revenue (net of taxes)	Mn	**23,333**	22,829	21,455	**362**	354	333
Growth rate[3]	%	**2**	6	8	**2**	6	8
Cost optimization initiatives:							
Power, fuel & maintenance charges (Net)	Mn	**1,198**	1,031	1,537	**19**	16	24
Other operating expenses– security cost	Mn	**784**	864	988	**12**	13	15
Total	Mn	**1,983**	1,896	2,525	**31**	29	39
Cost to revenue	%	**8**	8	12	**8**	8	12
Cash flow from operations[3]	Mn	**7,045**	12,389	12,252	**109**	192	190
CAPEX	Mn	**2,889**	3,641	3,437	**45**	56	53
Key ratios							
Normalized EBITDA margin[3]	%	**45**	49	46	**45**	49	46
Network uptime delivered – Year End basis	%	**99.90**	99.90	99.90	**99.90**	99.90	99.90

Tower revenue parameters – Occupied Towers

Parameters	FY 17–18	FY 16–17	FY 15–16	FY 17–18	FY 16–17	FY 15–16
	₹			US$		
Sharing revenue per tower[4]	**50,595**	54,910	51,800	**784**	851	803
Sharing revenue per tenant/month[4]	**27,600**	27,482	29,221	**428**	426	453
EM revenue per tower/month[7]	**33,454**	28,982	28,146	**519**	449	436
EM revenue per tenant/month[7]	**20,635**	17,092	17,139	**320**	265	266

Notes:

1. a) The above results and subsequent management discussion refer to GTL Infrastructure Limited as 'The Company' or 'GIL'. During the year, erstwhile Chennai Network Infrastructure Limited (CNIL) has been merged with the Company with an appointed date of April 1, 2016 pursuant to the Scheme of Arrangement for merger. The Scheme has been accounted under Pooling of Interests Method. Therefore, figures of previous years have been restated / regrouped wherever necessary to make them comparable with that of the FY 17–18.

   b) For the purpose of financial analysis, the financial results for FY 15–16 in respect of GIL and CNIL being separate entities have been combined whilst, for the current year and previous years, the same is presented as a part of GIL.
2. The unoccupied tower count has increased majorly on account of exit of Aircel during the year.
3. During the year exits of major tenant Aircel and other Telcos such as SSTL, RCom, TTSL and Telecom industry consolidation affected the occupied tower count, revenues and consequently EBITDA.
4. The Sharing revenue per tower and sharing revenue per tenant are calculated on the basis of revenues from existing tenants as of March 31, 2018.
5 EM: Energy Management
6. For the purpose of financial analysis, the figures in rupees for the financial results referred to have been converted at a constant rate of ₹ 64.52 per US$ as on March 31, 2018 and the same rate has been applied to other FYs referred in this statement and the other sections of this Annual Report.
7. Excluding any outsourced arrangements with third parties.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Manoj G. Tirodkar	Chairman
Mr. N. Balasubramanian	Vice Chairman
Mr. Milind K. Naik	Whole–time Director
Mr. Vinod B. Agarwala	Director
Dr. Anand P. Patkar	Director
Mr. Charudatta K. Naik	Director
Mr. Vijay M. Vij	Director
Mrs. Sonali P. Choudhary	Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Nitesh A. Mhatre

CHIEF FINANCIAL OFFICER

Mr. Laxmikant Y. Desai (Retired w.e.f. December 31, 2017)
Mr. Bhupendra J. Kiny (Appointed w.e.f. January 1, 2018)

AUDITORS

M/s. Chaturvedi & Shah, Chartered Accountants
M/s. Yeolekar & Associates, Chartered Accountants

BANKS / INSTITUTIONS

Andhra Bank
Axis Bank Ltd.
Bank of Baroda
Bank of India
Canara Bank
Central Bank of India
Corporation Bank
DEG, Germany
Dena Bank
IDBI Bank Ltd.
Indian Bank
Indian Overseas Bank
ICICI Bank Ltd.
Life Insurance Corporation of India
Oriental Bank of Commerce
Punjab National Bank
State Bank of India
Union Bank of India
United Bank of India
Vijaya Bank

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 2767 3500 I Fax: +91 22 2767 3666
Website: www.gtlinfra.com
CIN : L74210MH2004PLC144367

REGISTRAR & SHARE TRANSFER AGENT

GTL Limited
Investor Service Centre
'Global Vision', Electronic Sadan – II,
MIDC, TTC Industrial Area, Mahape,
Navi Mumbai – 400 710, Maharashtra, India.
Tel: +91 22 2761 2929 Extn.: 2232–2235 I Fax: +91 22 2768 0171
Email: gilshares@gtlinfra.com

For More Information Contact:

Email: gilshares@gtlinfra.com I ir@gtlinfra.com
Tel.: +91 22 2271 5000

OUR JOURNEY

2006

First Telecom Tower Company in India to get listed on stock exchanges (BSE and NSE)

2007

Rights Issue of US$ 83.86 Mn

Warrants subscribed by Promoters and Investors for US$ 263 Mn

Successfully closed Unsecured Zero Coupon FCCB issue of US$ 300 Mn

2008

Achieved Financial Closure to roll out 23,700 towers across India

2010

Acquired 17,500 towers with 21,000 Tenants from Aircel

2011

Completed Corporate Debt Restructuring

2016

Recepient of The Economic Times – Best Infrastructure Brands Award

2017

Tenancy Ratio 2x

Strategic Debt Restructuring

2018

Achieved an all time high 51,587 tenants

Completed merger with CNIL

Recognised as Mumbai's Hot 50 Brands by Paul Writer

BOARD OF DIRECTORS

Mr. Manoj Tirodkar 3 4
Chairman

Mr. Tirodkar is a first–generation entrepreneur, highly acclaimed for intoducing the concept of shared telecom infrastructure in India. He is the Founder and Chairman of Global Group and has been lauded with several awards and recognitions for his contribution to the telecom industry. He is the first Indian to win the prestigious 'World Young Business Achiever Award 2000' (WYBA) presented by Worldcom Group. He has also been awarded Confederation of Indian Industry's (CII) Young Entrepreneur Trophy and Telecom Man of the year Award. In 2018 Mr. Tirodkar received the Business Innovator Award at Maharashtra Achievers Awards 2018.

Mr. N. Balasubramanian 1 2 5
Vice Chairman & Independent Director

Mr. Balasubramanian is a former Banker. He is an expert in SME industry and was instrumental in launching SME Rating Agency of India Ltd. In the past, he has held leadership positions at Bank of Baroda and Small Industries Development Bank of India and has been a member of Board of prestigious Indian companies.

Mr. Milind Naik 4
Whole Time Director & COO

Mr. Naik has been an integral part of the Global Group for over 27 years. He has extensive experience in telecom industry. He is responsible for the overall Commercial, Operations and Cost Optimisation measures for the Company.

Mr. Charudatta Naik 1 2
Director

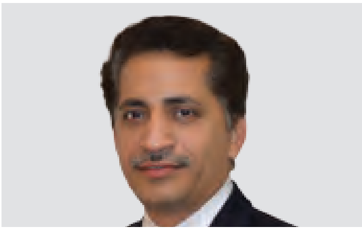
Mr. Naik has an experience spanning over 29 years in the telecom industry. He provides strategic guidance to the group to enhance its growth potential. His expertise lies in Technical Support, Sales & Marketing and Business Operations. Previously he was associated with leading companies like Unitel Communications and Crompton Greaves.

Dr. Anand Patkar 3 5
Independent Director

Dr. Patkar brings over 41 years of rich experience across Finance, Corporate Planning, Strategic Management, Mergers and Acquisitions, Joint Ventures, Feasibility Studies and Budgetary Control amongst many other areas. He is also the author of the book 'Master the Mind Monkey: Experience Your Excellence' and is an active Management Educator.

Mr. Vinod B. Agarwala 1 3 5
Independent Director

Mr. Agarwala is a practicing Advocate & Solicitor, with over 36 years of experience. He is also Solicitor, Supreme Court of England & Wales and Advocate of Supreme Court of India. Mr. Agarwala specialises in Corporate Laws, Securities Laws, Project Finance, Property Law, FDI and Commercial Laws.



Mr. Vijay Vij 1 2 4
Independent Director

Mr. Vij is a practicing Chartered Accountant with over 22 years of experience in Taxation, Auditing and Consulting. He is an ardent finance professional and his forte lies in Direct Taxation, Valuations, Financial Modelling, Business Consultancy, System Implementation and M & A advisory.

Mrs. Sonali P. Choudhary 3 4
Director

Mrs. Choudhary is an ardent law professional specialising in arbitration, mergers & acquisition and risk management. She has 16 years of experience and previously was the legal head of the power business of GTL Limited. Alongwith being a law graduate she holds Masters in Finance Management.

Board Committees:

1. Audit
2. Nomination & Remuneration
3. Stakeholders' Relationship
4. Corporate Social Responsibility
5. SDR Monitoring & Advisory

Chairperson (orange)
Member (blue)

EXECUTIVE MANAGEMENT TEAM

Mr. Milind Naik
Whole Time Director & COO

Mr. Naik has been an integral part of the Global Group for over 27 years. He has extensive experience in telecom industry. He is responsible for the overall Commercial, Operations and Cost Optimisation measures for the Company.

Mr. Milind Bengali
Chief Operating Officer

Mr. Bengali is responsible for business and operations of the Company. He has over 26 years of experience in Telecom and ITES across Business Operations, Strategy, Sales & Marketing, Business Development and P&L. He has previously worked with Crompton Greaves, Aptech and The Thapar Group.

Mr. Bhupendra Kiny
Chief Financial Officer

Mr. Kiny is a Chartered Accountant with over 23 years of experience. He is responsible for Finance & Accounts, Budgeting & Monitoring, Cost Optimisation, Pricing & Commercials, Funding, Cash Flows and Risk Management for the Company.

Mr. Arun Prabhukhanolkar
President – Corporate Affairs &
Group Head – Business Development

Mr. Prabhukhanolkar brings over 18 years of experience across the domains of Telecom Infrastructure, Network Services, and Power Distribution. He holds group level responsibilities and his expertise lies in the areas of Business Development, Business Operations, Public Relations and Corporate Affairs.

Mr. Prasanna Bidnurkar
Head Treasury

Mr. Bidnurkar is a Chartered Accountant with over 21 years of experience in the field of Finance, Treasury, Contract Management, Budgets and MIS. He is responsible for debt mobilisation and restructuring. He heads the turnaround process with the Chairman Mr. Tirodkar. He has been associated with GTL Infra for over 10 years.

Mr. R. S. Ahluwalia
President – Business Development

Mr. Ahluwalia brings over three decades of varied experience in areas such as International Marketing, Business Operations, Strategy and Business Transition to the Company. Prior to this tenure, Mr. Ahluwalia was the Country Manager at Cincom Systems USA and Director of Philips Telecommunications UK.

Mr. Eugene Valles
Vice President – Human Resources

Mr. Eugene Valles is a Masters in Business Administration. He is responsible for the HR and Organisation Development function. Prior to Joining GTL Infrastructure, he has worked with GTL Limited as Head – Human Resources. He has over 24 years of experience.

AWARDS & RECOGNITIONS

The awards are result of our determination, hardwork and dedication to excellence. Awards help in reinforcement of our believes, strategies and work culture.

BUSINESS INNOVATOR AWARD

Mr. Manoj Tirodkar received Business Innovator Award at the Maharashtra Achievers Award 2018

MUMBAI HOT 50 BRANDS

Paul Writer, India's first community of marketers, recognized "GTL Infrastructure" amongst "Mumbai Hot 50 Brands" in the 'Large Organizations' category at the Mumbai Brand Summit & Hot Brands 2018.

STRATEGIC PRIORITIES

Striving towards a fully occupied tower base & growth in tenancies

Building up of tenancies lost due to operator consolidation, through growth drives like, growth in data usage, drop in smart phone prices, operator network upgradation – capacity and coverage, auction of higher frequencies for newer technologies like 5G and Government of India's drive towards digitalization of economy through Digital India initiatives.

Tapping the potential offered by clean energy sources

Power is a critical resource that keeps the networks alive. The Company intends to leverage clean and renewable sources of energy to power the towers, reduce CO_2 footprint and move towards a sustainable future.

Cost Optimization

Continue to work towards optimizing costs through company identified modules.

Investment in our people

It is our human capital that enables us to serve our customers effectively and to grow our business. We have a committed and passionate team working together towards the success of the Company. We believe in fostering and training our talent, which in turn drives growth and profitability, while maintaining and managing customer relationships. We invest in helping our people to grow professionally and aim to further their growth aspirations.

Committed to our stakeholders

Our stakeholders are at the heart of everything we do. We are continuously innovating to provide meaningful and fruitful association with our customers. This in turn helps to drive sustained value creation for our investors. As part of our social responsibility, we keep launching initiatives that preserve the natural resources and empower the communities we impact.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS SNAPSHOT

GTL Infrastructure Limited (GTL Infra or GIL or the Company) is a major independent telecom tower company (TowerCo) in India. The Company provides passive infrastructure on shared basis to telecom operators (Telcos) for hosting their active network components. The Company is IP–1 registered with Department of Telecommunications, India.

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 divert their resources from capital expenditure to operational expenditure model, thus allowing them to utilise capital for their core operations.

The salient features of the passive infrastructure business model are as given below –

- towers are capable of hosting multiple technologies such as 2G I 3G I 4G LTE I 5G etc.
- growth tied to expansion of wireless networks and technology upgradation
- annuity driven business model
- long term (upto 15 years) contracts with Telcos, with a built in annual escalation
- fixed energy management contracts with Telcos
- relatively fixed cost structure and low level of maintenance
- predictable free cash flows
- additional tenancies (post anchor tenant) lead to higher EBITDA margins and higher percentage of revenue translating to cash flow

The Company's tower portfolio is spread across all the Telecom Circles in India and serves all the Telcos.

INDUSTRY STRUCTURE AND DEVELOPMENT

TELCOS

- India is the world's 2nd largest telecommunications market, with 1,153.51 Mn subscribers, as of May 31, 2018.
- Indian Telecom sector's revenue grew to US$ 39.49 Bn in FY 18.
- Tele–density (Wireless and Wireline) as on May 31, 2018:[1]

  Overall: 88.62%

  Urban: 156.49%

  Rural: 57.18%
- No. of Subscribers as on May 31, 2018: [2]

  Total: 1,153.51 Mn

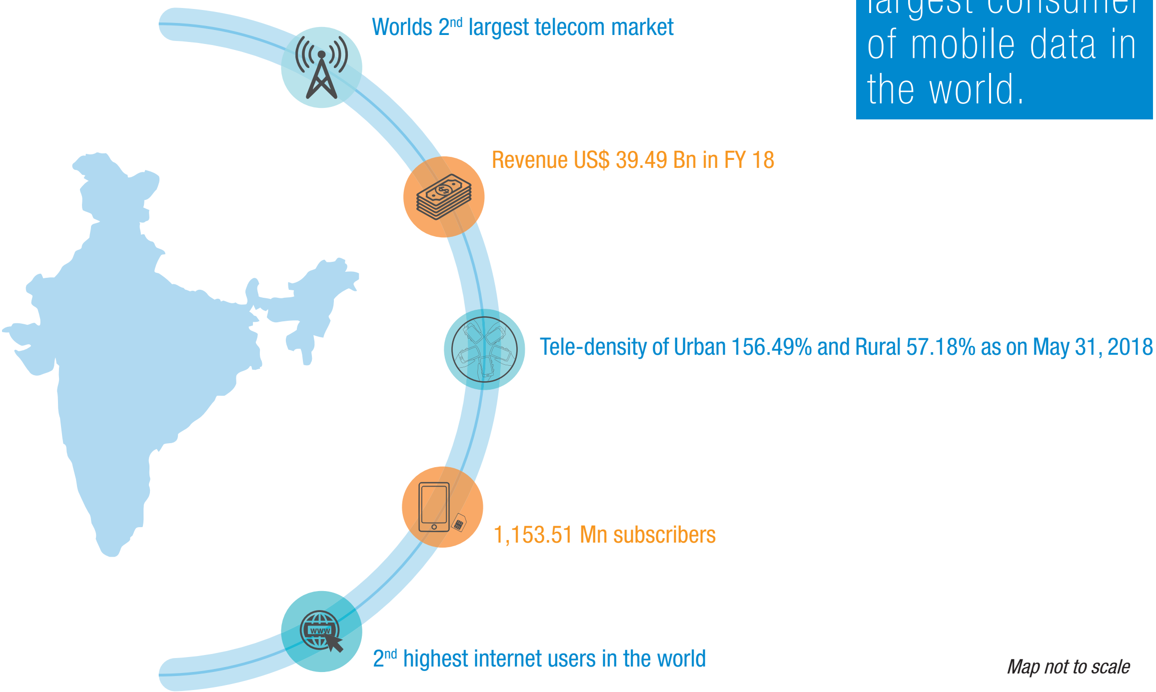
  Wireless: 1,131.01 Mn

  Wireline: 22.51 Mn
- **Internet**
  1. 2nd highest number of internet users in the world are in India.
  2. Total number of broadband subscribers stood at 432 Mn at the end of May 31, 2018.
  3. The number of internet subscribers in the country is expected to double by 2021 to 829 Mn
  4. Internet traffic will grow at a compound annual growth rate of 32% by FY 2021.

[1] & [2] *(Source: TRAI Report dated July 18, 2018)*

For the telecom user in India, this year has been transformative with higher penetration of affordable handsets, high speed mobile internet and a convergence of mobile–related services like entertainment, financial services, education and lifestyle and the upsurge in IoT (Internet of Things) changing the lifestyle. India is rapidly moving towards being more digitally connected than ever before.

India is the largest consumer of mobile data in the world.



Map not to scale

FY 2017–18 also saw significant headwinds within the telecom sector on account of :

(i) Aggressive pricing by Telecom Operators

(ii) Reduction in interconnect usage charges and

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

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

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

(ii) Reliance Communications Limited (RCom) decision to withdraw from the wireless space and consequent acquisition of certain assets by Reliance Jio Infocomm Limited (RJio)

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

(iv) Tata Group's decision to withdraw from the wireless space and consequent merger of Bharti Airtel Limited (Bharti Airtel) and Tata Teleservices Limited (TTSL)

(v) Vodafone India Limited (Vodafone) and Idea Cellular Limited (Idea) merger

(vi) Bharti Airtel and Telenor (India) Communications Private Limited (Telenor) merger

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

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

He terms the year gone by as "A Challenging Year for the Industry" and further states,

"2017 was a year of rapid change, transformation and consolidation for the industry. An unfortunate price war has led to below cost and suppressed pricing. During this period, almost all telecom operators incurred heavy losses and collective revenue declined significantly – AGR* declined from INR 1.40 trillion to an estimated (E) INR 1.16 trillion from FY2017 to FY2018. The financial woes of the industry were further aggravated by the steep reduction

* Industry Adjusted Gross Revenue


Our towers extend mobile networks to remotest corners of India

in domestic and international termination charges. The industry faces an uphill task of servicing a total debt of INR 7.7 trillion, which is close to 7 times the total revenue of the industry. This debt servicing challenge would continue even if profits and revenues are to increase in the short term. This problem is best exemplified by the fact that the current total profits of the industry are insufficient to cover the interest on the debt (0.4 interest coverage ratio in Q3 FY 2018).

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

Infrastructure sharing

Infrastructure sharing can help to reduce the cost of network roll–outs, ensure speedy deployments and reduce the risk of network redundancy. In addition, sharing provides a source of revenue for telecom operators as they can monetise their existing assets and share towers from TowerCo.

INDIAN TELECOM TOWER COMPANIES (TOWERCOS)

Broadly the tower companies can be categorized as:

- Operator owned tower companies (for e.g. – Indus, Bharti Infratel and Reliance Infratel)
- Independent tower companies (for e.g. – Tower Vision, Ascend, GTL Infra)
- Towers owned by Government Operators (for e.g. – BSNL, MTNL)

The merger of towers owned by Vodafone & Idea (outside Indus) into ATC India & proposed merger of Bharti Infratel with Indus will reduce the number of players in Tower space. The passive infrastructure industry will be driven by 3–4 TowerCos.

STRUCTURE AND BUSINESS MODEL OF TOWERCOS

Telecom towers form the backbone of wireless networks and provide last mile connectivity to subscribers. The Company played a pioneering role in shaping this industry and it was the first independent tower company in India to get listed on stock exchanges.

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).

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.

In the last one year there has been rapid data growth. This is coupled with decline in tariffs and ARPUs along with expansion of 4G Networks.

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.

> Infrastructure sharing helps to reduce the cost of network roll-outs, ensure speedy deployments and reduce the risk of network redundancy

NOTABLE TRENDS IN THE INDIAN TELECOM SECTOR

- **Expansion into Rural Markets**

  With 70% of the population staying in rural areas, the rural market would be a key growth driver in the coming years. Out of the Government's Universal Service Obligation (USO) Fund, uncovered villages in India are provided with village telephone facility thereby increasing rural tele–density. As of May 31, 2018, the rural subscriber base accounted for 44.09% of the total subscriber base, thereby fuelling growth across the sector.

- **Internet of Things (IoT)**

  IoT is the concept of electronically interconnected and integrated machines, which can help in gathering and sharing data. The Indian Government has planned to develop 100 Smart City projects, where IoT would play a vital role in development of those cities.

- **Consolidation leading to stronger players**

  Vodafone India and Idea Cellular are in the process of completing their merger. Similarly, Airtel acquired Tata Teleservices' mobile business and is in the process of completing its merger with Telenor. Thus the telecom industry will be represented by large Telcos like Airtel, Vodafone – Idea, Reliance Jio and PSUs – BSNL & MTNL.

- **Outsourcing non–core activities**

  Recent outsourcing trends include Telcos outsourcing functions such as network maintenance, IT operations and customer service and even captive tower portfolio.

- **Investments in Optical Fibre Network**

  – Reliance Jio has plans to expand its optical fibre network to over 1,100 cities under its JioGigaFiber initiative. The network is undergoing beta trials as of July 2018, Airtel has plans to rollout 2,000 km of optical fiber in Gujarat in 2018–19.

  – Government of India's initiative BharatNet aims to connect all the 2.5 lakh Gram Panchayats of India through optical fibre network.

- **Digital Payments**

  – In India, the total transaction value in the "Digital Payments" segment amounts to US$ 51,756 Mn in 2018.

  – The total transaction value is expected to show an annual growth rate (CAGR 2018–2022) of 17.4% resulting in the total amount of US$ 98,309 Mn in 2022.

[Sources: BMI (Business Monitor International) Report, Internet Mobile Association of India (IAMAI), Telecom Regulatory Authority of India (TRAI), Aranca Research, RBI, PwC, Gartner, Deloitte and Assorted News Articles, statisa.com]

OPPORTUNITIES AND THREATS

Increase in use of digital applications will create demand for towers as source of Internet

BharatNet and Digital India are fast converting India into a Digital Economy

Opportunities

- **Demand for Towers**

  TowerCos have played a key role in establishing a robust telecom network in the country. The accelerated network investments in 4G rollouts are driving tenancy growth. Further, the government's Digital India and Smart City vision is driving the deployment of telecom infrastructure, which is the backbone for connectivity and will create a platform for tower companies to emerge as end–to–end infrastructure providers, catering to all infrastructure connectivity needs of such cities. All this is leading to an increase in the number of sites being rolled out and tenancies on the existing sites.

  Further, the evolution of proposed launch of the 5G services will significantly increase the demand for tower sites because of spectrum being in higher frequencies. The deployment of critical applications on

Internet of Things (IoT) would also require ubiquitous coverage. As a result, tower sector is expected to add more tenants.

- **Policy pointers for ushering in Digital Revolution**

  India's digital profile and footprint are fast changing with growing digitisation of services. The country has over one billion mobile phone users and digital identities and half a billion internet users. India's mobile data consumption is already highest in the world. In 2017 alone, over 200 million Indians took to mobile banking and digital payments.

  The Department of Telecommunications (DoT) recently released the draft of a new telecom policy. Rightly called the National Digital Communications Policy (NDCP), 2018, it aims to provide a roadmap for ushering in a digital revolution in the country. The draft NDCP policy proposes to accord critical and essential infrastructure status to the telecom infrastructure industry, thereby bringing communication infrastructure at par with other connectivity infrastructure like roadways and railways.[1]

- **Government Initiatives**

  Various initiatives like 'BharatNet' and 'Digital India' have been introduced to convert India into a digital economy. The Government is making major investments in laying optical fiber cable for extending the reach of telecom network to the remote and rural villages, through the flagship BharatNet Programme which is financed mainly through Universal Service Obligation Fund (USOF).

  BharatNet will link 1.5 lakh Gram Panchayats of India through optical fiber network with an outlay of ₹ 30,920 Crore in phase II. 1.10 Lakh Gram Panchayats have already been connected in phase I.

  The increase in use of digital applications by smart phone, users will create demand for more Towers for efficient source of internet which will be fulfilled by Tower Infrastructure Companies.

- **Growth Prospects from Virtual Network Operators (VNO)**

  VNOs provide telecom services without owning spectrum or network infrastructure by buying bandwidth from an operator and selling services to customers with their own branding and tariff packages.

  VNOs can extend marketing of services of large telcos in those areas where Telcos as a brand are not available, by offering innovative packages and prompt services.

  In India, around 67 companies have already taken VNO licenses. The growth of VNOs in India is expected to create a demand on infrastructure and is likely to bring in incremental tenants.

[1] *Source: Tele.Net*

Our towers radiate high quality 4G networks in the mega cities of India

The Trade Marks, Service Marks, Logos of various Companies used in the report belong to the respective owners only and have been used in the report for representation purpose only.

Threats

- **Teleco Consolidation**

  Mergers and acquisitions among Telcos may lead to further fall in the tenancy of TowerCos.

- **Public Apprehension against EMF radiation**

  Although electromagnetic waves from the cell towers are non–ionising and India has stringent regulations for permissible limits, there is public apprehension of health risks due to these waves. Hence, tower industry faces stray cases of tower shut down.

- **Active Infrastructure Sharing**

  The Operators might enter into NetCo agreements wherein they share their network for cost optimization, as a result of which the site requirement for different operators may reduce.

- **Traffic Off–loading**

  Due to large traffic volumes in next 4–5 years, operators are expected to off–load a large amount of traffic on micro sites, small cells and wi–fi, which might impact the tenancy on Macro Sites.

OPERATIONS

During the year the Company added 4,023 tenants taking the number of total tenants to 51,587, an all time high. However, with the exits of Aircel, SSTL, RCom and mergers of Tata Teleservices with Bharti Airtel, Telenor with Bharti Airtel and the merger of Vodafone & Idea, the Company lost 27,242 tenancies. As a result the No. of tenancies stood at 27,626 as on March 31, 2018.

The Company is of the view that even though the Sector including GTL Infra lost sizeable number of tenancies due to the consolidation of operators, the Company will be on growth path within two fiscals due to various growth factors like increase in data consumption, reduction in smart phones prices, improvement of data networks, capacity enhancements and auctioning of higher frequencies for 5G etc.

A focused approach for rebuilding the tenancy is currently underway.

> GTL Infra added 4,023 tenants in FY 17-18 and is rebuilding tenancy in FY 18-19

FUTURE OUTLOOK

Coming out of a challenging year for the entire telecom industry, the Company is determined to alter its future positively with a series of initiatives, as under :

Towards a most efficient TowerCo

The Cost Optimization modules underway have yielded positive results and are being further pursued to create ongoing efficiencies across the major operational costs such as Rent, Security, Energy, Maintenance, Administration etc.

With the stated goals of reduction in operating costs and adding further efficiencies in operations, the Company aims to become the most efficient TowerCo.

Build back business

During the year under review the Company added 4,023 new tenants to achieve an all time high tenants of 51,587 however it closed the year with 27,626 tenants on account of industry consolidation and site exits.

The Company is engaged with all the Telcos to gain tenants and fill capacities on its occupied and vacant towers by way of –

- Network up gradation to meet the stringent QoS norms
- 4G network expansions into tier II & tier III cities and rural areas
- 5G rollout – TRAI has recommended auctioning of 3300MHz – 3600MHz band spectrum for 5G networks. The rollout of 5G networks will need incremental towers.

As an independent TowerCo with a good mix of Ground Based and Roof Top Towers in rural and urban India across 22 telecom circles, the Company is well positioned to garner new tenants.

In addition to the conventional business streams, the Company is also exploring newer Revenue streams from the Smart City Program, Digital India initiative and proliferation of IoT networks.

Realignment / Right–sizing of debt

The options to right size the debt either through an ARC debt sale process initiated by the lenders or in accordance with the revised guidelines issued by RBI dated February 12, 2018 are being envisaged, which was necessitated on account of the extraneous circumstances, entirely beyond the Company's control.

The outcomes of the process can have a significant impact on the business prospects of the Company.

DISCUSSIONS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS

The Financial Year ("FY") 17-18 is the eleventh 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 and adopted consistently by the Company and further based on guidelines issued by the Securities and the Exchange Board of India (SEBI), to the extent applicable.

The Scheme of Arrangement for the merger of Chennai Network Infrastructure Limited (CNIL) with the Company (the Scheme) has been approved by the National Company Law Tribunal ("NCLT") at Mumbai and National Company Law Tribunal at Chennai vide their orders dated December 15, 2017 and December 13, 2017 respectively. Upon the filing of these orders with the Registrar of Companies, Mumbai and Registrar of Companies, Chennai the Scheme became operational from December 22, 2017 w.e.f. April 1, 2016 being the Appointed Date. The Scheme has been accounted under the pooling of interest method with effect from appointed date as per the above mentioned NCLT orders and accordingly the comparatives for the previous year have been restated. Further, the financial statements as of the first day of the previous year i.e. April 1, 2016 have also been presented as per Ind AS 1 "Presentation of Financial Statements"

Segment wise 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.

