Ref: GIL/SE/AGM/2023-24/054 September 6, 2023

**The Secretary**
**BSE Limited**
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Fort, Mumbai 400023

**The Secretary**
**National Stock Exchange of India Ltd.**
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai 400051

Scrip Code: 532775

Trading Symbol: GTLINFRA

Dear Sir/s,

**Sub: Annual Report for year ended March 31, 2023 along with Notice of 20th Annual General Meeting**

Pursuant to Regulation 34 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the 20th Annual Report for the year ended March 31, 2023 along with the Notice of 20th Annual General Meeting.

This is for your information and record.

Thanking you,

Yours truly,
For **GTL Infrastructure Limited**

NITESH ASHOK MHATRE
Digitally signed by: NITESH ASHOK MHATRE DN: CN = NITESH ASHOK MHATRE email = NITESHM@GTLINFRA.COM C = IN O = Personal Date: 2023.09.06 17:46:11 +05'30'

**Nitesh A. Mhatre**
**Company Secretary**

VIKAS KRISHNLAL ARORA
Digitally signed by: VIKAS KRISHNLAL ARORA DN: CN = VIKAS KRISHNLAL ARORA email = VIKASA@GTLINFRA.COM C = IN O = Personal Date: 2023.09.06 17:46:39 +05'30'

**Vikas Arora**
**Whole-time Director**

**Encl. as above**

*Note: This letter is submitted electronically with BSE & NSE through their respective web-portals*

GTL INFRASTRUCTURE

# 20TH ANNUAL REPORT

## 2022-23

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

| | |
|---|---|
| Mr. Manoj G. Tirodkar | Chairman |
| Mr. N. Balasubramanian | Independent Director – Vice Chairman |
| Mr. Vikas Arora | Whole–time Director (w.e.f. November 10, 2022) |
| Dr. Anand P. Patkar | Independent Director |
| Mr. Charudatta K. Naik | Director |
| Ms. Dina S. Hatekar | Independent Director |
| Mr. Vinod B. Agarwala | Independent Director |
| Mr. Milind K. Naik | Whole–time Director (Upto September 22, 2022) |
| Ms. Sunali Chaudhry | Additional Director (w.e.f. September 05, 2023) |

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Nitesh A. Mhatre

## CHIEF FINANCIAL OFFICER

Mr. Bhupendra J. Kiny

## AUDITORS

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

## TRUST AND RETENTION ACCOUNT BANK

Union Bank of India

## BANKS / INSTITUTIONS

Canara Bank
Corporation Bank (now Union Bank of India)
DEG, Germany
IDBI Bank Ltd.
Indian Bank
Life Insurance Corporation of India
EARC Trusts – SC 338, 343, 366 & 389

## REGISTERED OFFICE

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

## REGISTRAR & SHARE TRANSFER AGENT

**Bigshare Services Private Limited.**
Office No S6–2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai – 400093,
Maharashtra, India.
Tel : +91 22 6263 8200 / 221 / 222
Fax : +91 22 6263 8299
Email: investor@bigshareonline.com
Online form based investor correspondence link:
www.bigshareonline.com/InvestorLogin.aspx

# FINANCIAL SNAPSHOT

## Brief highlights of financials of the Company are as follows:

| Parameter | Units | FY 22–23 | FY 21–22 | FY 22–23 | FY 21–22 |
|---|---|---|---|---|---|
| **Tower Tenancy Parameters** | | ₹ / Nos | | US$ / Nos | |
| Total tower count | Nos | **22,847** | 25,779 | **22,847** | 25,779 |
| Unoccupied tower count | Nos | **12,177** | 14,751 | **12,177** | 14,751 |
| Occupied tower count | Nos | **10,670** | 11,028 | **10,670** | 11,028 |
| Tenants [Refer Note 2] | Nos | **22,247** | 23,475 | **22,247** | 23,475 |
| Average tenancy per occupied tower | Times | **2.1** | 2.1 | **2.1** | 2.1 |
| **Financials** | | | | | |
| Revenue from operations (net of taxes) | Mn | **14,579** | 14,627 | **177** | 178 |
| Total Costs [Refer Note 6] | Mn | **12,447** | 12,292 | **152** | 150 |
| Normalized EBITDA [Refer Note 6] | Mn | **2,132** | 2,335 | **26** | 28 |
| CAPEX | Mn | **871** | 853 | **11** | 10 |
| **Key ratios** | | | | | |
| Normalized EBITDA margin [Refer Note 6] | % | **15** | 16 | **15** | 16 |
| Network uptime delivered – YE basis | % | **99.79** | 99.90 | **99.79** | 99.90 |
| **Tower Revenue Parameters – Occupied Towers** | | | | | |
| **Parameters** | | **FY 22–23** | FY 21–22 | **FY 22–23** | FY 21–22 |
| | | ₹ | | US$ | |
| Sharing Revenue per Tower/Month [Refer Note 4] | | **62,581** | 61,182 | **762** | 745 |
| Sharing Revenue per Tenant/Month [Refer Note 4] | | **33,585** | 32,787 | **409** | 399 |
| EM Revenue per Tower/Month | | **41,324** | 39,951 | **503** | 486 |
| EM Revenue per Tenant/Month | | **26,737** | 26,104 | **325** | 318 |

**Notes:**

1. The above results and subsequent management discussion refer to GTL Infrastructure Limited as 'The Company'.
2. Tenants refers to Full Paying equivalent Tenants
3. EM : Energy Management
4. The Sharing revenue per tower and sharing revenue per tenant are calculated on the basis of revenue from existing tenants on occupied towers as of March 31, 2023 and March 31, 2022 for previous year.
5. For the purpose of financial analysis, the figures in rupees for the financial results referred to have been converted at a constant rate of ₹ 82.16 per US$ as on 31 March 2023 and the same rate has been applied to other FYs referred in this statement and the other sections of this Annual Report.
6. Normalized EBITDA is calculated after considering all costs related to operations but excludes Ind AS impact on P&L items, foreign exchange difference, Loss on Dismantling/Sale/Retirement of Fixed Assets (Net), other one–time expenses / revenue, non–operational expenses / other income, etc. Figures for the previous financial year have been regrouped / rearranged wherever necessary to make them comparable with that of FY 22–23.
7. The company continued to incur its contractual commitments on unoccupied sites caused by further exit of tenancies during FY 22–23. The Company faces costs in respect of dismantled or closed down sites as many operators failed or continue to fail to pay dues on time.

# CONTENTS

## CORPORATE OVERVIEW



## STATUTORY REPORTS



## FINANCIAL STATEMENTS



## NOTICE

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS SNAPSHOT

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

**Salient features of the passive infrastructure business model**

- Capable of hosting multiple technologies such as 2G/3G/4G /5G/IoT and enterprise data systems
- Growth linked with expansion of wireless networks and technology upgradation
- Annuity driven business model
- Medium to long term contracts with Telcos (usually renewable), with built–in annual escalation in pricing
- Energy Management
- Relatively fixed cost structure and low level of maintenance
- Predictability in free cash flows
- Additional tenancies (post anchor tenant) lead to higher EBITDA margins and higher percentage of revenue translating to cash flow
- Loading at site on base Technology by operators generates additional revenue & EBITDA

## INDUSTRY STRUCTURE & DEVELOPMENT

**Structure & business model of Telecom Industry *(Source: IBEF)***

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

**Increase in wireless telecom subscriber base: *(Source TRAI)***

Total wireless subscribers increased from 1,142.09 Mn at the end of March–22, to 1,143.93 Mn at the end of March–23, thereby registering a Y–o–Y growth rate of 0.17%.. Monthly growth rates of urban and rural wireless subscription were 0.19% and 0.15% respectively. The Wireless Tele–density in India increased from 82.38% at the end of February–23 to 82.46% at the end of March–23. The Urban Wireless Tele density increased from 128.41% at the end of February–23 to 128.45% at the end of March–23 and Rural Tele–density also increased from 57.39% to 57.46% during the same period. The share of urban and rural wireless subscribers in total number of wireless subscribers was 54.86% and 45.14% respectively at the end of March 2023.

**Number of internet subscribers increasing at a fast pace *(Source TRAI)***

The total number of internet subscribers stood at 846.57 Mn as at March 2023, of which 33.49 Mn were wired internet subscribers and 813.08 Mn were wireless internet subscribers.

The number of internet subscribers in India is expected to reach 900 Mn by 2025.

India is likely to have 330 million 5G subscribers by 2026.

As per TRAI, average wireless data usage per wireless data subscriber stood at 19.5 GB per month in FY22, and is expected to reach 40 GB by FY26.

**Data Consumption: *(Source: Nokia MBiT index 2023)***

Mobile data traffic in India jumped 3.2 times in the last five years, reaching over 14 exabytes per month, according to Nokia's annual Mobile Broadband Index ("MBiT") report. The report revealed that PAN India mobile data usage per month grew from 4.5 exabytes in 2018 to 14.4 exabytes in 2022. Together, 4G and 5G subscribers now account for almost 100 per cent of the total mobile data traffic in the country. At an aggregate level, total mobile data consumed in India is expected to more than double by 2024. Over 70 Mn 5G devices are estimated to have been shipped to India in 2022, indicating a strong traction for 5G in the market.

According to the report, enterprise spending on private 5G networks will be driven by new use cases in diverse industry verticals, including manufacturing, utilities, transportation and healthcare, among others in India. The country's investment in private wireless networks is expected to reach around US$ 250 Mn by 2027.

**Industry Trends** ***(Source: NASSCOM 5G Report)***

With over 500 million 5G users in India by 2030, 5G can be truly transformational for the economy with public and private 5G networks enabling use cases across multiple sectors such as mobility, healthcare, manufacturing, retail, energy and utilities, 5G can have a huge impact on India's economy.

**Key Drivers for Aggressive Growth**

- Sectoral Reforms.
- Strengthening the Economy.
- Major improvements in User Experience.
- Speedy rollout of services.
- Affordable 5G solutions.

Policies like the National Optical Fibre Network ("NOFN") which plan to connect all the 2.5 lakh gram panchayats in the country will help enhance India's potential to 5G adoption by increasing accessibility and affordability. Substantially aggressive rollout plan coupled with speedy 5G adoption across customer segments and geographies will also enable aggressive growth.

**Key Industries Expected to Lead the Growth:**

- mmWave will play a crucial role in driving FWA (Fixed Wireless Access) across rural areas eliminating need for fiber and enabling critical Manufacturing, Retail & Healthcare use–cases.
- Manufacturing sector is expected to focus on digital transformation, smart factories, retail on efficient customer journey, data analytics, virtual shopping etc.
- Energy on 5G smart metering, smart grids, healthcare is expected to focus on online consultation, robotic surgeries, cloud–based patient profiling and wearables, which are expected to propel 5G growth.
- Ecosystem collaboration to ensure swift development & commercialization of Industry use–cases are expected to recover investment & drive profits substantially.

Indian economy will rely heavily on the investments to be made by telecom service providers that will begin offering 5G services in key cities within this year and scale them up to cover the entire country in the coming years. With the next generation networks being rolled, the Telecom infrastructure industry would need higher quantum of antennas and small cells that may fall within a range between 100 to 200 metres depending upon the nature of allotted frequency band.

**Structure & business model of Telecom Infrastructure Industry (TowerCos)** ***(Source: DOT Report)***

The next generation of cellular technology i.e. 5G represents a paradigm shift for cellular infrastructure. With the advent of 5G, there will be a requirement to deploy Low Power Base Stations (LPBTS) with 5G radios often called "small cells". These 5G Small Cells operate on higher frequency spectrum bands in the range, FR1 band (sub 6 GHz) and FR2 band (mmWave) that necessitate denser network deployments to support larger traffic volumes per unit area. The number of 5G small cells will therefore be huge in number as compared to the previous generation of 4G base station towers. These 5G small cells have limited coverage of tens/hundreds of meters and are mostly marked by short ranges and may however vary significantly depending on their use cases.

Various types of street furniture such as poles (street lights, electricity, traffic lights), advertisement hoardings, bus shelters and towers have been identified by TRAI as suitable national assets for deploying small cells.

The Macro Cell towers such as what the Company already has are expected to radiate 5G networks along with 4G and others. Indian Telcos have implemented both standalone 5G and non–standalone 5G networks driving the increased need for macro 5G cell sites.

**Notable Trends**

Some of the notable trends are highlighted below:

**Green Telecom:** Telecom Players are working towards reducing the carbon footprint of the telecom industry through lower energy consumption per site and increase in use of greener energy sources.

**Emergence of BWA technologies:** India is expected to be the second–largest market in 5G services followed by China over the next 10 years–India's 5G user base is expected to reach around 700 MN by 2028 end.*(Source: Ericsson Mobility Report 2023 / IBEF)*

**Internet of Things (IoT):** IoT is the concept of electronically interconnected and integrated machines to help gathering and sharing data. 100 smart city projects have been planned by the Govt where IoT is expected to play a vital role in development of those cities.

**Key Developments**

- There are 42 companies approved as on December 21, 2021 under PLI scheme. These 42 companies have committed investment of ₹ 4,115 crores, additional sales of ₹ 2.45 lakh crores and will create employment of more than 44,000 over the scheme period. The number of applicants indicate the response from industry for making India a global manufacturing hub for telecom and networking products. *(Source – investindia.gov.in/sector/telecom)*
- Under the Union Budget 2023, The Government of India plans to set up one hundred labs for developing applications using 5G services in engineering institutions to realize a new range of opportunities, business models, and employment potential. *(Source – investindia.gov.in/sector/telecom)*
- Average revenue realization per subscriber per GB wireless data reduced to ₹ 10.10 as on Dec–2022 from ₹ 10.47 on March–22.
- 5G services have been rolled out by RJio & Airtel across 500 cities in India as of March 31, 2023.*(Source: India Today Report)*

**Policy Support**

**Make in India:** Government of India had already announced Phased Manufacturing Programme ("PMP") to promote domestic production of mobile handsets. This initiative is expected to help in building a robust indigenous mobile manufacturing ecosystem in India and incentivise large scale manufacturing. Similarly, PLI scheme approved by the Govt of India proposes production linked incentive to boost domestic manufacturing and attract large investments in mobile phone manufacturing and specified electronic components including Assembly, Testing, Marking and Packaging ("ATMP") units.

The Prime Minister Gatishakti National Master plan initiative aims to transform digital infrastructure deployment through countrywide mapping and providing greater visibility. It will have significant bearing on India's telecom infrastructure development. Launch of Gatishakti Sanchar portal enabled single window application and faster RoW approvals *(EY Report on PM Gatishakti).*

- Increased Investments: In Union Budget 2022–23 the Department of Telecommunications was allocated ₹ 97,579 crores.
- Tower fiberisation: Due to advent of new technologies like internet of things ("IoT"), artificial intelligence ("AI"), machine learning ("ML"), cloud, video consumption data surge got accelerated. This would necessitate augmentation of capacity at the tower sites. In order to achieve such higher capacities to support new technologies, fibre needs to be deployed across all tower sites as traditional microwave will not be able to provide such high speeds. The new sites will require network densification, including the deployment of small cells and increased fiberisation of tower sites. *(Source: IBEF)*

## OPPORTUNITIES & THREATS

### OPPORTUNITIES

Several opportunities have become available as the Government fast–tracked reforms in the telecom sector which is expected to propel growth. They are briefly described as under:

**Robust Demand**

- In India, the total subscriber base stood at 1143.93 Mn in March 2023.
- India is one of the biggest consumer of data usage worldwide with an average wireless data usage per subscriber stood at 19.5 GB per month in FY 2022.
- India is one of the highest consumers of data per day with approximately 5 hours of daily time spend on smartphones. *(Source – investindia.gov.in/sector/telecom)*
- Due to lower duty on Smartphones in Union budget, consumers are buying 5G ready smartphones whose contribution in market has reached 43% driving internet use and digital payments as well as OTT subscriptions. *(Source: TOI)*

**Attractive Opportunities**

- 5G subscribers in India expected to reach 330 Mn by 2026. *(Source: Ericsson Report –Article by ET)*
- Digital India's Program where sectors such as healthcare, retail etc would be gaining from spread of internet.
- PLI has already triggered entry of several global payers for manufacturing mobile devices and components. India will cross ₹ 1,20,000 Crore of Mobile phone exports in 2023–24. *(Source: IANS Report– Article by ET)*
- By 2025, India will need about 22 million skilled workers in 5G–centric technologies such as Internet of Things ("IoT"), Artificial Intelligence ("AI"), robotics and cloud computing. *(Source: CRISIL Report)*
- The increased demand of data, internet services and growth in mobile subscribers, as is evident from above is likely to bring in demand for telecom towers as these towers can enable 2G/3G/4G/5G/IoT/ Enterprise 5G etc in urban and rural areas.
- Company may gain from 5G roll out of operators in the form of additional loading on its towers.

**BSNL 4G Rollout *(Source: Economic Times dated July 10, 2023)***

Bharat Sanchar Nigam Limited (BSNL) is gearing up for a full–fledged commercial launch of its fourth–generation or 4G services in India. Recently, the Centre has infused ₹ 89,047 Crore into BSNL as part of the third revival package, including allotment of 4G and 5G spectrum through equity infusion.

The Company provides services to BSNL and its sites may attract additional tenancies from BSNL.

### THREATS

**Financial Stress of Telecom Sector:** In September 2021, Government announced relief package for telecom sector. However, despite positive developments in telecom sector, financial health of one of the Telcos remains to be a key concern.

Roll out of 5G services will require huge investment in infrastructure, The absence of remunerating tariff may lead to adverse impact on financial health of Telcos. Delays / defaults are already prevailing in payment of dues to Tower Companies by some of the Telcos affecting the cash flows.

**Pricing & Site Non Renewal risk due to renewals:** Any unfavourable terms such as lower pricing upon renewal of agreements with Telcos are likely to have adverse impact on the EBITDA of the Company. Non–Renewals of Land lease or Non–renewal from Telco may lead to tenancy loss from such sites.

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

**Competition:** Few Telcos have strategic interest in certain Tower companies. It is expected that these Tower companies will get preference of new sites and also benefits of insourcing of sites currently with independent tower companies.

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

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

## COMPANY OPERATIONS

Shut down/exit of 14 telecom customers resulted into abandonment of more than 14,000 towers of the Company by such discontinuing operators, thereby making such towers unoccupied, which is more than 50% of the total tower portfolio. The various external events, which adversely affected entire telecom sector, were beyond the control of the management and the Company. Post abandonment of these towers, the discontinuing operators didn't make payment of their contractual dues including rent payable to landlords, taxes & other dues, etc. These dues related to unoccupied towers remained unpaid, many of which are pass through payments for the Company. As a result, the Company was saddled with substantial costs and liabilities including rents, taxes and other dues on such unoccupied towers without any revenue from them. The Company is already litigating with such discontinuing operators to recover its contractual dues.

The Company, on a monthly basis, has been requesting EARC, being Monitoring Institution for payments due to the landlords of the unoccupied sites. However, the same is yet to be approved by the EARC.

Due to non–receipt of the rental amounts, many of the landowners blocked access to our Company's employees to the sites. Resultantly, disgruntled landlords / unknown miscreants resorted to unauthorised dismantling of tower sites. During the year ended March 31, 2023, 2932 sites out of the above unoccupied sites got dismantled.

The Company has already initiated various steps to protect its assets from such miscreants including carrying out additional surveys, discussion with land owners, legal actions against such miscreants, recovering site material, lodging of police complaints / FIR and insurance claim etc. Additionally, the Company has deployed Tower Vigilance Team ("TVT") in theft prone areas to curb theft of the towers and tower materials which is showing positive results since deployment. In few cases, thieves have been arrested by the police as a result of additional measures taken by the Company.

The number of tenants stood at 22,247 as on March 31, 2023, as against 23,475 as on March 31, 2022. Thereby maintaining average tenancy per occupied tower at 2.1 as against 2.13 during previous financial year.

**Customer engagement**

Several measures taken by the Company on a continuous basis helped in improved network uptime in most circles as well as rollout of tenancy and upgrades, as per customers' needs. The Company has geared up to enable 5G services on its sites along with delivering contracted SLA based services for other technologies.

During the year, the Company received appreciation from various customers for high quality of services delivered to them.

## FUTURE OUTLOOK

The Company is of the view that even though the telecom tower companies (including itself) lost sizeable number of tenants over the past few years due to the consolidation of business by telcos and other factors, the Company looks forward to stabilising its operations by focusing on reducing cost on its sites, extending tenure of tenancies and adding incremental tenancies on towers.

The Company is also optimistic about tapping the growth opportunities available from 5G rollout by major Telcos and 4G services launch from one of the key operators.

The Company continues to pursue contractual claims of approx. ₹ 153,166 Mn (as on June 30, 2023) from various operators in respect of premature exits by them in the lock in period.

However, the urgent work on downsizing of the debt sustainable level (based on the actual cash flows of the Company and taking into account payment defaults / delays by Telcos, CAPEX requirements and other operational obligations) is priority for the Company as uncertainty over lenders' legal actions against the Company and lack of clarity on debt restructuring are major constraints for the Company's business growth and sustainability.

*Maintenance activity*

## DISCUSSIONS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS

The Financial Year ("FY") 22–23 is the sixteenth 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 Companies Act, 2013 as amended from time to time and adopted consistently by the Company and further based on guidelines issued by the Securities and Exchange Board of India ("SEBI"), to the extent applicable.