Summary of financials

In Mn

Particulars	FY 17–18		FY 16–17		FY 15–16	
	₹	US$	₹	US$	₹	US$
Revenue[1] (net of taxes)	**23,333**	**362**	22,829	354	21,455	333
Less:						
Infrastructure Operation & Maintenance Cost[1]	**11,267**	**175**	10,365	161	10,025	155
Employee benefit expenses	**641**	**10**	528	8	585	9
Other expenses	**801**	**12**	711	11	608	9
Ind AS and other Adjustments (net)	**28**	**0.44**	9	0.13	322	5
Total Costs	**12,737**	**197**	11,613	180	11,540	179
Normalized EBITDA[2]	**10,596**	**164**	11,216	174	9,915	154
Normalized EBITDA %	**45%**	**45%**	49%	49%	46%	46%

1 Excludes any outsourced arrangements with 3rd parties for some energy management contracts

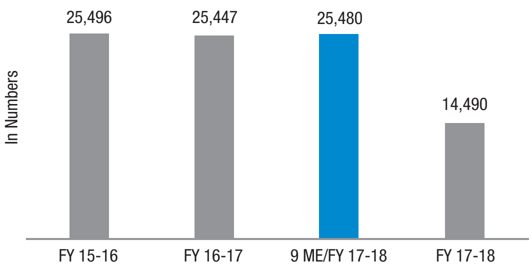
2 Normalized EBITDA is calculated after considering all costs related to operations but excludes foreign exchange difference, Merger related expenses, other one time non-operational expenses etc. Figures for the previous financial year have been re-stated / re-grouped wherever necessary to make them comparable with that of FY 17-18


Our towers spread mobile networks in the deserts of Rajasthan

Tower Count Vs Financial & Operational Performance

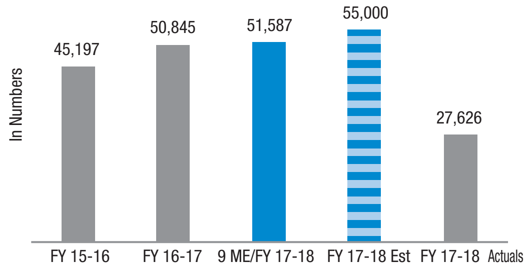
Note on impact of Industry Consolidation and Exits: The Company continued on a growth track for the first 9 months of FY 17-18, however industry consolidation (Idea - Vodafone merger & Airtel-Telenor merger) and exits (including that of Aircel a major tenant, TTSL, RCom, SSTL) impacted full year performance. The sudden exits of telecom operators led to (i) revenue ceasing almost immediately resulting in loss of 51% of the Monthly Network Infrastructure Facilities Revenues, (ii) lower than expected revenue growth and (iii) drop in EBITDA, but the related costs corresponding to these 'ceased' revenue continued due to contractual obligations. Therefore, to rationalize costs in line with tenancy exits and also resultant increase in unoccupied sites, a Cost Optimization Plan has been initiated by the Company. While the cost optimization plan has had a partial impact in Q4 FY 17-18, the remainder is expected to be achieved over the next FY 18-19;

Occupied Tower Count



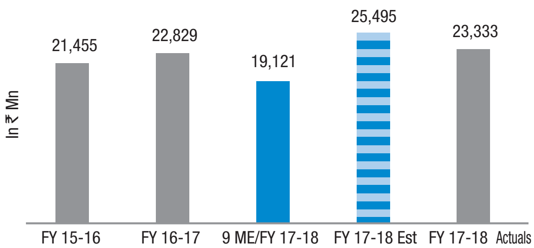
Occupied tower count reduced from 25,480 as of December 31, 2017 to 14,490 as of March 31, 2018

Tenants



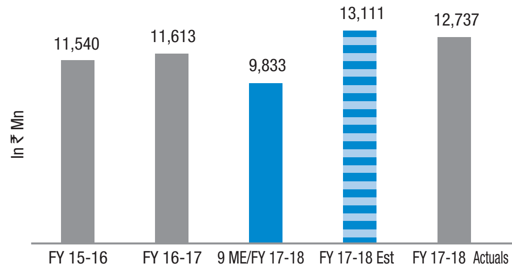
During the year the Company added 4,023 new tenants and achieved an all time high of 51,587 tenants, however the Company lost 27,242 tenants due to exit of various telecom operators and consolidation in the industry, 27,626 tenants remained at the end of Q4 FY 17-18.

Revenue



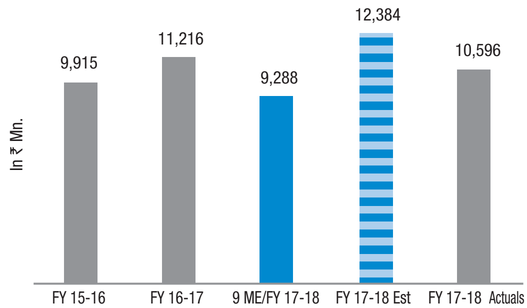
Revenue upto 9ME / FY 17-18 which stood at ₹ 19,121 Mn and was expected to reach ₹ 25,495 Mn for the full year by FY 17-18, could reach only to ₹ 23,333 Mn

Operating Expenses



Operating Expenses which otherwise would have touched ₹ 13,111 Mn for FY 17-18 were restricted to ₹ 12,737 Mn due to cost rationalization measures undertaken by the Company

Normalized EBITDA



Normalized EBITDA for 9 ME/FY 17-18 which stood at ₹ 9,288 Mn and was expected to reach ₹ 12,384 Mn however, ended at ₹ 10,596 Mn for FY 17-18

> While Cost Optimization Plan has had a partial impact in Q4 FY 18, the remainder is expected to be achieved over the next FY

9 ME = 9 Months period ended

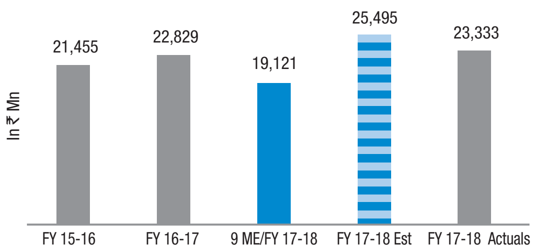
Revenue from Operations

The Company's revenue from operations has increased from ₹ 22,829 Mn (US$ 354 Mn) in FY 16–17 to ₹ 23,333 Mn (US$ 362 Mn) in FY 17–18.

This increase was mainly on account of growth in tenants during 9ME/FY 17-18.

The exit of various operators including our major client Aircel, during Q4 FY 17-18 resulted in decline in tenants which prevented the Company from reaching its estimated revenue of ₹ 25,495 Mn for FY 17-18.

Revenue

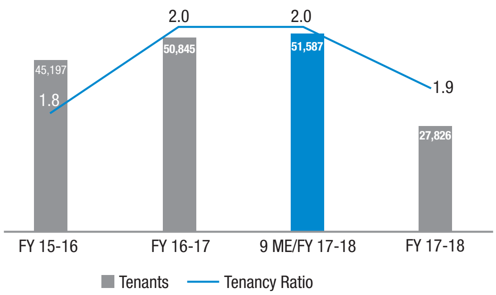


The Company continues to serve all the telecom operators due to its independent status, superior delivery capabilities and service standards.

Occupied Towers, Tenants and Tenancy Ratio

The Company owns 27,707 towers out of which 14,490 were occupied with 27,626 radiating tenants thereby achieving a tenancy ratio of 1.9 on occupied towers as of March 31, 2018. The tenancy ratio for the occupied towers declined to 1.9 from 2.0 in the previous year due to Telco exits and industry consolidation. It also increased the number of unoccupied towers in portfolio.

Tenants and Tenancy Ratio



Despite challenging conditions and consolidation in the telecom sector, the Company was able to increase tenants upto 9ME/FY 17–18. However, post exit of major customer Aircel and other operators, tower and occupancy ratio was severely impacted.

Other Income includes interest income, fair value gain on current investments, extinguishment of liabilities and miscellaneous income etc

- The other income of the Company stood at ₹ 1,825 Mn (US$ 28 Mn) in FY 17-18 as compared to ₹ 256 Mn (US$ 4 Mn) in FY 16-17 mainly on account of extinguishment of liabilities of 1,534 Mn. (US$ 24 Mn).

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, cell site security costs, power & fuel expenses, cell sites 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 and power fuel are recoverable from customers as per contract.

₹ Mn

Infrastructure Operations & Maintenance Cost	FY 17–18	FY 16–17	FY 15–16
Site rental (net)	**2,298**	2,044	1,917
Power, fuel & mainte–nance charges (net)	**1,198**	1,031	1,537
Repairs & maintenance to plant and equipments	**305**	443	403
Stores & spares consumption	**1**	2	6
Other operating expenditure – security	**784**	864	988
Total	**4,586**	4,384	4,851

The figures mentioned above for site rental and power, fuel & maintenance charges are net of recovery from customers

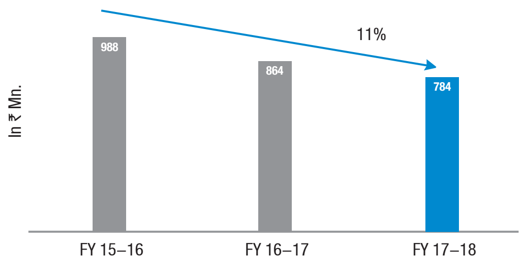
The Infra O&M cost (net of recovery) of the Company has reduced from ₹ 4,851 Mn (US$ 75 Mn) in FY15-16 to ₹ 4,586 Mn (US$ 71 Mn) in FY 17-18. The decrease in cost was primarily attributable to various cost optimization measures undertaken by the Company during the last 2 years. However there has been an increase in Infra O&M expenses vis a vis that in FY 16-17 mostly due to additions of new tenants in the first 9 months of FY 17-18, because of which there was corresponding increase in site rentals, power, fuel & maintenance charges.

Further, post the sudden exits of the telecom operators which resulted in revenues ceasing almost immediately, the related costs for these revenues continued due to contractual obligations. A cost optimization plan has been put in place, part of which has been executed upto March'18 and the remainder is expected to be executed in FY 18-19.

Cost Optimization Initiatives: Network cost optimization was undertaken which has helped in reducing security costs and power, fuel & maintenance charges.

A) **Security Cost:** Security costs over the last 2 financial years have been reduced by ₹ 204 Mn (US$ 3 Mn). Tower sites continue to be appropriately insured. Several measures have been undertaken to further reduce this cost, the impact of which would be seen immediately in the following financial years.

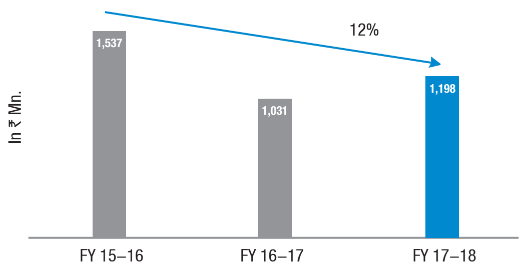
Security Cost



Innovative measures reduced security cost by 11% on compounded basis

B) **Power, Fuel & Maintenance Charges (net of recovery):** The Company has undertaken various measures to reduce power, fuel & maintenance charges by installing free cooling units, deep discharge and quick recharge batteries and signing of fixed energy contracts with customers. This has resulted in substantial savings of ₹ 339 Mn (US$ 5 Mn) over the last 2 years.

Power, Fuel & Maintenance (net)



Initiatives to increase power efficiency and automation reduced cost by 12% on compounded basis

However, the costs has increased to ₹ 1,198 Mn (US$ 19 Mn) from ₹ 1,031 Mn (US$ 16 Mn.) vis a vis FY 16-17 because of the sudden exits of the telecom operators which resulted in revenues ceasing almost immediately, whilst the related costs for these revenues continued due to the contractual obligations. A cost optimization plan has been put in place, part of which has been executed upto March'18 and the remainder is expected to be executed in FY 18-19.

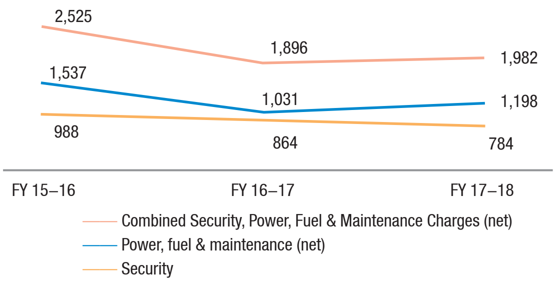
1. **Power and Fuel Cost (net):** The following measures were undertaken towards reduction in net energy cost
   - Conversion of sites from indoor to outdoor
   - Increase in efficiency of grid connected sites
   - Deployment of new technology equipment to increase power efficiency
   - Deployment of teams on the ground to keep a vigil and prevent theft of power & fuel
   - Signing of fixed energy contracts with various telecom operators

2. **Maintenance Charges:** Following measures were undertaken to reduce maintenance costs
   - Optimizing maintenance charges at un-occupied sites
   - Introducing efficiency parameters such as
     – electrification
     – automation
     – site upgradation
   - DG free sites

Total Security, Power, Fuel & Maintenance Charges (net): The Company continues to pursue various network cost optimization initiatives which has resulted in savings of ₹ 543 Mn (US$ 8 Mn) in the aggregate i.e. the cost was reduced from ₹ 2,525 Mn (US$ 39 Mn) in FY 15-16 to ₹ 1,982 Mn (US$ 31 Mn) in FY 17-18.

Even though telecom operator exits resulted in ceasing of revenue immediately, the power, fuel and maintenance cost stood at ₹ 1,198 Mn (US$ 19 Mn) due to the contractual obligations.

Security, Power, Fuel & Maintenance Charges (net)



Scope exists for further cost optimization

As mentioned earlier due to the exit of 27,242 tenancies during the year, the net number of tenancies stood at 27,626 as on March 31, 2018.

Therefore, to rationalize cost in line with tenancy exit and also resultant increase in unoccupied sites, a cost optimization plan has been initiated by the Company. Core teams were formed and targets were given to cut down expenses such as power fuel and maintenance, rent, security, administration and manpower. While the cost optimization plan has had a partial impact in Q4 FY 17-18 the remainder is expected to be achieved over the next FY.

Network Uptime & SLA:

The Company continues to offer superior services to its customers and it has been able to maintain network uptime as per SLAs under normal conditions and undertook several initiatives to further improve the network uptime under difficult terrains.

Network Uptime Performance

	FY 17–18	FY 16–17	FY 15–16	FY 14–15	FY 13–14	FY 12–13
Network Uptime	**99.90%**	99.90%	99.90%	99.90%	99.90%	99.90%

CAPEX

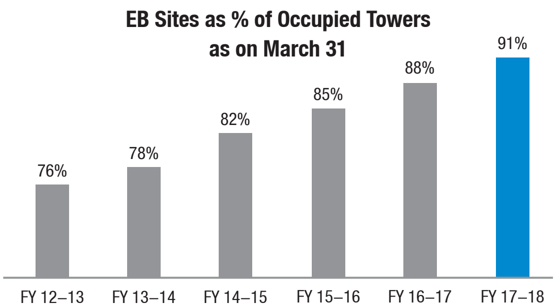
GIL through its SPV erstwhile CNIL had acquired the passive telecom infrastructure business of Aircel in FY 09-10. It was later realized that Aircel had transferred inferior quality of passive Infrastructure.

Due to this, initially CNIL faced challenges related to low uptime. However, after making substantial investments on CAPEX and rectification of faults, it could improve its network uptime to meet SLAs.

Further the Company judiciously invested CAPEX for the upgradation of its network. This resulted in substantial improvement in network uptime and reduced SLA penalties. Various projects were undertaken by deploying CAPEX at chronic SLA defaulting sites; CAPEX was also deployed at business critical sites of customers such as RJio, Vodafone, Airtel etc.

Electrification & Diesel Free Sites

The Company has constantly strived to increase grid connectivity of its sites and thus improve and reduce energy costs. As of March'2018, the Company achieved 91% of EB electrified status for its radiating sites.



The number of 'Diesel Free Sites' on the entire portfolio are 7,875 out of which 2,926 'Diesel Free Sites' are operational as of March 31, 2018.

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.

Employee Benefit Expenses	FY 17–18	FY 16–17	FY 15–16
In ₹ Mn	**641**	528	585
In US$ Mn	**10**	8	9
Manpower cost as % of revenue	**3%**	3%	3%

The Company's employee benefits expenses stood at ₹ 641 Mn (US$ 10 Mn) for FY 17-18 as compared to ₹ 528 Mn (US$ 8 Mn) for FY 16-17.

As part of the cost optimization measures, manpower cost will also be rationalized in line with business requirements.

Other Expenses

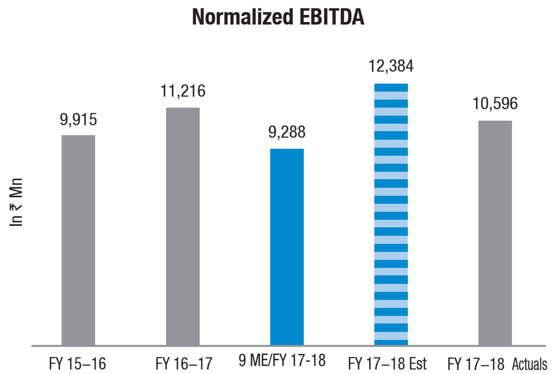
This mainly comprises of professional fees, office rent and related expenses, travel and conveyance, insurance premium excluding loss on sale of fixed assets, other one time expenses related to merger etc. The Company has been able to reduce this cost as a % of revenue in FY 17-18 over that of FY 16-17

Other Expenses	FY 17–18	FY 16–17	FY 15–16
In ₹ Mn	**801**	711	608
In US$ Mn	**12**	11	9
Other expenses as % of revenue	**3%**	4%	3%

Other expenses of the Company stood at ₹ 801 Mn (US$ 12 Mn) for FY 17-18 as compared to ₹ 711 Mn (US$ 11 Mn) for FY 16-17

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

Financial Year	FY 17–18	FY 16–17	FY 15–16
In ₹ Mn	**10,596**	11,216	9,915
In US$ Mn	**164**	174	154



The Company was on track to achieve estimated Normalized EBITDA of ₹ 12,384 Mn, however due to the overall turmoil in the telecom sector leading to Telco exits, the Company could achieve Normalized EBITDA of ₹ 10,596 Mn only for FY 17-18

9 ME = 9 Months period ended

Normalized EBITDA for the Apr-Dec'17 period grew strongly the company reached ₹ 9,288 Mn (US$ 144 Mn) EBITDA by 9ME / FY 17-18 and was on course to reach ₹ 12,384 Mn (US$ 192 Mn) by the end of FY 17-18.

However, the sudden exits of the telecom operators resulted in revenues ceasing almost immediately, whilst the related costs for these revenues continued due to the contractual obligations

This resulted in normalized EBITDA being lower at ₹ 10,596 Mn, 95% of Last FY.

Depreciation and Amortization expenses

Depreciation and Amortization for FY 2017-18 was ₹ 7,999 Mn (US$ 124 Mn) as compared to ₹ 7,427 Mn (US$ 115 Mn) for FY 2016-17.

Exceptional Items

On March 1, 2018, major customer of the Company, Aircel filed for bankruptcy protection with the National Company Law Tribunal with an intent to undertake a resolution plan. The bankruptcy process can be expected to take several months to complete and at the current stage, it remains unclear whether any restructuring or revival would be possible and the outcome of the insolvency proceedings remains to be seen. Further, shutting down of business by RCom, SSTL and consolidation among operators Vodafone-Idea, TTSL-Bharti, Telenor-Bharti affected the telecom industry as a whole.

The Company performed an impairment test based on current expectations of the impact of the above mentioned developments on the projected cash flows from tower assets in accordance with the Indian Accounting Standard (IND AS 36 - Impairment of Assets).

The Company is predominantly in the business of providing ''telecom towers" on shared basis and as such there are no separate segments. Accordingly, all these tower assets were assessed as a single Cash Generating Unit (CGU) along with tenant related intangible assets in the form of customer contracts. The CGU consists of plant and machinery and leasehold improvements forming part of building as disclosed above.

The recoverable amount of the CGU is determined based on a value in use calculation using 10.75% as discount rate. The carrying cost of the CGU exceeds its value in use and accordingly, an impairment loss of ₹ 14,202 Mn (US$ 220 Mn) was recognized during the year ended March 31, 2018.

Bad Debts, Provision for Trade Receivables and Claims

In financial year 2010 as part of the acquisition terms, Aircel Group had committed 20,000 additional tenancies to the Company / erstwhile CNIL. However, due to the sluggish telecom environment, slower than anticipated 3G growth, Government enquiries in the 2G scam and its negative impact on financials, Aircel Group had to curtail its expansion plans and also close down operations in non-viable telecom circles. Resultantly, Aircel Group cancelled its ROFR commitment in July 2013, which was within 2 years of implementation of CDR, resulting into an estimated loss of around 15,000+ tenancies. This also resulted in estimated annual revenue and EBITDA loss for the Company of around ₹ 600-700 Crore and of ₹ 350- 400 Crore respectively.

Due to continuing adverse development in telecom sector, Aircel Group continued to face financial stress and started downsizing its operations and sent Exit Notices on January 2, 2018 for 6 circles. Post sending of Exit Notices, on March 1, 2018, Aircel Group surprisingly and unexpectedly filed insolvency petition before the National Company Law Tribunal, Mumbai (''NCLT") with an intent to undertake a resolution plan. It remains unclear whether any restructuring or revival would be possible and the outcome of the insolvency proceedings remains to be seen. The Company believes that it has binding long term contractual lock in arrangements with Aircel and accordingly as a step towards recovery of its dues, the Company filed its claim before the Insolvency Resolution Professional (IRP) against Aircel Group.

As a result of the above mentioned events besides shutting down of businesses by RCom, SSTL, TTSL and consolidation among other operators the Company, during year ended March 31, 2018, has considered a provision towards receivables of ₹ 2,454 Mn (US$ 38 Mn).

Exchange Differences (Net)

Exchange difference for the FY 17-18 stood at ₹ 310 Mn (US$ 5 Mn) vis-a-vis ₹ 223 Mn (US$ 3 Mn) in FY 16-17 mainly represented by restatement of FCCBs as of reporting date at the prevailing exchange rates.

Finance Costs

Finance costs (net) comprises of interest expenses and bank charges, net of foreign exchange gain / loss. Finance costs for FY 16-17 and FY 17-18 are recognized based on effective interest rate as per Ind AS

Finance Costs	Pre CDR	Post CDR						Post SDR
	FY 10–11	FY 11–12	FY 12–13	FY 13–14	FY 14–15	FY 15–16	FY 16–17	FY 17–18
In ₹ Mn	2,560	9,770	8,704	9,231	9,228	10,474	10,252	**5,697**
In US$ Mn	40	151	135	143	143	162	159	**88**

Finance cost got significantly reduced post conversion of loan into equity from April 13, 2017. The full impact of this reduction was visible in FY 17-18.

BALANCE SHEET ITEMS

Equity

Equity Share Capital

The paid up equity share capital of the Company stood at ₹ 121,253 Mn (US$ 1,879 Mn) as on March 31, 2018 as compared to ₹ 24,601 Mn (US$ 381 Mn) as of March 31, 2017. Details of increase in equity share capital are as detailed below:

GIL Shareholders' Funds	₹ Mn	US$ Mn
Equity Capital as on March 31, 2017	24,601	381
Add: Allotments of Equity Shares to Bond Holders upon conversion of Bonds	3,842	60
Add: Allotments of Equity Shares to Lenders under Strategic Debt Restructuring Scheme	16,922	262
Add: Allotments of Equity Shares to Shareholders of CNIL pursuant to Scheme of Arrangement	75,888	1,176
Equity Capital as on March 31, 2018	**121,253**	**1,879**

Other Equity

The following table explains movement in other equity of the Company

Particulars	₹ Mn	US$ Mn
Other Equity as on March 31, 2017	(27,502)	(426)
Add: Equity Component of FCCBs*	4,806	74
Less: Allotment of equity shares pursuant to Scheme of Arrangement	47,799	741
Less: Amortisation Foreign Exchange Difference	(270)	(4)
Add: Loss for the year	(18,923)	(293)
Other Equity as on March 31, 2018	**(89,148)**	**(1,382)**

* Represents Series B1 and Series B3 bonds, which are Compulsorily Convertible Bonds. As of March 31, 2018, 80,745 Series B1 bonds and 13,170 Series B3 Bonds are outstanding.

Loan Funds:

Total debt	March 31,2018		March 31,2017	
	₹ Mn	US$ Mn	₹ Mn	US$ Mn
Secured debt				
Rupee term loans:				
Banks & financial institutions	40,319	625	77,176	1,196
Add: Current maturities of long term debts*	3,007	47	8,910	138
Total rupee term loans	**43,326**	**672**	**86,086**	**1,334**
Foreign currency loans:				
Financial institutions	599	9	519	8
Total Secured loans	**43,925**	**681**	**86,605**	**1,342**
Unsecured loans:				
FCCB	**5,639**	**86**	**14,417**	**223**
Total	**49,564**	**767**	**101,022**	**1,565**

* Current maturities in respect to rupee term loans from banks and financial institutions are shown under current liabilities in the balance sheet

The borrowings (including current maturities) of the Company as on March 31, 2018 stood at ₹ 49,564 Mn (US$ 767 Mn) as against ₹ 101,022 Mn as at March 31, 2017 (US$ 1,565 Mn). It comprises of rupee term loans, foreign currency term loans and FCCBs.

Loans funds are represented as per IND AS by using Effective interest rate (EIR) method, due to which it is higher by ₹ 1,956 Mn (US$ 30 Mn) in FY 17-18.

The Company exchanged Series B Bonds with the new Bonds.

Foreign Currency Convertible Bonds:

During the year under review, the Company has completed the exchange of Interest Bearing Convertible Bonds ("Existing Series B Bonds") with the New Bonds as follows:

Particulars	US$ Mn
Series B 1 Bonds – Zero Coupon Compulsorily Convertible Bonds due 2022	81
Series B 2 Bonds – Interest Bearing Optionally Convertible Bonds due 2022	86
Series B 3 Bonds – Zero Coupon Compulsorily Convertible Bonds due 2022	30
Total	**197**

Series B1 bonds and Series B3 bonds, which are compulsorily convertible bonds are considered under "Other Equity" while Series B2 bonds are considered under "Loan Funds". Accordingly, unsecured debt held through optionally convertible bonds as of March 31, 2018 is US$ 86 Mn.

Property, Plant and Equipment

The net block including capital work in progress of the Company as on March 31, 2018 stood at ₹ 79,874 Mn (US$ 1,238 Mn) The capital work-in-progress comprises mainly of capital goods inventory and its carrying costs. The Company performed an impairment test and recognised a provision of ₹ 14,202 Mn (US$ 220 Mn) based on current expectation of the impact of Aircel's voluntary filling for insolvency and other development in telecom sector on the projected cash flows from tower assets in accordance with IndAS 36 - Impairment of Assets (A detail note has also been presented under the heading Exceptional Item in the MD&A).

Gross Current Assets

Current Assets	March 31, 2018		March 31, 2017	
	₹ Mn	US$ Mn	₹ Mn	US$ Mn
Inventories	**37**	**1**	5	0.08
Investments	**1,398**	**22**	596	9
Trade receivables	**737**	**11**	1,432	22
Cash & cash equivalents	**1,390**	**22**	705	11
Other bank balances	**38**	**1**	523	8
Loans	**186**	**3**	189	3
Other current assets	**2,391**	**37**	3,119	48
Total	**6,177**	**97**	**6,569**	**101**

The current assets of the Company stood at ₹ 6,177 Mn (US$ 97 Mn) as on March 31, 2018 as compared to ₹ 6,569 Mn (US$ 101 Mn) as on March 31, 2017. The current assets primarily consist of trade receivables, cash and cash equivalents, opex advances, loans in the nature of other advances etc.

Bad Debts, Provision for Trade Receivables and Claims

As a result of Aircel's voluntary filling for insolvency, shutting down of business by RCom, SSTL, TTSL and consolidation among other Telcos etc, the Company, during year ended March 31, 2018 has considered a provision towards receivables of ₹ 2,454 Mn (US$ 38 Mn) (A detail note has been listed under Bad Debts, Provision for Trade Receivables and Claims in the MD&A).

Current Liabilities:

This primarily consists of interest dues payable, provisions towards operational expenditures & statutory dues etc.

Current Liabilities	March 31, 2018		March 31, 2017	
	₹ Mn	US$ Mn	₹ Mn	US$ Mn
Trade payable	**198**	**3**	665	10
Current maturities of:				
1. Rupee term loans from banks and financial institutions	**3,007**	**47**	8,910	138
2. Foreign currency convertible bonds (FCCBs)	**–**	**–**	14,417	223
3. Foreign currency term loans from financial institution	**599**	**9**	209	3
4. Interest accrued and due on long term borrowings	**431**	**7**	3,136	49
Other current liabilities	**2,946**	**46**	4,475	69
Total Current liabilities	**7,181**	**112**	31,812	492

- The current liabilities of the Company were ₹ 7,181 Mn (US$ 112 Mn) as on March 31, 2018 as compared to ₹ 31,812 Mn (US$ 492 Mn) as at March 31, 2017
- Current maturities in respect of rupee term loans from banks and financial institutions though shown under current liabilities in the balance sheet have been also disclosed in the MD&A under secured borrowings for the purpose of comparison

Enabling the joy of a connected world

DEBT RESTRUCTURING

The Company and erstwhile Chennai Network Infrastructure Limited (CNIL) (which got merged with the Company) had undertaken Corporate Debt Restructuring (CDR) exercise under the aegis of CDR Mechanism in July, 2011.

Post implementation of the CDR package, for reasons beyond the management control, the adverse conditions relating to the telecom sector as disclosed from time to time had material adverse impact on the achievement of the Company's CDR projections.

In the JLF meeting held on September 20, 2016, the lenders reviewed the account and after deliberations, invoked the Scheme for Strategic Debt Restructuring as per guidelines issued by the Reserve Bank of India (RBI) vide circular no. DBR.BP.No.101/21.04.132/2014–15 dated June 8, 2015 (as amended from time to time) (SDR Scheme). The SDR Scheme involved:

1. Participation by the Rupee Lenders in the equity share capital of the Company; and
2. Sale of stake to a new promoter (New Investor)

Implementation of SDR Scheme:

The Company complied with the stipulations under SDR viz.

i) Issuance of equity shares to rupee lenders so that rupee lenders collectively hold at least 51% of equity shares,

ii) Exchange of Interest Bearing Convertible Bonds (Series B Bonds) with Series B1 Bonds, Series B2 Bonds and Series B3 Bonds

iii) Merger of CNIL with the Company,

iv) The final step of induction of new investor was also initiated in time by M/s Ernst & Young (appointed by lenders). In order to safe guard the interest of the lenders and minority public shareholders, the Board also constituted a Committee consisting of three Independent Directors, namely Mr. N. Balasubramanian, Dr. Anand P. Patkar and Mr. Vinod B. Agarwala. The Committee further invited Dr. K. C. Chakrabarty (former Deputy Governor of RBI), Mr. G. N. Bajpai (former Chairman of Securities and Exchange Board of India) and Mr. Shailesh V. Haribhakti (Eminent Chartered Accountant and Chairman and Trustee of National Pension System Trust) as special invitees to assist the Committee in discharging its functions and to further maximize the value and safeguard the interests of lenders and minority public shareholders. The Company received expression of interest / NDA from 20+ financial and strategic investors from around the world.

Over the past 7 years, the Company paid ₹ 63,415 Mn (US$ 983 Mn) to lenders from its operating cash flows, without any additional borrowings.

Improvement in performance:

During the year 2017–18, the Company added 4,023 tenants and was on course to achieve its projected revenue, which is evident from below table:

Particulars	Nine Months Period (April–December 2017)	
	SDR Projections (₹ Mn)	Actuals (₹ Mn)
Revenue from Operation	18,140	19,121
Normalised EBITDA	9,940	9,288

Telecom Sector Developments:

Telecom Sector Developments 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 transactions / announcements listed below:

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

(ii) Reliance Communications Limited's (RCom) decision to withdraw from the wireless space and consequent acquisition of certain assets by Reliance Jio Infocomm Limited

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

(iv) Tata Group's decision to withdraw from the wireless space and consequent merger of Bharti Airtel Limited (Bharti Airtel) and Tata Teleservices Limited (TTSL)

(v) Vodafone India Limited (Vodafone) and Idea Cellular Limited (Idea) merger

(vi) Bharti Airtel and Telenor (India) Communication Private Limited (Telenor) merger

Financial Impact on the Company:

The events enumerated above, which were akin to force majeure events and beyond the control of the management, have adversely affected the Company. As a result, the tenancy count got reduced to 27,626 as on March 31, 2018 from all time high of 51,587 as on December 31, 2017. The sudden exits of telecom operators led to revenue ceasing almost immediately resulting in loss of more than 51% of monthly Network Infrastructure Facilities Revenue. Consequently, Annualised Revenue and EBITDA loss of the Company is summarized herewith:

Sr. No.	Telecom Sector Development	Tenants Lost (Nos.)	Annualized Revenue Loss* (₹ Mn)
1.	Aircel Group's admission to NCLT under IBC	23,778	9,592
2.	RCom's decision to withdraw from wireless space	1,249	679
3.	Tata Goup's decision to withdraw from wireless space	1,298	759
4.	Telecom Consolidation: Vodafone–Idea, Airtel–Telenor	436	261
5.	Others	482	262
	Total	27,242	11,554
	Annualized EBITDA Loss (adjusted for continuing cost)		₹ 8,500 Mn

* The annual escalation is not considered for the calculation purpose.

The Company was expected to close the financial year with a normalized EBITDA of ₹ 12,384 Mn (US$ 192 Mn) against ₹ 11,216 Mn (US$ 174 Mn) for financial year 2016–17. However with the loss in tenants due to exits and merger of Operators, the Company ended up with a normalized EBITDA of ₹ 10,596 Mn (US$ 164 Mn) with annualized run rate of around ₹ 4,000 Mn (US$ 62 Mn) for the subsequent financial year 2018–19.

Withdrawal of SDR guidelines by RBI:

RBI issued "Resolution of Stressed Assets – Revised Framework" dated February 12, 2018, which, *inter–alia*, withdrew the SDR guidelines along with all other restructuring schemes .

Whilst the Company as part of its investor induction process under SDR had received in excess of 20 EOIs / NDAs from prospective Investors, the entire Investor Induction Process had to be abandoned due to the said RBI's circular dated February 12, 2018 withdrawing SDR and various developments in telecom sector as enumerated above adversely impacting the Company.

Realignment / Right–sizing of debt:

In view of the above developments, the options to right size the debt either through an ARC debt sale process initiated by the lenders or in accordance with the revised guidelines issued by RBI dated February 12, 2018 are being envisaged.

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.

I. Introduction – Objectives & Approach

The Company conducts risk management activities covering all of its operations with the aim of taking preemptive 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, Chief Financial Officer, Chief Operating Office 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.

II. Market Risks

Revenue from existing business lines are dependent on the sustainability of the telecommunications sector (Telecom Sector), which 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.

III. Industry Risks

Medium–term Credit Risk

During the last few years, the Telecom Sector has been adversely affected by the general economic slowdown and various other factors, such as slower growth of 3G technology, delayed spectrum auctions and inflationary power and fuel costs, resulting in a cash flow crunch. All Telecom Operators are facing increased pressure on earnings and debt servicing. In the last financial year free voice with cheap data services and aggressive tariff structures have placed additional burden on the top–line of the Telecom Operators. This may impact payment obligations of the Telecom Operators in the short to medium term. As a vendor to these Telecom Operators, the Company is currently facing a credit risk in the medium term. However, the Company believes that the entry of new operator will eventually result in sectoral growth (as was previously envisaged) in the long–term, which is expected to generate incremental cash flows for the Company.

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 (especially in the last financial year), resulting in consolidation amongst operators, phasing out many of the incumbent players leading to loss of tenancies. The consolidation of operators (such as the merger of Vodafone with Idea, Telenor with Airtel and TTSL with Bharti Airtel) may lead to co– location churn for tower companies due to consolidation and rationalization of network. The Company has been a clear victim of the recent 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 in lieu of towers or sites made redundant as a result of consolidation onslaught in the telecom sector.

Liquidity Risk

The Supreme Court ordered that mobile towers are exigible to property tax. The adverse ruling means significant additional costs for telecom tower operators, resulting in a strain on liquidity. This issue afflicts 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.

IV. 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 customer base is limited to number of Telecom Operators in India. The Company has already witnessed the concentration risk as the number of Telecom Operators has decreased significantly, from 12 operators in FY 2016–17 to 4 or 5 by 2019 if currently announced mergers among telecom operators are concluded.

Risk on account of Customers Overdue Recovery

- Aircel was the Company's single largest customer, contributing around 43% of revenue. On March 1, 2018, Aircel Group voluntarily filed for insolvency proceedings before National Company Law Tribunal, Mumbai ("NCLT") and an Interim Resolution Professional (IRP) was appointed by NCLT. The Company has filed its claims against Aircel Group before IRP. However, since, Aircel is 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. There is a significant risk that there may not be any monies left after distributing proceeds to the secured banks / lenders of Aircel. Such unprecedented shutdown of network has led to frustration of various network improvisation measures that the Company had undertaken and also led to shrinking of cash flow.
- Similarly, Reliance Communications Ltd. (RCom) owes several dues to the Company towards monthly services & energy under multiple binding agreements. RCom has exited from the wireless business and consequently exited from the sites belonging to the Company.

- Further, Tata Teleservices Limited (TTSL) announced their intention to close down their wireless operations in India in or around October 2017. Subsequently thereto, TTSL 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 to pay installments 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 for its tenancies with the Company. TTSL also owes several amounts to the Company under multiple binding agreements.

- SSTL and Telenor also owes several dues to the Company under multiple agreements.

Risk of Sustainability of Debt

- The Company and its lenders had initiated the Strategic Debt Restructuring Scheme ("SDR Scheme") on September 20, 2016. The Company complied with all the stipulations under SDR i.e. issuance of equity shares to lenders so that lenders collectively hold more than 51% of the equity share capital (on fully diluted basis) of the Company to pare down its debt, paid monthly interest upto July 31, 2018, merger of Chennai Network Infrastructure Limited with the Company, exchange of Interest Bearing Convertible Bonds (Series B Bonds) with new bonds and supported the steps for induction of new investor.

- However, in view of the recent telecom sector developments as detailed above, entirely beyond the Company's control, options to right size the debt either through an ARC debt sale process initiated by the lenders or in accordance with the revised guidelines issued by RBI dated February 12, 2018 are being envisaged. Any delay in implementation in such right sizing option may impact negatively to the sustainability of the Company. The Company is actively engaged with its lenders to implement the same.

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. It is the Company's stand that the acceleration notice is erroneously issued and not sustainable because no default subsists under the Series B FCCBs and hence the Company has refused to pay the amounts demanded under the acceleration notice. The Series A FCCB Trustee has filed Commercial Suit No.861 of 2017 before the Hon'ble Bombay High Court in November 2017 for recovery of US$ 27.21 Mn [equivalent to ₹ 1,755.39 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 convert the bonds, on account of the non–availability of a statement of holdings 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. The Company is one of the largest independent tower companies in the country and should ideally be able to leverage this to gain more tenancies. The ongoing 4G network rollouts and the awaited 5G rollouts would provide opportunities for getting tenant on unoccupied sites. The Company could face stiff competition from tower companies that have strategic alliances with operators. However, given the fairly limited number of operators, the scope for collaboration is also limited.

V. 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, 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.

VI. 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.

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.

The Company has a talented and committed legal and compliance team and each quarter, a compliance report setting out the areas of regulatory compliance in detail is submitted to the Board of Directors however several such 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.

VII. 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. There are some environmental concerns from citizens 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 citizens 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.

Risk Mitigation Plan

S. No.	Type of Risks	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 ensured 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.
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/equipments. • SLA penalties have been reduced by resolving infra and non–Infra issues in time and additional CAPEX infusion. This has resulted in maintaininig network uptime at 99.90% under normal conditions.
4.	**Sustainability of Debt Risk**	• The options to right size the debt either through an ARC debt sale process initiated by the lenders or in accordance with the revised guidelines issued by RBI dated February 12, 2018 are being envisaged.

Our shared towers brings access to affordable communications

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.

HUMAN RESOURCES

Investment in human capital and harmonizing values based corporate culture plays a significant role in building our organization. The Company has been nurturing a spirit of resilience as part of its DNA by offering its people :

- Clarity of Purpose
- Open Communication
- Empowerment
- Team Cohesion
- Trust
- Health & Wellness

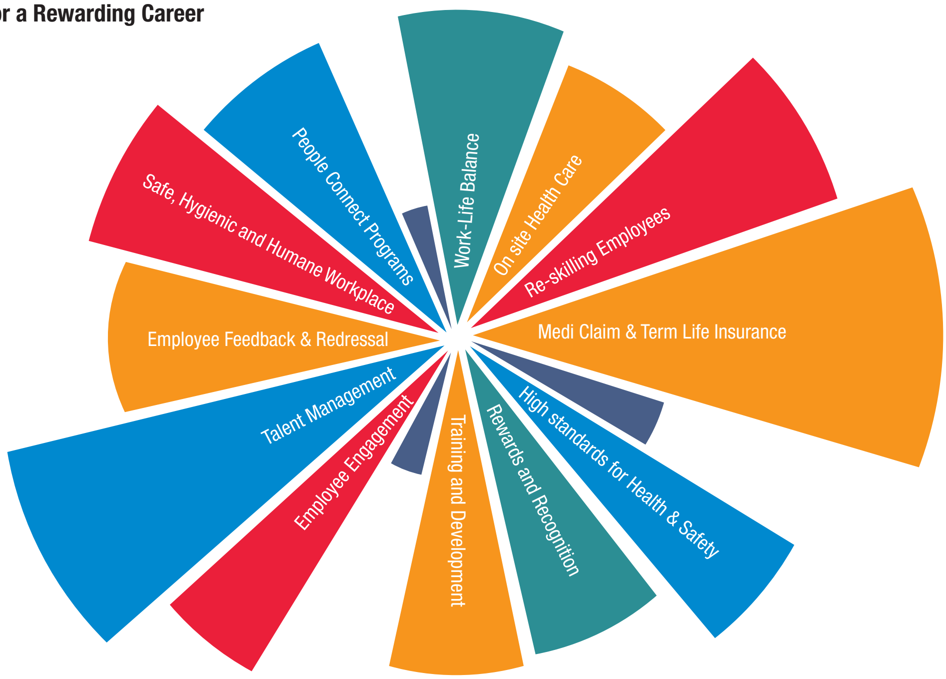
People are driven by a spirit of deep commitment to customers' success and are determined to create value for our stake holders.

People Strength:

432 On payroll　　550 Outsourced

For the workforce of 982 associates, as on March 31, 2018, the Company provides conducive work environment with open, transparent and honest communication that builds trust and promotes wellbeing. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013]. During the year under review, no complaint / case has been received in terms of the said Act.

Benefits for a Rewarding Career



GTL Infra offers above average compensation to employees backed by a bouquet of benefits such as –

- On site Health Care Centre
- Medi Claim & Term Insurance Benefits
- High standards for Health & Safety
- Work Life balance
- Safe, Hygienic and a Humane workplace
- Flexible work arrangements, such as Flexi time

2017–18 was a challenging year for the Industry and so for GTL Infra. The Company enjoyed almost three Quarters of growth followed by one Quarter of a sudden set back as an outcome of exits and mergers of several telecom players. Management took several initiatives to control ongoing costs, by forming empowered groups and grooming them for the specific goals.

A number of HR Initiatives were implemented such as:

1. Women Empowerment project for Cost Rationalization
2. Reskilling Employees
3. Optimizing Manpower
4. Lean Organization Structure

Manpower reskilling and optimization resulted in reduction in wages by 40% while maintaining the desired quality and service levels.

GTL Infra manages its Health, Safety & Environment (HSE) responsibility by integrating the HSE objectives as part of the overall corporate strategy. In addition to implementing adequate safety measures, the Company conducts regular training on HSE awareness.

To foster teamwork and provide a funfilled work environment, the Company undertook various Employee Engagement Programs during FY 2017–18.

Independence Day Celebration

EMPLOYEE ENGAGEMENT PROGRAMS

Health, Wellness & Safety

Blood Donation Camp

In Support of Thalassemia Patients

Fire and Safety

Security Precaution Training

Team Spirit

Potluck Lunch

Making friends while sharing meals

Women's Day

Recognizing their contribution

Open House

Management Interaction

People Connect Sessions

Financial Literacy Seminar

Investor Camp – Jan Nivesh

Talent Recognition

Excellence Awards

Awards & Recognitions

Professional Development

Investing in Personal Growth & Skills

QUALITY

GTL Infra is ISO 9001:2008 certified wherein policies documented together with set of objectives are reviewed every six months for sustainability and continuous improvement. We have also initiated a process, for the certification in the upgraded and new version ISO 9001:2015. 'Customer First' focuses on meeting customer specific requirements. Based on the customer feedback and learning, the Company updates its processes and quality plans, whilst reviewing the said process for suitability and sustainability. These processes are documented and monitored by the concerned process owners, audited twice a year by an independent QMS team and modifications are made to the processes where required.

To improve competency of each employee, the Company trains the employees for identified needs. The trainings could be 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.

HSE Responsibility

The Company believes that it is an "Operationally Excellent Service Organisation" with excellence in process, quality mindset and the highest standards in health and safety. The Company ensures that it complies with all legislations.

The Company as a TowerCo endeavours to reduce CO_2 footprint as part of telecom engagement. Health and Safety is one of our core elements.

The Company's HSE plan which is documented makes it mandatory for employees to undergo specific trainings like

Type of Training	Person	Frequency
Work at Height	Vendors and if required Technicians	Once in a year / as and when required
Electrical Safety	Technician	Once in a year / as and when required
2 Wheeler Defensive Driving	Technician	Once in a year / as and when required
First Aid	All identified Employees	Once in two years
Induction Training	All	During Joining
PPE Training	Technicians, Riggers, Vendor before work	Once in a year / as and when required
Incident Reporting	O&M Manager	As and when required
9–ASR	All Employees of Company and Vendor	Once in a year

High quality network on our towers, brings her world together

OUTREACH OF GLOBAL FOUNDATION

155
Visually impaired students of 'Netra' are employed by Corporate & PSUs

1,200
Students have access to sanitation facilities in schools under 'Swachh Shala Abhiyan'

6,000
Children have received support for education under 'Gyanjyot Scholarships'

17,000
Beneficiaries availed free health checkups under project 'Arogya'

GLOBAL FOUNDATION

making a better world

CORPORATE SOCIAL RESPONSIBILITY

The Company discharges its social responsibility by supporting the causes adopted by Global Foundation through employee volunteerism and non–financial means. Our employee serving the social causes is known as 'Positron' i.e. 'one who radiates positive energy'.

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

Education	Health
Disability	Community Development

During FY 17–18 Global Foundation was able to further its mission of "making a better world" by helping the underprivileged in the following ways:

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

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

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

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

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

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

Summer Camp for school children

Global Foundation
making a better world

Participants of soft skills training program for visually impaired along with Positrons of Global Foundation

DIRECTORS' REPORT

To
The Members

Your Directors are pleased to present their Fifteenth Annual Report together with the Audited Financial Statements for the year ended March 31, 2018.

1. STATE OF COMPANY'S AFFAIRS

Financial Highlights:

(₹ in Lakhs)

Particulars	FY 2017–18	FY 2016–17*
Total Revenue	**251,584**	230,848
Profit / (Loss) before Depreciation & Amortization Expenses, Finance Costs, Exceptional Item & Tax	**89,687**	101,797
Less: Depreciation & Amortization Expenses	**79,992**	74,266
Profit / (Loss) before Finance Costs, Exceptional Item & Tax	**9,695**	27,531
Less: Finance Costs	**56,974**	102,396
Profit / (Loss) before Exceptional Item & Tax	**(47,279)**	(74,865)
Less: Exceptional Item	**142,016**	65,000
Profit / (Loss) before Tax	**(189,295)**	(139,865)
Less: Tax Expenses	**–**	–
Profit / (Loss)	**(189,295)**	(139,865)
Other Comprehensive Income	**69**	(44)
Total Comprehensive Income	**(189,226)**	(139,909)

* As the Scheme of Arrangement between CNIL and the Company has been accounted under the Pooling of Interest method w.e.f. April 1, 2016 being the Appointed Date, the comparative figures for previous year 2016–17 have been re–stated.

Results of Operations

Key Highlights of the Company for the financial year ended March 31, 2018 are as under:

- Total Revenue from Operations for current financial year stands at ₹ 233,333 Lakhs as against ₹ 228,290 Lakhs for the previous financial year.
- Normalized EBITDA for current financial year stands at ₹ 105,963 Lakhs as against ₹ 112,160 Lakhs for the previous financial year.

The increase in revenue is mainly on account of growth in tenants till period ending December 31, 2017. During the first nine months period ended December 31, 2017, the Company was on course to achieve its projected annual revenue and EBITDA targets, however, the same could not be achieved on account of telecom sector developments as discussed hereinunder.

Telecom Sector Developments

Telecom Sector developments 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 transactions / announcements listed below:

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

(ii) Reliance Communication Limited's (RCom) decision to withdraw from the wireless space and consequent acquisition of certain assets by Reliance Jio Infocomm Limited

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

(iv) Tata Group's decision to withdraw from the wireless space and consequent merger of Tata Teleservices Limited (TTSL) with Bharti Airtel Limited (Bharti Airtel)

(v) Vodafone India Limited (Vodafone) and Idea Cellular Limited (Idea) merger

(vi) Bharti Airtel and Telenor (India) Communication Private Limited (Telenor) merger

The extract of the message of Chairman of Cellular Operators Association of India (COAI) published in its Annual Report for FY 2017–18, summarising the uphill challenges faced by the industry is stated in MD&A Report.

Impact of Telecom Sector Developments on the Company

Aircel Limited, Aircel Cellular Limited and Dishnet Wireless Limited (Collectively called Aircel Group) were the largest customers of the Company, contributing around 43% of its revenue as at March 31, 2017. Despite having lock–in contractual arrangements with the Company, Aircel Group issued Exit Notices for six circles in the month of January, 2018. As a step towards recovery of its dues, the Company filed an application under Section 9 of Arbitration & Conciliation Act, 1996 before the Hon'ble Delhi High Court and the Hon'ble Court by its order dated January 29, 2018 ordered status quo in the matter. Post the said order and during the pendency of Arbitration Petition, Aircel Group voluntarily filed for Insolvency petition before the NCLT on March 1, 2018. The Company also filed an intervention application before the Hon'ble NCLT on March 8, 2018. While admitting the Insolvency Petition of Aircel Group, the Hon'ble NCLT directed the Company to file its claim before an Interim Resolution Professional (IRP). Accordingly the Company has filed its claims before the IRP. This event resulted in a loss of 23,778 tenants of Aircel to the Company.

Further, withdrawal from wireless space by RCom and TTSL and consolidation among telecom operators has also resulted in further loss of tenants for the Company during the financial year under review.

The events enumerated above, which are akin to force majeure events and beyond the control of the management, adversely affected the Company. The Company ended last financial year with 27,626 tenancies despite achieving an all time high of 51,587 against projected tenancies of 56,000. However, the Company continues to believe that post consolidation, the remaining Telcos will need to aggressively expand and upgrade their networks to account for increased subscribers and continued demand for data services. The Company expects to add around 4,200 tenancies from the continuing operators during next financial year and expects this trend to continue. However, this estimate is contingent on no adverse external factors yet impacting the telecom sector.

Going Concern

The Telecom sector developments as enumerated above have had massive negative impact on the Company. Despite these telecom sector challenges, the Company continues to service its Rupee Term Loans in accordance with SDR terms and paid ₹ 303.77 Crore from February 2018 till August 9, 2018. Hence, there was no financial default by the Company as on July 31, 2018. The Reserve Bank of India (RBI) vide circular dated February 12, 2018, withdrew SDR guidelines. During the quarter ended June 30, 2018, one of the term loan lenders has claimed ₹ 26,446 Lakhs, which as per the Company is not justifiable and is wrong, and hence the Company has disputed the claim. In view of the above developments, options to right size the debt either through an ARC debt sale process initiated by lenders or in accordance with the revised RBI guidelines dated February 12, 2018 are being envisaged. Accordingly, 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 Management Discussion and Analysis 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 Restructuring are provided in separate section under the heading "Debt Restructuring" under MD&A Report, which forms part of the Annual Report.

5. SCHEME OF ARRANGEMENT

The Board of Directors approved the Scheme of Arrangement between Chennai Network Infrastructure Limited (CNIL) and the Company and their respective shareholders and creditors (the Scheme) under Sections 230 to 232 of the

Companies Act, 2013 on April 22, 2017 based on the valuation report received from M/s Haribhakti & Co. LLP, Chartered Accountants. The Company received all approvals necessary for effecting the Scheme of merger during the year and the merger was made operational from December 22, 2017 with effect from April 1, 2016, being the Appointed Date of the Scheme. The Scheme has been accounted under the pooling of interest method with effect from the Appointed Date and accordingly the comparative figures for the financial year 2016–17 have been re–stated.

Pursuant to the Scheme, shareholders of CNIL received for each equity share held by them with one equity share of face value of ₹ 10 each in the Company. Accordingly, the Company allotted 7,588,819,117 equity shares of ₹ 10 each to shareholders of CNIL.

6. EXCHANGE OF SERIES B BONDS WITH NEW BONDS

During the year under review, the Company, with the approval of the RBI and the holders of existing Interest Bearing Convertible Bonds ("Existing Series B Bonds") has successfully completed the exchange of Existing Series B Bonds with the following New Bonds:

a) 80,745 Zero Coupon Compulsorily Convertible Bonds due 2022 (Series B1 Bonds), having face value of US$ 1000 each aggregating to US$ 80.745 Million;

b) 86,417 Interest Bearing Convertible Bonds due 2022 (Series B2 Bonds) having face value of US$ 1000 each aggregating to US$ 86.417 Million; and

c) 30,078 Zero Coupon Compulsorily Convertible Bonds due 2022 (Series B3 Bonds) having face value of US$ 1000 each aggregating to US$ 30.078 Million.

The New Bonds are listed on Singapore Exchange Securities Trading Limited.

7. TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserve for the financial Year ended March 31, 2018.

8. DIVIDEND

Since your Company has posted losses, 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, 2018.

9. SHARE CAPITAL

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

Particulars	No. of Equity Shares
Equity Shares as on April 1, 2017	**2,460,083,350**
Add: Allotments of Equity Shares to Lenders under Strategic Debt Restructuring Scheme	1,692,215,807
Add: Allotments of Equity Shares to Shareholders of CNIL pursuant to Scheme of Arrangement	7,588,819,117
Add: Allotments of Equity Shares to Bond Holders upon conversion of Bonds	384,152,342
Equity Shares as on March 31, 2018	**12,125,270,616**
Add: Allotments of Equity Shares to Bond Holders upon conversion of Bonds	168,637,320
Equity Shares as on August 9, 2018	**12,293,907,936**

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

During the year under review, the Trustee of Zero Coupon Compulsorily Convertible Bonds (Series A Bonds) on the instruction of one of Series A Bondholders lodged a commercial suit against the Company for alleged event of default under Series B Bonds and sought interim relief restraining the Company from unilaterally converting the Series A Bonds into equity shares on maturity date. However, the Hon'ble High Court did not grant interim relief for restraining the Company from conversion of Series A Bonds into equity shares. Accordingly, on maturity, the Company converted all Series A Bonds outstanding as on the date of maturity into equity shares and allotted 103,198,154 equity shares. However, out of the said equity shares, 95,364,166 equity shares allotted are yet to be listed, since the concerned Series A bondholders did not provide requisite details for crediting the shares to the respective Series A bondholders. 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.

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 upon conversion
FCCBs allotted	80,745	86,417	30,078	197,240	
Converted till date	25,889	–	16,908	42,797	278,773,661
Balance as on August 9, 2018	54,856	86,417	13,170	154,443	

If compulsorily convertible bonds (i.e. Series B1 Bonds and Series B3 Bonds) are converted into equity shares of the Company, the number of equity shares would go up by 443,111,840. The Company has excluded such number of convertible securities which are likely to be redeemed in terms of Series B2 Bonds.

10. FIXED DEPOSITS

During the year under review, the Company has not accepted any public deposits under chapter V of the Companies Act, 2013 from Public or from its Members.

11. 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.

12. PROMOTER GROUP

The Company is promoted by GTL Limited and is a part of Global Group of Companies. The Members may note that the Promoter Group comprises of Global Holding Corporation Private Limited and such other persons as defined under the Listing Regulations. As on August 9, 2018, the Promoter Group shareholding in the Company is 20.06% after all dilution of equity pursuant to allotments under SDR, Merger and FCCB conversions.

13. 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, 2018 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.

14. DIRECTORS & KEY MANAGERIAL PERSONNEL

During the year under review, the Company re–appointed Mr. Milind K. Naik as Whole–time Director and appointed Mr. Bhupendra J. Kiny as Chief Financial Officer w.e.f. January 1, 2018 and designated them as Key Managerial Personnel ("KMP") under Section 203 of the Companies Act, 2013 (the "Act").

Mr. Laxmikant Y. Desai – Chief Financial Officer retired from the employment of the Company and accordingly relinquished his position of KMP w.e.f. December 31, 2017.

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 KMPs of the Company.

Mrs. Sonali P. Choudhary (DIN: 07139326), Director of the Company, retires by rotation at the ensuing Annual General Meeting ("AGM") and being eligible, offers herself for re–appointment.

The background of the Director proposed for re–appointment is given under the Corporate Governance Report, which forms part of this Report.

15. 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.

16. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met seven (7) times during the financial year, the details of which are given in Corporate Governance Report that forms part of this Report.

17. 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.

18. 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.

19. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

Executive Directors	**Ratio to median remuneration**
Mr. Milind K. Naik	8.25
Non–executive Directors* (sitting fees only)	**Ratio to median remuneration**
Mr. Manoj G. Tirodkar	N.A.
Mr. N. Balasubramanian	N.A.
Dr. Anand P. Patkar	N.A.
Mr. Charudatta K. Naik	N.A.
Mr. Vinod B. Agarwala	N.A.
Mr. Vijay M. Vij	N.A.
Mrs. Sonali P. Choudhary	N.A.

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

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

Directors, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. Manoj G. Tirodkar	N.A.
Mr. N. Balasubramanian	N.A.
Dr. Anand P. Patkar	N.A.
Mr. Charudatta K. Naik	N.A.
Mr. Vinod B. Agarwala	N.A.
Mr. Vijay M. Vij	N.A.
Mrs. Sonali P. Choudhary	N.A.
Mr. Milind K. Naik, Whole–time Director	Refer Note*
Mr. Laxmikant Y. Desai, Chief Financial Officer (upto December 31, 2017)	Nil
Mr. Bhupendra J. Kiny, Chief Financial Officer (w.e.f. January 1, 2018)	Nil
Mr. Nitesh A. Mhatre, Company Secretary	Nil

* The Company has made necessary application to the Central Government for payment of remuneration not exceeding ₹ 1.26 Crore p.a. to Mr. Milind K. Naik. Once the Company receives the approval from the Central Government, the Company shall compensate Mr. Milind K. Naik for his arrears accordingly.

iii. **The percentage increase in the median remuneration of employees in the financial year:** 0.89%

iv. **The number of permanent employees on the rolls of the Company :** 432

v. **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 nil and also there is no change in managerial remuneration during the year.

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

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

20. 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.

21. AUDIT COMMITTEE

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

22. AUDITORS AND AUDITORS' REPORT

M/s Chaturvedi & Shah, Chartered Accountants, Mumbai and M/s Yeolekar & Associates, Chartered Accountants, Mumbai, were appointed as Joint Auditors at the Eleventh (11th) AGM of the Company held on September 16, 2014 to hold office from conclusion of the said meeting till the conclusion of the Fifteenth (15th) AGM to be held in calendar year 2018. Pursuant to the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, since the term of appointment of the Joint Auditors is expiring at the conclusion of the ensuing AGM, the Audit Committee and the Board have recommended appointment of M/s Pathak H.D. & Associates (FRN: 107783W), Chartered Accountants, Mumbai, as the Auditor of the Company for holding office from conclusion of the Fifteenth (15th) AGM till conclusion of Twentieth (20th) AGM to be held in calendar year 2023. The Company has received the necessary certificates from the Auditor pursuant to Sections 139 and 141 of the Act regarding their eligibility for appointment. In pursuance of the provisions of Section 139 of the Act, an appropriate resolution for the appointment of M/s Pathak H.D. & Associates (FRN: 107783W), Chartered Accountants, Mumbai, as an Auditor of the Company is being placed at the ensuing Annual General Meeting.

For the FY 2017–18, the Joint Auditors of the Company have 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. In this regard, the Company has given appropriate explanation in its Note No. 42 of Notes to the Financial Statements. Further, as regards the Joint Auditors' emphasis of matters, the Company has furnished required details / explanations in Note nos. 31.1, 3.8 and 53 of Notes to the Financial Statements.

23. 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.

24. SECRETARIAL AUDITORS' REPORT

The Secretarial Auditors' Report does not contain any qualifications, reservations, disclaimers or adverse remarks. The Secretarial Auditors' Report is given in **Annexure A** (Form No. MR–3) to this Report.