### Segment wise reporting

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

### Summary of Financials (In Mn)

| Particulars | FY 22–23 | | FY 21–22 | |
|---|---|---|---|---|
| | ₹ | US$ | ₹ | US$ |
| Revenue from operations | **14,579** | **177** | 14,627 | 178 |
| Less: | | | | |
| Infrastructure Operation & Maintenance Cost | **8,178** | **100** | 8,808 | 107 |
| Employee benefits expense | **634** | **7** | 621 | 8 |
| Other expenses | **4140** | **50** | 941 | 12 |
| Ind AS and other Adjustments (net) [Refer Note [1&2]] | **(505)** | **(6)** | 1,922 | 23 |
| Total Costs | **12,447** | **151** | 12,292 | 150 |
| Normalized EBITDA [Refer Note [1]] | **2,132** | **26** | 2,335 | 28 |
| Normalized EBITDA % | **15%** | **15%** | 16% | 16% |

1. *Normalized EBITDA is calculated after considering all costs related to operations but excludes Ind AS impact on P&L items, foreign exchange difference, Loss on Dismantling/Sale/Retirement of Fixed Assets (Net), other one–time expenses / revenue, non–operational expenses / other income, etc. Figures for the previous financial year have been regrouped / rearranged wherever necessary to make them comparable with that of FY 22–23.*

2. *Ind AS 116 impact on Rentals: The nature of expenses in respect of non–cancellable operating lease has changed from lease rent to depreciation and finance costs for the Right Of Use assets and lease liabilities respectively. This has resulted in increase in depreciation and amortization expense of ₹ 1,184 Mn, (PY ₹ 1,137 Mn), finance costs of ₹ 653 Mn (PY ₹ 649 Mn) and decrease in infrastructure operations and maintenance cost of ₹ 1,598 Mn (PY ₹ 1,519 Mn) and decrease in other expenses of ₹ 24 Mn (PY ₹ 25 Mn) for the Year ended March 31, 2023. Please refer Note no. 3 and 37 in the financial statements for further details.*

### Tower Count Vs Financial & Operational Performance

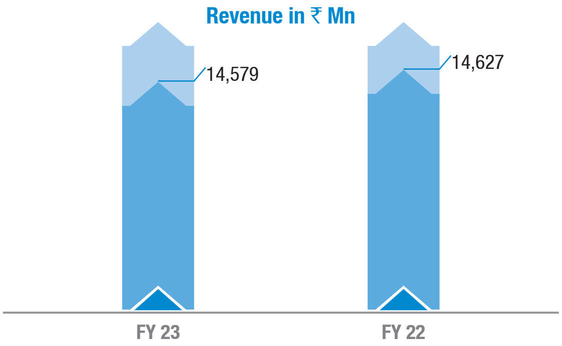
### Impact of Industry Consolidation and Exits:

The Company has from time to time communicated about various developments in Indian Telecom Sector, which were beyond the control of the Company and the management. These developments continued to impact tenancies and revenue of the Company. On one hand, reduction in tenancies resulted in making more than 14,000 tower sites unoccupied and on other hand, the Company was saddled with substantial costs and liabilities including rental to landlords, taxes and other dues on such unoccupied towers without any revenue. Additionally, lenders' inaction to reduce debt to sustainable level further impacted the Company's efforts to tide over this situation.

The Company believes that, the revival package approved by the Government of India for Telecom Sector, hike in mobile call and data tariffs by telecom operators and successful conclusion of 5G spectrum auction, mapping of sites for 5G rollout by the operators, will fetch increased demand for its towers and thereby increase in the revenue and EBITDA levels, subject to restructuring the debt by lenders.

### Revenue from Operations

The Company's revenue from operations has reduced from ₹ 14,627 Mn (US$ 178 Mn) in FY 21–22 to ₹ 14,579 Mn (US$ 177 Mn) in FY 22–23. Reduction in revenue is mainly caused by exit of 3G technologies and exits of out of lock in tenancies.



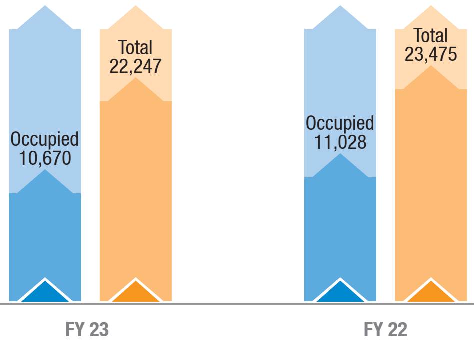
**Occupied Towers, Tenants and Tenancy Ratio**

The Company owns 22,847 towers out of which 10,670 were occupied with 22,247 radiating tenants having a tenancy ratio of 2.1 on occupied towers as of March 31, 2023.

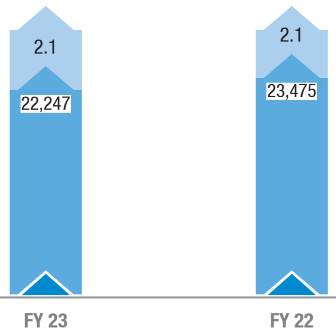
Whereas as on March 31, 2022, 11,028 towers were occupied with 23,475 radiating tenants having a tenancy ratio of 2.1 on occupied towers.

Shut down/exit of 14 telecom customers resulted into abandonment of more than 14,000 towers of the Company by them, making such towers unoccupied and loss of revenue towards the Infrastructure Provisioning Fees / Rental on such towers in respect of which the Company continues to pursue contractual claims of approx. ₹ 153,402 Mn (US$ 1,867 Mn) from various customers. In view of above, the rental to landlords, taxes and other dues related to unoccupied towers remained unpaid, many of which are pass through payments for the Company. Further, the Company has requested EARC, being Monitoring Institution, for payments due to the landlords of the unoccupied sites, however the same is yet to be approved. Due to non–receipt of rentals, many of landlords blocked access to Company's employee to site. Resultantly, disgruntled landlords / unknown miscreants resorted to unauthorized dismantling of the tower sites. 2,932 sites got dismantled during Year ended March 31, 2023 (259 sites during the year ended March 31, 2022) out of the above unoccupied sites. The Company continues to pursue its insurance claims and appropriate actions against the landlords/ unknown miscreants including filing of FIR, wherever applicable.

**Occupied Tower Count & Tenancy**




**Tenancy and Tenancy Ratio**




**Other Income** includes interest income, profit on sale / fair value gain on current investments, extinguishment of liability, reimbursement of expenses related to settlement income received from customer, miscellaneous income etc.

The other income of the Company stood at ₹ 275 Mn (US$ 3 Mn) in FY 22–23 as compared to ₹ 142 Mn (US$ 2 Mn) in FY 21–22.

**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 and fuel expenses, cell sites operations and maintenance costs, annual maintenance charges for network assets such as diesel generators, air conditioners, battery banks, towers etc. Out of the above, major costs such as rent, power and fuel are substantially recoverable from customers as per respective contractual terms.

₹ Mn

| Infrastructure Operations & Maintenance Cost (Net) | FY 22–23 | FY21–22 |
|---|---|---|
| Site rental (net) | **2,389** | 2,379 |
| Power, fuel & maintenance charges (net) | **1,105** | 1,329 |
| Repairs & maintenance to plant and equipment's | **131** | 134 |
| Stores & spares consumption | **4** | 3 |
| Other operating expenditure | **299** | 450 |
| **Total** | **3,928** | 4,295 |

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

The Infra O&M cost (net of recovery) of the Company reduced from ₹ 4,295 Mn (US$ 52 Mn) for FY 21–22 to ₹ 3,928 Mn (US$ 48 Mn) for FY22–23.

1. **Site Rental :** Increase in site rental cost for FY 22–23 to ₹ 2,389 Mn (US$ 29 Mn) against ₹ 2,379 Mn (US$ 29 Mn) for FY 21–22 is mainly attributable to renewals, sharing etc.

2. **Power, Fuel & Maintenance (net) :** Cost optimization initiatives of the Company and site exits have resulted in reduction in Power, fuel and maintenance cost for FY 22–23 compared to FY 21–22. Power, Fuel & Maintenance cost for FY 22–23 stood at ₹ 1,105 Mn (US$ 13 Mn) against ₹ 1,329 Mn (US$ 16 Mn) for FY 21–22.

3. **Repairs & Maintenance :** Repairs and Maintenance decreased to ₹ 131 Mn (US$ 2 Mn) during FY 22–23 against ₹ 134 Mn (US$ 2 Mn) during FY 21–22. The decrease is a result of cost optimization initiatives of the company.

4. **Other operating expenditure :** Other operating expenses mainly consist of site security cost. Site security cost stood reduced to ₹ 299 Mn (US$ 4 Mn) during FY 22–23 from ₹ 450 Mn (US$ 5 Mn) for FY 21–22 as a result of Company's cost optimization initiatives.

**Network Uptime & SLA:**

The Company continues to offer best possible services to its customers and it has been able to maintain network uptime at around 99.90% as per SLAs under normal conditions in certain circles. The Company undertook several initiatives to further improve the network uptime under difficult terrains and situations and continues to invest in Capex and Opex for desired results

**CAPEX**

During the year, the Company continued to judiciously invest capex for the up gradation of its network. This resulted in maintaining network uptime and reduced SLA penalties on substantial number of sites. Various projects were undertaken by deploying CAPEX not only at chronic SLA defaulting sites but also at business–critical customer's sites. As a part of Company's going forward priorities of being committed towards supporting our customers and governments efforts as an essential service provider, the Company plans to invest ~ ₹ 1,000 Mn during FY 23–24 towards network up gradation and revenue protection subject to approval from lenders.

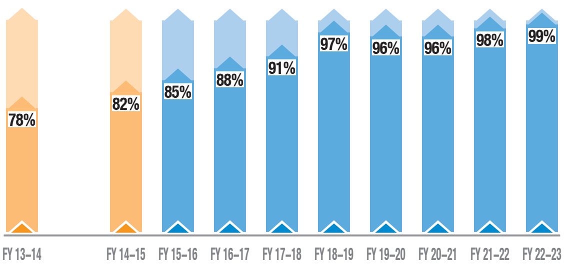
In addition to the above, the Company needs following capex investment subject to approval from lenders and availability of required cash flows

1. Approximately ₹ 1,795 Mn (US$ 22 Mn) towards replacement capex related to end of life equipment for revenue protection
2. Approximately ₹ 917 Mn (US$ 11 Mn) with regard to network upgradation and capacity building for accommodating expected 5G technology tenancies mapped till date.

**Electrification & Green Sites**

Total EB connected occupied site count stood at 99% as of March 31, 2023.

EB sites as % of occupied towers as on March 31




The number of operational 'Green Sites' on the entire portfolio are 2,547 as of March 31, 2023.

**Employee Benefits Expense**

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

| Employee Benefit Expenses | FY 22–23 | FY 21–22 |
|---|---|---|
| In ₹ Mn | **634** | 621 |
| In US$ Mn | **8** | 8 |
| Expenses as % of Revenue | **4%** | 4% |

The Company's employee benefits expenses stood at ₹ 634 Mn (US$ 8 Mn) for FY 22–23 as against ₹ 621 Mn (US$ 8 Mn) for the FY 2021–22.

**Other Expenses**

This mainly comprises of admin costs such as legal and professional fees, rentals of office/warehouse, travel and conveyance, Loss on/due to Sale, theft of fixed assets by Landlords/Unknown miscreants (net), insurance premium, audit fees etc.

| Other Expenses | FY 22–23 | | FY 21–22 | |
|---|---|---|---|---|
| | ₹ Mn | US$ | ₹ Mn | US$ |
| Total Other Expenses | **4,140** | **50** | 941 | 11 |
| Less: – One Time & Other Adjustments | **(3,319)** | **(40)** | (198) | (2) |
| Total Other Expenses (Normalised) | **821** | **10** | 743 | 9 |
| Other Expenses (Normalised) as of % of revenue | **6%** | **6%** | 5% | 5% |

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

Shut down/exit of 14 telecom customers resulted into abandonment of more than 14,000 towers of the Company by them, making such towers unoccupied and loss of revenue towards the Infrastructure Provisioning Fees / Rental on such towers in respect of which the Company continues to pursue contractual claims of approx. ₹ 153,402 Mn (US$ 1,867 Mn) from various customers. In view of above, the rental to landlords, taxes and other dues related to unoccupied towers remained unpaid, many of which are pass through payments for the Company. Further, the Company has requested EARC, being Monitoring Institution, for payments due to the landlords of the unoccupied sites, however the same is yet to be approved. Due to non–receipt of rentals, many of landlords blocked access to Company's employee to site. Resultantly, disgruntled landlords /

unknown miscreants resorted to unauthorized dismantling of the tower sites. 2,932 sites got dismantled during Year ended March 31, 2023 (259 sites during the year ended March 31, 2022) out of the above unoccupied sites. As a result, the Company has recognised a Loss (net) ₹ 3,417 Mn (US$ 42 Mn) for the Year ended March 31, 2023 (Loss (net) ₹ 318 Mn (US$ 4 Mn) for year ended March 31, 2022) which is included in other expenses. The Company continues to pursue its insurance claims and appropriate actions against the landlords/unknown miscreants including filing of FIR, wherever applicable.

**Earnings before Interest, Taxes, Depreciation and Amortization (Normalized EBITDA)**

| Financial Year | FY 22–23 | FY 21–22 |
|---|---|---|
| In ₹ Mn | **2,132** | 2,335 |
| In US$ Mn | **26** | 28 |

The Company's normalized EBITDA for FY 22–23 at ₹ 2,132 Mn (US$ 26 Mn) decreased as compared to FY 21–22 at 2,335 Mn (US$ 28 Mn) mainly on account of tenancy exits in FY 22–23.

**Depreciation and Amortization expenses**

Depreciation and Amortization for FY 2022–23 stood at ₹ 5,036 Mn (US$ 61 Mn) as compared to ₹ 5,032 Mn (US$ 61 Mn) for FY 2021–22.

**Exceptional Items**

The Company, in accordance with the Indian Accounting Standard (Ind AS 36) 'Impairment of Assets', performed an impairment test based on current expectations of the impact of recent developments in telecom Sector on projected cash flows in tower business. The Carrying value of these assets exceeds its value in use and accordingly an impairment loss of Building ₹ 130 Mn (US$ 2 Mn) and Plant and Equipments ₹ 5,735 Mn (US$ 70 Mn) has been recognized for the year ended March 31, 2023 and the same has been disclosed as exceptional item (previous year Building ₹ 61 Mn (US$ 1 Mn) and (Plant and Equipments ₹ 6,574 Mn (US$ 80 Mn).

**Balances written off (Net), Provision for Trade Receivables & Energy Recoverable**

Balances written off(net) and Provision for Trade Receivables at the year ended March 31, 2023 stood at ₹ 955 Mn (US$ 12 Mn) as against ₹ 116 Mn (US$ 1 Mn) for the year 21–22. This increase is mainly on account of provisions made against trade receivables during the year towards dispute arising on account of revision of fixed management contract.

**Exchange Differences (Net)**

Exchange difference for the FY 22–23 stood at a loss of ₹ 395 Mn (US$ 5 Mn) as against loss of ₹ 24 Mn (US$ 0.29 Mn) in FY 21–22 mainly represented by measurement of FCCBs on reporting date at the prevailing exchange rates.

**Finance Costs**

Finance costs comprises of interest expenses, finance cost on Lease Liability as per Ind AS 116 and Exchange difference as an adjustment to borrowing cost. Finance costs for FY 22–23 stood at ₹ 7,819 Mn (US$ 95 Mn) vis–à–vis ₹ 7,339 Mn (US$ 89 Mn) in FY 21–22.

**BALANCE SHEET ITEMS**

**Fixed Assets**

The carrying amount of these assets comprising of Property, Plant and Equipment, Intangible Assets, Right of Use Assets and Investment Property as on March 31, 2023 stood at ₹ 32,201 Mn (US$ 392 Mn) compared to ₹ 45,562 Mn (US$ 555 Mn) as of March 31, 2022.

The Company, in accordance with the Indian Accounting Standard (Ind AS 36) 'Impairment of Assets', performed an impairment test based on current expectations of the impact of recent developments in telecom Sector on projected cash flows in tower business. The Carrying cost of these assets exceeds its value in use and accordingly impairment loss of ₹ 5,865 Mn [(US$ 71 Mn) (previous year ₹ 6,635 Mn, US$ 81 Mn)] has been recognized for the year ended March 31, 2023 and the same has been disclosed under exceptional items. The Company continues to pursue contractual claims of approximately ₹ 153,402 Mn (US$ 1,867 Mn) arising out of these developments.

**Other Non–Current Assets**

Other non–current assets of the Company stood at ₹ 1,981 Mn (US$ 24 Mn) as on March 31, 2023 as compared to ₹ 1,929 Mn (US$ 23 Mn) as on March 31, 2022. The non–current assets primarily consist of site related electricity and rent deposits, capex advance, tax assets, fixed deposits with banks held as security, prepaid expenses etc.

**Equity**

**Equity Share Capital**

The paid–up equity share capital of the Company stood at ₹ 126,711 Mn (US$ 1,542 Mn) as on March 31, 2023 compared to ₹ 126,233 Mn (US$ 1,536 Mn) as on March 31, 2022.

| Particulars | ₹ Mn | US$ Mn |
|---|---|---|
| Other Equity as on March 31, 2022 | (153,689) | (1,870) |
| Add: Total Comprehensive Income for the year | (18,168) | (221) |
| Less: Transferred to equity capital on conversion of FCCB | 463 | 6 |
| Add: Equity contribution due to invoking of pledged shares by lenders | 201 | 2 |
| Other Equity as on March 31, 2023 | (172,118) | (2,095) |

**Borrowings:**

| Particulars | March 31, 2023 | | March 31, 2022 | |
|---|---|---|---|---|
| | ₹ Mn | US$ Mn | ₹ Mn | US$ Mn |
| **Secured debt** | | | | |
| **Rupee term loans:** | | | | |
| Banks, Financial Institutions & Asset Reconstruction Trust | **40,662** | **495** | 40,662 | 495 |
| Less: Amount debited by IDBI Trusteeship | **(9,710)** | **(118)** | (6,360) | (77) |
| Less: Sale of Pledged Shares (on behalf of lenders) | **(340)** | **(4)** | (139) | (2) |
| **Total** | **30,612** | **373** | 34,163 | 416 |
| **Foreign currency loans:** | | | | |
| Financial institutions | **670** | **8** | 632 | 8 |
| **Total Secured loans** | **31,282** | **381** | 34,795 | 424 |
| **Unsecured loans:** | | | | |
| FCCB ^ | **4,805** | **58** | 4,441 | 54 |
| Interest accrued– due and not due | **29,691** | **361** | 22,181 | 270 |
| **Total Borrowings** | **65,778** | **800** | 61,417 | 748 |
| Ind AS Impact # | **620** | **8** | 1,062 | 13 |
| **Total** | **66,398** | **808** | 62,479 | 761 |

**Note:**

* In the absence of restructuring and clarity from the lenders, the same has been debited to secured debt account

^ Movement in FCCB liability is driven by two main factors: a reduction resulting from the conversion of 457 Series B2 bonds into equity shares throughout the year, and an increase due to exchange differences.

# Ind AS impact in borrowings is separately shown in the abovementioned table for better understanding. However, these line items are reported along with Ind AS impact in financial statements in the respective note.

The borrowings (including current maturities and interests) of the Company as on March 31, 2023 stood at ₹ 66,398 Mn (US$ 808 Mn) as against ₹ 62,479 Mn (US$ 761 Mn) as at March 31, 2022. It comprises of rupee term loans, foreign currency term loans and FCCBs. These borrowings are measured at amortized costs on the reporting date in terms of relevant Ind AS requirements.

As of March 31, 2023, 79.34% of Indian Rupee Debt of ₹ 32,262.5 Mn (US$ 393 Mn) have been assigned in favour of Edelweiss Asset Reconstruction Company ("EARC") acting in its capacity as Trustee of EARC Trust–SC 338 vide assignment agreement executed in favour of EARC.

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated November 18, 2022 has dismissed Company Petition filed by one of the secured lenders for initiation of Corporate Insolvency Resolution Process ("CIRP") under Section 7 of the Insolvency & Bankruptcy Code, 2016 ("IBC"). The said lender has filed an appeal against this order before the Hon'ble National Company Law Appellate Tribunal ("NCLAT''). In the meantime, EARC who is the lead lender of the Company has filed its Intervention Application in abovementioned Appeal. The Company has filed its reply to the appeal as well as EARC intervention application and now matter is posted for further hearing.

IDBI Trusteeship Services Limited ("ITSL"), Security Trustee at the behest of Edelweiss Asset Reconstruction Company Limited ("EARC")/lenders has, without the consent of and information to the Company, have debited from the TRA account a sum of ₹ 9,710 Mn up to March 31, 2023 and further a sum of ₹ 950 Mn was debited post March 2023 till August 31, 2023. The cumulative debits made upto this point amount to ₹ 10,660 Mn.

Meanwhile ITSL, has recovered ₹ 201 Mn (Previous Year ₹ 139 Mn) by way of sale of pledged equity shares.

In view of the above, the interest on borrowings has been provided after adjusting the aforesaid amounts in principal.

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

The Company received notices of recall of loans from EARC and IDBI Bank claiming alleged default of ₹ 38,226 Mn (US$ 465 Mn) and ₹ 2,010 Mn (US$ 24 Mn) respectively in terms of Master Restructuring Agreement dated December 31, 2011 during financial year 2020–21. The Company has strongly refuted the claims and responded to said notices appropriately. Thus, in absence of directions from lenders as stated above, the Company continues to mention terms of repayment (Refer note no 18.3) and amount of Overdue (Refer note no. 18.5) as on March 31, 2023 in terms of and in accordance with the payment schedule, terms and conditions of Strategic Debt Restructuring Scheme as approved by then lenders.

**Other Non–Current Liabilities**

The non–current Liabilities of the Company stood at ₹ 5,933 Mn (US$ 72 Mn) as of March 31, 2023 as compared to ₹ 6,580 Mn (US$ 80 Mn) as on March 31, 2022. The non–current Liabilities primarily consist of lease liabilities, provisions related to assets retirement obligation, deposits received from customers, provision for compensated absences etc.

**Current Assets**

The current assets of the Company stood at ₹ 8,526 Mn (US$ 104 Mn) as of March 31, 2023 as compared to ₹ 8,055 Mn (US$ 98 Mn) as on March 31, 2022. The current assets primarily consist of trade receivables, cash and cash equivalents, Opex advances, deposits, balance with government authorities, unbilled income, tax etc.

| Current Assets | March 31, 2023 | | March 31, 2022 | |
|---|---|---|---|---|
| | ₹ Mn | US$ Mn | ₹ Mn | US$ Mn |
| Inventories | **45** | **1** | 47 | 1 |
| Investments | **688** | **8** | 653 | 8 |
| Trade receivables | **1,307** | **16** | 865 | 10 |
| Cash & cash equivalents (note) | **4,964** | **61** | 4,888 | 59 |
| Other bank balances | **12** | **0** | 11 | 0 |
| Security Deposits | **350** | **4** | 156 | 2 |
| Unbilled Income | **595** | **7** | 635 | 8 |
| Others | **565** | **7** | 800 | 10 |
| **Total** | **8,526** | **104** | **8,055** | **98** |

**Note:** Please refer note 11 of the financial statements for further details

**Current Liabilities**

The current liabilities of the Company were ₹ 15,783 Mn (US$ 190 Mn) as on March 31, 2023 as compared to ₹ 13,942 Mn (US$ 170 Mn) as at March 31, 2022. These Liabilities primarily consist of provision towards arbitration claim raised by GTL (net), lease liabilities, statutory dues, Assets retirement obligation ("ARO") and operational provisions toward site rent, energy management, security etc.

| Current Liabilities | March 31, 2023 | | March 31, 2022 | |
|---|---|---|---|---|
| | **₹ Mn** | **US$ Mn** | ₹ Mn | US$ Mn |
| Trade payables & creditors for capital goods | **443** | **5** | 307 | 4 |
| Lease liabilities | **3,296** | **40** | 2,800 | 34 |
| Deposits from customers | **942** | **11** | 1,079 | 13 |
| Advance Revenue | **21** | **0** | 29 | 0 |
| Operational incl. long term provisions etc. | **10,223** | **124** | 8,927 | 109 |
| Others incl. statutory dues etc. | **858** | **10** | 800 | 10 |
| **Total** | **15,783** | **190** | 13,942 | 170 |

*While borrowings are presented within the "Other Current Financial Liabilities" category in the Balance Sheet due to the mentioned reasons, they have not been taken into account in the analysis mentioned above. However, they are addressed in the "Borrowings" section as indicated earlier.*

**Significant Changes in Key Financial Ratios**

| Particulars | March 31, 2023 | March 31, 2022 | % Variance | Reason for variance |
|---|---|---|---|---|
| a) Current ratio | **0.10** | 0.11 | (2) % | |
| b) Debt–Equity ratio | **(1.46)** | (2.28) | (36) % | Reduction in Other equity due to increase in losses for the year |
| c) Debt service coverage ratio | **0.10** | 0.14 | (23) % | Reduction due to impact of fccb maturity in FY22–23 |
| d) Return on equity ratio | **(0.50)** | (0.73) | (32) % | Reduction in Other equity due to increase in loss for the year |
| e) Inventory turnover ratio | **NA** | NA | NA | |
| f) Trade receivables turnover ratio | **8.57** | 9.39 | (9) % | |
| g) Trade payables turnover ratio | **1.06** | 1.69 | (37) % | |
| h) Net capital turnover ratio | **(0.21)** | (0.22) | (8) % | |
| i) Net profit ratio | **(125) %** | (101) % | 24% | |
| j) Return on capital employed | **(49) %** | (21) % | 133% | Reduction in Other equity due to increase in loss for the year and increase in Inter–est cost |
| k) Return on investment | **5%** | 3% | 47% | Change in NAV & Interest rate |

## DEBT RESOLUTION PLAN

### Telecom Sector Developments post CDR

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

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

b. Aircel default on commitment of additional 20,000 tenancies to the Company;

c. Vodafone Tax Litigation;

d. Slower 3G & BWA growth;

e. Freeze on substantial expansion by telecom operators;

f. Lack of deployment of capex for modernization and replacement

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

### Telecom Sector Development post SDR

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

(i) Aircel Group's admission to National Company Law Tribunal ("NCLT") under Insolvency & Bankruptcy Code, 2016 ("IBC") in 2018;

(ii) Sale of Sistema Shyam Teleservices Limited to Reliance Communication Limited ("RCom") and consequent merger of both in 2017;

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

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

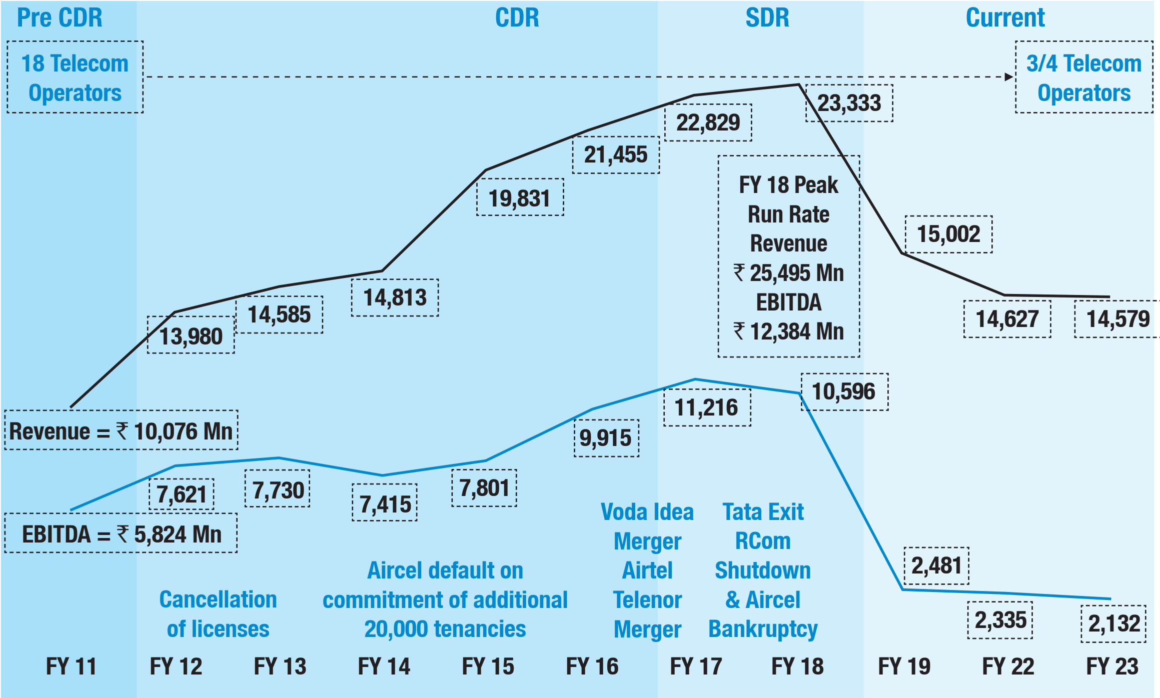
(v) Bharti Airtel and Telenor (India) Communication Private Limited merger in 2017

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

All of these factors, which were beyond the control of the management, have had a material adverse impact on the Company and its business prospects. The following table depicts number of tenancy loss faced by the Company over the last 12–13 years, despite having long term binding contracts with Telcos:

| Sr. No. | Events of Tenancy Loss | No. of Tenancy | Period | Comments |
|---|---|---|---|---|
| 1. | Cancellation of 2G licenses | 4,319 | Upto December 2017 | Supreme Court Judgement on cancellation of 122 2G telecom licenses |
| 2. | Slower 3G/BWA growth | 4,750 | Since FY 2012–13 | Industry slowdown following the Supreme Court verdict |
| 3. | Operator scale back due to auction | 3,500 | | |
| 4. | Aircel default on commitment of additional 20,000 tenancies; | 15,200 | May 2014 | Legal and financial issues |
| 5. | RCom shutdown of wireless business | 1,386 | August & September 2017 | Unsustainable business due to competition |
| 6. | TATA exit from wireless business | 2,910 | Since May 2017 | |
| 7. | Merger of Vodafone – Idea (VIL) | 3,227 | Since April 2018 | Forced industry consolidation due to competition |
| 8. | Consolidation of Telenor with Airtel | 1,395 | During FY 2018–19 | |
| 9. | Aircel filing of bankruptcy | 23,727 | January 2018 | Unsustainable business due to competition |
| 10. | BSNL exits due to uncertainty of collection | 1,767 | Since FY 2018–19 | Unsustainable business due to competition |
| 11 | Exit during business course with various reasons | 4,923 | Since April 2013 | |
| | **Aggregate tenancy loss from 2012 to 2023** | **67,104** | | |

The graph below clearly highlights the impact of aforementioned events and consequent tenancy loss on revenue and EBITDA of the Company:




*Note: Fall in EBITDA margin post FY19 on account of accruing cost on unoccupied towers*

Further these developments resulting in Company pursuing for its contractual claims of more than ₹ 150,000 Mn from such telecom operators (majority of claims Against Aircel) in respect of premature exits by them in lock–in period.

Thus, these extraneous developments in telecom sector especially during the last 6–7 years, once again unavoidably pushed the Company to a position from where it will require to again rebuild itself and also to realign its overall debt (including unsecured foreign currency bonds) to sustainable level with revised cash flows.

**Assignment of Debt to ARC**

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

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

However, the lenders had elected to pursue sale of their debt to an Asset Reconstruction Company. The Company was informed that Edelweiss Asset Reconstruction Company Limited, acting as a trustee on behalf of EARC – Trust SC 338 ("EARC"), emerged as the highest bidder in July, 2018 under a Swiss auction process independently run by the lenders. Till date 79.34% of the Indian Rupee Lenders have assigned their respective rights, title and interest in the financial assistance granted to the Company in favour of EARC.

In the meantime, one of the secured lenders filed petition before the NCLT, Mumbai Bench under IBC for initiation of Corporate Insolvency Resolution Process. The Hon'ble NCLT vide its order dated November 18, 2022 dismissed the said petition. The said lender has filed an appeal against this order before the Hon'ble National Company Law Appellate Tribunal ("NCLAT'').

**Resolution Plan under Prudential Framework**

In accordance with the revised guidelines, post assignment of 79.34% of secured rupee debt to EARC, the Company also presented multiple Resolution Plans starting from July 2019 for consideration of lenders' consortium updating such plans from time to time after taking into account various developments in telecom sector.

**Recovery for lenders**

Despite aforementioned extraneous development in telecom sector, adversely impacting the Company, since 2010 the Company has repaid to its lenders towards debt servicing in cash and equity conversion, details of which are as follows:

Amount in ₹ Mn

| Financial Year | Principal Repayment | Interest Repayment | Conversion of debt in to Equity to PSU Lenders | Conversion of debt in to Equity to bond–holders | Repayment by way of Sale of Pledged Shares | Paid by ARC to PSU Lenders under Assignment Agreement* | Total Repayment |
|---|---|---|---|---|---|---|---|
| 2010–11 | 3,611 | 11,131 | – | – | – | – | 14,742 |
| 2011–12 | 2,332 | 5,689 | – | – | – | – | 8,021 |
| 2012–13 | 369 | 2,058 | 26,591 | 3,978 | – | – | 32,996 |
| 2013–14 | 1,201 | 7,983 | 2,507 | – | – | – | 11,690 |
| 2014–15 | 1,337 | 8,758 | – | 183 | – | – | 10,279 |
| 2015–16 | 1,953 | 8,558 | – | 112 | – | – | 10,624 |
| 2016–17 | 591 | 8,827 | – | 1,237 | – | – | 10,655 |
| 2017–18 | 41 | 4,522 | 45,012 | 3,842 | – | – | 53,416 |
| 2018–19 | 750 | 1,993 | – | 1,938 | – | 18,680 | 23,362 |
| 2019–20 | – | 2 | – | – | – | – | 2 |
| 2020–21 | 3,560 | 13 | – | 1,775 | – | – | 5,348 |
| 2021–22 | 2,800 | – | – | 1,267 | 139 | – | 4,206 |
| 2022–23 | 3,350 | – | – | 478 | 201 | – | 4,029 |
| 2023–24 (For 5 months) | 950 | – | – | 1,353 | – | – | 2,303 |
| **Total** | **22,984** | **59,535** | **74,110** | **16,164** | **340** | **18,680** | **191,673** |

* ₹ 18,680 Mn were paid by ARC to PSU lenders under Assignment Agreement.

Based on payments made in the immediately preceding financial year, the Company believes that if debt capital is correctly sized based on a TEV study (requested by the Company from time to time), the Company would be able to continue operations despite challenges in telecom sector and could seek to participate in the forthcoming 5G implementation. This could also help in restoring equity value for the lenders.

## 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 given for information purpose only. New risks and uncertainties arise from time to time and it is impossible for us to predict these events or how they affect us.

### Introduction – Objectives & Approach

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

At the Company, Risk Management is at the core of the operating structure of the Company and functions in parallel with the development and execution of management strategies. The Company's senior management and core functional officers, being Whole Time Director, Chief Financial Officer and the Legal and Secretarial teams, as a matter of routine, assess potential operating and strategic risks informally in order to ensure that the Company at all times has a mitigation plan in place. 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 continues to build and enhance the risk management capabilities that assist in delivering the growth plans in a controlled environment. Thus, the Company seeks to control adverse variations in earnings and capital by managing risk exposures within agreed levels of risk appetite.

### Market Risks

Revenue from existing business lines are dependent on the sustainability of the Telecom sector 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. Thus, the Company believes that factors have a significant direct impact on Compay's business, results of operations and financial positions.

Based upon the spectrum auctions, the license charges paid by the 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, 4G and 5G network rollout, and the amortization of spectrum charges) would place additional pressure on Telecom Operators' bottom lines.

The DoT amended the definition of AGR w.e.f. October 2021, to remove all non–telecom revenue. This change could help clarify that all the doubts and grey areas that have been a bone of contention between the Telecom Companies and the Government. Further, the Telecom Department has returned Bank Guarantees ("BGs") of ₹ 150,000 Mn to Vodafone Idea ("VIL") and ₹ 70,000 Mn to Bharti Airtel and asked the Telecom companies to refurnish BGs of an amount equal to their next payable installment 13 months. This will ease pressure on cash flows of Telecom Operators.

Bharat Sanchar Nigam Limited (BSNL) is gearing up for a fullf–ledged commercial launch of its fourth–generation or 4G services in India. Recently, the Centre has infused ₹ 8,905 Mn into BSNL as part of the third revival package, including allotment of 4G and 5G spectrum through equity infusion. The Company provides services to BSNL and its sites may attract additional tenancies from BSNL.

The Company is also optimistic about tapping the growth oppor–tunities available from 5G rollout by major Telcos and 4G services launch from one of the key operators.

### 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/4G 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. During last 2–3 years 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.

High investment in spectrum, equipment and low 5G tariff may further impact profitability / cash flow of Telecom Operators.

**Operator Consolidation**

The average revenue per user in India is amongst the lowest in the world. Further, in recent years, the industry has been through a phase of hyper–competition, resulting in consolidation amongst operators, phasing out many of the incumbent players leading to loss of tenancies. The consolidation wave has reduced the number of players to about 4 from ~18 players in 2011. The consolidation of operators has resulted in co– location churn for tower companies due to consolidation and rationalization of network. The Company has been a clear victim of the continued consolidation. This consolidation has resulted in significant loss of tenancies for the Company.

The Company proposes to leverage existing 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 in December 2016 that mobile towers are exigible to Property Tax. The said ruling means significant additional costs for telecom tower operators, resulting in a strain on liquidity. This issue affects all telecom infrastructure providers. The Company has agreements with some of its customers to obtain reimbursement of property tax liability and is currently negotiating similar rights with all its customers, so the Company may be in a position to recover some of the additional costs.

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 local statutory authority.

**STRATEGIC RISKS**

**Concentration Risk**

There is a high Concentration Risk for the Company for the following reasons:

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

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

**RISK ON ACCOUNT OF CUSTOMERS OVERDUE RECOVERY**

**Insolvency of Customers**

Aircel was the Company's single largest customer, contributing around 45% of revenue. On March 1, 2018, Aircel Group filed for insolvency proceedings under Section 10 of the IBC, 2016 before National Company Law Tribunal, Mumbai ("NCLT"). The Company has filed its claims against Aircel Group before Resolution Professional (RP) amounting to ₹ 133,940 Mn as Financial Creditor.

The Company's Misc. Application claiming Corporate Insolvency Resolution Process (CIRP) Cost has been approved by the NCLT, Mumbai vide order dated November 27, 2019 and December 06, 2019. Resolution Professional (RP) has filed an appeal being Company Appeal (AT) (Insolvency) No. 1410 of 2019 against Para 33 of the Order dated November 27, 2019 where CIRP Cost of the Company has been approved by NCLT and second appeal being 1503 of 2019 filed by the Resolution Professional against the order dated December 06, 2010 (which is essentially clarified and extensions of earlier order stated at Para 33 of order dated November 27, 2019). SBI and Committee of Creditors ("COC") has also filed an appeal being Company Appeal (AT) (Insolvency) No. 26–27 of 2019 and opposing CIRP payments to the Company. The accumulated CIRP cost to the date is ₹ 9,167 Mn.

Another Misc. Application filed by Company challenging reclassification of the Company from Financial Creditor to Operational Creditor and subsequent verification of the Company's Claims as Financial Creditor has been disposed of and the Company's claim has been rejected by the NCLT on November 27, 2019. Against the said order, the Company has also filed an appeal being Company Appeal (AT) – (Insolvency) No. 08 of 2020 before National Company Law Appellate Tribunal, New Delhi ("NCLAT") challenging that portion of the Order dated November 27, 2019 to the extent it relates to NCLT Mumbai rejecting the Company's claim as Financial Creditor.

The RP has filed an application under Section 31 before the NCLT Mumbai for approval of the Resolution Plan and the same has been approved by the NCLT on June 9, 2020. The Company has challenged the said NCLT order dated June 9, 2020 by way of an appeal being Company Appeal (AT) (Insolvency) No. 734 of 2020, filed before NCLAT New Delhi as the Company's CIRP cost approved by NCLT has not been considered in the Resolution Plan.

The Company's claim against Reliance Communication Limited and Reliance Telecom Infratel Limited including that of Sistema Shyam Teleservices Ltd. ("SSTL") to the tune of ₹ 1,502 Mn. as Operational Creditor has been filed before IRP on May 21, 2019 and moratorium period is effective. No invitation has been given to the Company for Committee of Creditors meeting, as our claim does not meet the criteria of 10% claim.

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

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

**Recovery Proceedings**

The Company has experienced delays and defaults in recoveries of its dues for over six months or at times, in respect of some sites, even up to a year from one of its existing customers. The Company has invoked arbitration proceedings against the said customer before Single Arbitrator appointed by Hon'ble Delhi High Court. The Company has filed claim of ₹ 3,652 Mn against the said customer whereas the said Customer has filed a counter claim of ₹ 5,003 Mn. The matter is posted for Cross examination of Company's witnesses.

Through ATC Telecom Private Limited ("ATC"), Company had provided Infrastructure Services to Telenor (India) Pvt. Ltd. Since Telenor got merged into Bharti Airtel Limited, consequently, exit notices were issued by ATC for its tenancies with the Company taken for its customer Telenor. ATC also owes several amounts to the Company under multiple binding agreements and the Company believes that it would be essential to proceed for recovery. As such Company has invoked arbitration proceedings against ATC for CNIL Sites before Single Arbitrator Hon'ble Retd. Justice Manmohan Singh. The Company has filed its Statement of Claim and ATC has also filed their Statement of Defence. Issues have been framed. Company's witness cross examination has been completed and now the matter is posted for cross examination of ATC's witnesses. The Company has also filed a Summary Suit before Bombay High Court for GIL Sites and the matter is now posted for framing of the issues. The Company has a total claim of ₹ 412 Mn against ATC.

Another existing customer had given exit notices on 2,899 FPT sites, out of the said sites 1,359 FPT sites are within lock in period for which the Company has raised the exit penalty claim to the tune of ₹ 773 Mn along with interest of ₹ 380 Mn as on June 30, 2023. Post several reminder letters, the Company is in process of filing a Commercial Suit before Hon'ble Bombay High Court. As of June 30, 2023 the total outstanding claims are approximately ₹ 2,982 Mn.

Further, initial term of the Master Service Agreement with few customers has also expired. Few Customers are also opting for exit from sites where lock–in has expired resulting in loss of tenancies for the Company.

Following table depicts claims of the Company as on June 30, 2023 against telecom operators:

| Name of Operators | Amount of claim (in ₹ Mn.) |
|---|---|
| Aircel – Exit Penalty | 1,43,940 |
| RCOM | 1,334 |
| MTNL Del + Mum | 312 |
| Datacom | 654 |
| ATC Viom | 412 |
| SSTL | 168 |
| Others including existing operators / Customers | 7002 |
| **Total** | **1,53,822** |

* Certain operators have disputed the claims of the Company

During the year, the Company managed to recover ₹ 290 Mn from Tata Teleservices, one of its customers, through the arbitration process

**THEFT/DISMANTLING OF TOWERS**

14 telecom customers, upon their shutdown or exit, abandoned more than 14,000 of the company's towers. This resulted in making such towers unoccupied and loss of revenue towards the Infrastructure Provisioning Fees / Rental on such towers in respect of which the Company continues to pursue contractual claims of approx. ₹ 153,822 Mn from various customers. In view of above, the rental to landlords, taxes & other dues related to unoccupied towers remained unpaid, many of which are pass through payments for the Company. Further, the Company has requested EARC, being Monitoring Institution, for payments due to the landlords of the unoccupied sites, however the same is yet to be approved. Due to non–receipt of rentals, many of landlords blocked access to Company's employee to site. Resultantly, disgruntled landlords / unknown miscreants resorted to unauthorized dismantling of the tower sites. 2,932 sites got dismantled during the year ended March 31, 2023 (259 sites during the year ended March 31, 2022) out of the above unoccupied sites. Further, 476 sites were stolen/ dismantled as of June 2023.