25. RISKS

A separate section on risks and their management is provided in the MD&A Report forming part of this Report. The Audit Committee monitors 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.

26. 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.

27. 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 Companies Act, 2013.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.gtlinfra.com. The particulars as required under the Companies Act, 2013 are furnished in **Annexure B** (Form No. AOC – 2) to this Report.

28. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have Subsidiary or Joint Venture Company. During the financial year under review, the Company received all approvals necessary for effecting the merger with CNIL, its only associate company, and the merger was made operational from December 22, 2017 with effect from April 1, 2016, being the Appointed Date of the Scheme. Accordingly, a statement pursuant to provisions of Section 129(3) of the Companies Act, 2013 is furnished in **Annexure C** (Form No. AOC–1) to this Report.

29. CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and other details are furnished in **Annexure D** 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. It is clarified that Global Foundation is a Global Group initiative.

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

An extract of Annual Return as on March 31, 2018 is annexed as **Annexure E** (Form No. MGT – 9) to this Report.

31. 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 Joint Auditors, M/s Chaturvedi & Shah, Chartered Accountants, Mumbai and M/s Yeolekar & Associates, Chartered Accountants, Mumbai confirming compliance of conditions of Corporate Governance as required under Regulation 34(3) of 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.

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. Installation of Free Cooling / Emergency Free Cooling systems to utilize cool ambient temperatures for saving electrical energy consumption of air–conditioning systems

b. Installation of High Efficiency Rectifiers with wide input voltage range SMPS with minimum duration at lower input voltages

c. Upgradation of DC power plants with compatible high efficiency rectifiers

d. Deployment of additional battery banks for increasing backup power and thereby minimizing diesel consumption at sites

e. Fuel optimizer feature of DG controller for optimum utilization of battery backup and air–conditioning system

f. Implemented Stage–wise capacity enhancement with upgradeability as and when site load increased

g. Aircon efficiency improvement solutions for better heat transfer of refrigerant

h. Deployment of Integrated Power Management Units for AC power line conditioning and AC to DC conversion

i. Remote monitoring of site health parameters through NOC (Network Operations Centre)

j. Facilitating telecom operator tenants to swap their Indoor BTS with Outdoor BTS

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

a. Deployment of Deep discharge and Lithium Ion batteries for faster charging / better utilization of backup power and thereby reducing diesel consumption

b. Deployment of DC type Diesel Generator of smaller capacity at pilot sites

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 significant 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 and ₹ 608.26 Lakhs respectively.

33. HUMAN RESOURCE

The associate base of the Company as on March 31, 2018 stood at 982. 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. SPECIAL BUSINESS

As regards the items of the Notice of the Annual General Meeting relating to Special Businesses, the Resolutions incorporated in the Notice and the Explanatory Statement regarding thereto fully indicate the reason for seeking the approval of members to those proposals. Members' attention is drawn to this items and Explanatory Statement annexed to the Notice.

36. 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
August 9, 2018

Manoj G. Tirodkar
Chairman

ANNEXURE A TO DIRECTORS' REPORT

Form No. MR–3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2018

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

To,
The Members,
GTL 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, 2018 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, 2018 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 to the extent of Regulation 55A;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009;

    (d) 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;

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

    (a) The Securities and Exchange Board of India (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.

(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 regulations / agreements / Standards, as may be applicable, mentioned above.

I further report that,

The Board of the Company is duly constituted with proper balance of Executive Directors, Non–Executive Directors and Independent Directors and Woman Director. There is no change in the Composition of the Board of Directors during the period under review. Adequate notice is given to all 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.

I further report that during the audit period, the Company has passed Special resolution in the Annual General meeting held on September 21, 2017 reappointing Mr. Milind K. Naik as a Whole–time Director of the Company for a period of three years with effect from July 21, 2017.

I further report that during the audit period, Tribunal Convened meetings of shareholders, secured creditors and unsecured creditors were held on 1st November, 2017 pursuant to Order dated on 8th September, 2017 passed by Honorable National Company Law Tribunal, Bench at Mumbai approving Scheme of Arrangement between Chennai Network Infrastructure Limited and GTL Infrastructure Limited and their respective shareholders and creditors.

I further report that the Company has resubmitted e–form MR 2 on 16th March, 2018 vide SRN G79592432 for payment of remuneration to Mr. Milind K. Naik, Whole–time Director for the period 21st July, 2014 to 20th July, 2017, since e–form MR 2 submitted earlier on 16 February, 2015 vide SRN C43273325 for the said period, was rejected by Ministry of Corporate Affair due to technical reasons.

Date:09 /08/2018
Place: Thane

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

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.

Date:09 /08/2018
Place: Thane

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

ANNEXURE B TO DIRECTORS' REPORT

Form No. AOC–2

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

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

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

Not Applicable

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

Name(s) of the related party	Nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions	Contracts Arrangement/ transaction value	Date(s) of approval by the Board, if any.	Amount paid as advance, if any (₹ Lakhs)
GTL Limited	Party having significant influence over the Company	Energy Management Agreement	Ten Years	Provision for power (electricity) & fuel under Fixed Energy Management Service Contract	₹ 44,366 Lakhs	May 6, 2015	Nil

* Pursuant to Orders passed by the Hon'ble National Company Law Tribunals (NCLT) Benches at Mumbai and Chennai sanctioning the Scheme of Arrangement between Chennai Network Infrastructure Limited (CNIL, Transferor Company) and GTL Infrastructure Limited (GTL Infra, Transferee Company, the Company) and their respective Shareholders and Creditors, CNIL was merged with the Company w.e.f. April 1, 2016 being Appointed Date and the scheme was made operational on December 22, 2017. Accordingly, material contracts with erstwhile CNIL prior December 22, 2017 have been clubbed with that of the Company.

For and on behalf of the Board of Directors

Mumbai
August 9, 2018

Manoj G. Tirodkar
Chairman

ANNEXURE C TO DIRECTORS' REPORT

Form No. AOC–1

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ Lakhs)

No.	Name of the Subsidiary	Date since when Subsidiary was acquired	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed / Interim Dividend	% of Shareholding
NOT APPLICABLE																

Notes: The following information shall be furnished at the end of the statement:

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

Part "B": Associates and Joint Ventures

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

Sr. No.	Name of Associates	Latest audited Balance Sheet date	Date on which the Associate was associated or acquired	Shares of Associate held by the Company on the year end			Net worth Attributable to shareholding as per latest audited Balance Sheet (₹ in Lakhs)	Profit / (Loss) for the year including share in other comprehensive income of associate		Description of How there is significant influence	Reason why the Associates is not Consolidated
				No.	Amount of Investment in Associates / Joint Venture (₹ in Lakhs)	Extent of Holding %		Considered in Consolidation (₹ in Lakhs)	Not Considered in Consolidation (₹ in Lakhs)		
Not Applicable											

1. **Names of associates or joint ventures which are yet to commence operations:** Not Applicable
2. **Names of associates or joint ventures which have been liquidated or sold during the year:** During the financial year under review, the Company received all approvals necessary for effecting the merger with CNIL, an associate company, and the merger was made operational from December 22, 2017 with effect from April 1, 2016, being the Appointed Date of the Scheme.

For and on behalf of the Board of Directors

Milind K. Naik
Whole–time Director

Manoj G. Tirodkar
Chairman

Vijay M. Vij
Director

Bhupendra J. Kiny
Chief Financial Officer

Nitesh A. Mhatre
Company Secretary

Mumbai
August 9, 2018

ANNEXURE D TO DIRECTORS' REPORT

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

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

   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 particularly in IT through 'Mobile Computer Lab' etc. The Company's CSR Policy has been uploaded on the Company's Website at following link

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

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

   The Company has constituted a Corporate Social Responsibility Committee of Directors comprising of Mr. Manoj G. Tirodkar, Chairman of the Committee, Mr. Vijay M. Vij, Mr. Milind K. Naik and Mrs. Sonali P. Choudhary.

3. **Average net profit / (loss) of the Company for last three financial years:** (₹ 59,858 Lakhs)

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**

   Not applicable in view of losses incurred by the Company.

5. **Details of CSR spent during the financial year:**

   a. **Total amount to be spent for the financial year:** Not Applicable

   b. **Amount unspent, if any:** Not Applicable

   c. **Manner in which the amount spent during the financial year:** Not Applicable

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:** Not Applicable

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:**

   We hereby declare that implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Mumbai	**Milind K. Naik**	**Manoj G. Tirodkar**
August 9, 2018	Whole–time Director	Chairman – Corporate Social Responsibility Committee

ANNEXURE E TO DIRECTORS' REPORT

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on March 31, 2018

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

I. REGISTRATION AND OTHER DETAILS:

i)	**CIN**	L74210MH2004PLC144367
ii)	**Registration Date**	February 4, 2004
iii)	**Name of the Company**	GTL Infrastructure Limited
iv)	**Category / Sub–Category of the Company**	Company Limited by shares / Indian Non–Government Company
v)	**Address of the Registered office and contact details**	"Global Vision",3rd Floor, Electronic Sadan No. II MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400 710 Telephone No: +91–22–27673500 Fax: +91–22–27673666 Email: gilshares@gtlinfra.com Website: www.gtlinfra.com
vi)	**Whether listed company**	Yes
vii)	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	GTL Limited (Investor Service Centre) "Global Vision", Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400 710 Telephone No: +91–22–27612929 ext. 2232–35 Fax: +91–22–27680171 Email: gilshares@gtlinfra.com Website: www.gtllimited.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company are:–

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Providing Telecom Towers on shared basis to multiple telecom operators	619	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
Not Applicable					

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

i) Category–wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year April 1, 2017				No. of Shares held at the end of the year March 31, 2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A Promoter									
(1) Indian									
(a) Individual / HUF									
(b) Central Govt									
(c) State Govt(s)									
(d) Bodies Corp.	628,826,075	–	628,826,075	25.56	2,366,649,881	–	2,366,649,881	19.52	–6.04
(e) Banks / FI									
(f) Any Other (Specify)									
Sub–Total (A)(1)	**628,826,075**	**–**	**628,826,075**	**25.56**	**2,366,649,881**	**–**	**2,366,649,881**	**19.52**	**–6.04**
(2) Foreign									
(a) NRIs – Individuals									
(b) Other – Individuals									
(c) Bodies Corp.									
(d) Banks / FI									
(e) Any Other (Specify)									
Sub–Total (A)(2)									
A Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	**628,826,075**	**–**	**628,826,075**	**25.56**	**2,366,649,881**	**–**	**2,366,649,881**	**19.52**	**–6.04**
B Public Shareholding									
(1) Institutions									
(a) Mutual Funds	150	64	214	0.00	150	64	214	0.00	–0.00
(b) Banks / FI	879,895,243	500	879,895,743	35.77	7,877,319,849	500	7,877,320,349	64.97	29.20
(c) Central Govt									
(d) State Govt(s)									
(e) Venture Capital Funds									
(f) Insurance Companies	30,094,886	–	30,094,886	1.22	426,353,586	–	426,353,586	3.52	2.29
(g) FIIs	75,000	–	75,000	0.00	–	–	–	–	–0.00
(h) Foreign Venture Capital Funds									
(i) Any Other (Specify)									
i) Bank–Foreign	27,126,000	–	27,126,000	1.10	–	–	–	–	–1.10
Sub–Total (B)(1)	**937,191,279**	**564**	**937,191,843**	**38.10**	**8,303,673,585**	**564**	**8,303,674,149**	**68.48**	**30.39**
(2) Non–Institutions									
(a) Bodies Corp.									
i) Indian	83,262,615	9,867	83,272,482	3.38	409,355,327	9,853	409,365,180	3.38	–0.01
ii) Overseas									
(b) Individuals									
i) Individual shareholders holding nominal share capital upto to ₹ 1 lakh	136,319,319	395,532	136,714,851	5.56	167,111,884	383,895	167,495,779	1.38	–4.18
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	296,320,901	20,000	296,340,901	12.05	397,081,590	20,000	397,101,590	3.27	–8.77

Category of Shareholders	No. of Shares held at the beginning of the year April 1, 2017				No. of Shares held at the end of the year March 31, 2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(c) Any Other (Specify)									
i) Corp.Body OCBs	197,416	100	197,516	0.01	197,416	100	197,516	0.00	–0.01
ii) Other Foreign Bodies	75,828,594	100	75,828,694	3.08	81,573,282	95,364,266	176,937,548	1.46	–1.62
iii) NRIs	12,081,901	210	12,082,111	0.49	19,917,064	210	19,917,274	0.16	–0.33
iv) Trusts	5,000	–	5,000	0.00	10,000	–	10,000	0.00	–0.00
v) RFPI–Corporate	289,623,877	–	289,623,877	11.77	283,921,699	–	283,921,699	2.34	–9.43
Sub–Total (B)(2)	**893,639,623**	**425,809**	**894,065,432**	**36.34**	**1,359,168,262**	**95,778,324**	**1,454,946,586**	**12.00**	**–24.34**
B Total Public Shareholding (B) = (B)(1) + (B)(2)	**1,830,830,902**	**426,373**	**1,831,257,275**	**74.44**	**9,662,841,847**	**95,778,888**	**9,758,620,735**	**80.48**	**6.04**
TOTAL (A) + (B)	**2,459,656,977**	**426,373**	**2,460,083,350**	**100.00**	**12,029,491,728**	**95,778,888**	**12,125,270,616**	**100.00**	
C Shares held by Custodians for GDRs & ADRs	NA	NA	NA	NA	NA	NA	NA	NA	
GRAND TOTAL (A) + (B) + (C)	**2,459,656,977**	**426,373**	**2,460,083,350**	**100.00**	**12,029,491,728**	**95,778,888**	**12,125,270,616**	**100.00**	

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 1–Apr–17			Share holding at the end of the year 31–Mar–18			% change in share holding during the year *
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	GTL Limited (GTL)	345,763,466	14.05	100.00	2,046,505,865	16.88	100.00	2.82
2	Global Holding Corporation Private Limited (GHC)	283,062,609	11.51	0.00	320,144,016	2.64	100.00	–8.87
	TOTAL (A) + (B)	**628,826,075**	**25.56**	**54.99**	**2,366,649,881**	**19.52**	**100.00**	**–6.04**

Note : The % change is on account of increase in paid–up share capital of the Company pursuant to allotment of shares to lenders under SDR and in terms of scheme of merger.

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

Sr. No.	Name	Shareholding at the beginning of the year 01–Apr–17		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during / at the end of the year 31–Mar–18	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1.	GTL Limited (GTL)	345,763,466	14.05	27–Jan–18	1,700,742,399	Allotment *	2,046,505,865	16.88
2.	Global Holding Corporation Private Limited (GHC)	283,062,609	11.51	27–Jan–18	37,081,407	Allotment *	320,144,016	2.64
	Total	**628,826,075**	**25.56**				**2,366,649,881**	**19.52**

* Allotment dated January 27, 2018 pursuant to Orders passed by the Hon'ble National Company Law Tribunals (NCLT) Benches at Mumbai and Chennai respectively sanctioning the Scheme of Arrangement between Chennai Network Infrastructure Limited (CNIL, Transferor Company) and GTL Infrastructure Limited (GTL Infra, Transferee Company, the Company) and their respective Shareholders and Creditors.

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

Sr. No.	For each of Top 10 shareholders	Shareholding at the beginning of the year 01–Apr–17		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during / at the end of the year 31–Mar–18	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1.	Central Bank of India	61,250,806	2.49	13–Apr–17	110,230,266	Allotment – SDR*	171,481,072	1.41
				27–Jan–18	770,673,293	Allotment – Merger**	942,154,365	7.77
2.	Union Bank of India	120,754,706	4.91	13–Apr–17	218,622,525	Allotment – SDR*	339,377,231	2.80
				27–Jan–18	535,392,445	Allotment – Merger**	874,769,676	7.21
3.	Indian Overseas Bank	161,976,510	6.58	13–Apr–17	294,177,685	Allotment – SDR*	456,154,195	3.76
				27–Jan–18	213,878,295	Allotment – Merger**	670,032,490	5.53
4.	Bank of Baroda	89,807,214	3.65	13–Apr–17	161,622,676	Allotment – SDR*	251,429,890	2.07
				12–Sep–17	54,252,000	Allotment – FCCB Conversion	305,681,890	2.52
				27–Jan–18	356,405,849	Allotment – Merger**	662,087,739	5.46
5.	ICICI Bank Limited	–	–	26–Jan–18	1,157,690	Secondary Market Trade	1,157,690	0.01
				27–Jan–18	548,575,037	Allotment – Merger**	549,732,727	4.53
				2–Feb–18	1,530	Secondary Market Trade	549,734,257	4.53
				9–Feb–18	(106,000)	Secondary Market Trade	549,628,257	4.53
				16–Feb–18	2,000	Secondary Market Trade	549,630,257	4.53
				23–Feb–18	393,565	Secondary Market Trade	550,023,822	4.54
				2–Mar–18	(156,230)	Secondary Market Trade	549,867,592	4.53
				9–Mar–18	2,368,755	Secondary Market Trade	552,236,347	4.55
				16–Mar–18	(2,414,818)	Secondary Market Trade	549,821,529	4.53
				23–Mar–18	31,859	Secondary Market Trade	549,853,388	4.53
				31–Mar–18	(1,278,351)	Secondary Market Trade	548,575,037	4.52
6.	Canara Bank	20,026,848	0.81	13–Apr–17	35,603,762	Allotment – SDR*	55,630,610	0.46
				5–May–17	(20,000)	Secondary Market Trade	55,610,610	0.46
				8–Sep–17	(1,000)	Secondary Market Trade	55,609,610	0.46
				27–Oct–17	(6,959)	Secondary Market Trade	55,602,651	0.46
				27–Jan–18	463,512,777	Allotment – Merger**	519,115,428	4.28
				23–Mar–18	11,975	Secondary Market Trade	519,127,403	4.28
7.	IFCI Limited	–	–	27–Jan–18	504,990,245	Allotment – Merger**	504,990,245	4.16
8.	Bank of India	107,834,016	4.38	13–Apr–17	152,228,151	Allotment – SDR*	260,062,167	2.14
				6–Oct–17	88,159,500	Allotment – FCCB Conversion	348,221,667	2.87
				27–Jan–18	106,955,036	Allotment – Merger**	455,176,703	3.75
9.	Punjab National Bank	41,761,138	1.70	13–Apr–17	74,948,020	Allotment – SDR*	116,709,158	0.96
				27–Jan–18	320,855,623	Allotment – Merger**	437,564,781	3.61
10.	Life Insurance Corporation of India	29,443,358	1.20	13–Apr–17	39,747,612	Allotment – SDR*	69,190,970	0.57
				27–Jan–18	357,111,088	Allotment – Merger**	426,302,058	3.52

* Allotment dated April 13, 2017 pursuant to Strategic Debt Restructuring Scheme invoked by the lenders of the Company.

** Allotment dated January 27, 2018 pursuant to Orders passed by the Hon'ble National Company Law Tribunals (NCLT) Benches at Mumbai and Chennai respectively sanctioning the Scheme of Arrangement between Chennai Network Infrastructure Limited (CNIL, Transferor Company) and GTL Infrastructure Limited (GTL Infra, Transferee Company, the Company) and their respective Shareholders and Creditors.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
Directors							
1	Mr. Manoj G. Tirodkar	1–Apr–2017	At the beginning of the year	5,897,783	0.24	5,897,783	0.05
		31–Mar–2018	At the end of the year			5,897,783	0.05
2	Mr. N. Balasubramanian	1–Apr–2017	At the beginning of the year	500,000	0.02	500,000	0.00
		31–Mar–2018	At the end of the year			500,000	0.00
3	Mr. Vinod B. Agarwala	1–Apr–2017	At the beginning of the year	459,000	0.02	459,000	0.00
		31–Mar–2018	At the end of the year			459,000	0.00
4	Dr. Anand P. Patkar	1–Apr–2017	At the beginning of the year	100,000	0.00	100,000	0.00
		31–Mar–2018	At the end of the year			100,000	0.00
5	Mr. Charudatta K. Naik	1–Apr–2017	At the beginning of the year	1,325,900	0.05	1,325,900	0.01
		31–Mar–2018	At the end of the year			1,325,900	0.01
6	Mr. Milind K. Naik	1–Apr–2017	At the beginning of the year	19,000	0.00	19,000	0.00
		31–Mar–2018	At the end of the year			19,000	0.00
7	Mr. Vijay M. Vij	1–Apr–2017	At the beginning of the year	63,500	0.00	63,500	0.00
		31–Mar–2018	At the end of the year			63,500	0.00
8	Mrs. Sonali P. Choudhary	1–Apr–2017	At the beginning of the year	67,500	0.00	67,500	0.00
		31–Mar–2018	At the end of the year			67,500	0.00
Key Managerial Personnel							
1.	Laxmikant Y. Desai*	1–Apr–2017	At the beginning of the year	26,976	0.00	26,976	0.00
		31–Mar–2018	At the end of the year			26,976	0.00
2.	Bhupendra J. Kiny**	1–Apr–2017	At the beginning of the year	90,041	0.00	90,041	0.00
		31–Mar–2018	At the end of the year			90,041	0.00
3.	Nitesh A. Mhatre	1–Apr–2017	At the beginning of the year	0		0	0.00
		31–Mar–2018	At the end of the year		0.00	0	0.00

* Mr. Laxmikant Y. Desai retired from the office of KMP w.e.f. December 31, 2017.

** Mr. Bhupendra J. Kiny appointed as KMP (Chief Financial Officer) w.e.f. January 1, 2018.

V. INDEBTEDNESS

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

₹ in Lakhs

	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 2017–18				
Principal Amount	866,044	144,169	–	1,010,213
Interest due but not paid	28,842	–	–	28,842
Interest accrued but not due	–	2,519	–	2,519
Total (i+ii+iii)	**894,886**	**146,688**	**–**	**1,041,574**

₹ in Lakhs

	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
Addition				
– Interest	2,684	1,366	–	4,050
– Foreign Exchange Difference	791	–	–	791
– Measurement of Financial Liabilities at Amortized Cost	31,618	4,667	–	36,285
Reduction				
– Interest	(28,578)	(2,519)	–	(31,097)
– Conversion to Equity Shares / Other Equity	(450,117)	(86,479)	–	(536,596)
– Extinguishment	(8,674)	(5,917)	–	(14,591)
– Foreign Exchange Difference	–	(53)	–	(53)
– Repayments	(408)	–	–	(408)
Net Change	**(452,684)**	**(88,935)**	**–**	**(541,619)**
Indebtedness at the end of the financial year 2017–18				
Principal Amount	439,255	56,387	–	495,642
Interest due but not paid	263	–	–	263
Interest accrued but not due	2,684	1,366	–	4,050
Total (i+ii+iii)	**442,202**	**57,753**	**–**	**499,955**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager Milind K. Naik, WTD (Amount in ₹ Lakhs)	Total Amount (₹ in Lakhs)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income–tax Act, 1961	47.29	47.29
	(b) Value of perquisites u/s 17(2) Income–tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income–tax Act, 1961		
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission		
	– as % of profit	Nil	Nil
	– others, specify.	Nil	Nil
5.	Others (PF Contribution)	2.41	2.41
1	**Total (A)**	**49.70**	**49.70**
	Ceiling as per the Act	#	#

The payment of managerial remuneration to Mr. Naik is subject to the Central Government approval, which is still awaited.

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount (₹ in Lakhs)
1.	**Independent Directors**	**N. Balasubramanian**	**Anand P. Patkar**	**Vinod B. Agarwala**	**Vijay M. Vij**	
	– Fees for attending board and committee meetings	27.40	19.05	25.65	13.80	
	– Commission	Nil	Nil	Nil	Nil	Nil
	– Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	**27.40**	**19.05**	**25.65**	**13.80**	**85.90**
2	**Other Non–Executive Directors**	**Charudatta K. Naik**	**Manoj G. Tirodkar**	**Sonali P. Choudhary**		
	– Fees for attending board and committee meetings	14.65	16.00	16.00		
	– Commission	Nil	Nil	Nil		Nil
	– Others, please specify	Nil	Nil	Nil		Nil
	Total (2)	**14.65**	**16.00**	**16.00**		**46.65**
	Total (B)=(1+2)					**132.55**
	Total Managerial Remuneration*					49.70
	Overall Ceiling as per the Act					#

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

Since the Company has incurred losses; the overall ceiling is as per limits stipulated in Schedule V / Section 197 of the Act and / or subject to central government approval, wherever applicable.

Note: During the FY 2017–18, Mr. Manoj G. Tirodkar, Mr. Milind K. Naik and Mr. Vijay M. Vij had additionally received sitting fee of ₹ 5.50 Lakhs, ₹ 8.50 Lakhs and ₹ 16.50 Lakhs respectively from Chennai Network Infrastructure Limited for FY 2017–18.

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

Sr. No.	Particulars of Remuneration		Key Managerial Personnel (Amount in ₹ in Lakhs)			
		CEO	**CFO Laxmikant Y. Desai (Upto December 31, 2017)**	**CFO Bhupendra J. Kiny (From January 1, 2018)**	**Company Secretary Nitesh A. Mhatre**	**Total**
1.	Gross salary	Not Applicable				
(a)	Salary as per provisions contained in section 17(1) of the Income–tax Act, 1961		89.21	21.12	94.36	204.69
(b)	Value of perquisites u/s 17(2) Income–tax Act, 1961		Nil	Nil	Nil	Nil
(c)	Profits in lieu of salary under section 17(3) Income–tax Act, 1961		Nil	Nil	Nil	Nil
2.	Stock Option		Nil	Nil	Nil	Nil
3.	Sweat Equity		Nil	Nil	Nil	Nil
4.	Commission					
	– as % of profit		Nil	Nil	Nil	Nil
	– others, specify.		Nil	Nil	Nil	Nil
5.	Others (PF Contribution)		2.66	0.81	1.84	5.31
	Total		**91.87**	**21.93**	**96.20**	**210.00**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishments or compounding of offences under the Companies Act, 2013 during the year ended March 31, 2018.

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, 2018, 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, 2018 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			
						Board Directorship **	Board Chairmanship **	Committee Chairmanship/ Membership ***	
		Held	Attended					Chairman	Members
Mr. Manoj G. Tirodkar @ (Chairman) DIN 00298407	NID/ NED	7	7	Yes	1	1	1	0	1
Mr N. Balasubramanian (Vice–Chairman) DIN 00288918	ID	7	6	No	0	0	0	0	0
Mr. Milind K. Naik (Whole–time Director) DIN 00276884	NID/ED	7	7	Yes	0	0	0	0	0
Dr. Anand P. Patkar DIN 00634761	ID	7	5	Yes	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			
						Board Directorship **	Board Chairmanship **	Committee Chairmanship/ Membership ***	
		Held	Attended					Chairman	Members
Mr. Charudatta K. Naik DIN 00225472	NID/NED	7	7	No	0	0	0	0	0
Mr. Vinod B. Agarwala DIN 01725158	ID	7	7	No	3	3	0	2	2
Mr. Vijay M. Vij DIN 02245470	ID	7	5	Yes	1	1	0	1	1
Mrs. Sonali P. Choudhary # DIN 07139326	NID/NED	7	7	Yes	0	0	0	0	0

* 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 G. Tirodkar is interested director in Promoter Group Company. All other Directors are Non–Promoter Directors. There are no *inter–se* relationships between our Board members.

\# Mrs. Sonali P. Choudhary is the Women Director on the Board.

iii) 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.

The details of familiarization programmes imparted to independent directors, are available on website of the Company at http://www.gtlinfra.com/investors/corporate–governance/

During the year under review, a separate meeting of the Independent Directors was held on March 22, 2018 for transacting the stipulated business and all the Independent Directors were present for this meeting.

iv) **Number of Board Meetings held and the dates on which held:** The Board of Directors met seven (7) 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
April 22, 2017	08	08
April 27, 2017	08	08
August 09, 2017	08	07
November 14, 2017	08	08
January 17, 2018	08	06
February 13, 2018	08	08
March 08, 2018	08	06

v) **Details of equity shares of the Company held by the Directors as on March 31, 2018 are as under:**

Name of Director	Number of Shares
Mr. Manoj G. Tirodkar	5,897,783
Mr. N. Balasubramanian	500,000
Mr. Milind K. Naik	19,000
Dr. Anand P. Patkar	100,000
Mr. Charudatta K. Naik	1,325,900
Mr. Vinod B. Agarwala	459,000
Mr. Vijay M. Vij	63,500
Mrs. Sonali P. Choudhary	67,500

3) BOARD COMMITTEES

A. Audit Committee:

i) **Composition:** The Audit Committee of the Board comprises of three Independent Directors namely Mr. N. Balasubramanian, Mr. Vinod B. Agarwala and Mr. Vijay M. Vij 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;
  - ➢ The appointment, removal and terms of remuneration of Chief Internal Auditor and
  - ➢ 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 21, 2017 and was not attended by Mr. N. Balasubramanian, Chairman of the Audit Committee, as he was required to travel overseas for urgent personal work.

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

The Audit Committee met five (5) times during the year under review on April 22, 2017, April 27, 2017, August 9, 2017, November 14, 2017 and February 13, 2018. 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 2017–2018	
		Held	Attended
Mr. N. Balasubramanian (Chairman)	Independent, Non–Executive	5	5
Mr. Vinod B. Agarwala	Independent, Non–Executive	5	5
Mr. Vijay M. Vij	Independent, Non–Executive	5	5
Mr. Charudatta K. Naik	Non–Independent, Non–Executive	5	5

B. Nomination & Remuneration Committee:

i) **Composition:** The Nomination & Remuneration Committee of the Board comprises of two Independent Directors namely Mr. Vijay M. Vij and Mr. N. Balasubramanian and one Non–Independent / Non–Executive Director, Mr. Charudatta K. Naik. Mr. Vijay M. Vij 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 Three (3) times during the year under review on April 27, 2017, November 14, 2017 and February 13, 2018. 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 2017–2018	
		Held	Attended
Mr. Vijay M. Vij (Chairman)	Independent, Non–Executive	3	3
Mr. N. Balasubramanian	Independent, Non–Executive	3	3
Mr. Charudatta K. Naik	Non–Independent, Non–Executive	3	3

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 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 and / or as approved by the Central Government as the case may be.

○ Remunerate 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, 2018 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#	20.09	27.20	2.41*	NIL	NIL

\# Mr. Milind Naik was re–appointed as Whole–time Director for further period of three (3) years w.e.f. from July 21, 2017, upon expiry of his term on July 20, 2017. The Company has submitted an application to the Central Government for payment of remuneration to him not exceeding ₹ 1.26 Cr. p.a., as approved by the Members in the Annual General Meeting held on September 21, 2017. The approval is still awaited.