The Company, on its part, are taking various mitigation measures to protect its assets such as carrying out additional survey of its sites, discussion with landowners for convincing them for not resorting to such actions, implementation of round the clock surveillance system in the form of a dedicated Tower Vigilance Team (TVT) to effectively minimize and prevent theft of tower assets, negotiating with customers / telecom operators for getting new tenants on such unoccupied towers, requesting lenders for making rent payments, submission of proposal to lenders for unfeasible sites etc. However, there was no co–operation from lenders towards settlement of rent liability. The Company has also initiated process of taking legal actions and filing of FIR against such landowners / miscreants who have resorted to dismantling of towers.

The Company had also attempted to salvage unoccupied tower sites and accordingly resolution plans submitted by the Company to the lenders included payment of rent to landowners, settlement to vendors and employees. However, none of the resolution proposals were considered or even responded to by the lenders. Thus, there is a risk of further theft/ dismantling of un–occupied / discontinued sites of the Company if the said issue remains unresolved.

**RISK RELATING TO DEBT**

The various extraneous developments in telecom sector as reported from time to time especially during the last 3–4 years, once again unavoidably pushed the Company to realign its overall debt (including unsecured foreign currency bonds) to sustainable level with revised cash flows. In April 2018, the Company had proactively presented a Resolution Plan (with an intent to maximize recovery of dues) to the lenders who constituted a significant majority of the outstanding debt of the Company. Instead, the lenders had elected to pursue sale of their debt to an Asset Reconstruction Company. As on date, 79.34% of the Indian Rupee Lenders have assigned their respective rights, title and interest in the financial assistance granted to the Company in favour Edelweiss Asset Reconstruction Company Limited ("EARC"), acting as a trustee on behalf of EARC – Trust SC 338.

Few lenders did not assign their respective debt. Instead, Canara Bank chose to file Insolvency Application. Initial application was dismissed following the Hon'ble Supreme Court's decision in Dharani Sugar vs. Union of India & Ors. Fresh application was filed before NCLT, Mumbai, once again seeking initiation of CIRP in respect of the Company.

The said petition was dismissed by Hon'ble NCLT, Mumbai on November 18, 2022. The Hon'ble NCLT held that the business of the Company is sustainable, it is a viable going concern under its current management and the overall financial health of the Company is not bad enough to be admitted under CIRP. Against the dismissal order of November 18, 2022 Canara Bank preferred an appeal before Hon'ble NCLAT at New Delhi. The Company has filed its reply to the said NCLAT petition and the matter is posted for admission hearing. In the meantime, EARC who is the lead lender has also filed its intervention application in the said NCLAT appeal and in that also Company has filed its reply and the said matter is also posted for final hearing.

Based on payments made in the immediately preceding financial year, the Company believes that if debt capital is correctly sized based on a TEV study (requested by the Company from time to time), the Company would be able to continue operations despite challenges in telecom sector. This could also help in restoring equity value for the lenders.

Further, the said lender i.e., Canara Bank and also Indian Bank and Union Bank of India have filed an application against the Company for recovery of its debts before the Debt Recovery Tribunal, Chennai.

Thus, any further delay in implementation of the Resolution Plan will negatively impact the sustainability of the Company. Further any attempt to pursue a resolution plan under Insolvency and Bankruptcy Code 2016 ("IBC") will lead to erosion of debt and equity value as there is a risk of exits by customers from lock–in agreements if the insolvency is admitted.

### RISK RELATED TO GTL INSOLVENCY

One of the secured lenders of GTL Limited has filed Insolvency petition against GTL before the NCLT, which is pending before NCLAT. Since Operation, Maintenance and Energy activity is critical for stability of network of the Company and is being managed by GTL, admission of GTL into NCLT may impact network significantly.

### FOREIGN CURRENCY CONVERTIBLE BONDS RISK

As stated in Risk Management Section of Annual Report for 2021–22, the trustee of Series A FCCB has filed a Commercial Suit before the Hon'ble Bombay High Court for recovery of US$ 28 Mn.

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 of US$ 27 Mn. with further default interest on the Redemption amount in terms of Acceleration Notice.

Series B2 Bonds are redeemable and have matured on October 27, 2022. The lead lender has informed the Company that till the time the entire outstanding secured debt of the secured lenders is fully paid off, no other creditor including Series B2 bondholders, which rank sub–ordinate to the secured creditors, can be paid in priority. As a result, the Company could not redeem Series B2 Bonds on its maturity. Thus, in absence of restructuring by secured lenders there is risk of action by the bondholders against the Company.

### COMPETITIVE RISKS

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

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

### OPERATIONAL RISKS

#### Supply Chain Risk

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

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

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

#### Manpower Risks

Over the years, exit of tenants due to shut downs or consolidation in telecom sector, the Company has implemented various cost optimization measures. The Company may face increased levels of attrition, due to inter–creditor disputes and threat of NCLT proceedings, resulting in challenges in project execution and service delivery, especially considering 5G implementation by Telecom Operators.

#### 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. Further this may also result in tenancy exits for non–maintenance of contractual SLAs.

The Company has drawn up Capex plan for upgradation of its site equipment, however cash flow constraints may restrict implementation of capex plan.

#### Legal, Contractual and Compliance Risk

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

Considering pending application before NCLT, in the event of admission of the Company under IBC the Customers may exit from sites, which may in turn result in loss of business for the Company.

The Company may also lose its right to claim lock in compensation. The Company has made lenders aware of the same.

The Central Bureau of Investigation has filed a FIR dated August 16, 2023 against the Company, unknown public servants and unknown persons as stated therein.

The Company believes that (i) the decision to assign the lenders' debt to ARC, was entirely that of the lenders and the Company was no way involved in the decision–making process. This was based on lenders' own commercial wisdom and on an independent process followed by the lenders; (ii) the Company has complied with all relevant sanctions, approvals and regulations.

The Company continues to operate in normal course of business and does not see any material impact on the operations of the Company.

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

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

**Environmental Risk**

The Company's assets are subject to risk from natural disasters like cyclone or external factors. The Company maintains insurance for its assets which cover for damages caused by fire, special perils and terrorist attacks. However, disruption to the Company's network from natural calamities, though temporary in nature, is always a possibility. There are some environmental concerns from citizen's groups as well. Electromagnetic Field ("EMF") radiations are the invisible electric and magnetic forces arising from the active infrastructure installed at telecom towers. In the recent past some citizen's groups have raised concerns around the radiations and its ill effects. Although the risk related to EMF radiation if any, 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.

| Sr. No. | Type of Risk | Mitigation Plan |
|---|---|---|
| 1 | **Liquidity and Leverage Risk** | The Company is ensuring that monthly Infrastructure Provisioning Fees and other Revenue streams such as Energy, Rent etc. are realised in best possible way. Timely revision in Energy Billing contracts with Telcos is attempted to improve liquidity flow.<br><br>Reduction in various operating costs as per Cost Optimisation Plan has ensured cost optimisation compared to tenancy exit and revenue losses.<br><br>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 some of this additional cost completely. |
| 2. | **Risk on account of Customer Overdue Recovery** | The Company has already initiated the arbitration and recovery proceedings against the defaulting customers. The Company has also submitted its claims with respective Resolution Professionals where CIRP process has been initiated against our customers. |
| 3. | **Operational Risk** | End of life equipment needs to be upgraded or replaced. The Company has accordingly invested in certain projects and ensured its network is upgraded as with latest technology/ equipment.<br><br>SLA penalties have been reduced by resolving infra and non–Infra issues in time and additional CAPEX infusion. This has resulted in maintaining network uptime at 99.90% under normal conditions. Thus, The Company tries its best to keep the customer focus / maintenance and network uptime.<br><br>To effectively mitigate the risk associated with manpower attrition, the company has implemented a robust and comprehensive policy focused on retaining its high–performing employees. |
| 4. | **Sustainability of Debt Risk** | In accordance with the revised Prudential Guidelines issued by the Reserve Bank of India, the Company has presented a Resolution Plan for consideration of lender consortium. The Company is waiting for directions from the lenders/Courts on the way forward, which may include pursuing of the proceeding before the NCLT under IBC. |
| 5. | **Environmental Risk** | The Company's assets are subject to risk from natural disasters or external factors. The Company maintains insurance for its assets which cover for damages caused by fire, special perils and terrorist attacks. However, disruption to the Company's network from natural calamities, though temporary in nature, is always a possibility. |

## 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 aperiodic 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 organizational performance and contribute towards accomplishment of its objectives.

## QUALITY

The Company is following ISO 9001:2015 standard. The standard has helped the Company in periodically giving recommendations for achieving long–term, sustained success and focus on meeting the needs and expectations of all relevant stakeholders. As part of the continuous learning process, the Company updates its processes and quality plans, whilst reviewing the said process for suitability and sustainability. These processes are documented and maintained by the concerned process owners, and may be audited as and when required by an independent QMS team to assess the level of maturity of the different components of the system and identify and prioritize potential areas for improvement. Modifications are made to the processes where required to help the organization.

### HSE Responsibility

The Company educates its employees for identified needs related to HSW like electrical safety requirement, height safety training, first–aid, road safety, 4–wheeler defensive driving, absolute safety rules (ASR) and other specific trainings as may be required for delivering the job. Regular field visits are conducted by the Management teams to ensure all health and safety related matters are complied with in order to minimize the consequences of occupational hazards, accidents and injuries, and occupational and work–related accidents. The Company carries out regular assessment of conditions of occupational hygiene and factors in the organization of work which may give rise to risks for the health of workers.

# Human Resources

*Our people are our best assets.*

*GTL Infrastructure – A diverse workplace*

Their skills, responsibilities they take, their achievements and commitment are our biggest strength. We encourage our employees to discover and realize their true potential.

Acquiring diverse experiences, accomplishing challenging tasks and continually learning and upskilling is enabling them to deliver their best in very difficult situations. By identifying, developing and nurturing quality talent at every stage of the employee lifecycle, we are empowering them to become future ready and build rewarding careers.

Keeping employee wellbeing foremost, we have embraced the post–pandemic way of life and work.

With volatility rising in the external environment, a holistic approach has been adopted to proactively identify and address all potential capability gaps.

Training and Talent development though at a very minimal stage remains a focused initiative. The Training and coaching within the organization ensures that we maintain a healthy succession pipeline of critical and leadership roles.

This enables us to identify, groom and develop potential candidates across the organization.

To provide employees with growth opportunities across functions, locations and business units has always been the Management's prerogative.

### HR Mantra

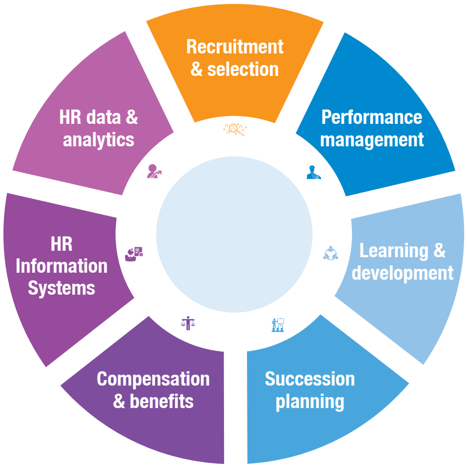
Over the years, the Company philosophy has been to build trust, respect and fairness across all levels in the work force. Our work force is the most important aspect of our business and hence encouraging them to work in teams and perform to the best to their abilities, becomes the core of the Company's HR Philosophy. However, on top of all of this integrity is regarded as the ultimate asset in our individual / Company relationship.

### Human Resource Strategy

Our HR Strategy revolves around the business strategy and the capabilities of our workforce. The HR Team along with business managers continuously work on processes and systems to continually build employee capabilities in order to ensure the corporate objectives are met.

All our HR processes have always been tuned towards equipping the work force to work smarter, rather than harder.

**Our key processes are as below.**




The HR processes are geared to enhance employee productivity and ownership in the Company.

- Talent acquisition
- Learning & development
- Performance management
- Rewards & recognition
- Employee engagement
- Work–Life balance
- Employee feedback & redressal

**a) Talent acquisition:**

The Talent acquisition team's primary goal is to identify and hire the best talent to fill specific roles in the company

The Company believes in grooming internal talent, as well as sourcing capable resources from the industry. This helps the Company to challenge our internal systems as well as bring about positive changes in the Company.

The Company is looking at enhancing competencies across all functions.

HR is acquiring talent for defined key positions and ensures better customer service, organization goals and business objectives. In this financial year we focused on building the sales and network teams across to meet the customer's needs.

We also stepped up recruitment in the TVT department to ensure safety of our towers.

This has helped the Company to focus on its core resulting into improved network uptime and customer satisfaction.

As on March 31, 2023, 792 were employed by the Company on a combined basis (including Associates) out of which 727 resources are on the Company's payroll.

**Employee Strength:**

**b) Learning & Development:**

The training initiatives taken this year within the organization were designed with one single focus which was to improve the job performance of the employees. These programs typically involve advancing the employee's knowledge and skill sets and instilling greater motivation to enhance job performance.

In the last year, due to a limited training budget the Company focused on technical training, team building and statutory training (POSH).

This training equipped our employees to manage our customers effectively and provide them with good services.

The Company has successfully trained approximately 492 employees across the country.

**c) Performance Management:**

The performance management system in the Company is structured to get the best out of every employee. It revolves around –

1. Goal setting:

   Employees are made to understand the Organisation's short term and long term objectives through a formal communication plan. Post the communication employees fill in their individual and team objectives through an online system.

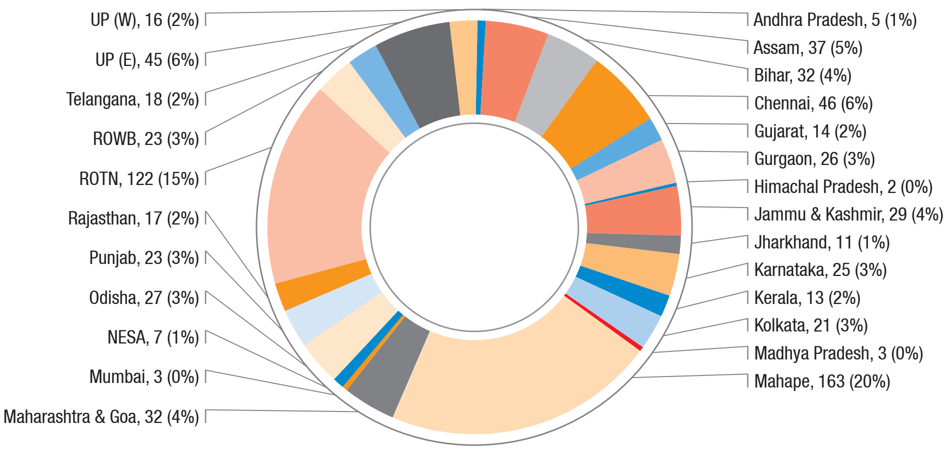
2. Reviewing and monitoring the work force performance
3. Assessing the competencies to achieve the objectives
4. Training to build capabilities
5. To reward and recognize employees

**d) Rewards & Recognition:**

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

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

The Company promotes a spot awards program which is created to recognize and reward employees who have significantly contributed to achieve the goals of the Company and have gone beyond their normal scope of work. Spot awards are designed to recognize specific contributions, as they occur for a specific project or task.




**Manpower Count as of March 31, 2023 : 792**
**On roll of company : 727**
**Associates : 65**

These awards are presented at any time and are meant to provide immediate recognition to employees.

Besides the spot awards employees are incentivized on annual basis based on their performance.

e) **Employee Engagement:**

Employees are our most important asset and helping them to grow professionally is crucial to our success and well–being. The employee engagement initiatives at the Company are undertaken with an objective of shaping a positive experience that drives advocacy, productivity and profitability.

The Company has several initiatives that continue to yield positive results.

Other initiatives, besides awards include sharing key business news with employees for discussion and ideation, induction program, training, KRA week and events holding intra Company Sports Competitions .

f) **Work life balance:**

Work life balance is about creating and maintaining supportive and healthy work environments, which will enable employees, have a balance between work and personal responsibilities and thus strengthen employee loyalty and productivity. Efforts to help employees improve work life balance can improve morale, increase job satisfaction and strengthen employees' commitment to the Company. Additionally, benefits may be reaped in terms of increased productivity and reduction in absenteeism and employee turnover.

Work life balance initiatives offered to our employees are –

- flexible work arrangements such as flexi time and telecommuting
- eldercare benefits (Mediclaim Insurance)
- benefits for family members and domestic partners
- wellness program (Health Check –ups by reputed doctors/ physicians at the premises)

g) **Employee Feedback and Redressal:**

Employee feedback is one of the key processes conducted by the Company. The feedback comes in through:

Circle / Site visits by Senior Management on a periodical basis and an open houses on a regular basis. Open house sessions with the Core Management Team aligns company with purpose, talks to employees about benefits and reminds employees of the company's mission and values.

**Plan for the year ahead:**

- We aim to improve our internal training system to ensure that each individual is equipped with requisite tools and skills to achieve individual goals which in turn ensures organization growth and success.
- To raise the performance bar by increasing the competencies of all employees.
- To overall improve productivity

## DIVERSITY AND INCLUSION

The Company believes that diversity and Inclusion at the workplace helps us nurture stability, strength and innovation.

By capitalising on the of opinions and perspectives coming from employees with diverse age, gender and ethnicity the Company is able to manage very effectively in very difficult situations.

The Company has organized a series of events and a few other initiatives to help create an open mind and culture.

Development of Women in the organisation has also helped with clear focus on nurturing their career journeys, to help the Company build a pipeline of diversified leaders in near future.

## PREVENTION OF SEXUAL HARASSMENT

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Internal Complaints Committee ('ICC') is in place for all works and offices of the Company to redress complaints received regarding sexual harassment. During FY 2022–23, the Company had received no complaints on sexual harassment.

*Employee engagement sports program.*

*POSH training.*

# Corporate Social Responsibility

The Company discharges its social responsibilities through employee volunteerism, payroll giving and other non–financial means by supporting the causes adopted by Global Foundation. Beneficiaries supported are from all the telecom circles of India where the Company owns and operates its towers.

For the FY 2022–23, emphasis was placed in the areas of Education, Health & Hygiene, Sanitation, Disability and Community Development. We are happy to share that Global Foundation served around 7,600 beneficiaries in FY 2022–23 against around 7,000 in FY 2021–22 as under:

**Education:**

- Education of 1,450 students was supported by awarding need cum merit–based Scholarships / Financial Aid.
- To bridge the digital divide and contribute to our country's vision of "Digital India", Computer Literacy & Skills trainings were imparted to 346 rural children.

**Health, Hygiene and Sanitation:**

- To ease out the financial burden medical aid was provided to 70 patients.
- Medical/health camps were organised in rural areas for preventive health check–up. These camps were attended by 6,140 people benefitting from diagnosis of illness/ ailment and referral for treatment at hospitals.

**Disability:**

- For over two decades, Global Foundation has devotedly worked towards the advancement of the Visually impaired. As a step towards their self–sustenance Computer courses and workshops on Android technology were conducted during the year. Yoga sessions complimented for the mental well–being and personality enrichment.

**Community Development:**

- Support was extended to NGOs working for the development of mentally challenged children and female children.

*Our rural student beneficiaries.*

*Computer skills enhancement training for the visually impaired.*

To

The Members,

Your Directors are pleased to present their Twentieth Annual Report together with the Audited Financial Statements for the year ended March 31, 2023.

## 1. STATE OF COMPANY'S AFFAIRS

**Financial Highlights:**

(₹ in Lakhs)

| Particulars | FY 2022–23 | FY 2021–22 |
|---|---|---|
| Revenue from Operations | **145,786** | 146,273 |
| Other Income | **2,747** | 1,416 |
| **Total Revenue** | **148,533** | 147,689 |
| Profit / (Loss) before Depreciation & Amortization Expenses, Finance Costs, Exceptional Item & Tax | **5,513** | 42,586 |
| Less: Depreciation & Amortization Expenses | **50,357** | 50,319 |
| Profit / (Loss) before Finance Costs, Exceptional Item & Tax | **(44,844)** | (7,733) |
| Less: Finance Costs | **78,193** | 73,388 |
| Profit / (Loss) before Exceptional Items & Tax | **(123,037)** | (81,121) |
| Less: Exceptional Items [Impairment of Assets] | **58,654** | 66,346 |
| Profit / (Loss) before Tax | **(181,691)** | (147,467) |
| Less: Tax Expenses | **–** | – |
| **Profit / (Loss)** | **(181,691)** | (147,467) |
| Other Comprehensive Income | **9** | (66) |
| **Total Comprehensive Income** | **(181,682)** | (147,533) |

The Figures for the corresponding previous year have been regrouped / reclassified wherever necessary to make them comparable.

**Results of Operations**

Key Highlights of the Company for the financial year ended March 31, 2023 are as under:

- Total Revenue from Operations for current financial year stands at ₹ 145,786 Lakhs as against ₹ 146,273 Lakhs for the previous financial year.
- Normalized EBITDA for current financial year stands at ₹ 21,316 Lakhs as against ₹ 23,349 Lakhs for the previous financial year.

**Telecom Sector Developments and its impact**

The Company has from time to time informed about various developments in Indian Telecom Sector, which were beyond the control of the Company and the management. The first set of issues included the landmark judgement of the Hon'ble Supreme Court cancelling 122 2G telecom licenses in February 2012 (including licenses of Uninor, Videocon, Etisalat, Idea and Tata), the Vodafone Tax issues, the 3G auctions and the unsustainable debt accumulated by the telecom companies. All these factors led to mass exits of operators and significant scale down by the remaining. As a result, majority of the Company's telecom sites turned into single tenant sites.

Thereafter, the year 2017–18 has seen unprecedented shutting down of some of the major telecom operators such as Aircel Group (then largest customer of the Company), Tata Teleservices, Reliance Communication, Sistema Shyam (merged with Reliance Communication) and Telenor (merged with Airtel). The table below, clearly highlights the impact of tenancy loss the Company has faced over the last decade, despite having long term binding contracts with telecom operators:

| Sr. No. | Events of Tenancy Loss | No. of Tenancy | Period | Comments |
|---|---|---|---|---|
| 1. | Cancellation of 2G licenses | 4,319 | Upto December 2017 | Supreme Court Judgement on cancellation of 122 2G telecom licenses |
| 2. | Slower 3G/BWA growth | 4,750 | Since FY 2012–13 | Industry slowdown following the Supreme Court verdict |
| 3. | Operator scale back due to auction | 3,500 | | |
| 4. | Aircel default of commitment of additional 20,000 tenancies | 15,200 | May 2014 | Legal and financial issues |
| 5. | RCom shutdown of wireless business | 1,386 | August & September 2017 | Unsustainable business due to competition |
| 6. | TATA exit from wireless business | 2,910 | Since May 2017 | |
| 7. | Merger of Vodafone – Idea (VIL) | 3,227 | Since April 2018 | Forced industry consolidation due to competition |
| 8. | Consolidation of Telenor with Airtel | 1,395 | During FY 2018–19 | |
| 9. | Aircel filing of bankruptcy | 23,727 | January 2018 | Unsustainable business due to competition |
| 10. | BSNL exits due to uncertainty of collection | 1,767 | Since FY 2018–19 | Unsustainable business due to competition |
| 11 | Exit during business course with various reasons | 4,923 | Since April 2013 | |
| | **Aggregate tenancy loss from 2012 to 2023** | **67,104** | | |

Resultantly, these operators abandoned tower sites of the Company making more than 14,000 towers sites unoccupied, which is more than 50% of the total tower portfolio. These discontinuing operators did not make any payment of their contractual dues to the Company, including rent payable to landlords, statutory dues such as property tax, NA tax, local body tax, employees' dues and vendors' claims etc., many of which are pass through payments for the Company. As a result, the Company was saddled with substantial costs and liabilities including rents, vendors' claims and statutory dues on such unoccupied towers without any revenue. The Company has requested Edelweiss Asset Reconstruction Company Limited ("EARC") being Monitoring Institution, on regular basis for making payments due to the landlords of the unoccupied sites, however, the same is yet to be approved.

The Company had also attempted to salvage unoccupied tower sites and accordingly resolution plans submitted by the Company included payment of rent to landowners, settlement to vendors and employees. However, none of the resolution proposals were considered by the lenders. The lenders rather chose to appropriate ₹ 1,06,600 Lakhs till date without even addressing issues of unpaid liabilities towards unoccupied towers. Additionaly, ITSL (at the behest of lenders) realized ₹ 3,401 Lakhs by way of sale of pledged equity shares.

Due to non–receipt of the rental amounts from the discontinuing operators as per contractual arrangement, pending approval of payment requests of the Company with the Monitoring Institution and non–resolution of issue of unpaid liabilities towards unoccupied towers, the rentals to landlords for those unoccupied sites remained unpaid. Many of the landowners blocked access to our Company's employees to the sites and initiated legal actions against the Company and its directors / officials. Such disgruntled landlords / unknown miscreants resorted to unauthorized dismantling of sites.

The Company, on its part, are taking various mitigation measures to protect its assets such as carrying out additional survey of its sites, discussion with landowners for convincing them for not resorting to such actions; negotiating with customers / telecom operators for getting new tenants on such unoccupied towers, deployment of Tower Vigilance Team, submission of proposal to lenders for unfeasible sites etc.

Despite continuous efforts of the Company, its Board of Directors and the management to protect its assets, 2,932 sites got dismantled during the financial year ended March 31, 2023 out of unoccupied sites. The Company continues to pursue its insurance claims and appropriate actions against the landlords / unknown miscreants including filing FIR, wherever applicable.

**Assignment of Debt to ARC**

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

However, the lenders on their own discretion elected to pursue sale of their debt to an Asset Reconstruction Company (ARC) and accordingly, in an independently run process by the lenders, 79.34% of the Indian Rupee Lenders assigned their respective rights, title and interest in the financial assistance granted to the Company in favour of EARC.

In the meantime, one of the secured lenders filed petition before the National Company Law Tribunal, Mumbai Bench ("NCLT") under Insolvency & Bankruptcy Code, 2016 for initiation of Corporate Insolvency Resolution Process ("CIRP").

Further, the Central Bureau of Investigation has filed a FIR dated August 16, 2023 against the Company, unknown public servants and unknown persons as stated therein. The Company believes that (i) the decision to assign the lenders' debt to ARC, was entirely that of the lenders and the Company was no way involved in the decision–making process. This was based on lenders' own commercial wisdom and on an independent process followed by the lenders; (ii) the Company has complied with all relevant sanctions, approvals and regulations.

The Company continues to operate in normal course of business and does not see any material impact on the operations of the Company.

**Dismissal of Petition for initiation of CIRP**

The Hon'ble NCLT vide its order dated November 18, 2022 has dismissed petition filed by one of the secured lenders for initiation of CIRP under Section 7 of the Insolvency & Bankruptcy Code, 2016 ("IBC"). The said lender has filed an appeal against this order before the Hon'ble National Company Law Appellate Tribunal ("NCLAT''). EARC who is the lead lender of the Company has filed its Intervention Application in abovementioned Appeal. The Company has filed its reply to the appeal as well as EARC intervention application and now matter is posted for hearing.

**Going Concern**

Events, as stated in Financial Statements for the year ended March 31, 2023, cast significant doubt on the Company's ability to continue as a going concern. However, with the telecom sector moving towards stabilization, management believes that below events in telecom sector are positive developments which will lead to increased demand for its towers and thereby increase in the revenue and EBITDA levels.

1. Revival package approved by the Government of India for telecom sector;
2. Hike in mobile call and data tariffs by telecom operators;
3. Mapping of sites for 5G rollout by the operators.

In addition to the above, various resource optimization initiatives undertaken by the Company, can lead to stabilization and revival. The Company is also regular in payment of statutory dues, taxes, employee dues etc. Further, the Company also continues to pursue contractual claims of approx. ₹ 15,34,023 Lakhs (as on June 30, 2023) from various operators in respect of premature exits by them in the lock in period. One of such claims of the Company against Tata Teleservices was settled during the year resulting in receipt of arbitration award in favour of the Company and consequent recovery of ₹ 2,900 Lakhs.

It was also observed in the order dated November 18, 2022 passed by the Hon'ble NCLT that the business of the Company is sustainable, it is a viable going concern under its current management and the overall financial health of the Company is not bad enough to be admitted under CIRP.

Considering the above facts, decision of NCLT in favor of the Company and as the Company does not have any intention to stop its operations or liquidate its assets, the Company continues to prepare the books of account on Going Concern basis.

## 2. RECENT DEVELOPMENTS AT MACRO AND MICRO ECONOMIC LEVEL

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

## 3. MANAGEMENT DISCUSSION AND ANALYSIS

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

## 4. DEBT RESTRUCTURING

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

## 5. TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserve for the financial year ended March 31, 2023.

## 6. DIVIDEND

Since your Company has posted losses for the current financial year, your Directors express their inability to recommend any dividend on the paid up Equity Share Capital of the Company for the financial year ended March 31, 2023.

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

## 7. SHARE CAPITAL

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

| Particulars | No. of Equity Shares |
|---|---|
| **Equity Shares as on April 1, 2022** | **12,62,33,26,856** |
| Add: Allotments of Equity Shares to Bond Holders upon conversion of Bonds during the year | 4,77,75,890 |
| **Equity Shares as on March 31, 2023** | **12,67,11,02,746** |
| Add: Allotments of Equity Shares to Bond Holders upon conversion of Bonds post March 31, 2023 | 13,59,18,201 |
| **Equity Shares as on September 5, 2023** | **12,80,70,20,947** |

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

Further to information furnished in the previous year Directors' Report 9,45,82,939 equity shares allotted to Trust are yet to be listed due to pending receipt of requisite details from 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 | 53,016.5 | 48,805 | 19,748 | 121,523.5 | 79,18,86,672 |
| Balance as September 5, 2023 | 27,728.5 | 37,612 | 10,330 | 75,716.5 | – |

* Series B1 and B3 bonds have become compulsorily convertible upon maturity date i.e. October 27, 2022. The Company has requested bondholders to share their respective details for converting bonds and crediting equity shares to their respective accounts. However, the Company is still awaiting the relevant details of bondholders w.r.t. 27,728.50 Series B1 Bonds and 10,330 Series B3 Bonds.

** Series B2 Bonds are redeemable and have matured on October 27, 2022. The lead lender has informed the Company that till the time the entire outstanding secured debt of the secured lenders is fully paid off, no other creditor including Series B2 bondholders, which rank sub–ordinate to the secured creditors, can be paid in priority. Hence, the Company could not redeem Series B2 Bonds on its maturity. In terms of Terms and Conditions of Series B2 Bonds, bondholders can exercise their right for conversion of bonds into equity shares till the date of receipt of redemption amount by the Principal Agent / Trustee of the Series B2 bonds.

If bonds are converted into equity shares of the Company, the number of equity shares would go up by 49,29,07,042.

## 8. FIXED DEPOSITS

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

## 9. MATERIAL CHANGES AND COMMITMENTS

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

## 10. PROMOTER GROUP

The Company was promoted by GTL Limited ("GTL"). Subsequent to lenders action to convert debt in to equity and action by lenders of GTL under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, total equity holding of Promoter groups reduced to 3.28%.

## 11. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, in respect of financial year ended March 31, 2023 confirm that:

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

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

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

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

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

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

## 12. DIRECTORS & KEY MANAGERIAL PERSONNEL

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

During the year, Mr. Milind Naik (DIN: 00276884), who was associated with the Company as Whole–time Director of the Company, has tendered his resignation with effect from September 22, 2022. The Board places on record its deep appreciation and respect for the valuable advice and guidance received from Mr. Milind Naik during his tenure as a Whole–time Director of the Company.

The Board appointed Mr. Vikas Arora (DIN:09785527) as Whole–time Director of the Company with effect from November 10, 2022, which was approved by the Shareholders of the Company on February 5, 2023.

The Board appointed Mrs. Sunali Chaudhry (DIN: 7139326) as an Additional Director of the Company with effect from September 5, 2023, subject to approval of the Shareholders at the ensuing AGM.

Resolutions seeking Shareholders approval for their appointment/ re–appointment along with other required details forms part of Notice.

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

## 13. DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors of the Company have furnished a declaration to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act, along with the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

## 14. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met Eight (8) times during the financial year, the details of which are given in Corporate Governance Report that forms part of this Report.

## 15. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act and Corporate Governance requirements as prescribed by the Listing Regulations.

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

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

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

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

## 17. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each director, chief financial officer, company secretary or manager, if any, in the financial year:

| **Executive Director** | **Ratio to median remuneration** | **% increase in remuneration in the financial year** |
|---|---|---|
| Mr. Vikas Arora | 1:11.62 | $ |
| **Non–executive Directors** (sitting fees only)** | **Ratio to median remuneration** | **% increase in remuneration in the financial year** |
| Mr. Manoj G. Tirodkar | N.A. | N.A. |
| Mr. N. Balasubramanian | N.A. | N.A. |
| Dr. Anand P. Patkar | N.A. | N.A. |
| Mr. Charudatta K. Naik | N.A. | N.A. |
| Mr. Vinod B. Agarwala | N.A. | N.A. |
| Ms. Dina S. Hatekar | N.A. | N.A. |
| **Chief Financial Officer** | | |
| Mr. Bhupendra J. Kiny | – | 20%# |
| **Company Secretary** | | |
| Mr. Nitesh A. Mhatre | – | 5% # |

$ appointed as Whole–time Director w.e.f. November 10, 2022.

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

# Considered only CTC while calculation.

ii. The percentage increase / (decrease) in the median remuneration of employees in the financial year: 22%

iii. The number of permanent employees on the rolls of the Company: 727

iv. Average percentage increase already made in the salaries of employees other than the managerial personnel in last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase in salaries of employees is 7.7.%. Mr. Vikas Arora, Whole–time Director was appointed w.e.f. November 10, 2022, hence comparison cannot be provided.

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

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

## 18. INTERNAL FINANCIAL CONTROL SYSTEMS

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

## 19. AUDIT COMMITTEE

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

## 20. AUDITORS AND AUDITORS' REPORT

M/s. Pathak H.D. & Associates LLP (FRN: 107783W / W100593), Chartered Accountants, Mumbai hold office till conclusion of twentieth (20th) AGM of the Company. The Board has recommended the appointment of M/s. CVK & Associates (FRN: 101745W), Chartered Accountants as the Statutory Auditor of the Company in their place, for a term of five consecutive years, from the conclusion of twentieth (20th) AGM of the Company scheduled to be held in the year 2023 till the conclusion of twenty fifth (25th) AGM of the Company to be held in the year 2028, for approval of shareholders of the Company, based on the recommendation of the Audit Committee.

For the FY 2022–23, the Statutory Auditors of the Company have issued modified opinion w.r.t. the Company's inability to quantify the amount of property tax on its telecom towers to be ultimately borne by it due to petition pending before the appropriate Courts, non–receipt of property tax demands in respect of majority of telecom towers and Company's contractual rights to recover such property tax from its customers. In this regard, the Company has given appropriate explanation in its Note No. 40 of Notes to the Financial Statements. Further, as regards the Auditors opinion regarding material uncertainty related to Going Concern, the Company has furnished required details / explanations in Note nos. 59 Notes to the Financial Statements.

## 21. COST AUDIT

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

## 22. SECRETARIAL AUDITORS' REPORT

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

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

## 23. COMPLIANCE WITH SECRETARIAL STANDARD

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

## 24. RISKS

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

## 25. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, the Company has neither provided any loans / corporate guarantees nor made any investment.

## 26. PARTICULARS OF RELATED PARTY TRANSACTION

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

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

## 27. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

## 28. CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and other details are furnished in Annexure C of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For CSR initiatives undertaken by Global Foundation, please refer to MD&A Report under the caption "Corporate Social Responsibility". The CSR Policy is available on the Company's website www.gtlinfra.com.

## 29. ANNUAL RETURN AS ON MARCH 31, 2023

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft Annual Return having all the available information of the Company as on March 31, 2023 is available on the Company's website at https://www.gtlinfra.com/wp–content/uploads/pdf/GTLINFRA_MGT7_2023.pdf

## 30. CORPORATE GOVERNANCE AND VIGIL MECHANISM

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

The Company has formulated and published a Whistle Blower Policy, details of which are furnished in the Corporate Governance section, thereby establishing a vigil mechanism for directors and permanent employees for reporting genuine concerns, if any. The policy is available on the Company's website at www.gtlinfra.com.

## 31. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Regulation 34(2) of the Listing Regulations, as amended, *inter–alia*, provides that the Annual Report of the top 1000 listed entities based on market capitalization (calculated as on 31st March of every Financial Year), shall include a Business Responsibility and Sustainability Report (BRSR). Accordingly, the Company has presented its BRSR for the Financial Year 2022–23, which is part of this Annual Report as Annexure D.

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

**a. Conservation of Energy:**

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

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

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

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

c. Operating high EB availability sites with optimal fuel stock, thus reducing wastage as well as making sites Fuel Free. A total of 2,547 sites are operating as Green sites.

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

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

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

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

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

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

Not Applicable

**b. Technology Absorption:**

1. Efforts made towards technology absorption :
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 :

The Company has not absorbed, adopted and innovated any new technology. Hence, the details relating to technology absorption are not furnished.

4. the expenditure incurred on Research and Development : No expenditures were incurred during the year.

**c. Foreign Exchange Earnings and Outgo:**

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

## 33. HUMAN RESOURCE

The associate base of the Company as on March 31, 2023 stood at 792. For full details / disclosures refer to the Human Resources section in the MD&A Report, which forms part of the Annual Report.

## 34. PARTICULARS OF EMPLOYEES

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

## 35. ACKNOWLEDGEMENT

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

**On behalf of the Board of Directors,**

Mumbai
September 5, 2023

**Manoj G. Tirodkar**
Chairman

## ANNEXURE A TO DIRECTORS' REPORT

**Form No. MR–3**

## SECRETARIAL AUDIT REPORT

**For the Financial Year Ended 31st March, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013, Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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, 2023 generally 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 statutory registers, papers, minute books, forms and returns filed and other relevant records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

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

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

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

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

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

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

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

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

   During the period under review, provisions of the following regulations were not applicable to the Company for the financial year ended 31st March, 2023:–

   a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   b) The Securities and Exchange Board of India (Issue and Listing of Non–Convertible Securities) Regulations, 2021;

   c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

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

   e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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

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

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

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

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

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

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

I further report that,

The Board of the Company is duly constituted with proper balance of Executive Directors, Non–Executive Directors, Independent Directors and Woman Director. There was a resignation of Mr. Milind Naik (DIN: 00276884) from the Directorship of the Company w.e.f. 22nd September, 2022. There was an appointment of Mr. Vikas Arora (DIN: 09785527) as an Additional Director and Whole time Director of the Company w.e.f.

10th November, 2022, which was confirmed by the members of the Company through Postal ballot process. Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I further report that approval of lenders is pending as per Section 197 of the Companies Act, 2013 for the managerial remuneration paid by the Company to Mr. Milind Naik (DIN: 00276884) who was a Whole time Director of the Company till 22nd September, 2022

I further report that approval of lenders is pending as per Section 197 of the Companies Act, 2013 for the managerial remuneration paid/payable by the Company to Mr. Vikas Arora (DIN: 09785527) Whole time Director of the Company.

I further report that the National Company Law Tribunal, Mumbai Bench vide its order dated 18th November, 2022 has dismissed the petition filed by one of the lenders for initiation of Corporate Insolvency Resolution Process. The said matter is pending before the National Company Law Appellate Tribunal on appeal filed by the said lender.

I further report that with respect to the search at the offices of the Company by the Directorate of Enforcement, Mumbai on May 17, 2023, the Company has clarified that the summons was not in the name of the Company and as the registered office of the Company is situated in the same premises, search was also carried out in the office of the Company.

I further report that on 16th August, 2023 Central Bureau of Investigation has filed a First Information Report against the Company and unknown persons mainly in connection with assignment of a debt of the Company by the lenders to the Edelweiss Asset Reconstruction Company Limited in 2018 and accordingly conducted a Search at the Registered office of the Company on 18th August, 2023.

I further report that during the audit period, there were no instances of:

i. Public / Rights /debentures / sweat equity etc.;
ii. Issue of Equity shares under Employee Stock Option Scheme;
iii. Redemption / Buy– back of securities;
iv. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013 which would have major bearing on the Company's affairs;
v. Merger / amalgamation / reconstruction etc.;
vi. Foreign Technical Collaborations.

Date : 04/09/2022
Place : Thane
UDIN:F007052E000929347
Peer Review Cert. No: 2004/2022

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

This Report is to be read with my letter of even date which is annexed as 'Annexure 1' and forms an integral part of this report.