* 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.

Note: During the FY 2017–18, Mr. Milind K. Naik had additionally received sitting fee of ₹ 8.50 Lakhs from erstwhile Chennai Network Infrastructure Limited for FY 2017–18.

The agreement with Whole–time Director is for period of 3 years. Further, either party to the agreement is entitled to terminate the agreement by giving not less than three (3) months' notice in writing to the other party or payment of three (3) months' salary in lieu thereof. There is no separate provision of payment of severance fees.

(ii) **Non–Executive Directors:**

Name	Sitting Fees* (₹ in Lakh)
Mr. Manoj G. Tirodkar	16.00
Mr. N Balasubramanian #	27.40
Dr. Anand P. Patkar #	19.05
Mr. Charudatta K. Naik	14.65
Mr. Vinod B. Agarwala #	25.65
Mr. Vijay M. Vij #	13.80
Mrs. Sonali P. Choudhary	16.00

* Excluding Swachha Bharat Cess Tax

Directors were appointed as Independent Directors from September 16, 2014 to September 15, 2019 and they are not liable to retire.

Notes:

1) Currently, the Company does not have any stock option plans/ schemes.
2) During the FY 2017–18, Mr. Manoj G. Tirodkar and Mr. Vijay M. Vij had additionally received sitting fee of ₹ 5.50 Lakhs and ₹ 16.50 Lakhs respectively from erstwhile Chennai Network Infrastructure Limited for FY 2017–18.

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 Directors, Mr. Manoj G. Tirodkar and Mrs. Sonali P. Choudhary. Dr. Anand P. 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 April 27, 2017, August 9, 2017, November 14, 2017 and February 13, 2018. 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 2017–18	
		Held	Attended
Dr. Anand P. Patkar (Chairman)	Independent, Non–Executive	4	3
Mr. Vinod B. Agarwala	Independent, Non–Executive	4	4
Mr. Manoj G. Tirodkar	Non–Independent, Non–Executive	4	4
Mrs. Sonali P. Choudhary	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, 2018, 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
2014–15	September 23, 2015	02:00 p.m.	Marathi Sahitya, Sanskriti & Kala Mandal, Sahitya Mandir Hall, Near Navi Mumbai Sports Association, Sector 6, Vashi, Navi Mumbai 400 703
2015–16	September 21, 2016	1.30 p.m.	Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai 400703
2016–17	September 21, 2017	1.00 p.m.	Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai 400703

ii) **Special Resolutions:**

a) At the Annual General Meeting of the Company held on September 23, 2015, the following Special Resolutions were passed with requisite majority:

- Approval of material Related Party Transactions with GTL Limited
- Approval of material Related Party Transactions with Chennai Network Infrastructure Limited

b) At the Annual General Meeting of the Company held on September 21, 2016, no Special Resolutions were passed.

c) At the Annual General Meeting of the Company held on September 21, 2017, the following Special Resolution was passed:

- Re–appointment of Mr. Milind Naik as a Whole–time Director of the Company for a period of 3 years.

iii) **Tribunal Convened Meeting**

Date	Time	Venue
November 1, 2017	11:00 a.m.	Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai 400703

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

iv) **Details of Special Resolutions passed last year through postal ballot and details of voting pattern:** During the year under review, the Company passed the following special resolution by postal ballot as per the directions of the National Company Law Tribunal, Bench at Mumbai:

Special Resolution	Votes cast in favour		Votes cast against		Date of declaration of results
	No. of votes	%	No. of votes	%	
Resolution approving Scheme of Arrangement between Chennai Network Infrastructure Limited and GTL Infrastructure Limited and their respective Shareholders and Creditors pursuant to Sections 230 to 232 and other applicable provisions of the Act.	3,615,424,280	99.9995	19,362	0.0005	November 2, 2017

v) **Person who conducted the postal ballot exercise:** Mr. Chetan A. Joshi (Practicing Company Secretary), Scrutinizer appointed by the National Company Law Tribunal, Bench at Mumbai for conducting the postal ballot process, submitted his report dated November 2, 2017.

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 results are generally published in the Free Press Journal (English language) and in Mumbai Navshakti (Local language). The financial results are 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 Ministry of Corporate Affairs (MCA) is L74210MH2004PLC144367.

i. **Annual General Meeting:**

Date	:	September 27, 2018
Time	:	12.30 P.M.
Venue	:	Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai – 400 703, Maharashtra, India.

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 2018–19** : BSE/NSE listing fees for the financial year 2018–2019 was paid by the Company within the prescribed time.

vi. **Stock Exchange Codes:**

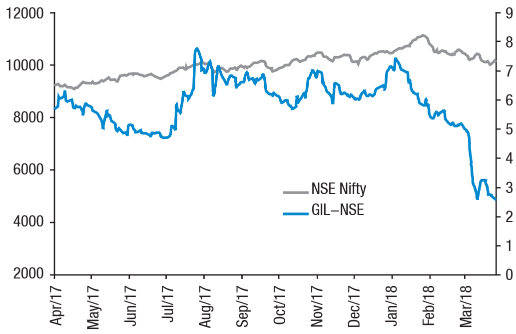
BSE – Equity Shares	:	532775
NSE– Equity Shares	:	GTLINFRA
Reuters Code	:	GTLI.BO & GTLI.NS
Bloomberg ticker	:	GTLI:IN
Equity ISIN	:	INE221H01019
Singapore Exchange Securities Trading Limited	:	FCCB Series 'B1' – XS1684777912 FCCB Series 'B2' – XS1684779454 FCCB Series 'B3' – XS1698001465

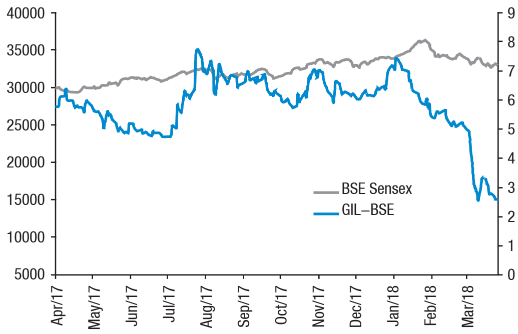
vii. **Market price data:**

High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2017–18 on NSE and BSE:

Month	NSE			BSE		
	High (₹)	Low (₹)	Volume (nos.)	High (₹)	Low (₹)	Volume (nos.)
April 2017	6.35	5.50	102,148,490	6.38	5.56	39,468,601
May 2017	5.75	4.85	55,093,693	5.79	4.85	16,606,211
June 2017	5.15	4.70	35,530,396	5.19	4.72	8,609,139
July 2017	7.75	4.70	223,001,949	7.74	4.72	57,518,399
August 2017	7.35	6.15	116,695,704	7.36	6.14	33,154,809
September 2017	7.00	6.15	95,093,918	6.99	6.15	22,041,939
October 2017	7.05	5.70	124,159,016	7.05	5.72	31,034,197
November 2017	7.00	5.90	120,429,904	7.03	5.89	36,297,926
December 2017	6.95	6.00	123,680,776	6.97	6.01	21,392,443
January 2018	7.45	5.80	246,132,404	7.46	5.77	57,688,482
February 2018	5.85	5.10	96,405,903	5.86	5.07	19,070,147
March 2018	5.10	2.60	259,602,688	5.11	2.52	77,469,710

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	GTL Limited (Investor Services Centre) Electronic Sadan II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400 710
Telephone	+91–22–27612929 / 27673000 Extn: 2232–35
Fax	+91–22–27680171

x. **Share transfer system in physical form:**

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

The total number of physical shares transferred during the year under review was 597 (Previous year 1,568).

xi. **Distribution of Shareholding as on March 31, 2018:**

a. **Distribution of equity shareholding as on March 31, 2018:**

No. of Shares	No. of Shareholders	% of Shareholders	Share amount (₹)	% to Total
Upto 500	121,029	63.88	210,761,390	0.17
501 – 1000	23,812	12.57	208,490,820	0.17
1001 – 2000	15,166	8.01	246,243,170	0.20
2001 – 3000	6,781	3.58	179,590,240	0.15
3001 – 4000	3,137	1.66	115,283,540	0.10
4001 – 5000	4,684	2.47	228,106,920	0.19
5001 – 10000	6,642	3.51	527,129,940	0.43
10001 & ABOVE	8,198	4.33	119,537,100,140	98.59
TOTAL	**189,449**	**100.00**	**121,252,706,160**	**100.00**

b. **Distribution of shares by categories of shareholders:**

Category	No. of Shares Held	% Holding
Promoter & Promoter Group	2,366,649,881	19.52
Bodies Corporate (Domestic) / Trust / Clearing Members	413,783,392	3.41
Banks	7,372,330,104	60.80
Financial Institutions/ Mutual Funds	931,344,045	7.68
Non–Resident Individuals / Foreign Corporate Bodies / Overseas Corporate Bodies / Foreign National / Registered Foreign Portfolio Investors etc.	480,974,037	3.97
Resident Individuals	560,189,157	4.62
TOTAL:	**12,125,270,616**	**100.00**

c. **Top 10 equity shareholders of the Company as on March 31, 2018:**

Name(s) of Shareholders	Category	No. of Shares	% holding
GTL Limited (Promoter)	Domestic Company	2,046,505,865	16.88
Global Holding Corporation Private Limited (Promoter Group)	Domestic Company	320,144,016	2.64
Central Bank of India	Banks	942,154,365	7.77
Union Bank of India	Banks	874,769,676	7.21
Indian Overseas Bank	Banks	670,032,490	5.53
Bank of Baroda	Banks	662,087,739	5.46
ICICI Bank Limited	Banks	548,575,037	4.52
Canara Bank	Banks	519,127,403	4.28
IFCI Limited	Financial Institution	504,990,245	4.16
Bank of India	Banks	455,176,703	3.75

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 Securities and Exchange Board of India (SEBI). The Shares of the Company are available for trading under the depository systems in India – National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL). 99.21% of the Company's shares are held in dematerialized form as on March 31, 2018. 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, 2018 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 upon conversion
FCCBs allotted	80,745	86,417	30,078	197,240	
Converted till March 31, 2018	–	–	16,908	16,908	110,136,341
Balance as on March 31, 2018	80,745	86,417	13,170	180,332	

* 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 compulsorily convertible bonds (i.e. Series B1 Bonds and Series B3 Bonds) are converted into equity shares of the Company, the total capital would go up by 611,749,161. The Company has excluded such number of convertible securities which are likely to be redeemed in terms of Series B2 Bonds.

xiv. **Equity shares in the Suspense Account:**

The Company has no cases as are referred to in Regulation 34 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, 2018.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares lying in the suspense account as on April 1, 2017	490	49,857
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	1	100
Number of shareholders to whom shares were transferred from suspense account during the year	–	–
Aggregate number of shareholders and the outstanding shares remaining unclaimed as on March 31, 2018	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, 2018, 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, (CIN : L74210MH2004PLC144367)
3rd Floor, "Global Vision", Electronic Sadan No. II,
MIDC, TTC Industrial Area, Mahape,
Navi Mumbai – 400710, Maharashtra, India
Tel: +91–22–27673500, **Fax:** +91–22–27673666
Website: www.gtlinfra.com
Email for Investor Grievances: gilshares@gtlinfra.com

7) DISCLOSURES:

a. All the transactions entered into with the Related Parties as defined under the Act and Regulation 23 of the Listing Regulations, during the year under review, were in ordinary course of business and at arms' length basis. The necessary disclosures in respect to transactions with Related Parties are given in the notes to the Accounts. None of these transactions have potential conflict with the interest of the Company at large.

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. 2015–16, 2016–17 and 2017–18 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 posses a Foreign Currency Risk as this is un–hedged. The Commodity Price Risk, by and large, is managed contractually through price variation clauses.

g. 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, 2017 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 FY 2017–18, the Joint Auditors of the Company have 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.

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

i. 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.

j. **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/

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

Mrs. Sonali P. Choudhary

Mrs. Sonali P. Choudhary is a law graduate from Mumbai University and has done her masters in Finance Management. She was the legal head of power business of GTL Limited. She is an ardent law professional and her forte lies in arbitration, mergers & acquisition, risk management. She has an experience of over 15 years in this field.

She is a member of Stakeholders Relationship Committee of the Company. Mrs. Sonali Choudhary's shareholding in the Company is 67,500 equity shares.

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, 2018.

Place: Mumbai
Dated: August 3, 2018

Milind K. Naik
Whole–time Director

AUDITORS' CERTIFICATE OF CORPORATE GOVERNANCE

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 31st March, 2018. 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.

AUDITOR'S RESPONSIBILITY

4. Our responsibility is to provide a reasonable assurance that 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. 3B(V)(c)(i) of the report on Corporate Governance regarding remuneration paid to a Whole Time Director, which is subject to the approval of Central Government.

   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 31st March, 2018, referred to in paragraph 1 above, except the chairman of the Audit Committee could not attend the Annual General Meeting for the reasons explained in the Corporate Governance Report.

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 Chaturvedi & Shah
Chartered Accountants
Firm Reg. No. – 101720W

R. Koria
Partner
Membership No. – 35629
Place : Mumbai
Date : August 09, 2018

For Yeolekar & Associates
Chartered Accountants
Firm Reg. No. 102489W

CA S. S. Yeolekar
Partner
Membership No. – 036398

INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF
GTL INFRASTRUCTURE LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of GTL INFRASTRUCTURE LIMITED ("the Company"), which comprise the Balance sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS Financial Statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), losses (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Accounting Principles Generally Accepted in India, including Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatements.

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

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

Basis for Qualified Opinion

Attention is drawn to Note No. 42 to the Ind AS 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. The Special Leave Petition filed against the above order has been dismissed by the Hon'ble Supreme Court. The appeal filed with Bombay High Court by the Company contesting the manner, quantum, component of property tax has been dismissed. Appeal was preferred against the same to the Hon'ble Supreme Court and the Hon'ble Supreme Court has granted stay. The matter being still sub judice, 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. In the light of above, we are unable to quantify the amount of the property tax, if any, to be accounted for by the Company and its consequential effects on the Ind AS financial statements.

Qualified Opinion

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" paragraph above, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to the:

a. Note no. 31.1 to the Ind AS financial statements' regarding managerial remuneration paid to a whole time director is in excess of the limits prescribed under the Act. The Company has applied to the Central Government for necessary approval which is awaited.

b. Note nos. 3.8 and 53 to the Ind AS financial statements which inter alia state that, Aircel, one of the major customers of the Company, has filed the insolvency petition before National Company Law Tribunal (NCLT), the Company has impaired its non–current assets and the Reserve Bank of India (RBI) withdrew the Strategic Debt Restructuring (SDR) guidelines resulting into uncertainty in the Debt Resolution process. The Company, however, continues to prepare its Ind AS financial statements on going concern basis and classify its rupee term loans borrowing as per SDR terms, since the Company as stated in note no. 53, has envisaged option to right size debt either through ARC debt sale process initiated by the lenders or in accordance with revised RBI guidelines.

Our opinion is not modified in respect of these matters.

Other Matter

As mentioned in Note no. 43 to the Ind AS financial statements, during the year the scheme of Arrangement for the merger of Chennai Network Infrastructure Limited (CNIL) with the Company has been approved by the National Company Law Tribunal, at Mumbai and Chennai and the scheme became effective from December 22, 2017 having the appointed date April 1, 2016. The comparatives for the previous years have been restated by the Management of the Company to give the effect of the said scheme by including the financial statements of CNIL which are audited by other auditor, M/s Arvind Mahajan & Associates, Chartered Accountants, Mumbai for the year ended March 31, 2017 and March 31, 2016 and by giving such adjustments and effects as are required by the scheme of Arrangement. Our Audit has been restricted for the year ended on March 31, 2018. We have traced the comparative figures as at March 31st 2017 and 1st April 2016, from the information as certified and provided by the Management of the Company.

Our opinion is not modified in respect of this matter.

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. 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), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid Ind AS 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 going concern matter described in subparagraph (b) under the "Emphasis of Matters" 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, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 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 Ind AS financial statements in Note No. 38, 40 and 41 to the Ind AS financial statements except in respect of property tax as detailed in note no 42 to the Ind AS 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 Chaturvedi & Shah	For Yeolekar & Associates
Chartered Accountants	*Chartered Accountants*
Firm Reg. No. 101720W	**Firm Reg. No. 102489W**
R. Koria	**CA S. S. Yeolekar**
Partner	*Partner*
Membership No. 35629	**Membership No. 036398**

Place : Mumbai
Dated : May 08, 2018

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' 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 Ind AS financial statements for the year ended March 31, 2018)

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

We have audited the internal financial controls over financial reporting of **GTL INFRASTRUCTURE LIMITED** ('the Company') as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Chaturvedi & Shah
Chartered Accountants
Firm Reg. No. 101720W

R. Koria
Partner
Membership No. 35629

Place : Mumbai
Dated : May 08, 2018

For Yeolekar & Associates
Chartered Accountants
Firm Reg. No. 102489W

CA S. S. Yeolekar
Partner
Membership No. 036398

"ANNEXURE B" TO INDEPENDENT AUDITORS' 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 Ind AS financial statements for the year ended March 31, 2018)

i. In respect of its fixed assets:

a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment 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. No material discrepancies were noticed on such physical verification as compared with the available records.

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 (Refer Note no. 43 to the Ind AS Financial Statements)
2	Building at Wanawadi, Pune (Pledged with the Bank)	Freehold	563	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 the Net Book Value of ₹ 3,457 Lakhs (Including 7 immovable properties having Net Book Value of ₹ 3,456 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 grant of loans, making investments and providing guarantees and securities.

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, sales–tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable, with the appropriate authorities during the year. According to information and explanation given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2018 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, value added tax and service tax aggregating to ₹ 17,078 Lakhs that have not been deposited on account of disputed matters pending before appropriate authorities are 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	2008–09,2010–11 to 2016–17	12,665	High Court
		2009–10 & 2010–11	7	Appellate Tribunal
		2009–10	1	Additional Commissioner (Appeal)
		2008–09 to 2014–15	38	Joint Commissioner (Appeal)
		2010–11	43	Sr. Joint Commissioner (Appeal)
		2011–12 & 2012–13	7	Sr. Joint Commissioner
		2007–08 to 2010–11, 2013–14	191	Deputy Commissioner (Appeal)
		2007–08	2	Deputy Commissioner
		2013–14	41	Assistant Commissioner (Appeals)
		2008–09 to 2017–18	336	Assessing Authority
		2006–07	3	Appellate Board
The Finance Act, 1994	Service Tax	2012–13 to 2016–17	3,374	Commissioner (Appeal)
The Income Tax Act, 1961	Income Tax	2011–12	370	Deputy Commissioner
		Total	**17,078**	

(*) Net of amount deposited under protest

Property Tax:

As detailed in Note No. 42 to the Ind AS 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. As mentioned in Note no. 53 to the Ind AS Financial Statements, the rupee term loan lenders of the Company had invoked the Strategic Debt Restructuring (SDR) in accordance with the Reserve Bank of India (RBI) guidelines on September 20, 2016. In accordance with the terms of SDR, there were no financial defaults by the Company to its rupee term loan lenders as on March 31, 2018. Pursuant to RBI Circular dated February 12, 2018 SDR guidelines have been withdrawn and hence on technical ground some of the lenders have classified the Company's rupee term loan borrowings as Non Performing Assets (NPA) as on March 31, 2018. Further, the "Series B" FCCB Bonds also got exchanged with new Series of FCCBs and hence the Company did not default in respect of FCCBs as on March 31, 2018. In respect of foreign currency term loan from Deutsche Investitions–undEntwicklungsgesellschaft mbH (DEG), the Company has defaulted for ₹ 2,668 lakhs (having ₹ 378 lakhs for a period of less than 100 days and ₹ 2,290 lakhs for a period more than 100 days) as on March 31, 2018.

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 Ind AS financial statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations given to us and based on our examination of the records, the Company, in respect of remuneration of ₹ 50 Lakhs paid to Whole Time Director which is in excess of the limit prescribed in the schedule V to the Act, the requisite approval sought by the Company from the Central Government as mandated by the provisions of section 197 read with schedule V of the Act, is awaited.

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 Ind AS 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. The Company has allotted equity shares to the rupee term loan lenders pursuant to the SDR, scheme of arrangement for the merger of CNIL with the Company and on conversion of FCCBs. Further new series of FCCBs have been issued to the existing FCCB holders in exchange of old FCCBs. 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 Chaturvedi & Shah
Chartered Accountants
Firm Reg. No. 101720W

R. Koria
Partner
Membership No. 35629

Place : Mumbai
Dated : May 08, 2018

For Yeolekar & Associates
Chartered Accountants
Firm Reg. No. 102489W

CA S. S. Yeolekar
Partner
Membership No. 036398

BALANCE SHEET AS AT MARCH 31, 2018

₹ In Lakhs

Particulars	Notes	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
ASSETS				
(1) Non–Current Assets				
(a) Property , Plant and Equipment	3	794,497	928,390	963,727
(b) Capital work–in–progress	3	4,192	8,364	10,440
(c) Other Intangible Assets	3	48	64,023	68,856
(d) Financial Assets				
(i) Investments	4	–	–	65,000
(ii) Other Bank Balances	5	3	4	4
(iii) Loans	6	9,717	9,215	8,622
(e) Other Non–current Taxes	7	603	226	565
(f) Other Non–current Assets	8	3,732	11,706	8,270
		812,792	1,021,928	1,125,484
(2) Current Assets				
(a) Inventories	9	370	50	79
(b) Financial Assets				
(i) Investments	10	13,981	5,963	6,904
(ii) Trade Receivables	11	7,374	14,316	21,447
(iii) Cash and Cash Equivalents	12	13,903	7,053	8,697
(iv) Bank Balances other than (iii) above	13	379	5,227	6,744
(v) Loans	14	1,862	1,886	1,904
(vi) Others	15	8,136	12,515	14,418
(c) Current Tax Assets (Net)	16	2,643	7,455	6,908
(d) Other Current Assets	17	13,129	11,220	10,038
		61,777	65,685	77,139
Total Assets		874,569	1,087,613	1,202,623
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	18	1,212,527	246,008	233,639
(b) Other Equity	19	(891,477)	(275,024)	(128,200)
		321,050	(29,016)	105,439
LIABILITIES				
(1) Non–Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	459,581	774,855	973,712
(ii) Other Financial Liabilities	21	6,667	6,972	5,270
(b) Provisions	22	12,511	11,782	11,045
(c) Other non–current Liabilities	23	2,947	4,903	4,639
		481,706	798,512	994,666
(2) Current Liabilities				
(a) Financial Liabilities				
(i) Trade Payables	24	1,983	6,645	4,609
(ii) Others Financial Liablities	25	66,997	292,676	91,300
(b) Other Current Liabilities	26	2,461	18,439	6,266
(c) Provisions	27	372	357	343
		71,813	318,117	102,518
Total Equity and Liabilities		874,569	1,087,613	1,202,623
Significant Accounting Policies	2			
Notes to Financial Statements	3 to 55			

As per our report of even date

For **CHATURVEDI & SHAH**
Chartered Accountants
Firm Reg. No.–101720W

R. KORIA
Partner
Membership No.– 35629

For **YEOLEKAR & ASSOCIATES**
Chartered Accountants
Firm Reg. No.– 102489W

CA S. S. YEOLEKAR
Partner
Membership No.– 036398

For and on behalf of the Board of Directors

MILIND NAIK
Whole–time Director
DIN– 00276884

VIJAY VIJ
Director
DIN– 02245470

MANOJ TIRODKAR
Chairman
DIN– 00298407

BHUPENDRA J. KINY
Chief Financial Officer

NITESH MHATRE
Company Secretary
Membership No–A18487

Mumbai
Date : May 8, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

₹ In Lakhs

Particulars	Notes	For the year ended on March 31, 2018	For the Year ended on March 31, 2017
INCOME :			
Revenue from Operations	28	233,333	228,290
Other Income	29	18,251	2,558
Total Revenue		251,584	230,848
EXPENSES :			
Infrastructure Operation & Maintenance Cost	30	112,668	103,918
Employee Benefits Expense	31	6,483	6,026
Finance Costs	32	56,974	102,396
Depreciation and Amortization Expenses	3	79,992	74,266
Bad Debts, Provision for Trade Receivables and Claims	33	24,544	6,997
Exchange Differences (Net)	34	3,102	2,227
Others	35	15,100	9,883
Total		298,863	305,713
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		(47,279)	(74,865)
Exceptional Item	36	142,016	65,000
PROFIT/(LOSS) BEFORE TAX		(189,295)	(139,865)
Tax Expenses		–	–
PROFIT/(LOSS) FOR THE YEAR		(189,295)	(139,865)
Other Comprehensive Income			
(A) Items that will not be reclassified to Profit or Loss			
(i) Remeasurement of the defined benefit plans		(69)	44
(B) Items that will be reclassified to Profit or Loss		–	–
Total Other Comprehensive Income		69	(44)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(189,226)	(139,909)
Earnings Per Equity Share of ₹ 10 each	45		
Basic and Diluted		(1.58)	(1.90)
Significant Accounting Policies	2		
Notes to Financial Statements	3 to 55		

As per our report of even date

For and on behalf of the Board of Directors

For **CHATURVEDI & SHAH**
Chartered Accountants
Firm Reg. No.–101720W

For **YEOLEKAR & ASSOCIATES**
Chartered Accountants
Firm Reg. No.– 102489W

MILIND NAIK
Whole–time Director
DIN– 00276884

MANOJ TIRODKAR
Chairman
DIN– 00298407

R. KORIA
Partner
Membership No.– 35629

CA S. S. YEOLEKAR
Partner
Membership No.– 036398

VIJAY VIJ
Director
DIN– 02245470

BHUPENDRA J. KINY
Chief Financial Officer

NITESH MHATRE
Company Secretary
Membership No–A18487

Mumbai
Date : May 8, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

₹ in Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax as per Statement of Profit and Loss	**(189,295)**	(139,865)
ADJUSTED FOR		
Depreciation and amortization expenses	**79,992**	74,266
Loss on sale of Property, Plant, Equipment (PPE)	**2,027**	1,069
Interest Income	**(1,338)**	(1,932)
Finance Costs	**56,974**	102,490
Foreign Exchange (Gain)/Loss (Net)	**3,102**	2,227
Fair Value Gain on financial instruments at fair value through Profit & Loss	**(143)**	44
Profit on sale of Investments	**(1,067)**	(393)
Extinguishment of liabilities	**(15,343)**	–
Creditors written back	**(329)**	–
Exceptional Items	**142,016**	65,000
Balances Written off (Net of Provision written back)	**–**	2
Provision for Trade Receivables and Energy Recoverables	**19,454**	6,995
Miscellaneous Income on Asset Retirement Obligation (ARO)	**–**	(4)
Prepaid Rent amortization	**253**	264
Advance revenue on deposits	**(1,006)**	(811)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	**95,297**	109,351
ADJUSTMENTS FOR		
Trade and Other Receivables	**(10,911)**	259
Inventories	**(320)**	12
Trade and Other Payables	**(18,048)**	14,972
CASH GENERATED FROM OPERATIONS	**66,018**	124,593
Taxes paid/refund received (Net)	**4,436**	(701)
NET CASH FLOW FROM OPERATING ACTIVITIES	**70,454**	123,893
CASH FLOW FROM INVESTING ACTIVITES		
Purchase of PPE and Capital Work–in –Progress (CWIP)	**(19,792)**	(39,543)
Proceeds from disposal of PPE & CWIP	**2,727**	2,742
Purchase of Investments	**(197,184)**	(114,409)
Sale of Current Investments	**190,376**	115,699
Interest Received	**1,052**	2,637
NET CASH FLOW USED IN INVESTING ACTIVITIES	**(22,821)**	(32,874)

₹ in Lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long–Term–Borrowings	**(408)**	(5,906)
Interest and Finance charges Paid	**(45,224)**	(88,273)
Fixed Deposits with Banks pledged as Margin Money, Debt Service Reserve Account and others	**4,849**	1,517
NET CASH USED IN FINANCING ACTIVITIES	**(40,783)**	(92,662)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**6,849**	(1,644)
Cash and Cash Equivalents (Opening Balance)*	**7,053**	8,697
Cash and Cash Equivalents (Closing Balance)*	**13,903**	7,053

*Refer Note No.12 to the financial statements for the year ended March 31, 2018

(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, 2018	March 31, 2017
Opening Balance	**1,010,213**	1,015,557
Change from financing cash flows received/(paid) (net)	**(408)**	(5,906)
Changes on account of extinguishment of liabilities	**(14,590)**	–
Changes on account of conversion of borrowings into equity/other equity	**(536,596)**	–
Changes on account of changes in foreign exchange rates	**738**	(876)
Changes on account of measurement of financial liabilities at amortised cost	**36,285**	1,438
Closing Balance	**495,642**	1,010,213

(iv) Following transactions not involving cash flow are not considered for preparation of above cash flow:

(a) Increase in share capital and Other Equity of ₹5,36,596 lakhs, which is on account of conversion/Restructuring of Long Term borrowings

(b) Addition to Property, Plant and Equipment of ₹683 lakhs, which is on account of capitalization of exchange difference arising on restatement of foreign currency term loan

(v) Previous year's figures have been regrouped / rearranged /reclassified wherever necessary to make them comparable with those of current year.