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**'Annexure 1'**

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 : 04/09/2022
Place : Thane

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

## ANNEXURE B TO DIRECTORS' REPORT

# SECRETARIAL COMPLIANCE REPORT

### OF

### GTL INFRASTRUCTURE LIMITED

**(CIN: L74210MH2004PLC144367)**

**For the Financial Year ended 31st March, 2023**

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **GTL Infrastructure Limited** (hereinafter referred as "the listed entity"), having its Registered Office at 3rd floor, Global Vision, Electronic Sadan No.: II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400710, Maharashtra, India. Secretarial Review 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 listed entity's minutes books, forms and returns filed and other relevant records maintained by the listed entity and also the information provided by the listed entity, its officers and authorized representatives during the conduct of Secretarial Review, I hereby report that in my opinion, the listed entity, during the review period covering the financial year ended on 31st March, 2023, has complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

**I, Chetan Anant Joshi, Practicing Company Secretary, have examined:**

(a) the documents and records made available to me and explanation provided by the listed entity,

(b) the filings / submissions made by the Listed Entity to the stock exchanges,

(c) website of the Listed Entity and

(d) any other documents / fillings, as may be relevant, which has been relied upon to make this certification,

**for the financial year ended 31st March, 2023 ("Review Period") in respect of compliance with the provisions of:**

(a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, Circulars, Guidelines issued thereunder; and

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

**The specific Regulations, whose provisions and the Circulars / Guidelines issued thereunder, have been examined, include:–**

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

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – *(Not Applicable during the review period);*

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

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – *(Not applicable during the review period);*

(e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – *(Not applicable during the review period);*

(f) The Securities and Exchange Board of India (Issue and Listing of Non–Convertible Securities) Regulations, 2021 – *(Not applicable during the review period);*

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

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

(i) 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 – *(Not applicable during the review period);*

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

**I. (a) The Listed Entity has complied with the applicable provisions of the above Regulations and circulars / guidelines issued thereunder, except in respect of the matters specified below:**

| Sr. No. | Compliance Requirement (Regulations / circulars / guidelines including specific clause) | Regulation / Circular No. | Devia–tions | Action Taken by | Type of Action | Details of Violation | Fine Amount | Observations / Remarks of the Practicing Company Secretary | Manage–ment Response | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|
| 1. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |

**(b) The listed entity has taken the following actions to comply with the observations made in previous reports:**

| Sr. No. | Compliance Requirement (Regulations / circulars / guidelines including specific clause) | Regulation / Circular No. | Devia–tions | Action Taken by | Type of Action | Details of Violation | Fine Amount | Observations / Remarks of the Practicing Company Secretary | Management Response | Remarks |
|---|---|---|---|---|---|---|---|---|---|---|
| 1. | Regulation 25 (10) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 | Regulation 25 (10) | N.A. | N.A. | N.A. | Non fulfilment of requirement under Regulation 25 (10) | N.A. | The Company has taken insurance policy on all its Independent Directors vide policy no: dated | As per the regulation 25 (10), Company has duly complied with the regulation. | – |

**II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019:**

| Sr. No. | Particulars | Compliance status (Yes / No / NA) | Observations / Remarks by PCS |
|---|---|---|---|
| **1.** | **Compliances with the following conditions while appointing / re–appointing an auditor** | | |
| | a. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or | N.A. | There is no instance of resignation of Auditor. |
| | b. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or | N.A. | |
| | c. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year. | N.A. | |
| **2.** | **Other conditions relating to resignation of statutory auditor** | | |
| | i. Reporting of concerns by Auditor with respect to the listed entity / its material subsidiary to the Audit Committee: | N.A. | There is no instance of resignation of Auditor. |
| | a. In case of any concern with the management of the listed entity / material subsidiary such as non–availability of information / non–cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings. | N.A. | |
| | b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non–receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable. | N.A. | |
| | c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor | N.A. | |
| | ii. Disclaimer in case of non–receipt of information: | N.A. | |
| | The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor. | N.A. | |
| **3.** | The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure– A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated October 18, 2019. | N.A. | There is no instance of resignation of Auditor. |

**III. I hereby report that, during the Review Period the compliance status of the Listed Entity is appended as below:**

| Sr. No. | Particulars | Compliance status (Yes / No / NA) | Observations / Remarks by PCS |
|---|---|---|---|
| 1. | **Secretarial Standard:**<br>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under Section 118(10) of the Companies Act, 2013 and mandatorily applicable. | Yes | N.A. |
| 2. | **Adoption and timely updation of the Policies:**<br>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities.<br>• All the policies are in conformity with SEBI Regulations and have been reviewed & timely updated as per the regulations / circulars / guidelines issued by SEBI. | Yes<br>Yes | N.A.<br>N.A. |
| 3. | **Maintenance and disclosures on Website:**<br>• The Listed entity is maintaining a functional website.<br>• Timely dissemination of the documents / information under a separate section on the website.<br>• Web–links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re– directs to the relevant document(s) / section of the website. | Yes<br>Yes<br>Yes | N.A.<br>N.A.<br>N.A. |
| 4. | **Disqualification of Director:**<br>None of the Directors of the Company are disqualified under Section 164 of Companies Act, 2013 as confirmed by listed entity. | Yes | N.A. |
| 5. | **Details related to Subsidiaries of listed entities have been examined w.r.t.:**<br>(a) Identification of material subsidiary Companies.<br>(b) Requirements with respect to disclosure of material as well as other subsidiaries. | N.A.<br>N.A. | The Company does not have any material subsidiary Company. |
| 6. | **Preservation of Documents:**<br>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015. | Yes | N.A. |
| 7. | **Performance Evaluation:**<br>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year / during the financial year as prescribed in SEBI Regulations. | Yes | N.A. |
| 8. | **Related Party Transactions:**<br>(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or<br>(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved / ratified / rejected by the Audit committee, in case no prior approval has been obtained. | N.A.<br>N.A. | As informed, during the period, the Company has not entered into any related party transactions which requires Audit Committee approval. |
| 9. | **Disclosure of events or information:**<br>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder. | Yes | N.A. |

| Sr. No. | Particulars | Compliance status (Yes / No / NA) | Observations / Remarks by PCS |
|---|---|---|---|
| 10. | **Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015. | Yes | N.A. |
| 11. | **Actions taken by SEBI or Stock Exchange(s), if any:** No Action(s) has been taken against the listed entity / its promoters / directors / subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars / guidelines issued thereunder except as provided under separate paragraph herein (**). | No | N.A. |
| 12. | **Additional Non–compliances, if any:** No additional non–compliance observed for any SEBI regulation / circular / guidance note etc. | No | N.A. |

**Assumptions & Limitation of scope and Review:**

1. The Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. My responsibility is to certify based upon my examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. I have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.

This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**Chetan Anant Joshi**
*Practicing Company secretary*
(FCS: 7052, CoP: 7744)
Peer Review Cert No: 2004/2022
UDIN: F007052D000422852

Date : 30th May, 2023
Place : Thane

## ANNEXURE C TO DIRECTORS' REPORT

# ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2022–23

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

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

The Company acknowledges debts towards the society in which it operates and in order to discharge its responsibility, it will undertake, when permissible, various projects through 'Global Foundation' a Public Charitable Trust for the betterment of the society and in particular in the areas such as education, health, community service, medical assistance and rural education.

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

| Sr. No. | Name of the Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---|---|---|---|---|
| 1. | Mr. Manoj G. Tirodkar | Chairman and Non–Executive Non–Independent Director | 1 | 1 |
| 2. | Dr. Anand P. Patkar | Member, Non–Executive Independent Director | 1 | 1 |
| 3. | Mr. Vikas Arora* | Member, Executive Director | – | – |
| 4. | Mr. Milind Naik** | Member, Non–Executive Non–Independent Director | 1 | 1 |

* Appointed as a Member w.e.f. November 10, 2022

** ceased to be Member w.e.f. September 22, 2022

**3. Provide the web–link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

The Company's CSR Policy and composition of CSR committee has been uploaded on the Company's Website at following link:

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

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub–rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):**

Not applicable in view of losses incurred by the Company.

**5. Details of the amount available for set off in pursuance of sub–rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Not applicable in view of losses incurred by the Company

**6. Average net profit of the Company as per section 135(5):**

Average Net Loss of ₹ 147,349 Lakhs

**7.** (a) **Two percent of average net profit of the Company as per section 135(5):**

Not Applicable

(b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:**

Not Applicable

(c) **Amount required to be set off for the financial year, if any:**

Not Applicable

(d) **Total CSR obligation for the financial year (7a+7b–7c):**

Not Applicable

**8.** (a) **CSR amount spent or unspent for the financial year:**

Not Applicable

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

Not Applicable

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

Not Applicable

(d) **Amount spent in Administrative Overheads:**

Not Applicable

(e) **Amount spent on Impact Assessment, if applicable:**

Not Applicable

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e):**

Not Applicable

(g) **Excess amount for set off, if any:**

Not Applicable

9. (a) **Details of Unspent CSR amount for the preceding three financial years:**

Not Applicable

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

Not Applicable

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset–wise details):**

a. **Date of creation or acquisition of the capital asset(s):**

Not Applicable

b. **Amount of CSR spent for creation or acquisition of capital asset:**

Not Applicable

c. **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:**

Not Applicable

d. **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):**

Not Applicable

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):**

Not Applicable

**Vikas Arora**
Whole–time Director

**Manoj G. Tirodkar**
Chairman –
Corporate Social Responsibility Committee

Mumbai
September 5, 2023

## ANNEXURE D TO DIRECTORS' REPORT

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

| | | |
|---|---|---|
| 1. | Corporate Identity Number (CIN) of the Listed Entity | L74210MH2004PLC144367 |
| 2. | Name of the Listed Entity | GTL Infrastructure Limited |
| 3. | Year of incorporation | February 4, 2004 |
| 4. | Registered office address | 'Global Vision', 3rd Floor, Electronic Sadan–II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400710, Maharashtra, India. |
| 5. | Corporate address | 'Global Vision', 3rd Floor, Electronic Sadan–II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400710, Maharashtra, India. |
| 6. | E–mail id | gilshares@gtlinfra.com |
| 7. | Telephone | +91 22 68293500 |
| 8. | Website | http://www.gtlinfra.com/ |
| 9. | Financial year for which reporting is being done | 2022–23 |
| 10. | Name of the Stock Exchange(s) where shares are listed | BSE Limited and National Stock Exchange of India Limited |
| 11. | Paid–up Capital | ₹ 1,267,110 Lakhs |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Whole–time Director – Mr. Vikas Arora<br>Email id – gilshares@gtlinfra.com<br>Telephone Number – +91 22 68293500 |
| 13. | Reporting boundary – Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | Disclosure made in this report are on a standalone basis. |

### II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

| Sr. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|---|---|---|---|
| 1 | Providing Telecom Towers on shared basis to multiple telecom operators | To build, own, operate and maintain passive telecom infrastructure sites capable of hosting active network components of various technologies of multiple telecom operators. | 100% |

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| Sr. No. | Product/Service | NIC Code | % of total Turnover contributed |
|---|---|---|---|
| 1 | Providing Telecom Towers on shared basis to multiple telecom operators | 619 | 100% |

### III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

| Location | Number of plants | Number of offices | Total |
|---|---|---|---|
| National | Presence across 22 telecom circles in India serving all the major telecom operators | 21 | 21 |
| International | Nil. At present, the Company is serving only the Indian market. | | |

17. Markets served by the entity:

a. Number of locations

| Locations | Number |
|---|---|
| National (No. of States) | PAN India |
| International (No. of Countries) | Nil |

b. What is the contribution of exports as a percentage of the total turnover of the entity?

At present, the Company is serving only the Indian market

c. A brief on types of customers

The customers of the Company are Telecom operators in India namely Bharti Airtel Limited, Bharat Sanchar Nigam Limited, Reliance Jio Infocomm Limited & Vodafone Idea Limited.

## IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

| Sr. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| | **EMPLOYEES** | | | | | |
| 1. | Permanent (D) | 271 | 247 | 91% | 24 | 9% |
| 2. | Other than Permanent (E) | 305 | 286 | 94% | 19 | 6% |
| **3.** | **Total employees (D + E)** | **576** | **533** | **94%** | **43** | **6%** |
| | **WORKERS** | | | | | |
| 4. | Permanent (F) | 3 | 3 | 100% | 0 | 0% |
| 5. | Other than Permanent (G) | 213 | 210 | 99% | 3 | 1% |
| **6.** | **Total workers (F + G)** | **216** | **213** | **99%** | **3** | **1%** |

b. Differently abled Employees and workers:

| Sr. No | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| | **DIFFERENTLY ABLED EMPLOYEES** | | | | | |
| 1. | Permanent (D) | 1 | 1 | 100% | 0 | 0% |
| 2. | Other than Permanent (E) | 1 | 1 | 100% | 0 | 0% |
| **3.** | **Total differently abled employees (D + E)** | **2** | **2** | **100%** | **0** | **0%** |
| | **DIFFERENTLY ABLED WORKERS** | | | | | |
| 4. | Permanent (F) | – | – | – | – | – |
| 5. | Other than permanent (G) | – | – | – | – | – |
| **6.** | **Total differentlyabled workers (F + G)** | **–** | **–** | **–** | **–** | **–** |

19. Participation/Inclusion/Representation of women

| | Total (A) | No. and percentage of Females | |
|---|---|---|---|
| | | No. (B) | % (B / A) |
| Board of Directors | 7 | 1 | 14% |
| Key Management Personnel | 3 | 0 | – |

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

| | FY 22–23 (Turnover rate in current FY) | | | FY 21–22 (Turnover rate in previous FY) | | | FY 20–21 (Turnover rate in the year prior to the previous FY) | | |
|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 9.3% | 0.7% | 10.0% | 4.3% | 1.6% | 5.9% | 9.1% | 2.0% | 11.0% |
| Permanent Workers | 16.5% | 0.7% | 17.2% | 17.8% | 1.3% | 19.1% | 17.2% | 1.3% | 18.5% |

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

The Company does not have Holding or Subsidiary or Associate or Joint Venture Company.

## VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: No

(Not applicable in view of losses incurred by the company)

(i) Turnover (in ₹) 145,786 Lakhs

(iii) Net worth (in ₹) (454,074) Lakhs

## VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) | FY 2022–23 Current Financial Year | | | FY 2021–22 Previous Financial Year | | |
|---|---|---|---|---|---|---|---|
| | (If Yes, then provide web–link for grievance redress policy) | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Not Specific | Nil | Nil | However Senior Leadership guides CSR team & Operations on community engagement | Nil | Nil | However Senior Leadership guides CSR team & Operations on community engagement |
| Investors (other than shareholders) | Yes https://www.gtlinfra.com/investors/investor–services/ | Nil | Nil | – | Nil | Nil | – |
| Shareholders | Yes https://www.gtlinfra.com/investors/investor–services/ | Nil | Nil | – | Nil | Nil | – |
| Employees and workers | Yes https://www.gtlinfra.com/investors/corporate–governance/ | Nil | Nil | We have a Whistle Blower Policy, Policy on Vigilance Mechanism, Anti–Harassment and POSH | Nil | Nil | We have a Whistle Blower Policy, Policy on Vigilance Mechanism, Anti–Harassment and POSH |
| Customers | Yes | Refer Note I | | | | | |
| Value Chain Partners | Yes | Refer Note II | | | | | |
| Other (Landlords) | Yes | Refer Note III | | | | | |

***Note I:*** *We regularly connect with our customers through Operating Review & Governance Meetings both at Corporate and Circle level to understand their requirements, issues / complaints and periodically deliberate on issues covering Energy aspects such as Diesel, Electricity Consumption and network improvisation opportunities. Resolution to complaints is an ongoing process and service level agreements exists with customers.*

***Note II:*** *Notices on Websites are published regularly with a redressal at scmmahape@gtlinfra.com*

***Note III:*** *Shut down / exit of 14 telecom customers resulted into abandonment of more than 14,000 towers of the Company by such discontinued telecom customers, making such towers unoccupied. Such discontinuing telecom customers did not make any payment of their contractual dues to the Company, including rent payable to landlords, which are pass through payments for the Company. The Company has requested Edelweiss Asset Reconstruction Company Limited ("EARC") being Monitoring Institution, for making payments due to the landlords of the unoccupied sites, however, the same is yet to be approved. Further, resolution plans were submitted by the Company included payment of rent to landowners. However, none of the resolution proposals were considered by the lenders. Due to non–receipt of the rental amounts from the discontinuing operators as per contractual arrangement, pending approval of payment requests of the Company with the Monitoring Institution and non–resolution of issue of unpaid liabilities towards unoccupied towers, the rentals to landlords for those unoccupied sites remained unpaid. As a result, such landlords initiated legal actions against the Company and its directors / officials. The no. of legal notices received by the Company from various landlords are 1,546 nos. in FY 2021–2022 and 1,109 nos. in FY 2022–2023 respectively. The Company has responded to majority of such legal notices and as on March 31, 2023, 342 number of matters have been filed by various landlords before various judicial authorities and Company is defending the same.*

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along–with its financial implications, as per the following format

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 1. | Energy Emissions | Opportunity and Risk | **Opportunity:** To reduce dependency on Fossil Fuels and tap cleaner & lower cost of Energy resources<br>**Risk:** Dependency on continuous availability of Energy. Primary Sources through Electricity and Diesel Generation causes GHG emission Risk. | We are continuously working towards sequential reduction in energy from diesel and shift to grid electricity wherever possible. This will lead to reduce emission due to lower Diesel burn. | We encourage replacement of Diesel consumption by increasing Electricity connections and also work towards enhancing quality and availability of electricity. This also helps in reducing Cost of Operations. |
| 2. | Human Capital | Opportunity and Risk | **Opportunity:** Well developed and implemented HR Practices will lead to better governance and increased productivity. Retention of talent. Motivated and skilled employees will enable better service delivery and enhanced customer satisfaction.<br>**Risk:** High Attrition, Poor Service Delivery, Risk of Image and Reputation, etc. | Our structured framework offers training and competency development programs to employees. The focus has been on technical training to ensure our technical staff are upto date on the latest technologies. Employee Engagement through goal setting, reviews & events help promote diversity & inclusion. | **Positive**<br>• Efficient operations; ownership of our people toward company's objectives<br>• SLA penalty savings<br>**Negative**<br>• Compliance issues with labour laws and regulations may lead to disruption and penalties<br>**Attrition**<br>• Ability to attract talent and Company Image would be hampered leading to increased cost of hiring. |
| 3. | Health and Safety | Opportunity and Risk | **Opportunity:**<br>• Reduced Absenteeism<br>• Optimum Productivity<br>**Risks:**<br>• Health issues faced by employees on and off duty can cause disruptions and affect our quality of services to customer<br>• It will lead to lower confidence from customers on our services affecting the business prospects. | • Health insurance and term insurance coverage is ensured for all manpower.<br>• Health awareness from doctor consultation.<br>• Personal Accident Policy cover for Employees. | **Positive**<br>• Efficient operations<br>**Negative**<br>• Reduced man days due to illness / accidents leading to higher cost of delivery<br>• Retention issues that increases wage cost |

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 4. | Waste Management | Opportunity and Risk | **Opportunity:**<br>• Reduction in waste generation and disposal through authorised scrap dealers<br>**Risk:**<br>• Adverse actions for non–compliance in case of waste disposal | • Disposal of E–Waste/Hazardous Waste/ General Waste etc. is being done through authorized/ approved recyclers.<br>• Wherever possible, useful life of assets is increased through refurbishing and repairs to minimize waste. | **Positive**<br>• Savings in the form of enhanced useful life of equipment and reduced waste generation.<br>**Negative**<br>• Higher replacement cost of equipment.<br>• Mishandling of hazardous waste leading to penalties. |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|
| Policy and management processes | | | | | | | | | |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| b. Has the policy been approved by the Board? (Yes/No) | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| | Policies mandated under the Companies Act, 2013 ("Act") and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("Listing Regulations") are approved by the Board and other policies are approved by the Whole–time Director / Functional Heads of the Company as appropriate from time to time. | | | | | | | | |
| c. Web Link of the Policies, if available | Policies mandated to be displayed on website of the Company as per the Act and Listing Regulations are displayed at http://www.gtlinfra.com/investors | | | | | | | | |
| 2. Whether the entity has translated the policy into procedures. (Yes / No) | The Company endeavors to implement and translate all the policies into procedures and practices. | | | | | | | | |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No) | The Company encourages its value chain partners to uphold standards of ethics, fairness and transparency in all their dealings with the Company. | | | | | | | | |
| 4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | The policies are based on NGRBC, in addition to confirmation of the spirit of the national and international standards. | | | | | | | | |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any. | The Company is in process of meaningfully defining specific commitments, goals and targets to integrate ESG priorities in its operations. For Example, In FY 2022–2023, 69 sites were electrified resulting in reduction of Diesel consumption by 46 lakh litres vis–à–vis its previous financial year.<br>In FY 2021–2022, 157 sites were electrified resulting in reduction of Diesel consumption by 32 lakh litres vis–à–vis its previous financial year | | | | | | | | |
| 6. Performance of the entity against the specific commitments, goals and targets along–with reasons in case the same are not met. | Not applicable as the Company is in process of meaningfully defining specific commitments, goals and targets to integrate ESG priorities in its operations. | | | | | | | | |
| **Governance, leadership and oversight** | | | | | | | | | |
| 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) | At GTL Infrastructure, we are guided by our vision "To be India's most efficient and environment friendly Telecom Tower Company".<br>In pursuit of sustainability, we are adding 5G tenancies on our towers and engaging with lenders for right sizing of debt.<br>Through efficient usage of energy resources, governance and electrification of sites, the Company has been reducing its dependence on fossil fuels while maintaining the telecom sites on a 24x7 basis. In FY24 we continue to work on ESG.<br>The Company and its Employees support social projects carried out by Global Foundation in the areas of Community Development, Health, | | | | | | | | |

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|
| | Education and Disabilities by non–financial means. The Company works round the clock so that communities living around our towers enjoy access to communications. Thrust on Corporate Governance in our operations ensures compliances and appropriate Corporate Conduct.<br>Specific details on Corporate Governance Report and Corporate Social Responsibility are mentioned in the MDA section of the Annual Report. | | | | | | | | |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | Whole–Time Director : Mr. Vikas Arora<br>Email id – gilshares@gtlinfra.com<br>Telephone Number – +91 22 68293500<br>(DIN: 09785527) | | | | | | | | |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | No, however Senior Leadership Team works towards sustainability and drives the agenda in Operations. | | | | | | | | |

10. Details of Review of NGRBCs by the Company:

| Subject for Review | Indicate whether review wasundertaken by Director /Committee of the Board / Any other Committee | | | | | | | | | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| Performance against above policies and follow up action | The Whole–time Director and the Functional Heads oversee implementation of the policies under guidance of the Board of Directors, wherever required. | | | | | | | | | Annually | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and,rectification of any non–compliances | The compliance with the statutory requirements is monitored on a regular basis by<br>1. Management<br>2. Board of Directors | | | | | | | | | The compliance is monitored on quarterly basis. | | | | | | | | |

| | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|
| 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. | The working of all the policies is monitored internally. | | | | | | | | |

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

### Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment | Total Number of training and awareness programmes held | Topic/principles covered under the training and its impact | Percentage of persons in respective category covered by the awareness programmes |
|---|---|---|---|
| Board of Directors<br>Key Managerial Personnel | 4 | Corporate Governance updates<br>Risk Management updates | 100% |
| Employees other than BoD and KMPs | 14 | GTL Infrastructure through its monthly induction program enrolls employees into the system. On the job training and technical training are core trainings that are conducted across all locations PAN India. Besides this we also conduct statutory training which are mandatory. | 62% |

*Our management team also visits branches/circles making people aware of the Code of Conduct, Anti–Harassment policy, Whistle blower policy, Ethics policy & the Prevention of Sexual Harassment (POSH policy). Furthermore, fire drills and safety awareness trainings are conducted by Administration Department from time to time.*

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ lawenforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

   Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non–monetary action has been appealed.

   Not Applicable

4. Does the entity have an anti–corruption or anti–bribery policy? If yes, provide details in brief and if available, provide a web–link to the policy.

   Prevention & investigation of Corruption & bribery in the company is taken care of through the Whistle Blower policy & Ethical Practices policy. The Ethical Practices Policy is available on the intranet of the company and the Code of Conduct and Whistle Blower Policy of the company is available on the website of the company at http://www.gtlinfra.com/investors.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action wastaken by any law enforcement agency for the charges of bribery/ corruption:

   Nil

6. Details of complaints with regard to conflict of interest:

   Nil

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

   Not Applicable

**PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

**₹ in Lakhs**

| | FY 2022–23 Current Financial Year | FY 2021–22 Previous Financial Year | Details of improvements in environmental and social impacts |
|---|---|---|---|
| R&D | NA | NA | NA |
| Capex | ₹ 3,616 (41% of Total Capex for the year) | ₹ 4,613 (54% of Total Capex for the year) | During the year the Company has made capex investment on energy conservation initiatives through deployment of battery banks and electrification of sites. |
| | *(Capex utilization for Diesel reduction x 100/ Total Capex)* | | 69 sites were Electrified in financial year 2022–2023 thereby reducing the diesel consumption. |

2. a. Does the entity have procedures in place for sustainable sourcing?

   Yes, GTL Infrastructure Ltd. has emphasis on sustainable sourcing. We source Class A products like Diesel Generators, Battery Banks, SMPS, etc. evaluated on the basis of the Product Lifecycle, efficiency in usage of energy resources, emissions and responsible waste management.

   Efficiency of products on the basis of Energy Consumption is done on a regular basis. On the vendor front, we consciously engage local service providers who are in the nature of Medium and Small–Scale entrepreneurs and try to give business opportunities to the unorganized sector who are attuned to ESG practices.

   c. If yes, what percentage of inputs were sourced sustainably?

   Nearly 90%.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E–waste (c) Hazardous waste and (d) other waste.

   We consume batteries, and electronic products in our business operations. Batteries are classified as hazardous waste; whereas SMPS as other non– hazardous waste.

   Material deployment from warehouse to sites gets completed through the process of Material Request Note (MRN). The retrieval of material from sites to warehouse is initiated post completion of its shelf life through the process of Site Return Note (SRN) which is initiated by user. Post receipt of material at warehouse, it flows into the process of Health Assessment which is done by In–house technical team i.e. TRC (Testing & Repair Centre) followed by its validation (item–wise) by a Subject Matter Expert for declaring it as either repairable or scrap. Items parked in repairable bucket are redeployed to field post completion of repair at SME Workshop. SRN Material identified as scrap by SME/TRC are further assessed by respective Circle team.

Disposal of assets falling under pollution control board norms buckets including E– Waste/Hazardous Waste/ General Waste etc. is being done through advertisement in various publications wherein only authorized/ approved recyclers are allowed to participate in inspection followed by scrap lifting from respective warehouse locations

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards?

   Not Applicable

**PRINCIPLE 3 Businesses should respect and promote the well–being of all employees, including those in their value chains**

Our people are our core assets. Their skills, responsibilities they take, their achievements and commitment are our biggest strength. We encourage our employees to discover and realize their true potential. Acquiring diverse experiences, accomplishing challenging tasks and continually learning and upskilling is enabling them to deliver their best in all situations.

By identifying, developing and nurturing quality talent at every stage of the employee lifecycle, we are empowering them to become future ready and build rewarding careers.

Keeping employee wellbeing foremost, we have embraced the post–pandemic way of life and work.

**Essential Indicators**

1. a. Details of measures for the well–being of employees: **FY 2022–23**

| Category | Total(A) | % of employees covered by | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Health insurance | | Accident insurance | | Maternity benefits | | Paternity benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F /A) |
| **Permanent employees** | | | | | | | | | | | |
| Male | 247 | 247 | 100% | 247 | 100% | 0 | 0% | 247 | 100% | Not Available | |
| Female | 24 | 24 | 100% | 24 | 100% | 24 | 100% | 0 | 0% | Not Available | |
| **Total** | **271** | **271** | | **271** | | **24** | | **247** | | **Not Available** | |
| **Other than Permanent employees** | | | | | | | | | | | |
| Male | 286 | 286 | 100% | 286 | 100% | 0 | 0% | 286 | 100% | Not Available | |
| Female | 19 | 19 | 100% | 19 | 100% | 19 | 100% | 0 | 0% | Not Available | |
| **Total** | **305** | **305** | | **305** | | **19** | | **286** | | **Not Available** | |

b. Details of measures for the well–being of workers:

| Category | Total (A) | % of workers covered by | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number(B) | %(B /A) | Number(C) | %(C/A) | Number(D) | %(D/A) | Number(E) | %(E/A) | Number(F) | %(F/A) |
| **Permanent workers** | | | | | | | | | | | |
| Male | 3 | 3 | 100% | 3 | 100% | 0 | 0% | 3 | 100% | Not Available | |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0% | 0 | 0% | Not Available | |
| **Total** | **3** | **3** | | **3** | | **0** | | **3** | | **Not Available** | |
| **Other than Permanent workers** | | | | | | | | | | | |
| Male | 210 | 210 | 100% | 210 | 100% | 0 | 0% | 210 | 100% | Not Available | |
| Female | 3 | 3 | 100% | 3 | 100% | 3 | 100% | 0 | 0% | Not Available | |
| **Total** | **213** | **213** | | **213** | | **3** | | **210** | | **Not Available** | |

2. Details of retirement benefits, for Current FY and Previous Financial Year.

| Benefits | FY 2022–23 Current Financial Year | | | FY 2021–22 Previous Financial Year | | |
|---|---|---|---|---|---|---|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | 100% | 100% | Y | 100% | 100% | Y |
| Gratuity | 100% | 100% | Y | 100% | 100% | Y |
| ESI | 3.13% | 51.85% | Y | 4.60% | 54.65% | Y |
| Others – please Specify | No | No | No | No | No | No |

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

We ensure all people in the organization including differently abled work & stay comfortable. We are gradually working towards making our infrastructure and facilities differently abled friendly.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web–link to the policy.

The company practices features of Equal Opportunities to all its employees and prospective hirers.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent employees | | Permanent workers | |
|---|---|---|---|---|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | – | – | – | – |
| Female | 100% | 100% | 100% | 100% |
| **Total** | **100%** | **100%** | **100%** | **100%** |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

| | (If Yes, then give details of the mechanism in brief) |
|---|---|
| Permanent Workers | Yes |
| Other than Permanent Workers | Yes |
| Permanent Employees | Yes |
| Other than Permanent Employees | Yes |

The mechanism & process is detailed out in all of our policies that helped employees to address their grievances. For POSH related grievances there is the structured four–member committee which any employee can write to for complaint / redressal. For all other grievances there is an anti–harassment policy which consist of a committee headed by the Whole–Time Director. Employees can approach this committee at any point of time to address their grievances. Alternatively, employees can also approach Audit Committee for their grievances.

7. Membership of employees and worker in association(s) or Unions recognized by thelisted entity:

NA. Though none of the employees of GTL Infrastructure Limited are part of any trade union through our own ways, we encourage employees to communicate matters related to employment policies & procedures. In this way we respect the rights of our employees which also helps us to gain constructive feedback on regular basis. Several HR & Senior Level Team interactions also take place both formally and informally.

| Category | FY 2022–23 (Current Financial Year) | | | FY 2021–22 (Previous Financial Year) | | |
|---|---|---|---|---|---|---|
| | Total employees/ workers in respective category (A) | No. of employees/ workers in respective category, who are part of association(s) or Union (B) | % (B / A) | Total employees/ workersin respective category (C) | No. of Employees/ workers in respective category, who are part of association(s) or Union (D) | % (D / C) |
| **Total Permanent Employees** | No | No | No | No | No | No |
| – Male | No | No | No | No | No | No |
| – Female | No | No | No | No | No | No |
| **Total Permanent Workers** | No | No | No | No | No | No |
| – Male | No | No | No | No | No | No |
| – Female | No | No | No | No | No | No |

8. Details of training given to employees and workers:

| Category | FY 2022–23 Current Financial Year | | | | | FY 2021–22 Previous Financial Year | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total(A) | On Health and safety measures | | On Skill upgradation | | Total(D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | %(B /A) | No. (C) | %(C / A) | | No. (E) | %(E/D) | No.(F) | %(F/D) |
| | | | | | Employees | | | | | |
| Male | 533 | 58 | 11% | 74 | 14% | 465 | 87 | 19% | 73 | 16% |
| Female | 43 | 22 | 51% | 0 | 0% | 35 | 23 | 66% | 0 | 0% |
| **Total** | **576** | **80** | **14%** | **74** | **13%** | **500** | **110** | **22%** | **73** | **14.6%** |
| | | | | | Workers | | | | | |
| Male | 213 | 37 | 17% | 92 | 43% | 169 | 40 | 4.2% | 93 | 55% |
| Female | 3 | 3 | 100% | 0 | 0% | 3 | 3 | 100% | 0 | 0% |
| **Total** | **216** | **40** | **–** | **92** | **42%** | **172** | **43** | **–** | **93** | **54%** |

9. Details of performance and career development reviews of employees and worker:

   On annual basis, performance of all the employees is reviewed & based on the same, movement/transfer/promotions are effected. 100% of eligible employees are covered under this review.

10. Health and safety management system:

    a. Whether an occupational health and safety management system has been implemented by theentity? (Yes/No). If yes, the coverage such system?

       Yes. The Company endeavors to provide a safe and heathy working environment and conditions to its employees. Safety drills and training sessions are conducted. Visiting medico professional provides guidance and consulting for good health. Employees are also covered under Group Personal Accident and Mediclaim Policies. A Comprehensive Safety Management system will be further developed.

    b. What are the processes used to identify work–related hazards and assess risk on a routine and non–routine basis by the entity?

       All efforts are maintained to keep our offices free of work–related hazards. Inspections are carried out by administration department covering fire and electrical, water etc.

       For the tower sites, there is a 2 Tier structure of Technicians and Cluster Managers who carry out routine visits for Preventive Maintenance. Any risk concern, and hazards when reported is attended for rectification to ensure site and people safety. These visits are also followed up by internal audit team to ensure compliance.

    c. Whether you have processes for workers to report the work–related hazards and to remove themselves from such risks. (Y/N)

       We have a feedback mechanism where employees can directly write to management / admin to report work related hazards which are immediately corrected. Circle Admin/ HR works to minimize work related hazards at offices.

       For sites (towers) related issues Operations and Maintenance team is responsible and can be approached for escalation at Regional and Corporate level.

    d. Do the employees/worker of the entity have access to non–occupational medical and healthcare services?

       Yes, we have tie up with hospital & we also have a contract with Mediclaim company to ensure our employees are taken care of on regular basis.

       There is a senior doctor from a premium hospital and his services are available to all the employees in Person/ Phone/ Video consultation. The doctor consults and guides the employees and their family members for health care services, whenever required.

11. Details of safety related incidents, in the following format:

| Safety Incident/Number | Category | FY 2022–23 Current Financial Year | FY 2021–22 Previous Financial Year |
|---|---|---|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one million–person hours worked) | Employees | No | No |
| | Workers | No | No |
| Total recordable work–related injuries | Employees | No | No |
| | Workers | No | No |
| No. of fatalities | Employees | No | No |
| | Workers | No | No |
| High consequence work–related injury or ill–health (excluding fatalities) | Employees | No | No |
| | Workers | No | No |

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

    a. Infrastructure has been created to ensure safe & healthy work place.
    b. Regular checks are made by a full–fledged Administration & Infra Department.
    c. Necessary rectification is done if required.
    d. Regular pest controls, fire & safety drills, fumigation is conducted on office premises.
    e. Health & medical centre is created out of large office premises with all first aid facilities being made available.
    f. Doctor from reputed hospital available to all employees for consultation.

13. Number of Complaints on the following made by employees and workers:

| | FY 2022–23 (Current Financial Year) | | | FY 2021–22 (Previous Financial Year) | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolutiontat the end of year | Remarks |
| Working Conditions | No | No | No | No | No | No |
| Health & Safety | No | No | No | No | No | No |

14. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Health and safety practices | 100% of offices were covered in internal assessment. |
| Working Conditions | |

15. Provide details of any corrective action taken or underway to address safety–related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

We always work towards creating a safe workplace wherein our employees feel confident and safe to work. Well equipped infrastructure and ergonomics are provided to employees across all locations. Major activities carried out at our offices considering employee health, safety and hygiene are as mentioned hereunder.

a. Regular maintenance of Fire & Safety equipments (including Compliance aspect)
b. First Aid Emergency Kits are accessible at all offices.
c. For Safe Drinking Water RO purification Plant is installed at our Mahape office
d. Workplace sanitization is carried on regular basis

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

The Company's Towers provide access to communication to communities.

We work 24x7 so that people living around our Towers stay connected with their near ones and have access to essential services.

We continue to build and nurture strong relationships with our stakeholders that include employees, customers, shareholders, government, communities, suppliers and landlords.

## Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Stakeholder identification process involves identification and classification of priority groups on the basis of –

- where stakeholders have any interdependence on Company's services and upon whom it is dependent for its operations.
- where we have contractual, operational or a moral concern

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder group | Whether identified as vulnerable & marginalized group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community meetings, Notice board, Website), Other | Frequency of engagement (Annually/ half–yearly/ quarterly/ others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|
| Employees | No | • Engagement Activities<br>• Communication through emails and letters<br>• Leadership interactions | Ongoing | • Goal Setting<br>• Performance review<br>• Career development<br>• Employee benefits<br>• Equal opportunities<br>• Recognition<br>• Learning and development<br>• Safety and well–being<br>• Policy awareness |
| Customers | No | • Emails and Phone calls<br>• Governance Meetings<br>• Video Conferences | Ongoing | • Network Uptime performance<br>• Reviews & Reconciliations<br>• Customer queries feedback<br>• Query Resolution<br>• Mapping of new sites |
| Shareholders | No | • Annual General Meeting<br>• Website updates<br>• Stock Exchange releases | Annual / Ongoing | • Information on financial and operational performance of the company<br>• Q&A<br>• Disclosures of material events |
| Regulatory Bodies | No | • Emails/Letters<br>• In Person meetings | Need based | Feedback on regulations and policy matters concerning our business operations. |
| Suppliers | No | • Emails/Letters<br>• Supplier visits and Company's visits to supplier locations<br>• Website updates<br>• Advertisements | Ongoing | • Sourcing<br>• Query resolution<br>• Supplier performance review |
| Communities | Yes | • Personal interactions | Need based | • Grievance handling<br>• Voluntary support through Global foundation |

**PRINCIPLE 5: Businesses should respect and promote human rights**

Over the years, the Company philosophy has been to build trust, respect and fairness across all levels in the work force. Respecting human rights of employees & all stake holders is a priority to the company. We strive to be compliant in relation to all local labour laws, ESIC and Provident Fund. The company has policies which includes POSH policy & Anti–Harassment policy which ensures human rights are protected within the organisation. The process around these policies ensures employees have a right to voice any grievance / harassment in the work place. There is a structured Grievance Handling Process in place.

**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category | FY 2022–23 Current Financial Year | | | FY 2021–22 Previous Financial Year | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. of employees/ workers covered (B) | % (B / A) | Total (C) | No. of employees/ workers covered (D) | % (D / C) |
| **Employees** | | | | | | |
| Permanent | 271 | 243 | 90% | 258 | 232 | 90% |
| Other than permanent | 305 | 274 | 90% | 242 | 217 | 90% |
| **Total Employees** | **576** | **517** | **90%** | **500** | **449** | **90%** |
| **Workers** | | | | | | |
| Permanent | 3 | 3 | 100% | 3 | 3 | 100% |
| Other than permanent | 213 | 191 | 90% | 169 | 152 | 90% |
| **Total Workers** | **216** | **194** | **90%** | **172** | **155** | **90%** |

2. Details of minimum wages paid to employees and workers, in the following format:

| Category | FY 2022–23 Current Financial Year | | | | | FY 2021–22 Previous Financial Year | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No.(B) | % (B/A) | No.(C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| **Employees** | | | | | | | | | | |
| **Permanent** | | | | | | | | | | |
| Male | 247 | 0 | 0% | 247 | 100% | 235 | 1 | 0.43% | 234 | 99.57% |
| Female | 24 | 0 | 0% | 24 | 100% | 23 | 0 | 0% | 23 | 100% |
| **Other than Permanent** | | | | | | | | | | |
| Male | 286 | 9 | 3.14% | 277 | 96.85% | 230 | 15 | 6.52% | 215 | 93.48% |
| Female | 19 | 2 | 10.52% | 17 | 89.47% | 12 | 2 | 16.67% | 10 | 83.33% |
| **Workers** | | | | | | | | | | |
| **Permanent** | | | | | | | | | | |
| Male | 3 | 0 | 0% | 3 | 100% | 3 | 0 | 0% | 3 | 100% |
| Female | 0 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| **Other than Permanent** | | | | | | | | | | |
| Male | 210 | 21 | 10% | 189 | 90% | 166 | 15 | 9.04% | 151 | 90.96% |
| Female | 3 | 1 | 33.33% | 2 | 66.67% | 3 | 0 | 0% | 3 | 100% |

3. Details of remuneration/salary/wages, in the following format:

| | Male | | Female | |
|---|---|---|---|---|
| | Number | Median remuneration/ salary/wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD) | Please refer Director's Report | | | |
| Key Managerial Personnel | Please refer Director's Report | | | |
| Employees other than BoD and KMP | 530 | 5,09,846 | 43 | 4,90,838 |
| Workers | 160 | 3,14,757 | 3 | 2,79,254 |

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

   Yes, Anti–Harassment, Grievance & also through POSH committee.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

   We have an open–door policy to address grievances related to our employees. Through the grievance/ anti–harassment & POSH policy employees can speak & address their grievance by speaking through their HoD or approach directly to the Committees for support.

6. Number of Complaints on the following made by employees and workers:

| | FY 2022–23 Current Financial Year | | | FY 2021–22 Previous Financial Year | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | 0 | 0 | NA | 0 | 0 | NA |
| Discrimination at workplace | 0 | 0 | NA | 0 | 0 | NA |
| Child Labour | 0 | 0 | NA | 0 | 0 | NA |
| Forced Labour/ Involuntary Labour | 0 | 0 | NA | 0 | 0 | NA |
| Wages | 65 | 0 | NA | 24 | 0 | NA |
| Other human Rights related issues | 0 | 0 | NA | 0 | 0 | NA |

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

   The policy is designed in such way that the complainant as well as the complaint is kept confidential at committee level itself. This ensures that there is no discrimination or harassment to the employee.

8. Do human rights requirements form part of your business agreements and contracts?

   GTL Infrastructure is working sequentially towards covering Human Rights Aspects in its contracts and agreements

9. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Child labour | 100% |
| Forced/involuntary labour | 100% |
| Sexual harassment | 100% |
| Discrimination at workplace | 100% |
| Wages | 100% |
| Others – Statutory Duties | 100% |

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

    No significant risk as all statutory compliances are maintained in the inspected areas

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

The Company's business has a dependence on availability of electricity on 24x7 basis. To achieve this, back up power is provided from Battery Banks and Diesel generators at sites for the telecom networks to remain live in the event of electricity grid failure, force majeure events etc.

As a part of our endeavour for cleaner environment, the Company has been consistently working towards reducing its energy dependence on Diesel. Several measures have been adopted like installation of free cooling devices, battery augmentation, electrification of sites, working with electricity providers to improve the electricity availability etc.

Waste management is also done in a responsible manner.

## Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter | FY 2022–23 (Current Financial Year) | FY 2021–22 (Previous Financial Year) |
|---|---|---|
| Total electricity consumption (A) | 12,64,813 | 12,56,638 |
| Total fuel consumption (B) | 5,48,933 | 7,26,846 |
| Energy consumption through other sources (C) | – | – |
| **Total energy consumption (A+B+C)** | **18,13,746** | **19,83,484** |
| Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) | 0.00012441 | 0.00013560 |
| Energy intensity (optional) – the relevant metric may be selected by the entity | – | – |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) : N If yes, name of the external agency. Not Applicable

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

   We do not have sites/facilities identified as designated consumers under the PAT Scheme.

3. Provide details of the following disclosures related to water, in the following format:

   Water is used in office premises for drinking and cleaning purposes. Water is supplied by the Municipal Corporation in the respective offices.

| Parameter | FY 2022–23 (Current Financial Year) | FY 2021–22 (Previous Financial Year) |
|---|---|---|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | – | – |
| (ii) Groundwater | – | – |
| (iii) Third party water | 10293 | 4538 |
| (iv) Seawater / desalinated water | – | – |
| (v) Others | – | – |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 10293 | 4538 |
| Total volume of water consumption (in kilolitres) | 10293 | 4538 |
| Water intensity per rupee of turnover (Water consumed / turnover)* | 0.000706037 | 0.000310242 |
| Water intensity (optional) – the relevant metric may be selected by the entity | – | – |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable

* The company does not measure the quantity of water discharged

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

   Given the nature of our operations, this question is not applicable to us.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter | Please specify unit | FY 2022–23 (Current Financial Year) | FY 2021–22 (Previous Financial Year) |
|---|---|---|---|
| NOx (*) | Metric Ton | 220.23 | 291.60 |
| SOx | – | – | – |
| Particulate matter (PM) | Metric Ton | 14.06 | 18.61 |
| Persistent organic pollutants (POP) | – | – | – |
| Volatile organic compounds (VOC) | – | – | – |
| Hazardous air pollutants (HAP) | – | – | – |
| Others – (please specify) – CO | Metric Ton | 164.00 | 217.15 |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N): N If yes, name of the external agency. No

(*) NOx data also includes HC

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter | Unit | FY 2022–23 (Current Financial Year) | FY 2021–22 (Previous Financial Year) |
|---|---|---|---|
| Total Scope 1 emissions (Break–up of the GHG into CO2, CH4, N20, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 Equivalent | 38,416 | 50,866 |
| Total Scope 2 emissions (Break–up of the GHG into CO2, CH4, N20, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 Equivalent | 2,13,508 | 2,12,127 |
| Total Scope 1 and Scope 2 emissions per rupee of Turnover | Metric tonnes of CO2 Equivalent | 0.00001728 | 0.00001798 |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity | – | – | – |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

   At GTL Infrastructure Ltd., we firmly believe in our responsibility towards the environment. We undertook various viable techno–commercial initiatives to reduce the carbon emissions.