As per our report of even date

For and on behalf of the Board of Directors

For **CHATURVEDI & SHAH**
Chartered Accountants
Firm Reg. No.–101720W

For **YEOLEKAR & ASSOCIATES**
Chartered Accountants
Firm Reg. No.– 102489W

MILIND NAIK
Whole–time Director
DIN– 00276884

MANOJ TIRODKAR
Chairman
DIN– 00298407

R. KORIA
Partner
Membership No.– 35629

CA S. S. YEOLEKAR
Partner
Membership No.– 036398

VIJAY VIJ
Director
DIN– 02245470

BHUPENDRA J. KINY
Chief Financial Officer

NITESH MHATRE
Company Secretary
Membership No–A18487

Mumbai
Date : May 8, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

(A) EQUITY SHARE CAPITAL

Particulars	Number	₹ In Lakhs
Equity Shares of INR 10 each issued, subscribed and fully paid		
Balance as at April 1, 2016	**2,336,388,793**	**233,639**
Issued during the Year		
– On conversion of Foreign Currency Convertible Bonds	123,694,557	12,369
Balance as at April 1, 2017	**2,460,083,350**	**246,008**
Issued during the Year		
– On conversion of Foreign Currency Convertible Bonds		
– On Series A	131,116,233	13,112
– On Series B	142,899,768	14,290
– On Series B3	110,136,341	11,014
– On conversion of Debt into Equity under SDR Scheme	1,692,215,807	169,222
– Pursuant to the scheme of arrangement	7,588,819,117	758,882
Balance as at March 31, 2018	**12,125,270,616**	**1,212,527**

(B) OTHER EQUITY

₹ In Lakhs

Particulars	Equity Component of Compound Financial Instruments	Share Suspense Account	Reserves & Surplus					Other Compre–hensive Income	Other equity
			Reconstruction Reserve	Capital Reserve	Securities premium account	Foreign Currency Monetary Item Translation Diff. Account	Retained earnings		
Balance as at April 1, 2016	25,481	–	1,993	1,846	60,667	(8,151)	(296,347)	(40)	(214,550)
– Pursuant to the scheme of arrangement	–	477,986	–	–	–	–	(391,638)	2	86,350
– On conversion of Foreign Currency Convertible Bonds to Equity	(12,369)	–	–	–	–	–	–	–	(12,369)
Total Comprehensive Income for the year	–	–	–	–	–	–	(139,865)	(44)	(139,909)
Re–instatement/Amortisation of exchange difference to Statement of Profit & Loss	–	–	–	–	–	5,455	–	–	5,455
Balance as at March 31, 2017	**13,112**	**477,986**	**1,993**	**1,846**	**60,667**	**(2,696)**	**(827,850)**	**(82)**	**(275,024)**
– On conversion of Foreign Currency Convertible Bonds to Equity (Transfer to Share Capital)	(24,126)	–	–	–	–	–	–	–	(24,126)
– Pursuant to the scheme of arrangement	–	280,896	–	–	–	–	–	–	280,896
– Series B1 & Series B3 Compulsorily Convertible Bonds (Refer Note No. 20.4)	72,189	–	–	–	–	–	–	–	72,189
Total Comprehensive Income for the year	–	–	–	–	–	–	(189,295)	69	(189,226)
Equity Shares Allotted pursuant to the scheme of arrangement (Refer Note No. 19.1)	–	(758,882)	–	–	–	–	–	–	(758,882)
Re–instatement/Amortisation of exchange difference to Statement of Profit & Loss	–	–	–	–	–	2,696	–	–	2,697
Balance as at March 31, 2018	**61,175**	**–**	**1,993**	**1,846**	**60,667**	**–**	**(1,017,145)**	**(13)**	**(891,477)**

As per our report of even date

For **CHATURVEDI & SHAH**
Chartered Accountants
Firm Reg. No.–101720W

R. KORIA
Partner
Membership No.– 35629

For **YEOLEKAR & ASSOCIATES**
Chartered Accountants
Firm Reg. No.– 102489W

CA S. S. YEOLEKAR
Partner
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Mumbai
Date : May 8, 2018

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MILIND NAIK
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Chairman
DIN– 00298407

BHUPENDRA J. KINY
Chief Financial Officer

NITESH MHATRE
Company Secretary
MembershipNo–A18487

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1. CORPORATE INFORMATION

GTL Infrastructure Limited (GIL, the 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.

During the year, erstwhile Chennai Network Infrastructure Limited (CNIL) has been merged with the Company with an appointed date of April 1, 2016 pursuant to the Scheme of Arrangement for merger.

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.

These Financial Statements were approved for issue by the Board of Directors on May 08, 2018.

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

(b) 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.

(c) The tangible assets at cellular sites, which are ready for use during the particular month are capitalised on the last day of the month.

(d) 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.

(e) 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

The management believes that the useful lives as given above represent the period over which these assets are expected to be used

(f) 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.

(g) Further, In respect of Fixed Assets whose actual cost does not exceed ₹ 5,000, depreciation is provided at 100% in the year of addition

(h) The leasehold improvements have been depreciated over the lease period.

(i) The revised carrying amount of the assets identified as impaired have been depreciated over residual useful life of the respective assets

(j) 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.

(k) 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. **Intangible Assets**

On transition to Ind AS, the Company has elected to continue with the previous GAAP carrying values as deemed cost.

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.

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
Customer Contracts	20 years

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

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.

2.4. **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.

2.5. **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.

2.6. **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

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

a) Financial assets at amortized cost

b) Financial assets measured at fair value through Profit or Loss

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

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

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

2.7. 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.

2.8. 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.

2.9. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the proceeds are being received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duties collected on behalf of the Government.

Revenue from operations includes revenue for use of infrastructure facilities and energy revenue for the provision of energy for operation of sites. Revenue for use of infrastructure (which is termed as "Revenue from Telecom / Network Infrastructure Facilities") and revenue from Energy and Other Re–imbursements 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.

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.

2.10. 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:

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis unless payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase; such increases are recognised in the year in which such benefits accrue.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight–line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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 on a straight line basis over the lease term. Contingent rents are recognised as revenue in the period in which they are earned.

2.11. Employee benefits

Short Term Employee Benefits

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

Post–Employment Benefits

Defined Contribution Plan

A defined contribution plan is a post–employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Pension Scheme. The Company's contribution is recognised as an expense in the 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 and other long term benefits are charged to the other Comprehensive Income.

2.12. 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 with the exception of the following:

Foreign exchange differences arising on translation of liabilities assumed before April 01, 2016 which are

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

considered as long–term foreign currency monetary items are capitalised, if related to acquisition of fixed assets, or transferred to Foreign Currency Monetary Item Translation Difference Account and amortized over the balance period of such long term Foreign Currency Monetary items but not beyond March 31, 2020.

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.

2.13. 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.

2.14. 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.

2.15. 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.

2.16. 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) 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.

b) 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.

c) 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.

d) Impairment of non–financial assets:

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.

e) 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.

f) 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.

g) 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

h) 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 46.

i) 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.

Standards Issued but not yet effective:

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 – Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

a) Issue of Ind AS 115 – Revenue from Contracts with customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. The core principles of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

b) Amendment to Existing issued Ind AS

The MCA has also notified certain amendments to the following Accounting Standards:

i. Ind AS 21 – The Effects of Changes in Foreign Exchange Rates

ii. Ind AS 12 – Income Taxes

Applications of the above standards are not expected to have any significant impact on the Company's financial statements.

3. (a) Property , Plant and Equipment (PPE)

₹ In Lakhs

Particulars	Tangible Assets						Total
	Land	Buildings	Plant and Equipments	Office Equipments	Furniture & Fixtures	Vehicles	
COST							
As at April 1,2016	600	19,837	329,548	33	–	29	350,047
Pursuant to the scheme of Arrangement	38	22,495	661,686	–	–	8	684,227
Additions	6	–	36,326	13	29	19	36,393
Disposals/ Adjustments	–	18	5,185	–	–	11	5,214
As at March 31, 2017	644	42,314	1,022,375	46	29	45	1,065,453
Additions	–	3	28,787	29	–	25	28,844
Disposals/ Adjustments	–	73	16,643	13	–	–	16,729
As at March 31, 2018	**644**	**42,244**	**1,034,519**	**62**	**29**	**70**	**1,077,568**
DEPRECIATION / AMORTISATION / IMPAIRMENT							
Up to April 1,2016	–	2,532	21,453	18	–	8	24,011
Depreciation Pursuant to the scheme of Arrangement	–	3,710	41,246	–	–	2	44,958
Depreciation for the Year	–	5,809	63,582	12	2	10	69,415
Disposals/ Adjustments	–	12	2,300	–	–	–	2,312
Impairment	–	–	991	–	–	–	991

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Tangible Assets						Total
	Land	Buildings	Plant and Equipments	Office Equipments	Furniture & Fixtures	Vehicles	
Upto March 31, 2017	–	12,039	124,972	30	2	20	137,063
Depreciation for the Year	–	6,085	69,042	13	10	13	75,163
Disposals/ Adjustments	–	46	11,916	13	–	–	11,975
Impairment (Refer Note No. 3.8)	–	1,923	80,897	–	–	–	82,821
Upto March 31, 2018	**–**	**20,001**	**262,995**	**30**	**12**	**33**	**283,072**
CARRYING COST							
As at April 1, 2016	600	19,837	329,548	33	–	29	350,047
As at March 31, 2017	644	30,275	897,403	16	27	25	928,390
As at March 31, 2018	**644**	**22,243**	**771,524**	**32**	**17**	**37**	**794,497**

3.1 Land includes ₹ 38 Lakhs of erstwhile CNIL acquired pursuant to the scheme of arrangement, which are in the process of being transferred in the name of the Company.

3.2 Buildings include properties having carrying value of ₹ 563 Lakhs (March 31, 2017 ₹ 572 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

3.3 Buildings includes Land related properties and Boundary Wall at Sites having carring value of ₹ 19,914 Lakhs (March 31, 2017 ₹ 25,960 Lakhs).

3.4 Additions to Plant & Equipments includes Net Foreign Exchange Difference of ₹ 683 Lakhs (March 31, 2017 ₹ (403) Lakhs) Capitalised during the year.

3.5 Property, Plant and Equipment (PPE) includes assets mortgaged as security (Refer Note No. 20.1)

(b) Capital work–in–progress

₹ In Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital Work–in–progress	**4,192**	8,364	10,440

3.6 During the year the company has disposed off CWIP of ₹ NIL for ₹ NIL (March 31, 2017 ₹ 1,224 Lakhs for ₹ 1,058 Lakhs)

3.7 Capital Work–in–Progress includes:
Inventory of Capital goods amounting to ₹ 4,192 Lakhs (March 31, 2017 ₹ 8,364 Lakhs)

(c) Intangible Assets*

₹ In Lakhs

Particulars	Software Licenses	Customers Contract	Total
COST			
As at April 1,2016	104	–	104
Pursuant to the scheme of Arrangement	–	73,622	73,622
Additions	17	–	17
Disposals/ Adjustments	–	–	–
As at March 31, 2017	**121**	**73,622**	**73,743**
Additions	50	–	50
Disposals/ Adjustments	–	–	–
As at March 31, 2018	**171**	**73,622**	**73,793**
DEPRECIATION / AMORTISATION / IMPAIRMENT			
Up to April 1,2016	56	–	56
Depreciation Pursuant to the scheme of Arrangement	–	4,813	4,813
Depreciation Charged For The Year	38	4,813	4,851
Disposals/ Adjustments	–	–	–
As at March 31, 2017	**94**	**9,626**	**9,720**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

₹ In Lakhs

Particulars	Software Licenses	Customers Contract	Total
Depreciation Charged For The Year	29	4,801	4,829
Disposals/ Adjustments	–	–	–
Impairment (Refer Note No. 3.8)	–	59,195	59,195
As at March 31, 2018	**123**	**73,622**	**73,745**
CARRYING COST			
As at April 1, 2016	104	–	104
As at March 31, 2017	27	63,996	64,023
As at March 31, 2018	**48**	**–**	**48**

* Other than Internally generated

3.8 On March 1, 2018, major customer of the Company, Aircel filed for bankruptcy protection with the National Company Law Tribunal with an intent to undertake a resolution plan. The bankruptcy process is expected to take several months to complete and at this stage, it remains unclear whether any restructuring or revival would be possible and the outcome of the insolvency proceedings remains to be seen. Further, shutting down of business by R Com, SSTL and consolidation among operators Vodafone–Idea, Tata–Bharti etc. has affected telecom industry as a whole.

The Company performed an impairment test based on current expectations of the impact of the above mentioned developments on the projected cash flows from tower assets in accordance with the Indian Accounting Standard (IND AS 36 – Impairment of Assets).

The Company is predominantly in the business of providing ''telecom towers'' on shared basis and as such there are no separate segments. Accordingly, all these tower assets were assessed as a single Cash Generating Unit along with tenant related intangible assets in the form of customer contracts. The CGU consists of plant and machinery and leasehold improvements forming part of building as disclosed above.

The recoverable amount of the CGU is determined based on a value in use calculation using 10.75% as discount rate. The carrying cost of the CGU exceeds its value in use and accordingly, an impairment loss of ₹142,016 lakhs was recognized during the year ended March 31, 2018.

4. NON–CURRENT FINANCIAL ASSETS – INVESTMENTS (Long–term, Trade)

Particulars	Number			Face Value (₹)	**As at March 31, 2018 ₹ In Lakhs**	As at March 31, 2017 ₹ In Lakhs	As at April 1, 2016 ₹ In Lakhs
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016				
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.	**650,000,000**	650,000,000	650,000,000	10.00	**–**	–	65,000
(ii) Equity Shares –							
Global Rural NETCO Ltd.	**33,250,000**	33,250,000	33,250,000	10.00	**–**	–	–
TOTAL					**–**	–	65,000
4.1 Aggregate Amount of Unquoted Investments					**–**	–	65,000
4.2 Total Financial Assets Carried at Fair Value Through P&L					**–**	–	65,000
4.3 Refer Note No. 2.6 for basis of valuation							

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

5. OTHER BANK BALANCES

₹ In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Fixed Deposits with Banks held as Security for Sales Tax	**3**	4	4
Total	**3**	4	4

6. LOANS

₹ In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Securilty Deposit –			
To Related Party (Refer Note No. – 44)	**216**	216	216
Others*	**9,501**	8,999	8,406
Total	**9,717**	9,215	8,622

* Deposit includes of ₹ 988 Lakhs (March 31, 2017 ₹ 699 Lakhs) and ₹ 3,648 Lakhs (March 31, 2017 ₹ 3,630 Lakhs) towards Electricity Deposits and site Rental Deposits respectively acquired pursuant to the scheme of arrangement , which are in the process of being transferred in the name of the Company.

7. OTHER NON–CURRENT TAXES

₹ In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Advance income–tax (net of provision for taxation)	**603**	226	565
Total	**603**	226	565

8. Other Non–Current Assets (Unsecured, Considered good unless otherwise stated)

₹ In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Capital advances –			
To Related party (Refer Note No. – 44)	**1,480**	302	1,239
Others			
– Considered good	**584**	9,836	5,637
– Considered Doubtful	**–**	–	36,988
	584	9,836	42,625
Less: Provision for doubtful advances	**–**	–	36,988
	584	9,836	5,637
Prepaid Expenses	**1,033**	967	872
Other Advance*	**635**	601	522
Total	**3,732**	11,706	8,270

* Includes amount paid under protest & refund receivable from Sales Tax Authorities.

9. INVENTORIES

₹ In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Stores, Spares and Consumables	**370**	50	79
Total	**370**	50	79

Refer Note No. 2.4 for basis of valuation

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

10. CURRENT FINANCIAL ASSETS – INVESTMENTS (Other than Trade)

Particulars	**Number**			**Face Value (₹)**	**As at March 31, 2018 ₹ In Lakhs**	As at March 31, 2017 ₹ In Lakhs	As at April1, 2016 ₹ In Lakhs
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016				
Investment (Carried At Fair Value Through Profit & Loss)							
Unquoted							
In Unit of Mutual Funds							
Axis Liquid Fund – Direct Growth	**89,699**	3,808	7,188	1,000	**1,729**	69	121
Aditya Birla Sun Life Cash Plus – Growth – Direct Plan	**340,375**	–	–	100	**951**	–	–
Aditya Birla Sunlife Floating Rate Fund Short Term Plan – Growth Direct Plan	**741,800**	–	–	100	**1,721**	–	–
BNP Paribas Overnight Fund Direct Plan – Growth	**9,301**	–	–	1,000	**248**	–	–
DSP Blackrock Liquidity Fund – Direct Plan – Growth	**18,594**	–	–	1,000	**462**	–	–
HDFC Liquid Fund – Direct Plan – Growth Option	**58,227**	–	–	1,000	**1,994**	–	–
IDBI Liquid Fund – Direct Plan – Growth	**120,747**	–	–	1,000	**2,246**	–	–
LIC Nomura Mf Liquid Fund – Direct – Growth Plan	**–**	119,033	25,742	1,000	**–**	3,510	707
Peerless Liquid Fund – Direct Plan Growth	**–**	–	8,478	1,000	**–**	–	141
SBI Premier Liquid Fund – Direct Plan – Growth	**25,241**	77,919	89,621	1,000	**688**	1,990	2,134
Tata Liquid Fund Direct Plan – Growth	**82,248**	–	–	1,000	**2,635**	–	–
Tata Money Market Fund Direct Plan – Growth	**5,835**	–	–	1,000	**160**	–	–
UTI Liquid Cash Plan – Institutional Direct Plan – Growth	**40,345**	–	–	1,000	**1,147**	–	–
Union KBC Liquid Fund Growth – Direct Plan	**–**	24,324	250,703	1,000	**–**	394	3,801
TOTAL					**13,981**	5,963	6,904
Note:							
10.1 Aggregate Amount of Unquoted Investments					**13,981**	5,963	6,904
10.2 Total Financial Assets Carried at Fair Value Through P&L					**13,981**	5,963	6,904
10.3 Refer Note No. 2.6 for basis of valuation							

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

11. TRADE RECEIVABLES

(Unsecured, subject to confirmation and Considered good unless otherwise stated)

₹ In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Trade Receivables			
– Considered good	**7,374**	14,316	21,447
– Considered Doubtful	**23,655**	6,658	17,503
	31,029	20,974	38,950
Provision for doubtful receivables	**23,655**	6,658	17,503
	7,374	14,316	21,447
Total	**7,374**	14,316	21,447

12. CASH AND CASH EQUIVALENTS

₹ In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Cash and cash equivalents			
Balances with Banks:			
– in current accounts	**13,899**	7,046	8,294
– cheques in hand	**–**	–	371
Funds in Transit (Since realised)	**–**	–	22
Cash on hand	**4**	7	10
	13,903	7,053	8,697
Total	**13,903**	7,053	8,697
12.1 Cash and Cash Equivalents (As per Cash Flow Statement)	**13,903**	7,053	8,697

13. OTHER BANK BALANCES

₹ In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Margin Money	**125**	207	194
Fixed Deposits with Banks	**254**	5,020	6,550
Total	**379**	5,227	6,744

Includes ₹ 39 Lakhs (March 31, 2017 ₹ 37 Lakhs) having maturity period of more than 12 months.

14. LOANS

₹ In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Deposits to others*	**1,862**	1,886	1,904
Total	**1,862**	1,886	1,904

*Refer Note no.6

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

15. OTHERS CURRENT FINANCIAL ASSETS

₹ In Lakhs

Particulars	**As At March 31, 2018**	As At March 31, 2017	As At April 1, 2016
Unbilled Income	**7,812**	9,715	6,481
Other Receivables			
(Unsecured, Considered good unless otherwise stated)			
– Considered good	**–**	2,483	7,895
– Considered Doubtful	**2,458**	–	–
	2,458	2,483	7,895
Less: Provision for doubtful advances	**2,458**	–	–
	–	2,483	7,895
Interest Receivable	**324**	317	42
Total	**8,136**	12,515	14,418

16. CURRENT TAX ASSETS (NET)

₹ In Lakhs

Particular	**As At March 31, 2018**	As At March 31, 2017	As At April 1, 2016
Advance income–tax (net of provision for taxation)	**2,643**	7,455	6,908
Total	**2,643**	7,455	6,908

17 OTHER CURRENT ASSETS
(Unsecured, Considered good unless otherwise stated)

₹ In Lakhs

Particulars	**As At March 31, 2018**	As At March 31, 2017	As At April 1, 2016
Balance with Government Authorities	**2,417**	1,670	991
Prepaid expenses	**600**	1,354	1,309
Other Advances *			
– Considered good	**10,112**	8,196	7,738
– Considered Doubtful	**7**	7	7
	10,119	8,203	7,745
Less: Provision for doubtful advances	**7**	7	7
	10,112	8,196	7,738
Total	**13,129**	11,220	10,038

* Mainly relating to advances to suppliers, employees, etc.

18 EQUITY SHARE CAPITAL

₹ In Lakhs

Particulars	**As At March 31, 2018**	As At March 31, 2017	As At April 1, 2016
Authorised			
16,00,00,00,000; (6,00,00,00,000); (4,50,00,00,000) Equity Shares of ₹ 10 each	**1,600,000**	600,000	450,000
20,00,00,000; (10,00,00,000); (5,00,00,000) Preference Shares of ₹ 100 each	**200,000**	100,000	50,000
	1,800,000	700,000	500,000
Issued, subscribed and fully paid–up			
12,12,52,70,616; (2,46,00,83,350); (2,33,63,88,793) Equity Shares of ₹ 10 each fully paid–up	**1,212,527**	246,008	233,639
Total	**1,212,527**	246,008	233,639

18.1 Pursuant to the Scheme of Arrangement between CNIL and the Company and their respective shareholders and creditors (the "Scheme"), the Authorised Share Capital of CNIL has been added to the Authorised Share Capital of the Company. Accordingly the Authorised Share Capital of the Company stands increased to ₹18,00,000 Lakhs divided into 16,00,00,00,000 equity shares of ₹10/– each and 20,00,00,000 Preference Shares of ₹100/– each. (Refer Note No. 43)

18.2 Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016	
	Number	₹ In Lakhs	Number	₹ In Lakhs	Number	₹ In Lakhs
Equity Shares at the beginning of the Year	**2,460,083,350**	**246,008**	2,336,388,793	233,639	2,336,388,793	233,639
Issued during the Year						
– On conversion of Foreign Currency Convertible Bonds (Refer Note – 20.4)	**384,152,342**	**38,415**	123,694,557	12,369	–	–
– On conversion of Debt into Equity under SDR Scheme	**1,692,215,807**	**169,222**	–	–	–	–
– Pursuant to scheme of arrangement	**7,588,819,117**	**758,882**	–	–	–	–
Equity Shares at the end of the Year	**12,125,270,616**	**1,212,527**	2,460,083,350	246,008	2,336,388,793	233,639

18.3 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.

18.4 Shares reserved for issue under options :

The Foreign Currency Convertible Bonds (FCCB) holders have the option to convert FCCB into 1,174,657,402 Equity Shares (March 31, 2017 1,18,10,71,464; April 1, 2016 1,30,47,66,024) (Refer Note No. 20.4)

18.5 Details of shareholders holding more than 5% shares in the Company

Name of share holders	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016	
	Number of Shares held	% holding in Share Capital	Number of Shares held	% holding in Share Capital	Number of Shares held	% holding in Share Capital
GTL Limited	**2,046,505,865**	**16.88%**	345,763,466	14.05%	345,763,466	14.80%
Global Holding Corporation Private Limited	*	*	283,062,609	11.51%	283,062,609	12.12%
ELM Park Fund Limited	*	*	179,971,057	7.32%	179,971,057	7.70%
Indian Overseas Bank	**670,032,490**	**5.53%**	161,976,510	6.58%	161,976,510	6.93%
Central Bank Of India	**942,154,365**	**7.77%**	*	*	*	*
Union Bank of India	**874,769,676**	**7.21%**	*	*	121,034,706	5.18%
Bank Of Baroda	**662,087,739**	**5.46%**	*	*	*	*

* Reduced below 5% hence not given

18.6 Out of total paid up capital, 9,53,64,166 equity shares allotted pursuant to compulsory conversion of Series A Bonds on maturity are not yet listed, since information regarding the Series A Bondholders was not available with the Company. In the absence of requisite information, the Company has allotted the said equity shares to Trust, created for the benefit of Series A Bondholders.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

19. OTHER EQUITY

₹ In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Equity Component of Compound Financial Instruments			
Opening Balance	**13,112**	25,481	25,481
Add: Series B1 & Series B3 Foreign Currency Convertible Bonds	**72,189**	–	–
	85,301	25,481	25,481
Less: Transferred to Share Capital on conversion of FCCB into Equity Shares	**24,126**	12,369	–
	61,175	13,112	25,481
Share Suspense Account			
Opening Balance	**477,986**	477,986	–
Pursuant to the scheme of arrangement	**280,896**	–	477,986
	758,882	477,986	477,986
Less: Transferred to Share Capital	**758,882**	–	–
	–	477,986	477,986
Reconstruction Reserve	**1,993**	1,993	1,993
Balance as per last Balance Sheet			
Capital Reserve	**1,846**	1,846	1,846
Balance as per last Balance Sheet			
Securities premium account			
Balance as per last Balance Sheet	**60,667**	60,667	60,667
Foreign Currency Monetary Item Translation Difference Account			
Opening Balance	**(2,696)**	(8,151)	(8,151)
Less: Amortisation of exchange difference to Statement of Profit & Loss	**(2,696)**	(5,455)	–
	–	(2,696)	(8,151)
Retained Earnings in the Statement of Profit & Loss			
Opening Balance	**(827,850)**	(687,985)	(296,347)
Add : Pursuant to the scheme of arrangement	**–**	–	(391,638)
Add: Loss for the Year	**(189,295)**	(139,864)	–
	(1,017,145)	(827,850)	(687,985)
Other Comprehensive Income in the Statement of Profit & Loss			
Opening Balance	**(82)**	(38)	(40)
Add : Pursuant to the scheme of arrangement	**–**	–	2
Add: Loss for the Year	**69**	(44)	–
	(13)	(82)	(38)
Total	**(891,477)**	(275,024)	(128,200)

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)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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 account

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.

20. BORROWINGS

₹ In Lakhs

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Secured Loans			
Rupee Term Loans from :			
– Banks	**381,854**	725,314	776,641
– Financial Institution	**21,340**	46,441	46,525
	403,194	771,755	823,166
Foreign Currency Term Loan from :			
– Financial Institution	**–**	3,100	4,457
	403,194	774,855	827,623
Unsecured Loans			
– Foreign Currency Convertible Bonds (Refer Note – 20.4)	**56,387**	–	146,089
Total	**459,581**	774,855	973,712

20.1 (A) Rupee Term Loans from Banks & Financial Institutions are secured as follows:

(i) Specific Charge – Secured Rupee Lenders of the erstwhile standalone Company (₹ 1,75,342 Lakhs as on March 31, 2018) and erstwhile CNIL (₹ 2,38,509 Lakhs as on March 31, 2018) 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) of ₹ 1,54,470 Lakhs and sponsor support from Global Holding Corporation Private Limited (GHC) towards any shortfall in debt servicing.

(B) Foreign Currency Term Loan from Financial Institutions is secured as follows:

Specific Charge – Secured Foreign Currency Lender of erstwhile standalone Company of (₹ 6,012 Lakhs as on March 31, 2018) 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

20.2 The lenders had invoked Strategic Debt Restructuring ("SDR") in accordance with the Reserve Bank of India's ("RBI") guidelines on September 20, 2016. The Company complied with all the stipulations under SDR – Issuance of equity shares to lenders so that lenders collectively hold atleast 51% of equity capital in the Company, paid monthly interest up to March 31, 2018, merger of CNIL with the Company, restructuring of Foreign Currency Convertible Bonds, steps for induction of new investor.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

20.3 Terms of Repayment

(i) Rupee Term Loans from Banks and Financial Institutions (including Current Maturities of Long–term borrowings) having an effective yield of 10.75% over the tenure of the facility amounting to ₹ 3,72,091 Lakhs are 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:

2018–19	2019–20	2020–21	2021–22
₹ 27,550 Lakhs	₹ 32,773 Lakhs	₹ 39,122 Lakhs	₹ 45,063 Lakhs

2022–23	2023–24	2024–25	2025–26
₹ 50,081 Lakhs	₹ 53,461 Lakhs	₹ 53,461 Lakhs	₹ 54,382 Lakhs

2026–27
₹ 16,198 Lakhs

(ii) Rupee Term Loan from ICICI Bank Limited (including current maturities of Long–term borrowings) having an effective yield of 8 % over the tenure of the facility amounting to ₹ 31,236 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:

2018–19	2019–20	2020–21	2021–22
₹ 2,519 Lakhs	₹ 3,191 Lakhs	₹ 3,359 Lakhs	₹ 3,694 Lakhs

2022–23	2023–24	2024–25	2025–26
₹ 4,030 Lakhs	₹ 4,198 Lakhs	₹ 4,366 Lakhs	₹ 4,366 Lakhs

2026–27
₹ 1,512 Lakhs

(iii) Rupee Term Loan from Banks having an Interest rate of 8% p.a aggregating to ₹ 10,524 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 March15 , 2021. The loan carries Interest rate of 3 months Euribor+200 bps.

20.4 Foreign Currency Convertible Bonds (FCCBs) :

(i) During the year, the Company has 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 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 U.S.$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 U.S.$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 U.S.$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, 2018, 80,745 Series B1 Bonds, 86, 417 Series B2 Bonds and 13,170 Series B3 Bonds were outstanding.

20.5 The details of overdue Principal and interest payable as at March 31, 2018 is as follows:

(₹ In Lakhs)

Particulars	Total Overdue	Aging			
		1 Months	3 Months	1 Year	1–2 Years
Principal Payable on Rupee Term Loan from Banks & Financial Institution#	NIL	NIL	NIL	NIL	NIL
Principal Payable on Foreign Currency Term Loan from Financial Institution*	2,405	301	NIL	902	1,202
Interest Payable on Rupee Term Loan from Banks & Financial Institution#	NIL	NIL	NIL	NIL	NIL
Interest Payable on Foreign Currency Term Loan from Financial Institution**	263	77	NIL	77	110

* Included in Current Maturities of Long–Term Borrowings (Refer Note – 25)

** Shown as Interest accrued and due on Borrowings (Refer Note – 25)

\# The Company has paid all lender dues, both interest and principal, in accordance with SDR terms till 31st March 2018. Hence there was no financial default by Company as on March 31, 2018 on account of Rupee Term–Loans. However, on technical grounds the rupee loans have been classified by the lenders as NPA due to withdrwal of the SDR guidelines pursuant to the Reserve Bank of India's Circular dated February 12, 2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

21. OTHER NON–CURRENT FINANCIAL LIABILITIES

(₹ In Lakhs)

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Deposits from customers	**6,667**	6,972	5,270
Total	**6,667**	6,972	5,270

22. PROVISIONS

(₹ In Lakhs)

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Provision for compensated absences	**78**	115	137
Asset Retirement Obligation	**12,433**	11,667	10,908
Total	**12,511**	11,782	11,045

23. OTHER NON–CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Advance Revenue	**2,947**	4,903	4,639
Total	**2,947**	4,903	4,639

24. TRADE PAYABLES

(₹ In Lakhs)

Particulars	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
Suppliers for goods and services			
– Micro,Small & Medium Enterprises	**56**	99	67
– Others	**1,927**	6,546	4,542
Total	**1,983**	6,645	4,609

24.1 Details of dues to micro, small & medium enterprises as defined under the MSMED Act,2006

	Particulars	As at March 31,2018	As at March 31,2017	As at April 1,2016
(i)	Principal amount remaining unpaid	**56**	99	67
(ii)	Interest due thereon	**NIL**	NIL	2
(iii)	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006	**NIL**	NIL	7
(iv)	Interest due and payable for the period of delay in payment	**NIL**	NIL	9
(v)	Interest accrued and remaining unpaid	**1**	2	2
(vi)	Interest remaining due and payable even in succeeding years	**NIL**	NIL	NIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

25 OTHER CURRENT FINANCIAL LIABILITIES

(₹ In Lakhs)

Particulars	**As at March 31,2018**	As at March 31,2017	As at April 1,2016
Current maturities of long–term borrowings (Refer Note – 20.3)			
– Rupee Term Loans from Banks and Financial Institutions (Refer Note 20.5)	**30,069**	89,098	40,157
– Foreign Currency Convertible Bonds (Refer Note – 20.4)	**–**	144,169	–
– Foreign Currency Term Loans from Financial Institutions*	**5,992**	2,091	1,688
	36,061	235,358	41,845
Interest accrued and but not due on borrowings (Refer Note No. 25.1)	**4,050**	2,519	2,820
Interest accrued and due on borrowings (Refer Note – 20.5)	**263**	28,842	19,539
Deposits from customers	**3,226**	4,712	4,205
Creditors for Capital goods	**489**	4,315	4,225
Other Payable**	**22,908**	16,930	18,666
Total	**66,997**	292,676	91,300

* Includes 2,385 Lakhs classified from non–current to current in accordance with para 74 of IND (AS) –1

** Mainly includes Provision towards salary, restructuring and other expenses payable.

25.1 Out of the above, ₹ 2,677 Lakhs represents the interest charged by various lendors in respect of which the Company is of the view that the amount shall not be charged as per the terms of the SDR. The Company has requested the lenders to review the same and as a matter of prudence, the amount has been provided for.

26 OTHER CURRENT LIABILITIES

(₹ In Lakhs)

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Unearned revenue	**141**	4,443	4,422
Advance Revenue	**813**	940	745
Advance received from customer	**43**	12,549	437
Statutory dues	**1,464**	507	662
Total	**2,461**	18,439	6,266

27 PROVISIONS

(₹ In Lakhs)

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Provision for compensated absences	**6**	10	19
Asset Retirement Obligation	**366**	347	324
Total	**372**	357	343

28 REVENUE FROM OPERATIONS

(₹ In Lakhs)

Paticulars	**For the year ended March 31, 2018**	For the Year ended on March 31, 2017
Revenue from Telecom/Network Infrastructure Facilities	**166,776**	168,488
Energy and Other Re–imbursements	**66,557**	59,802
Total	**233,333**	228,290

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

29 OTHER INCOME

(₹ In Lakhs)

Paticulars	For the year ended March 31, 2018	For the Year ended on March 31, 2017
Fair Value Gain on financial instruments at fair value through Profit & Loss	**143**	(44)
Profit on Sale of Investments	**1,067**	393
Extinguishment of Liabilities*	**15,343**	–
Interest Income	**1,338**	2,152
Miscellaneous Income	**360**	57
Total	**18,251**	2,558

* Mainly related to restructuring/conversion of borrowings

30. INFRASTRUCTURE OPERATION & MAINTENANCE COST (NET)

(₹ In Lakhs)

Paticulars	For the year ended March 31, 2018	For the Year ended on March 31, 2017
Site Rentals	**32,806**	30,670
Power, Fuel and Maintenance Charges	**69,195**	60,401
Repairs and Maintenance to Plant and Equipments	**2,416**	3,733
Stores & Spares consumption	**11**	42
Other Operating Expenditure	**8,240**	9,072
Total	**112,668**	103,918

31. EMPLOYEE BENEFITS EXPENSE

(₹ In Lakhs)

Paticulars	For the year ended March 31, 2018	For the Year ended on March 31, 2017
Salaries and Allowances	**6,035**	5,654
Contribution to Providend Fund, Gratuity fund and Other Funds	**391**	318
Employee Welfare and other amenities	**57**	54
Total	**6,483**	6,026

31.1 Salaries and Allowances include remuneration to Whole Time Director of ₹ 50 Lakhs (previous year ₹ 50 Lakhs) which is subject to approval of Central Government.

31.2 **Employee Benefits:**

As per Indian Accounting Standard 19 “Employee Benefits” the disclosures as defined in the IND AS are given below:

Defined Contribution Plan

(₹ In Lakhs)

Paticulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Employer’s Contribution to Provident fund	**193**	193
Employer’s Contribution to Pension fund	**57**	59
Total	**250**	252

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

The Contribution to Provident Fund and Pension Fund is made to employees Provident Fund and Pension Fund managed by Provident Fund Commissioner.

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.

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, 2018	As at March 31, 2017
Defined Benefit Obligation at beginning of the Year	**555**	474
Current Service Cost	**62**	53
Current Interest Cost	**40**	38
Past Service Cost	**76**	–
Actuarial (Gain) / Loss	**(52)**	47
Benefits paid	**(135)**	(57)
Defined Benefit Obligation at the end of the Year	**546**	555

b. Reconciliation of opening & closing balances of fair value of plan assets

(₹ In Lakhs)

Particulars	Gratuity (Funded)	
	As at March 31, 2018	As at March 31, 2017
Fair Value of Plan Asset at beginning of the Year	**686**	587
Interest Income	**50**	47
Expected Return on Plan Assets	**17**	3
Contributions	**81**	82
Fund Transfer In	**24**	27
Fund Transfer out	**(5)**	(3)
Benefits paid	**(135)**	(57)
Fair Value of Plan Asset at the end of the Year	**718**	686

c. Net Liability/(Assets) recognised in the Balance Sheet

(₹ In Lakhs)

Particulars	Gratuity (Funded)	
	As at March 31, 2018	As at March 31, 2017
Fair Value of Plan Asset at the end of the Year	**718**	686
Present Value of Defined Benefit Obligation at end of the Year	**546**	555
Liability/ (Asset) recognised in the Balance Sheet	**(173)**	(131)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

d. Expense Recognised During the year

(₹ In Lakhs)

Particulars	Gratuity (Funded)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
In Income Statement		
Current Service Cost	**62**	55
Net Interest Cost	**(10)**	(9)
Past Service Cost	**76**	–
Net Cost	**128**	46
In Other Comprehensive Income (OCI)		
Actuarial (Gain)/ Loss	**(52)**	47
Return on plan assets	**(17)**	(3)
Net (Income)/Expenses for the year recognised in OCI	**(69)**	44

e. Assumptions used to determine the defined benefit obligation

Particulars	Gratuity (Funded)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Mortality Table	**Indian Assured Lives mortality (2006–08) Ultimate**	Indian Assured Lives mortality (2006–08) Ultimate
Discount Rate(p.a.)	**7.78%**	7.29%
Estimated rate of return on Plan Assets(p.a.)	**7.78%**	7.29%
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 and 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 and the fair value of the total plan assets are as follows:

(₹ In Lakhs)

Particulars	Gratuity (Funded)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Insurance Fund	**719**	687

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:

Sensitivity Analysis (₹ In Lakhs)

Particulars	Gratuity Fund			
	For the year ended March 31, 2018	**For the year ended March 31, 2018**	For the year ended March 31, 2017	For the year ended March 31, 2017
Sensitivity level	**1% Increase**	**1% Decrease**	1% Increase	1% Decrease
Assumptions				
Impact of Rate of discounting	**(46)**	**52**	(49)	57
Impact of Rate of salary increase	**48**	**(43)**	58	(50)
Impact of Rate of Employee Turnover	**12**	**(13)**	9	(10)

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 y ear ended March 31, 2018	For the year ended March 31, 2017
Within 1 year	**24**	29
1–2 year	**17**	21
2–3 year	**34**	34
3–4 year	**71**	39
4–5 year	**19**	63
5–10 years	**230**	198

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, 2018**	For the Year ended on March 31, 2017
Interest	**56,820**	102,075
Other Borrowing Costs	**154**	321
Total	**56,974**	102,396

33. BAD DEBTS, PROVISION FOR TRADE, ENERGY AND OTHER RECEIVABLES

(₹ In Lakhs)

Particulars		**For the year ended March 31, 2018**	For the Year ended on March 31, 2017
Balances Written Off (Net)	**5,090**		55,830
Less: Provision for Doubtful Debts/Advances Written Back	**(5,090)**		(54,802)
		–	1,028
Provision for Trade, Energy and Other Receivables		**24,544**	5,969
Total		**24,544**	6,997

33.1 Post receipt of Exit Notices on January 2, 2018 from Aircel Limited (“Aircel”), on March 1, 2018, Aircel surprisingly and unexpectedly filed insolvency petition before the National Company Law Tribunal, Mumbai (‘’NCLT”) with an intent to undertake a resolution plan. It remains unclear whether any restructuring or revival would be possible and the outcome of the insolvency proceedings remains to be seen. The Company believes that it has binding long term contractual lock in arrangements with Aircel and accordingly as a step towards recovery of its dues, the Company has filed its claim before

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

the Insolvency Resolution Professional (IRP) at Gurgaon against Aircel Limited. As a result of the abovementioned events and shutting down of business by R Com, SSTL, TATAs and consolidation among operators etc. the Company, during year ended March 31, 2018 has considered a provision towards receivables of ₹ 24,544 lakhs.

34 EXCHANGE DIFFERENCES (NET)

(₹ In Lakhs)

Particulars	For the year ended March 31, 2018	For the Year ended on March 31, 2017
Exchange differences (net)	**3,102**	2,227
Total	**3,102**	2,227

35. OTHER EXPENSES

(₹ In Lakhs)

Particulars	For the year ended March 31, 2018	For the Year ended on March 31, 2017
Rent	**1,190**	1,151
Property Tax Including Rates and Taxes – Others	**957**	686
Electricity	**219**	179
Repairs and Maintenance		
– Office Building	**5**	0
– Office Equipments	**27**	27
– Others	**13**	29
Insurance Premium	**473**	419
Communication Cost	**102**	104
Travel and Conveyance	**845**	867
Legal and Professional Charges	**3,267**	2,636
SDR, Merger and Other related Expenses	**4,118**	709
Payment to Auditors	**138**	98
Office Expenses	**566**	588
Printing and Stationery	**66**	61
Directors' Sitting Fees*	**191**	216
Advertisement and Business Promotion	**323**	537
Loss on Sale of Property, Plant & Equipment and CWIP (Net)	**2,027**	1,069
Miscellaneous Expenses	**573**	507
Total	**15,100**	9,883

* Directors' Sitting Fees includes ₹ 58 lakhs paid to Directors of erstwhile CNIL

35.1 Auditor's Remuneration includes

(₹ In Lakhs)

Particulars	For the year ended March 31, 2018	For the Year ended on March 31, 2017
Audit Fees	**40**	55
Tax Audit Fees	**20**	17
Certification Fees	**55**	25
Taxation Matters	**22**	–
Out of Pocket Expenses	**0**	0
Total	**137**	97

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

36. EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Impairment loss (Refer note no. 3.8)	**1,42,016**	–
Loss recognised on fair valuation of non–current investment in the preference shares of GTL Limited. (Refer note no. 48)	**–**	65,000
Total	**1,42,016**	65,000

37. OPERATING LEASE COMMITMENTS

Company as a lessor

The Company has entered into operating lease arrangement with its customers for Infrastructure provisioning. Future Minimum lease payments receivable under non–cancellable operating lease are as follows:

(₹ in Lakhs)

Period	March 31, 2018*	March 31, 2017	April 1, 2016
Within one year	**69,538**	1,47,469	1,33,504
After one year but not later than five years	**236,549**	5,72,820	5,21,865
Later than five years	**196,668**	538,948	5,76,784

* Note: Fall in future minimum lease payments in March 31, 2018 is on account of suspension of operations by Aircel Ltd. and group companies, being one of the major customer of the company.

Company as a lessee

The Company has entered into operating lease arrangement with Landlords for its Site Locations. Future Minimum lease payments under these operating lease arrangements are as follows:

(₹ in Lakhs)

Period	March 31, 2018	March 31, 2017	April 1, 2016
Within one year	**26,445**	27,916	28,466
After one year but not later than five years	**56,231**	72,702	89,565
Later than five years	**38,382**	48,367	59,421

38. CONTINGENT LIABILITIES AND COMMITMENTS

a) **Contingent liabilities not provided for:**

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Bank guarantees (provided under contractual and legal obligations)	**53**	242	264
Claims against the Company not acknowledged as debts	**32,150**	13,636	11,011
Disputed liability in respect of indirect tax matters under appeal	**16,978**	17,059	15,563
Disputed liability in respect of direct taxes matters under appeal	**370**	369	369

b) 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

c) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Capital Commitments	**2,721**	6,534	6,047

Cash outflow is expected on execution of such contracts on progressive basis.

39. The management and authorities have the power to amend financial statements in accordance with section 130 and 131 of Companies Act, 2013.

40. During the year 2008–09 the company had imported OFC (Optical Fiber Cable) on which the Custom department issued Show Cause Notice for the demand of Custom Duty of ₹ 93 Lakhs. The company deposited the whole amount under protest and subsequently the Commissioner granted the relief to the Company of ₹ 78 lakhs. As against the said order of the Commissioner, the Custom department has filed an appeal with the CESTAT, Mumbai on 11th Oct 2010. The Company feels there will not be any further liability on this account.

41. 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 has been now merged with the Company. CNIL also paid the same 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.

42. 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 on Mobile Towers. While deciding the Special Leave Petition (SLP) for Mumbai Corporations 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 on 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. If the contention of the Company is finally accepted by the Hon'ble Supreme Court, there is a possibility that the entire demands of Corporation may have to be set aside and Corporation may require to issue entirely fresh demands. The said matter is still pending before Supreme Court and the next date for hearing has been fixed on July 5, 2018. 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.

43. BUSINESS COMBINATION

The scheme of Arrangement for the merger of CNIL with the Company (the scheme) has been approved by the National Company Law Tribunal ("NCLT") at Mumbai and National Company Law Tribunal ("NCLT") at Chennai vide their orders dated December 15, 2017 and December 13, 2017 respectively. Upon the filing of these orders with the Registrar of Companies, Mumbai and Registrar of Companies, Chennai the scheme became effective from December 22, 2017 having the appointed date April 1, 2016. The scheme has been accounted under the pooling of interest method with effect from appointed date as per the above mentioned NCLT orders and accordingly the comparatives for the previous year have been restated. Further, the financial statements as of the first day of the previous year i.e. April 1, 2016 have also been presented as per Ind AS 1 "Presentation of Financial Statements". In terms of the scheme, the Company's investment (through Tower Trust) in CNIL stands cancelled and 7,58,88,19,117 equity shares of ₹ 10 each fully paid up have been allotted to the other shareholders of CNIL as on January 27, 2018 in the ratio of 1 (one) Equity Share of ₹ 10 each fully paid–up in the Capital of the Company for every 1 (one) fully paid–up Equity Share held in CNIL. All assets and liabilities of CNIL as at April 1, 2016 have been taken over at their existing book values. The debit balance of reserves of ₹ 341,273 lakhs pertaining to CNIL and Tower Trust, as appearing in the financial statements of CNIL and Tower Trust as on April 1, 2016 is aggregated with the corresponding balance appearing in the financial statements of the Company. There is no difference between the amount recorded as investment in the books of the Company and the amount of share capital of CNIL. The expenses in relation to the merger including stamp duty charges have been charged to the Statement of profit & loss Account.

CNIL was also in the business of sharing passive telecom infrastructure comprising of shelters, DG sets battery, towers etc which are capable of hosting active network components of various technologies of the customers.

44. 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. Manoj G. Tirodkar, Chairman (upto August 17, 2018)

Mr. Milind K. Naik, Whole Time Director

Mr. Laxmikant. Y. Desai, Chief Financial Officer, up to December 31, 2017

Mr. Bhupendra J. Kiny, Chief Financial Officer, w.e.f. January 1, 2018

Mr. Nitesh A. Mhatre, Company Secretary

II) **Others**

GTL Limited (GTL)

Global Holding Corporation Pvt Ltd

b) **Transactions during the year with related parties:**

Transactions with Related Parties

₹ in Lakhs

Particulars	**For the Year Ended Mar 31, 2018**	For the Year ended Mar 31, 2017
1] KEY MANAGERIAL PERSONNEL		
i) **Manoj Tirodkar, Chairman**		
Director Sitting Fees #	**22**	22
ii) **Milind Nalk– Whole Time Director***		
Salaries & Allowances	**47**	47
Post Employment Benefits	**2**	2
Director Sitting Fees #	**9**	14
Total	**58**	63
iii) **L.Y. Desal, CFO (up to December 31, 2017)***		
Salaries & Allowances	**89**	203
Post Employment Benefits	**3**	4
Total	**92**	207
iv) **Bhupendra Kiny, CFO (w.e.f. January 1, 2018)***		
Salaries & Allowances	**21**	–
Post Employment Benefits	**1**	–
Total	**22**	–
vi) **Nitesh Mahtre, Company Secretary***		
Salaries & Allowances	**94**	110
Post Employment Benefits	**2**	2
Total	**96**	112

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

₹ in Lakhs

Particulars		For the Year Ended Mar 31, 2018	For the Year ended Mar 31, 2017
II]	**OTHER**		
	GTL Limited		
	Purchase/Upgradation of Fixed Assets	**5,707**	1,818
	Reimbursement of expenses from	**610**	737
	License fees for sharing premises from	**40**	39
	Energy Management Services	**44,366**	52,014
	Field Level Operations & Maintenance Charges	**14,595**	15,920
	Legal and Professional Charges	**23**	28
	Reimbursement of expenses to	**987**	1,154
	Rent to	**452**	411
	Capital Advance given	**1,480**	2.001
	Capital Advance Returned	**–**	2,001
	Balance at the year end	**31–Mar–18**	31–Mar–17
	Trade Payables	**–**	1,782
	Capex Creditors	**–**	1,608
	Capital Advances	**1,480**	302
	Opex Advances	**–**	3,056
	Other Payable	**763**	5,460
	Deposit given	**216**	216
	Non–Current Investment##	**–**	–

Note: * 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.

Mr. Manoj Tirodkar & Mr.Milind Naik were the common directors in erstwhile Associate, CNIL and the Company. Accordingly, Directors sitting fees include fees paid from CNIL as well

Non Current Investment amounting to ₹ 65,000 lakhs pertains to CNIL, fair value of which is nil.

Terms & conditions

The transactions with related parties are at arm's length price and in the ordinary course of business. All outstanding balances are unsecured and are repayable in cash unless otherwise settled.

45. EARNINGS PER SHARE

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Net Loss after tax attributable to Equity Shareholders for Basic/Diluted EPS	**(189,295)**	(139,865)
Weighted average number of equity shares outstanding for Basic/Diluted EPS*	**11,994,620,239**	7,371,063,307
Basic & Diluted Earnings Per Share of ₹ 10 Each (₹)	**(1.58)**	(1.90)

* Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year including shares issued and to be issued to the holders of foreign currency compulsorily convertible bonds, adjusted by the number of equity shares issued to the CDR Lenders, multiplied by the time weighting factor. Earnings per share for the previous year have been computed after considering the shares issued to the shareholders of Chennai Network Infrastructure Limited (CNIL).

The effect of Foreign Currency Optionally Convertible Bonds 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, 2018

46. DETAILS OF LOANS GIVEN, INVESTMENT MADE AND GUARANTEES GIVEN, COVERED U/S 186(4) OF THE COMPANIES ACT, 2013.

Details of Investments made are given in note no.44

47. DEFERRED TAX

47.1 Reconciliation of tax expenses and the accounting profit multiplied by domestic tax rate

Since the Company has incurred loss during the year 2017–18, previous year 2016–17 and 2015–16 and no tax is payable for these years as per provisions of Income Tax Act, 1961 and no deferred tax assets is recognised, the calculation of effective tax rate is not relevant and hence, not given.

47.2 Deferred tax liabilities / (Assets) relates to the following:

(₹ in Lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Property, Plant and Equipment	**98,481**	121,533	116,244
Other Intangible Assets	**(3,083)**	15,672	15,796
Investments	**(21,004)**	(20,429)	(1,204)
Disallowance Under Section 43B of the Income Tax Act, 1961	**(1,359)**	(9,729)	(6,957)
Provision for doubtful debts	**(7,453)**	(2,057)	(16,838)
Tax Losses :			
Business Losses	**–**	–	(22,487)
Unabsorbed Depreciation	**(119,398)**	(113,322)	(85,683)
Deferred Tax (Assets)/Liability	**(53,816)**	(8,332)	(1,129)

Note : Figures in bracket indicates Deferred Tax Assets

The Company has net Deferred Tax Assets (DTA) as at March 31, 2018 which is not recognised in the absence of probable taxable profits against which the same can be utilised.

47.3 Amount and expiry date of unused tax losses for which no deferred tax asset is recognised:

(₹ in Lakhs)

Asssessment Year (AY)	Unused tax Loss	Carried Forward Till AY
2013–14	30,265	2021–22
2014–15	25,840	2022–23
2015–16	1,652	2023–24
2016–17	17,569	2024–25
2017–18	10,970	2025–26
Total	**86,296**	

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.

48. 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, 2018	March 31, 2017	April 1, 2016
Financial Assets :			
– Investment in Preference Shares	**–**	–	65,000
– Investment in Equity Shares	**–**	–	–
– Investment in units of Mutual Funds	**13,981**	5,963	6,903
Total	**13,981**	5,963	71,903

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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:

– Trade Receivables

– Cash and Cash equivalents

– Bank balances other than cash and cash equivalents

– Loans & advances to related parties

– Security Deposits

ii) Financial Liabilities:

– Trade Payables

– Other 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, 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.

49. 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

(₹ in Lakhs)

Particulars	**March 31, 2018**			March 31, 2017			April 1, 2016		
	Level 1	**Level 2**	**Level 3**	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	**–**	**–**	**–**	–	–	–	–	65,000	–
– Investment in Equity Shares (Unquoted) (refer note no. 4)*	**–**	**–**	**–**	–	–	–	–	–	–
– Investment in Mutual Funds	**13,981**	**–**	**–**	5,963	–	–	6,903	–	–
Total	**13,981**	**–**	**–**	5,963	–	–	6,903	65,000	–

* Description of the inputs used in the fair value measurement:

Following table describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at March 31, 2018, March 31, 2017 and April 1, 2016 respectively:

Particulars	Level 3	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Financial Assets measured at fair value through profit or loss (Investments):				
Investment in Equity Shares (Unquoted)	Valuation Technique	**Book Value**	Book Value	Book Value
	Inputs used	**Financial statements**	Financial statements	Financial statements
	Sensitivity	**No material impact on fair valuation**	No material impact on fair valuation	No material impact on fair valuation

50. 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 ₹ 1,66,054 Lakhs (previous year ₹ 1,43,296 Lakhs) aggregate amount of revenue from five 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 reimbursements.

51. 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 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

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.

a) **Interest Rate Exposure profile appended in the table below:**

(₹ in Lakhs)

Borrowings	March 31, 2018	March 31, 2017	April 1, 2016
Floating Rate Loans	**5,992**	5,191	6,145
Fixed rate Loans	**4,89,650**	10,05,023	10,09,412
Total	**4,95,642**	10,10,214	10,15,557

b) **Foreign Currency Exposure that are not hedged by derivative instruments is as follows**

Unhedged Foreign currency exposure as at March 31, 2018	Currency	Amount in Foreign Currency	₹ in Lakhs
Borrowings and interest thereon	USD	**8,85,17,046**	**57,581**
Borrowings and interest thereon	EURO	**78,37,966**	**6,282**
Trade Payable	USD	**38,233**	**25**
Total		**963,93,245**	**63,888**

Unhedged Foreign currency exposure as at March 31, 2017	Currency	Amount in Foreign Currency	₹ in Lakhs
Borrowings and interest thereon	USD	22,20,68,432	1,44,131
Borrowings and interest thereon	EURO	76,60,509	5,338
Trade Payable	USD	38,233	25
Total		**22,97,67,174**	**1,49,494**

Unhedged Foreign currency exposure as at April 1, 2016	Currency	Amount in Foreign Currency	₹ in Lakhs
Borrowings and interest thereon	USD	21,57,12,020	1,43,016
Borrowings and interest thereon	EURO	83,45,707	6,260
Trade Payable	USD	38,233	25
Total		**22,40,95,960**	**1,49,301**

Note:

(i) Above exposure does not include exposure towards Foreign Currency Compulsory Convertible bonds

(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, 2018	Foreign Currency Term Loan	100	63
March 31, 2017	Foreign Currency Term Loan	100	53
April 1, 2016	Foreign Currency Term Loan	100	63

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 Rupees 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)	March 31, 2018	March 31, 2017	April 1, 2016
Foreign Currency Convertible Bonds	$	100	**576**	1,441	1,430
Foreign Currency Term Loan	Euro	100	**63**	53	63
Trade Payable	$	100	**0.25**	0.25	0.25
Total			**639**	1,494	1,493

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 which in case of battery bank is Lead prices. 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. The Supreme Court of India verdict for cancellation of 122 telecom licenses caused troubles for tower companies, adversely impacting their financing and fund raising plans.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Further, in the recent times, the Company has been adversely affected by significant headwinds in telecom sector such as Aircel's decision to file for voluntary insolvency, shutting down of business by Rcom, SSTL etc, sector consolidation among operators etc. It remains unclear whether any restructuring or revival would be possible and the outcome of the insolvency proceedings remains to be seen. The Company believes that it has binding long term contractual lock in arrangements with Aircel and accordingly as a step towards recovery of its dues, the Company has filed its claim before the Insolvency Resolution Professional (IRP) at Gurgaon against Aircel Limited thereby claiming ₹ 1,70,520 lakhs in case Aircel revives and ₹ 13,43,863 lakhs in case Aircel goes into liquidation. However, as Aircel is now before NCLT and the Company is an unsecured operational creditor, it remains to be seen what residual value would be left for distribution after appropriation by the secured banks/lenders.

The Company, as a part of its risk management plan, has proactively taken various 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. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations

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 MSA signed. 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.

During previous few years, all telecom companies faced increased pressure on earnings and financing fronts. The Supreme Court of India verdict for cancellation of 122 telecom licenses caused troubles for tower companies, adversely impacting their financing and fund raising plans. Further, in the recent times, the Company has been adversely affected by significant headwinds in telecom sector such as Aircel's decision to file for voluntary insolvency, shutting down of business by Rcom, SSTL etc, sector consolidation among operators etc. It remains unclear whether any restructuring or revival would be possible and the outcome of the insolvency proceedings remains to be seen. The Company believes that it has binding long term contractual lock in arrangements with Aircel and accordingly as a step towards recovery of its dues, the Company has filed its claim before the Insolvency Resolution Professional (IRP) at Gurgaon against Aircel Limited thereby claiming ₹ 1,70,520 lakhs in case Aircel revives and ₹ 13,43,863 lakhs in case Aircel goes into liquidation. However, as Aircel is now before NCLT and the Company is an unsecured operational creditor, it remains to be seen what residual value would be left for distribution after appropriation by the secured banks/lenders.

The Company, in these circumstances, has proactively taken various steps to ensure smooth operations and contracted network uptime for remaining customers, namely Vodafone, Idea, 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 etc. Towards this end, the Company is 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.

Despite telecom sector challenges, which are akin to force majeure events, during pre–SDR and also SDR period, the Company continues to service its Rupee Term Loans in accordance with SDR terms. Hence there was no financial default by the Company as on March 31, 2018. In view of the abovementioned developments options to right size the debt either through an ARC debt sale process initiated by lenders or in accordance with the revised RBI guidelines dated February 12, 2018 are being envisaged.

The below table summarizes the maturity profile of the company's financial liability based on contractual undiscounted cash flows

(₹ in Lakhs)

As at March 31, 2018	Less than 1 year	More than 1 year	Carrying Value
Interest bearing Loans & Borrowing (Including current maturities)	**40,375**	**4,59,581**	**4,99,956**
Other financial liabilities	**26,622**	**6,667**	**33,289**
Trade Payables	**1,983**	**–**	**1,983**

As at March 31, 2017	Less than 1 year	More than 1 year	Carrying Value
Interest bearing Loans & Borrowing (Including current maturities)	2,66,719	7,74,855	10,41,574
Other financial liabilities	25,958	6,972	32,930
Trade Payables	6,645	–	6,645

As at April 1, 2016	Less than 1 year	More than 1 year	Carrying Value
Interest bearing Loans & Borrowing (Including current maturities)	64,203	9,73,712	10,37,915
Other financial liabilities	27,097	5,270	32,367
Trade Payables	4,609	–	4,609

52. Capital Management

For the purpose of the company's capital management, capital includes issued equity capital, 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 mixture of existing equity, internal accruals and existing long term borrowings etc.

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, 2018, March 31, 2017 and March 31, 2016.

Capital Gearing Ratio:

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Equity	**12,12,527**	2,46,008	233,639
Retained Earnings	**(10,17,145)**	(8,27,850)	(6,87,985)
Total (A)	**1,95,382**	(5,81,842)	(4,54,346)
Borrowing			
Non–Current	**4,59,581**	7,74,855	9,73,712
Current	**36,061**	2,35,358	41,845
Total (B)	**4,95,642**	10,10,213	10,15,557
Capital Gearing Ratio (B/A)	**2.54**	–*	–*

* Since Borrowings exceed Equity capital owing to negative retained earnings in March 31, 2017 and April 1, 2016, negative ratio cannot be furnished.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

53. The lenders had invoked Strategic Debt Restructuring ("SDR") in accordance with the Reserve Bank of India's ("RBI") guidelines on September 20, 2016. The Company complied with all the stipulations under SDR i.e. Issuance of equity shares to lenders so that lenders collectively hold more than 51% of equity capital in the Company, paid monthly interest up to March 31, 2018, merger of CNIL with the Company, restructuring of Foreign Currency Convertible Bonds, steps for induction of new investor. Despite telecom sector challenges, which are akin to force majeure events, during pre–SDR and also SDR period, the Company continues to service its Rupee Term Loans in accordance with SDR terms. Hence there was no financial default by the Company as on March 31, 2018. Pursuant to the Reserve Bank of India's circular dated February 12, 2018 SDR guidelines are withdrawn. However, in view of the recent sector developments, options to right size the debt either through an ARC debt sale process initiated by lenders or in accordance with the revised RBI guidelines dated February 12, 2018 are being envisaged. The Company continues to prepare the financial statements on a going concern basis.

54. 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, 2016	156	11,232	11,388
Unwinding of finance cost	–	793	793
Addition	–	16	16
Payment	(10)	–	(10)
Reversal of liability	(22)	(26)	(48)
As at March 31, 2017	124	12,015	12,139
Unwinding of finance cost	**–**	**785**	**785**
Addition	**–**	**–**	**–**
Payment	**(8)**	**–**	**(8)**
Reversal of liability	**(33)**	**–**	**(33)**
As at March 31, 2018	**83**	**12,800**	**12,883**

55. 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

As per our report of even date

For **CHATURVEDI & SHAH**
Chartered Accountants
Firm Reg. No.–101720W

R. KORIA
Partner
Membership No.– 35629

For **YEOLEKAR & ASSOCIATES**
Chartered Accountants
Firm Reg. No.– 102489W

CA S. S. YEOLEKAR
Partner
Membership No.– 036398

Mumbai
Date : May 8, 2018

For and on behalf of the Board of Directors

MILIND NAIK
Whole–time Director
DIN– 00276884

VIJAY VIJ
Director
DIN– 02245470

MANOJ TIRODKAR
Chairman
DIN– 00298407

BHUPENDRA J. KINY
Chief Financial Officer

NITESH MHATRE
Company Secretary
Membership No–A18487

NOTICE FOR AGM

NOTICE is hereby given that the Fifteenth (15th) Annual General Meeting of the Members of GTL Infrastructure Limited will be held on Thursday, September 27, 2018, at 12.30 p.m., at Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai – 400 703, Maharashtra, India, 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, 2018, together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mrs. Sonali P. Choudhary (DIN: 07139326), who retires by rotation and, being eligible offers herself for re–appointment.

3. To consider and, if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

   "**RESOLVED that** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time and further to the recommendations of the Audit Committee and the Board of Directors, M/s Pathak H. D. & Associates, Chartered Accountants, Mumbai (Firm Registration No. 107783W) be and are hereby appointed as an Auditor of the Company in place of retiring Joint Auditors M/s Chaturvedi & Shah, Chartered Accountants, Mumbai (Firm Registration No. 101720W) and M/s Yeolekar & Associates, Chartered Accountants, Mumbai (Firm Registration No. 102489W), to hold the office for a term of five years from the conclusion of this (15th) Annual General Meeting (AGM) till the conclusion of the (20th) AGM to be held in the calendar year 2023, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditor."

Special Business

4. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

   "**RESOLVED that** pursuant to the special resolution passed by the members at the 14th Annual General Meeting of the members of the Company held on September 21, 2017, provisions of Section 197 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 No Objection Certificate received from Union Bank of India ("Monitoring Institution") on behalf of all the secured lenders and all other applicable guidelines on managerial remunerations issued by the Central Government from time to time, consent of the members of the Company be and is hereby accorded for ratification of payment of remuneration made / to be made to Mr. Milind K. Naik (DIN: 00276884), who was appointed as a Whole–time Director of the Company for a period of three years with effect from July 21, 2017 on the terms and conditions as agreed between the Board of Directors (the 'Board') and Mr. Milind K. Naik.

   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."

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

   "**RESOLVED that** pursuant to the special resolution passed by the members at the 11th Annual General Meeting of the members of the Company held on September 16, 2014, provisions of Section 197 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 No Objection Certificate received from Union Bank of India ("Monitoring Institution") on behalf of all the secured lenders and all other applicable guidelines on managerial remunerations issued by the Central Government from time to time, consent of the members of the Company be and is hereby accorded for ratification of payment of remuneration made / to be made to Mr. Milind K. Naik (DIN: 00276884) who was appointed as a Whole–time Director of the Company for a period of three years with effect from July 21, 2014 on the terms and conditions as agreed between the Board of Directors (the 'Board') and Mr. Milind K. Naik.

   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,

Nitesh A. Mhatre
Company Secretary

Place : Mumbai
Date : August 9, 2018

Registered Office:
'Global Vision', 3rd Floor,
Electronic Sadan No. II, MIDC,
TTC Industrial Area, Mahape,
Navi Mumbai 400 710
Tel: +91 22 27673500 **Fax:** +91 22 27673666
E–mail: gilshares@gtlinfra.com; **Website:** www.gtlinfra.com
CIN: L74210MH2004PLC144367

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 (forty–eight) hours before the commencement of the meeting i.e. by 12.30 p.m. on September 25, 2018. Proxies / authorisations submitted on behalf of body corporate, societies etc. must be supported by appropriate resolution / authority, as applicable.

   A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.

   Provided that a Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

2. 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.

3. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (the 'Act') in respect of business under Items Nos. 4 and 5 to be transacted at the Annual General Meeting (AGM) is annexed hereto.

4. All documents referred in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and Holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the AGM.

5. The Notice of the AGM along with the Annual Report 2017–18 is being sent by electronic mode to those Members whose e–mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy. For Members who have not registered their e–mail addresses, physical copies are being sent by the permitted or requested modes. The Notice is being sent to all Members whose names would appear in the Register of Members as on Friday, August 24, 2018 and Directors and Auditors of the Company through email / courier / post.

6. Members holding shares in physical form are requested to notify, any change in their name, address, e–mail address, Bank Account details, nominations, power of attorney, etc., to the Share Transfer Agent at GTL Limited–Investor Service Centre, Unit: GTL Infrastructure Ltd., 'Global Vision', Electronic Sadan No. II, M.I.D.C., T.T.C. Industrial Area, Mahape, Navi Mumbai – 400 710. Members holding shares in electronic form should update such details with their respective Depository Participants.

   Further, SEBI has advised all listed entities to collect details of Permanent Account Numbers (PAN) and pertinent details of bank accounts from shareholders holding shares in physical form. SEBI has also directed that except for cases of transmission or transposition of securities, requests for effecting transfer of securities will no longer be permitted with effect from December 5, 2018, unless the securities are held in dematerialized form. In accordance with the SEBI directives, a separate letter is being sent along with this Annual Report / Notice to all shareholders holding shares in physical form, seeking the desired information.

7. Members are requested to forward their queries on Financial Statements or other Sections of the Annual Report to the Company Secretary at least 10 days in advance. In order to minimize paper cost / work, members / investors are requested to forward their queries pertaining to Financial Statements and other Sections of Annual Report by e–mail to gilshares@gtlinfra.com

8. The Company's Equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Further, the Listing Fees in respect of Equity Shares of the Company have been paid to BSE and NSE for the Financial Year 2018–19. The Company's FCCBs are listed on Singapore Exchange Securities Trading Limited (SGX).

9. Members / proxies are requested to bring the attendance slips duly filled in and signed for attending the Meeting.

10. Members are requested to bring their copy of the Annual Report to the Meeting.

11. In keeping with provisions of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), for the purpose of sending Notices and other documents to its Members through electronic mode to the email address furnished to the Company / Depositories, Members who have so far not provided their email addresses to the Company (for holdings in physical form) or the Depositories (for holdings in electronic form) are requested to provide the same to the Company / Depository Participant respectively, in support of this initiative and for savings on paper / printing & postage cost. Members are further requested to note that they shall be entitled to be furnished free of cost with a physical copy of such documents sent by email upon receipt of a requisition from such Members.

12. **Voting through electronic means**

    Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, the Company is pleased to provide its members the facility to exercise their right to vote for the 15th AGM by electronic means (remote e–voting) and the business may be transacted through such voting. The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating the e–voting. The process for remote e–voting is appended hereto.

13. The Members who have already cast their vote by remote e–voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

14. The facility for voting, either through electronic voting system or ballot paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e–voting shall be able to exercise their right to vote at the AGM.

15. The **instructions** for shareholders voting electronically **(remote e–voting)** are as under:

    i. The voting period begins on Monday, September 24, 2018 at 09:00 AM and ends on Wednesday, September 26, 2018 at 05:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut off date of Friday, September 21, 2018 may cast their vote electronically. The e–voting module shall be disabled by CDSL for voting thereafter.

    ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

    iii. The shareholders should log on to the e–voting website www.evotingindia.com

    iv. Click on Shareholders.

    v. Now Enter your User ID

       a. For CDSL: 16 digits beneficiary ID,

       b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

       c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

    vi. Next enter the Image Verification as displayed and Click on Login.

    vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

    viii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha–numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the voting serial number in the PAN field. • In case the voting serial number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with voting serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the 16 digit member–id or folio number in the Dividend Bank details field as mentioned in instruction (v).

    ix. After entering these details appropriately, click on "SUBMIT" tab.

    x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e–voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

xi. For Members holding shares in physical form, the details can be used only for e–voting on the resolutions contained in this Notice.

xii. Click on the EVSN of **“GTL INFRASTRUCTURE LIMITED”** on which you choose to vote.

xiii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

xv. After selecting the resolutions you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xvii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xix. Shareholders can also cast their vote using CDSL’s **mobile app m–Voting** available for android based mobiles. The m–Voting app can be downloaded from **Google Play Store**. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xx. **Note for Non – Individual Shareholders and Custodians**

- Non–Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xxi. In case you have any queries or issues regarding e–voting, you may refer the Frequently Asked Questions (“FAQs”) and e–voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

16. The Company has appointed Mr. Chetan A. Joshi, a practicing Company Secretary (Membership No. FCS 7052, CP 7744) as the Scrutinizer for conducting the entire remote e–voting process/ ballot process in a fair and transparent manner.

17. The Scrutinizer shall immediately after the conclusion of voting at the General Meeting first count the votes cast at the meeting, thereafter unblock the votes cast through remote e–voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman / Whole–time Director or a person authorized by him in writing, who shall countersign the same.

18. 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.

19. 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.

20. The Route map showing direction to reach the AGM venue is annexed.

ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 4 and 5

Members at their Annual General Meetings held September 16, 2014 and September 21, 2017 respectively approved appointment of Mr. Milind Naik as Whole–time Director of the Company for two terms of 3 years each w.e.f. July 21, 2014 to July 20, 2017 and July 21, 2017 to July 20, 2020 and for making payment of remuneration not exceeding ₹ 1,050,000/– per month (₹ 1.26 Crore p.a.) during his tenure.

Further, pursuant to Sections 197 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, Union Bank of India ("Monitoring Institution") on behalf of all the secured lenders conveyed their approval / No–objection for payment of remuneration upto ₹ 1,050,000/– per month (₹ 1.26 Crore p.a.) to Mr. Milind K. Naik, Whole–time Diretor.

Now, it is proposed to seek Members' approval for ratification of remuneration paid / payable to Mr. Milind K. Naik as Whole–time Director, for the period starting from July 21, 2014 till July 20, 2020 in terms of the applicable provisions of the Act.

The salient features of the terms and conditions of appointment of Mr. Milind K. Naik are as follows:

Sr. No.	Terms & Conditions	Mr. Milind K. Naik
1	Period	The appointment was made from July 21, 2014 for a period of three years i.e. up to July 21, 2017 and further extended for a period of three years effective from July 21, 2017 up to July 20, 2020.
2	Remuneration	Salary: Upto ₹ 1,050,000/– p.m. (₹ 12,600,000/– p.a.)
		Leave: As per Company Rules
		Other Benefits: As may be decided by the Board from time to time, subject to condition that the same shall be within the remuneration limit stated above.
		Other terms: 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	Minimum Remuneration	Where in any financial year during the currency of the tenure of the Whole–time Director, the Company has no profits or its profits are inadequate, the appointees shall be paid the aforesaid remuneration as "Minimum Remuneration" in the respective financial year(s) notwithstanding that the same may exceed the ceiling limit laid down under Section 197 and Schedule V to the Act.
4	Modification in terms	The terms and conditions of the appointment may be altered and varied from time to time by the Board and / or Nomination & Remuneration Committee as it may, in its discretion deem fit, notwithstanding the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and / or Nomination & Remuneration Committee and the appointee subject to such approvals as may be required.
5	Termination	The agreement may be terminated by either party by giving three months notice or the Company paying three months remuneration in lieu of the notice.
6	Inspection	The draft Agreement to be entered into between the Company and appointee is open for inspection by the Members at the Registered Office of the Company on all working days (except Saturdays, Sundays and holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the Annual General Meeting.

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:

Sr. No.	Particulars	Information
I	**General Information**	
	1. Nature of Industry	The Company, a Global Group Enterprise, is in the business of providing the Shared Telecom Tower Infrastructure services in India. The Company is one of the leading independent telecom tower infrastructure providers that deploys, owns and manages telecom towers and communication structures for all wireless telecom operators

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Information</th></tr>
<tr><td></td><td>2. Date or expected date of commencement of commercial production.</td><td>The Company is an existing Company and carrying out business for last about 13 commercial production years.</td></tr>
<tr><td></td><td>3. In case of a 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></td><td>4. Financial Performance based on given indicators</td><td>
Amount ₹ in Lakhs
<table>
<tr><th>Particulars</th><th>March 31, 2018</th><th>March 31, 2017</th><th>March 31, 2016</th></tr>
<tr><td>Share Capital Equity</td><td>1,212,527</td><td>246,008</td><td>233,639</td></tr>
<tr><td>Other Equity</td><td>(891,477)</td><td>(275,024)</td><td>(214,551)</td></tr>
<tr><td>Total Revenue</td><td>251,584</td><td>230,848</td><td>93,043</td></tr>
<tr><td>Profit Before Tax</td><td>(189,295)</td><td>(139,865)</td><td>(60,539)</td></tr>
<tr><td>Profit After Tax</td><td>(189,295)</td><td>(139,865)</td><td>(60,539)</td></tr>
</table>
Note: As per the Scheme of Arrangement between CNIL and the Company, the comparative figures for the previous year 2016–17 have been re–stated.</td></tr>
<tr><td></td><td>5. Foreign Investment or collaborators, if any.</td><td>Not Applicable</td></tr>
<tr><td>II</td><td>Information about the Appointee</td><td></td></tr>
<tr><td></td><td>1. Background details</td><td>Mr. Milind K. Naik, Whole–time Director has over 33 years of 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 operator's, EPC in EMS & renewable energy, banking & finance, treasury operations, foreign exchange, procurement & logistics, taxation and administration. In the past he has worked with Syndicate Bank, Bank of India and Saraswat Co–op. Bank Ltd before joining Global Group in 1984. Before joining the Company, he worked as a Managing Director of Global Towers Ltd., a Global Group Company.</td></tr>
<tr><td></td><td>2. Past Remuneration</td><td>Mr. Milind K. Naik was re–appointed as Whole–time Director w.e.f. July 21, 2014 to July 20, 2017 and also from July 21, 2017 to July 20, 2020 and his last remuneration drawn was ₹ 0.50 Cr. p.a.</td></tr>
<tr><td></td><td>3. Recognition or awards</td><td>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.</td></tr>
<tr><td></td><td>4. Job profile & his suitability</td><td>Mr. Naik, as Whole–time Director of the Company will be in charge and responsible for business operations. Under his able leadership during last 7 years, the Company has turned around under adverse business conditions. Hence, the Board has renewed his appointment for further period of 3 years from July 21, 2017 till July 20, 2020.</td></tr>
<tr><td></td><td>5. Remuneration proposed</td><td>Details of the total remuneration which is proposed to be paid to Mr. Naik for the period of their appointment is set out above.</td></tr>
<tr><td></td><td>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)</td><td>The following are the particulars furnished by some of the telecom infrastructure companies during last three years under Section 197(12) of the Act in their Annual Reports:
<table>
<tr><th>Sr. No.</th><th>Designation</th><th>Per annum Remuneration (₹ in Crore)</th></tr>
<tr><td>1.</td><td>Chairman</td><td>8.28–8.84</td></tr>
<tr><td>2.</td><td>Chief Executive Officer</td><td>3.32–5.19</td></tr>
<tr><td>3.</td><td>Chief Operating Officer</td><td>1.59–2.57</td></tr>
</table></td></tr>
<tr><td></td><td>7. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any</td><td>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.</td></tr>
</table>

Sr. No.	Particulars	Information
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. Due to various adverse factors, which were beyond the control of the management, the Company underwent Corporate Debt Restructuring in 2011. Following the implementation of the CDR package, the Indian telecom sector was fraught with legal, financial, and operational issues largely on account of: the cancellation of 2G licenses by the Supreme Court of India; scaling down operations due to difficult industry conditions resulting in lower than expected investment by telecom operators; a slow uptake of 3G services; and a delayed rollout of broadband wireless access ('BWA') network. Consequently, there was limited capital expansion by telecom operators, which had an adverse impact on telecom infrastructure providers. In view thereof, in the Joint Lenders Forum (JLF) meeting held on September 20, 2016, the lenders reviewed the account and after deliberations, invoked the Scheme for Strategic Debt Restructuring (SDR). **Implementation of SDR Scheme:** The Company complied with the stipulations under SDR viz. i) issuance of equity shares to rupee lenders so that rupee lenders collectively hold at least 51% of equity shares, ii) exchange of existing Interest Bearing Convertible Bonds (Series B Bonds) with Series B1 Bonds, Series B2 Bonds and Series B3 Bonds , iii) merger of CNIL with the Company, iv) The final step of induction of new investor was also initiated in time by M/s Ernst & Young (appointed by Lenders). In order to safe guard the interest of the lenders and minority public shareholders, the Board also constituted a Committee consisting of three Independent Directors, namely Mr. N. Balasubramanian, Dr. Anand P. Patkar and Mr. Vinod B. Agarwala. The Committee further invited Dr. K. C. Chakrabarty (former Deputy Governor of RBI), Mr. G. N. Bajpai (former Chairman of Securities and Exchange Board of India) and Mr. Shailesh V. Haribhakti (Eminent Chartered Accountant and Chairman and Trustee of National Pension System Trust) as special invitees to assist the Committee in discharging its functions and to further maximize the value and safeguard the interests of lenders and minority public shareholders. The Company received expression of interest / NDA from 20+ financial and strategic investors from around the world. Over the past 7 years, the Company paid ₹ 6,341 Crore to lenders from its operating cash flows, without any additional borrowings. **Telecom Sector Developments:** Telecom Sector developments 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 transactions / announcements listed below: (i) Aircel Group's admission to National Company Law Tribunal (NCLT) under Insolvency & Bankruptcy Code (IBC) (ii) Reliance Communication Limited's (RCom) decision to withdraw from the wireless space and consequent acquisition of certain assets by Reliance Jio Infocomm Limited (iii) Sale of Sistema Shyam Teleservices Limited (SSTL) to RCom and consequent merger of both (iv) Tata Group's decision to withdraw from the wireless space and consequent merger of Bharti Airtel Limited (Bharti Airtel) and Tata Teleservices Limited (TTSL) (v) Vodafone India Limited (Vodafone) and Idea Cellular Limited (Idea) merger (vi) Bharti Airtel and Telenor Communication Private Limited (Telenor) merger

Sr. No.	Particulars	Information
		Financial Impact on the Company: The events enumerated above, which were akin to force majeure events and beyond the control of the Company, have adversely affected the Company. As a result, the tenancy count got reduced to 27,626 as on March 31, 2018 from all time high of 51,587 as on December 31, 2017. These events led to (i) revenue ceasing almost immediately resulting in loss of more than 51% of the monthly network infrastructure facilities revenue, (ii) lower than expected revenue growth and (iii) drop in EBITDA, but the related costs corresponding to these 'ceased' revenue continued due to contractual obligations.
	2. Steps taken or proposed to be taken for improvement	Increase in Tenants: Despite volatile market dynamics and merger of telecom operators (customers of the Company), the dedicated efforts taken to improve network infrastructure and network uptime help the Company to add tenants on its unoccupied towers and improve its tenancy ratio. The Company has also re–vamped its delivery model by offering quick turnaround times for bringing new tenants online. Cost Optimization: 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. Realignment / Right–sizing of debt: In view of the adverse developments, the options to right size the debt either through an ARC debt sale process initiated by the lenders or in accordance with the revised guidelines issued by RBI dated February 12, 2018 are being envisaged.
	3. Expected increase in productivity and profits in measurable terms	The Company continues to believe that post consolidation, the remaining Telcos will need to aggressively expand and upgrade their networks to account for increased subscribers and continued demand for data services. The Company expects to add around 4,200 tenancies from the continuing operators during next financial year and expects this trend to continue. As a result of increase in tenants and further cost optimization efforts, the EBIDTA of the Company will also improve and bring efficiency in the network performance.
IV	**Disclosures**	The shareholders of the Company have been informed of the proposed remuneration package of Mr. Naik in the explanatory statement for item no. 4 and 5 of the Notice of 15th Annual General Meeting. Disclosure on remuneration package to 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 apart of the Report of the Board of Directors in the Annual Report of the Company for FY 2017–18.

The Board comments passing of the resolutions at Item nos. 4 and 5 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 this Resolutions.

By Order of the Board of Directors,

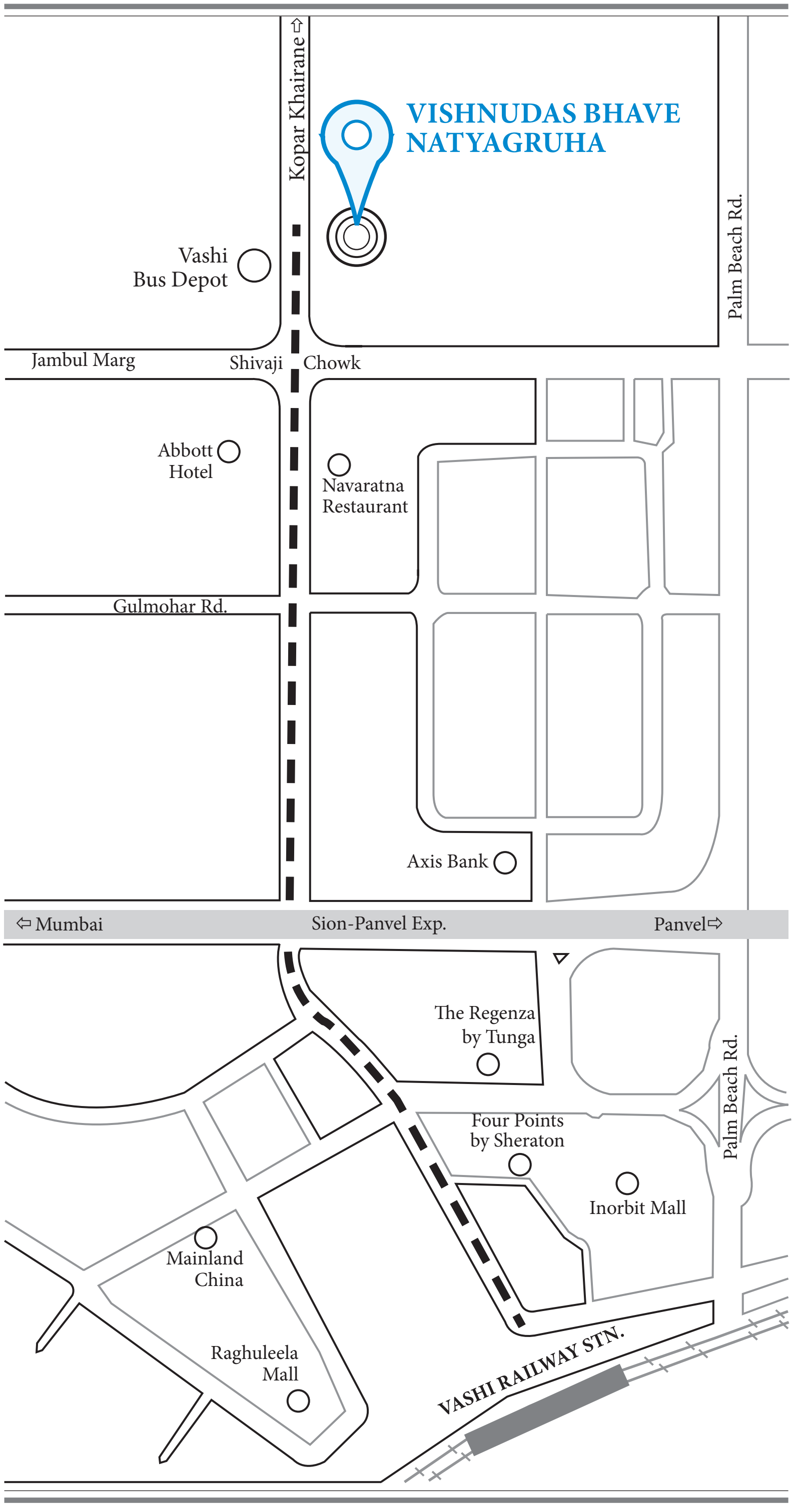
Nitesh A. Mhatre
Company Secretary

Place : Mumbai
Date : August 9, 2018

Registered Office:

'Global Vision', 3rd Floor,
Electronic Sadan No.II, MIDC,
TTC Industrial Area, Mahape,
Navi Mumbai 400 710
Tel: +91 22 27673500; **Fax:** +91 22 27673666
E–mail: gilshares@gtlinfra.com; **Website:** www.gtlinfra.com
CIN: L74210MH2004PLC144367

Route Map to the venue of 15th AGM



GTL INFRASTRUCTURE LIMITED

Regd. Office: "Global Vision", 3rd Floor, Electronic Sadan No.–II, MIDC,
TTC Industrial Area, Mahape, Navi Mumbai – 400 710, Maharashtra, India.
Tel: +91 22 2767 3500 **Fax:** +91 22 2767 3666
E–mail: gilshares@gtlinfra.com **Website:** www.gtlinfra.com **CIN:** L74210MH2004PLC144367

ATTENDANCE SLIP

Folio No./ DP ID & Client ID No.: .... No. of Shares: ....

NAME AND ADDRESS OF THE MEMBER / PROXYHOLDER:

....

....

....

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL

I certify that I am a registered member / proxyholder for the registered member of the Company.

I hereby record my presence at the Fifteenth (15th) Annual General Meeting of the Company being held on Thursday, September 27, 2018, at 12.30 p.m. at Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai – 400 703, Maharashtra, India.

....
Name of the attending Member / Proxyholder*

....
Member's / Proxyholder's* Signature

* Strike out whichever is not applicable

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TTC Industrial Area, Mahape, Navi Mumbai – 400 710, Maharashtra, India.
Tel: +91 22 2767 3500 **Fax:** +91 22 2767 3666.
E–mail: gilshares@gtlinfra.com **Website:** www.gtlinfra.com **CIN:** L74210MH2004PLC144367

FORM NO. MGT–11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): ....

Registered address: ....

E–mail Id: ....

Folio No. / DP ID & Client ID No. : ....

I / We, being the member of GTL Infrastructure Limited holding .... shares, hereby appoint,

1. Name : ....

   Address : ....

   E–mail Id : .... Signature : ...., or failing him

2. Name: ....

   Address : ....

   E–mail Id : .... Signature : ...., or failing him

3. Name: ....

   Address : ....

   E–mail Id : .... Signature : ....

P.T.O.

GTL INFRASTRUCTURE LIMITED

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Fifteenth (15th) Annual General Meeting of the members of the Company, to be held on Thursday, September 27, 2018, at 12.30 p.m. at Vishnudas Bhave Natyagruha, Sector 16–A, Vashi, Navi Mumbai – 400 703, Maharashtra, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.

1. Adoption of Audited Financial Statements for the year ended March 31, 2018 together with the Reports of the Board of Directors and Auditors thereon.
2. Appointment of Mrs. Sonali Choudhary (DIN: 07139326) as a Director of the Company, who retires by rotation and is eligible for re–appointment.
3. Appointment of M/s Pathak H. D. & Associates, Chartered Accountants, Mumbai (Firm Registration No. 107783W) as an Auditor and fixing their remuneration.
4. Ratification of payment of remuneration made / to be made to Mr. Milind K. Naik (DIN: 00276884), Whole–time Director, for a period of three years with effect from July 21, 2017
5. Ratification of payment of remuneration made / to be made to Mr. Milind K. Naik (DIN: 00276884), Whole–time Director, for a period of three years with effect from July 21, 2014

Signed this .... day of 2018

Signature of shareholder ....

Affix Revenue Stamp

Signature of Proxy holder(s) ....

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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, Bihar

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,
Haryana

J & K

1st Floor, Sunny Square,
Commercial Complex,
Near J & K Bank Ltd., Gangyal,
Srinagar, Jammu & Kashmir – 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 Foor, Opp. Chennai Silks,
Veekshanam Road,
Ernakulam – 682 035

MADHYA PRADESH

Office Unit No. C–13,
1st Floor, Block–C,
Kartar Arcade, Raisen Road,
Bhopal (M.P.) – 462 023

MAHARASHTRA

Global Vision, 3rd Floor,
Electronic Sadan No. 2,
MIDC, TTC Industrial Area,
Mahape, Navi Mumbai – 400 710

MAHARASHTRA

Janmabhoomi Chambers,
29 Walchand Hirachand Marg,
Ballard Estate,
Mumbai – 400 001

MAHARASHTRA

Plot No. 32/33, Phase 1,
Rajiv Gandhi InfoTech Park,
Hinjawadi ,
Pune – 411 057

ORRISA

Ground Floor, A–102,
Nayapalli,
Janaki Bhawan,
Bhubaneswar – 751 012

PUNJAB

E–9, Phase VII, SAS Nagar,
Industrial Area,
Mohali – 160 055,
Punjab

RAJASTHAN

312 To 319, 3rd Floor,
Geetanjali Tower, Civil Lines,
Bombay Walon Ka Bagh, Ajmer Road,
Jaipur – 302 006, Rajasthan

REST OF TAMILNADU

1st Floor, Noble Business Ventures,
Lakshmi Mills, P. N. Palayam,
Avinashi Road,
Pin Code – 641 037

TAMILNADU

City Centre, 3rd Floor,
No. 232, Purasaiwalkam High Road,
Purasaiwalkam,
Chennai – 600 010

U P (E)

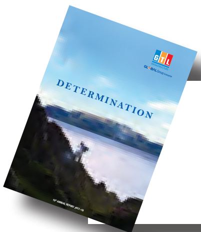
6A 2nd Floor, Jeet Palace,
Sapru Marg Hazaratganj,
Lucknow – 226001,
Uttar Pradesh

U P (W)

3rd Floor, Unit No 185/1,
Mangal Pandey Nagar,
Meerut – 250 004,
Uttar Pradesh

WEST BENGAL

Cimsys Tower, 3rd Floor, Y–13,
Plot– EP, Opp. South City Pinnacle,
Sector V, Salt Lake,
Kolkata – 700 091



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"Every worthwhile accomplishment, big or little, has its stages of drudgery and triumph: a beginning, a struggle and a victory."

Mahatma Gandhi

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GLOBAL Group Enterprise

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