**Green Sites** – We are continuously working towards converting our regular diesel filling sites into Green Sites where diesel consumption is less than 100 litres per quarter. As of FY–2021–22 there were 2,313 green sites which increased to 2,547 sites in FY–2022–23. (on case–to–case basis in events of prolonged EB cut or in force majeure events a small quantity of diesel may be used to power on Telecom Networks)

**Natural Cooling** – installed FCU (Free Cooling Units) at our sites to overcome the dependability on Air–conditioners run where ambient temperature compliments the working of equipments.

**Advance battery bank solutions** – We have introduced VRLA Based HTC (High Temperature Cyclic) batteries, to optimise energy consumption.

We have taken initiative to optimise the power plant performance at site by installing the single power plant instead of multiple power plant Telecom Operator–wise, thus reducing the unnecessary DG run hours and utilizes the maximum battery backup, thus reducing the diesel consumption.

**High Electricity Availability:** We undertake phase conversion and feeder conversion projects which benefit us to have higher EB availability, especially in Urban and Rural areas. This results in reduction of Diesel Generator run hours.

8. Provide details related to waste management by the entity, in the following format:

| Parameter | FY 2022–23 (Current Financial Year) | FY 2021–22 (Previous Financial Year) |
|---|---|---|
| **Total Waste generated (in metric tonnes)** | | |
| Plastic waste (A) | – | – |
| E–waste (B) | – | – |
| Bio–medical waste (C) | NA | NA |
| Construction and demolition waste (D) | – | – |
| Battery waste (E)[#] | 1560 | 1600 |
| Radioactive waste (F) | NA | NA |
| Other Hazardous waste. Please specify, if any. (G) | NA | NA |
| Other Non–hazardous waste generated (H). Please specify, if any.[##] (Break–up by composition i.e. by materials relevant to the sector) | 9.19 | 24.68 |
| **Total (A + B + C + D + E + F + G + H)** | **1569.19** | **1624.68** |
| **For each category of waste generated, total waste recovered through recycling, re–using or other recovery operations (in metric tonnes)** | | |
| **Category of waste** | | |
| (i) Recycled | 1,569.19 | 1,624.68 |
| (ii) Re–used | – | – |
| (iii) Other recovery operations | – | – |
| **Total** | **1,569.19** | **1,624.68** |
| **For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)** | | |
| **Category of waste** | Not Applicable | |
| (i) Incineration | | |
| (ii) Landfilling | | |
| (iii) Other disposal operations | | |
| **Total** | | |

**Note:** Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable

[#] Battery waste are battery banks used at sites

[##] Other non–hazardous waste are paper based wastages generated from normal operations

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We consume batteries, and electronic products in our business operations. Batteries are classified as hazardous waste; whereas SMPS as other non– hazardous waste.

The cycle of material deployment to retrieval and waste is handled in a systematic process. Material deployment from warehouse to sites gets completed through the process of Material Request Note (MRN). The retrieval of material from sites to warehouse is initiated post completion of its shelf life through the process of Site Return Note (SRN).

Post receipt of material at warehouse, it flows into the process of Health Assessment which is done by In–house Testing & Repair Centre followed by its validation item wise by a Subject Matter Expert for declaring it as either repairable / reusable (with acceptable performance) or scrap.

Items classified as repairable are redeployed for extended life. SRN Material identified as scrap is disposed–off through authorized recyclers / OEMs taking back such material for responsible waste management.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

| Sr. No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|---|---|---|---|
| NIL | | | |

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

    Environmental Impact assessment (EIA) as per the EIA Notification, 2020 is not applicable to our activities

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non–compliances, in the following format:

    Yes, the company conducts its operations in accordance with applicable rules and regulations.

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.

   GTL Infrastructure has affiliation with ONE trade and industry chamber / association

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| Sr. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|---|---|---|
| 1 | Confederation of Indian Industry (CII) | National |

2. Provide details of corrective action taken or underway on any issues related to anti–competitive conduct by the entity, based on adverse orders from regulatory authorities.

   No such matter related to anti–competitive conduct by the entity is reported

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development**

The company through its employee volunteerism and non–financial means supports the causes adopted by "Global Foundation"

*Additional information can be referred from Corporate Social Responsibility section under MDA part of the Annual Report.*

**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

   Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

   Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

   Our towers bring access to communications to communities living around our towers. As part of the service commitment, the Company endeavors to deliver high uptime on its towers. We always focus on fastest restoration of sites even during natural calamities and force majeure events. During service visits complaints received from nearby residents are reported to Circle management team for addressing the issue and redressal.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| | FY 2022–23 |
|---|---|
| Directly sourced from MSMEs/ small producers | 3.56% |

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**

We are a Customer centric organization. As a shared telecom tower infrastructure (passive infra) provider, we have long term contracts with telecom operators, who are our customers. Our deliverables are defined under Service Level Agreements. With each of our Customers we have regular engagements within governance framework to ensure customers get desired services.

## Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
   - Governance and Customer Key Account Management structure is in place underwhich reviews are held with the customers both at Corporate and Operating Circle levels, covering
     - Operations
     - Energy Management
     - Projects involving new sites / upgradation of existing sites / receivables.
   - Telecom being an essential enabler, during all natural calamities and force majeure situations, Business Continuity plans are drawn along with the customers for minimum disruptions, disturbances at sites and timely restoration.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

**As a percentage to total turnover**

| | |
|---|---|
| Environmental and social parameters relevant to the product | NA |
| Safe and responsible usage | NA |
| Recycling and/or safe disposal | NA |

3. No. of consumer complaints in respect of the following:

| | FY 2022–23 (Current Financial Year) | | Remarks | FY 2021–22 (Previous Financial Year) | | Remarks |
|---|---|---|---|---|---|---|
| | Received during the year | Pending resolution at end of year | | Received during the year | Pending resolution at end of year | |
| Data privacy | Nil | Nil | – | Nil | Nil | – |
| Advertising | Nil | Nil | – | Nil | Nil | – |
| Cyber–security | Nil | Nil | – | Nil | Nil | – |
| Delivery of essential services | Nil | Nil | – | Nil | Nil | – |
| Restrictive Trade Practices | Nil | Nil | – | Nil | Nil | – |
| Unfair TradePractices | Nil | Nil | – | Nil | Nil | – |
| Other | Nil | Nil | – | Nil | Nil | – |

4. Details of instances of product recalls on account of safety issues:

| | Number | Reasons for recall |
|---|---|---|
| Voluntary recalls | Not Applicable | Not Applicable |
| Forced recalls | Not Applicable | Not Applicable |

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)

   Yes, the company has a well–defined Data Privacy and Cyber Security Policy that is accessible to the employees on the Intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re–occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   Not Applicable

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**

As on March 31, 2023, the Company has 7 Directors with a Non–Executive Chairman and a Non–Executive Vice Chairman. Of the 7 Directors, 6 (i.e.85.71%) are Non–Executive Directors and 4 (i.e.57.14%) are Independent Directors including woman director. 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, 2023 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 ** | | Number of Committee positions held in other Indian public limited companies ** | | Directorship in other Listed entity (Category of Directorship) |
|---|---|---|---|---|---|---|---|---|---|
| | | Held | Attended | | Board Directorship ** | Board Chairmanship ** | Chairman | Members | |
| Mr. Manoj G. Tirodkar @ (Chairman) DIN 00298407 | NID/ NED | 8 | 7 | Yes | 0 | 0 | 0 | 0 | 0 |
| Mr. N. Balasubramanian (Vice–Chairman) DIN 00288918 | ID | 8 | 8 | Yes | 0 | 0 | 0 | 0 | 0 |
| Mr. Vikas Arora (Whole–time Director)$ DIN 09785527 | NID/ED | 8 | 5 | NA | 0 | 0 | 0 | 0 | 0 |
| Dr. Anand P. Patkar DIN 00634761 | ID | 8 | 8 | Yes | 0 | 0 | 0 | 0 | 0 |
| Mr. Charudatta K. Naik DIN 00225472 | NID/NED | 8 | 7 | Yes | 0 | 0 | 0 | 0 | 0 |
| Ms. Dina S. Hatekar DIN 08535438 | ID | 8 | 8 | 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 ** | | Number of Committee positions held in other Indian public limited companies ** | | Directorship in other Listed entity (Category of Directorship) |
|---|---|---|---|---|---|---|---|---|---|
| | | Held | Attended | | Board Directorship ** | Board Chairmanship ** | Chairman | Members | |
| Mr. Vinod B. Agarwala DIN 01725158 | ID | 8 | 8 | Yes | 4 | 0 | 2 | 6 | 1. Supreme Infrastructure India Ltd. (NED/ID)<br>2. Technocraft Industries (India) Ltd. (NED/ID)<br>3. IRIS Business Services Ltd. (NED/ID)<br>4. West Coast Paper Mills Limited (NED/ID) |

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

** In Indian Public Limited Companies

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

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

$ Appointed as Director and Whole–time Director w.e.f. November 10, 2022.

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

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

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

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

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

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

**iv)** Independent Directors are non–executive directors as defined under Regulation 16(1)(b) of the Listing Regulations. The maximum tenure of the Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations. Further, in terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

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

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

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

During the year under review, a separate meeting of the Independent Directors was held on March 20, 2023 and all the Independent Directors were present for this meeting.

v) **Number of Board Meetings held and the dates on which held:** The Board of Directors met eight (8) times during the year under review. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. The details of the Board Meetings are as under:

| Date of Board Meeting | Board Strength | No. of Directors Present |
|---|---|---|
| May 17, 2022 | 07 | 07 |
| August 11, 2022 | 07 | 06 |
| September 1, 2022 | 07 | 07 |
| November 10, 2022 | 07 | 07 |
| November 24, 2022 | 07 | 06 |
| December 15, 2022 | 07 | 07 |
| February 8, 2023 | 07 | 07 |
| February 28, 2023 | 07 | 07 |

vi) **Details of equity shares of the Company held by the Directors as on March 31, 2023 are as under:**

| Name of Director | Number of Shares |
|---|---|
| Mr. Manoj G. Tirodkar | 5,897,783 |
| Mr. N. Balasubramanian | 530,046 |
| Dr. Anand P. Patkar | 100,000 |
| Mr. Charudatta K. Naik | 1,325,900 |
| Mr. Vinod B. Agarwala | 459,000 |
| Ms. Dina S. Hatekar | 9,425 |
| Mr. Vikas Arora | 22,000 |

## 3. BOARD COMMITTEES

### A. Audit Committee:

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

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

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

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - ➢ Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub – section 3 of section 134 of the Act.
  - ➢ Changes, if any, in accounting policies and practices and reasons for the same.
  - ➢ Major accounting entries involving estimates based on the exercise of judgment by management.
  - ➢ Significant adjustments made in the financial statements arising out of audit findings.
  - ➢ Compliance with listing and other legal requirements relating to financial statements.
  - ➢ Disclosure of any related party transactions.
  - ➢ Modified Opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter–corporate loans and investments;.

- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post–audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non–payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- To review the following information:
  - ➢ the management discussion and analysis of financial condition and results of operations;
  - ➢ Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - ➢ Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
  - ➢ Internal audit reports relating to internal control weaknesses; and
  - ➢ The appointment, removal and terms of remuneration of Chief Internal Auditor.
  - ➢ Statement of deviations:
    - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).

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

**iv)** The previous Annual General Meeting of the Company was held on September 29, 2022 and was attended by Mr. N. Balasubramanian, Chairman of the Audit Committee.

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

The Audit Committee met five (5) times during the year under review on May 17, 2022, August 11, 2022, November 10, 2022, February 8, 2023 and March 20, 2023. 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 2022–2023 | |
|---|---|---|---|
| | | Held | Attended |
| Mr. N. Balasubramanian (Chairman) | Independent, Non–Executive | 5 | 5 |
| Mr. Vinod B. Agarwala | 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. Vinod Agarwala and Mr. N. Balasubramanian, and one Non–Independent / Non–Executive Director, Mr. Charudatta K. Naik. Mr. Vinod Agarwala is the Chairman of the Committee.

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

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

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

- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; Administer and supervise Employees Stock Option Schemes including allotment of shares arising out of conversion of Employees Stock Option Scheme(s) or under any other employee compensation scheme;
- Formulate suitable policies and systems for implementation, take appropriate decisions and monitor implementation of the following Regulations:
  a. SEBI (Prohibition of Insider Trading) Regulations, 2015 and
  b. SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
- Perform such other functions consistent with applicable regulatory requirements.

iii) **Number of Nomination & Remuneration Committee Meetings held and the dates on which held:** The Nomination & Remuneration Committee met six (6) times during the year under review on May 17, 2022, June 20, 2022, August 11, 2022, September 1, 2022, November 7, 2022 and February 7, 2023. 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 2022–2023 | |
|---|---|---|---|
| | | Held | Attended |
| Mr. Vinod B. Agarwala (Chairman) | Independent, Non–Executive | 6 | 6 |
| Mr. N. Balasubramanian | Independent, Non–Executive | 6 | 6 |
| Mr. Charudatta K. Naik | Non–Independent, Non–Executive | 6 | 6 |

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

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

v) **Remuneration of Directors :**

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

(b) The Policy Dossier approved by the Board of Directors contains compensation policy for Directors, (including criteria for making payments to non– executive directors) which has been uploaded on the website of the Company at following link –
http://www.gtlinfra.com/investors/corporate–governance/
*inter–alia*, provides for the following:

➢ **Executive Directors:**
  - o Salary and commission not to exceed limits prescribed under the Act.
  - o Remuneration from time to time depending upon the performance of the Company, individual Director's performance and prevailing Industry norms.
  - o No sitting fees.
  - o No Employee Stock Option Scheme for Promoter Directors.

➢ **Non–Executive Directors:**
  - o Eligible for commission based on time, efforts and output given by them.
  - o Sitting fees and commission not to exceed limits prescribed under the Act.
  - o 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, 2023 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 $ | 27.98 | 28.77 | – | – | – |
| Mr. Vikas Arora# | 17.24 | 20.97 | 2.07* | – | – |

$ *Mr. Milind Naik ceased to be Whole–time Director w.e.f. September 22, 2022. Approval of lenders is awaited for his managerial remuneration.*

# *Mr. Vikas Arora was appointed as Whole–time Director w.e.f. November 10, 2022. Approval of lenders is awaited for his managerial remuneration.*

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

**(ii) Non–Executive Directors:**

| Name | Sitting Fees (₹ in Lakh) |
|---|---|
| Mr. Manoj G. Tirodkar | 11.50 |
| Mr. N. Balasubramanian # | 19.00 |
| Dr. Anand P. Patkar # | 14.75 |
| Mr. Charudatta K. Naik | 21.75 |
| Mr. Vinod B. Agarwala # | 25.75 |
| Ms. Dina S. Hatekar ^ | 13.25 |

* *Excluding Swachha Bharat Cess Tax*

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

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

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

vi) The previous Annual General Meeting of the Company was held on September 29, 2022 and was attended by Mr. Vinod B. Agarwala, Chairman of the Nomination & Remuneration Committee.

**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 one Non–Independent / Non–Executive Director, Mr. Manoj G. Tirodkar. Dr. Anand Patkar is the Chairman of the Committee.

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

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

- Look into the redressal of Shareholders' and Investors' complaints/grievances like transfer of shares, non–receipt of Balance Sheet, non–receipt of declared dividends, etc.;
- Review the certificate of the Practicing Company Secretary regarding timely action on transfer, sub–division, consolidation, renewal, exchange or endorsement of calls / allotment monies.
- Oversee the performance of the Registrar and Share Transfer Agent and recommend measures for overall improvement in the quality of investor services.
- Ascertain whether the Registrars & Share Transfer Agents (RTA) are sufficiently equipped with infrastructure facilities such as adequate manpower, computer hardware and software, office space, documents handling facility etc to serve the shareholders / investors;.
- Recommend to the Board, the appointment, reappointment, if required, the replacement or removal of the Registrar and Share Transfer Agent and the fixation of their fees.
- To carry out any other function as required by Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, Companies Act and other Regulations.

**iii) Number of Stakeholders' Relationship Committee Meetings held and the dates on which held:** The Stakeholders' Relationship Committee met four (4) times during the year under review on May 17, 2022, August 11, 2022, November 7, 2022 and February 8, 2023. 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 2022–23 | |
|---|---|---|---|
| | | Held | Attended |
| Dr. Anand P. Patkar (Chairman) | Independent, Non–Executive | 4 | 4 |
| Mr. Vinod B. Agarwala | Independent, Non–Executive | 4 | 4 |
| Mr. Manoj G. Tirodkar | Non–Independent, Non–Executive | 4 | 4 |

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, 2023, 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 |
|---|---|---|---|
| 0 | 0 | 0 | 0 |

vi) The previous Annual General Meeting of the Company was held on September 29, 2022 and was attended by Dr. Anand P. Patkar, Chairman of the Stakeholders Relationship Committee.

## D. Risk Management Committee:

i) **Composition:** The Risk Management Committee of the Board comprises three Independent Directors' namely Mr. Vinod B. Agarwala, Dr. Anand P. Patkar and Ms. Dina S. Hatekar and one Non–Independent / Non–Executive Director, Mr. Charudatta K. Naik. Mr. Vinod B. Agarwala is the Chairman of the Committee.

The Company Secretary acts as the secretary to the Risk Management Committee.

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

- To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- To carry out any other function as required by the Listing Regulations, Companies Act and other regulations and as may be vested by the Board of Directors.

iii) **Number of Risk Management Committee Meetings held and the dates on which held:** The Risk Management Committee met five (5) times during the year under review on May 16, 2022, August 10, 2022, September 1, 2022, November 7, 2022 and February 8, 2023. The necessary quorum was present for all the meetings. The details of attendance of each Member at the Risk Management Committee meetings held during the year are as under:

| Name | Category | Number of meetings during the year 2022–23 | |
|---|---|---|---|
| | | Held | Attended |
| Mr. Vinod B. Agarwala (Chairman) | Independent, Non–Executive | 5 | 5 |
| Dr. Anand P. Patkar * | Independent, Non–Executive | 2 | 2 |
| Ms. Dina S. Hatekar | Independent, Non–Executive | 5 | 5 |
| Mr. Charudatta K. Naik | Non–Independent, Non–Executive | 5 | 5 |

* *Appointed as a member of the Committee w.e.f. October 31, 2022*

## 4. GENERAL BODY MEETINGS

### A. General Meetings:

**i) Annual General Meeting:**

| Financial Year | Date | Time | Venue |
|---|---|---|---|
| 2019–20 | September 30, 2020 | 02.00 p.m. | Meeting conducted through Video Conferencing (VC)/Other Audio–Visual Means (OAVM) pursuant to circulars issued by MCA |
| 2020–21 | September 28, 2021 | 02.00 p.m. | |
| 2021–22 | September 29, 2022 | 11.00 a.m. | |

**ii) Extraordinary General Meeting:**

No extraordinary general meeting of the members of the Company was held during financial year 2022–23.

**iii) Special Resolutions:**

a) At the Annual General Meeting of the Company held on September 29, 2022, no special resolution was passed.

b) At the Annual General Meeting of the Company held on September 28, 2021, Special Resolution for appointment of Mr. Milind K. Naik as Whole–time Director on such remuneration and terms and conditions as set out in Explanatory Statement.

c) At the Annual General Meeting of the Company held on September 30, 2020, no special resolution was passed.

**iv) Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:**

The Company has sought approval of the members of the Company by way of resolutions through notice of Postal Ballot dated January 3, 2023 for appointment of Mr. Vikas Arora as a Director and Whole–time Director of the Company, which was duly passed and the results of which were announced on February 7, 2023. Mr. Chetan A. Joshi, Practicing Company Secretary (Membership No. FCS 7052, CP 7744) was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e–voting) in a fair and transparent manner. Details of voting pattern are as follows:

| Description of Resolution | Votes in favor of the resolution | | | Votes against the resolution | | |
|---|---|---|---|---|---|---|
| | Number of members voted | Number of valid votes caste | % of total number of valid votes cast | Number of members voted | Number of valid votes caste | % of total number of valid votes cast |
| Appointment of Mr. Vikas Arora as Director | 1082 | 55,36,69,341 | 97.35 | 92 | 1,50,51,162 | 2.65 |
| Appointment of Mr. Vikas Arora as Whole–time Director | 1035 | 55,33,17,516 | 97.29 | 136 | 1,53,84,361 | 2.71 |

Procedure for postal ballot: The postal ballot was carried out as per provisions of Section 108 and 110 of the Act read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, General Circular No. 14/ 2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 read with other relevant circulars, including General Circular No. 3/2022 dated May 5, 2022 and General Circular No. 11/2022 dated December 28, 2022 issued by Ministry of Corporate Affairs, Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings ("SS–2") issued by the Institute of Company Secretaries of India

**v) Whether special resolutions are proposed to be conducted through postal ballot: No special resolution is proposed to be conducted through postal ballot at the ensuing AGM.**

## 5. MEANS OF COMMUNICATION:

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

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

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

## 6. GENERAL SHAREHOLDER INFORMATION:

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

**i) Annual General Meeting:**

| | | |
|---|---|---|
| **Date** | : | September 28, 2023 |
| **Time** | : | 11.00 A.M. |
| **Venue** | : | The Company is conducting meeting through Video Conferencing (VC) / Other Audio–Visual Means (OAVM) pursuant to circular issued by MCA dated May 5, 2020 read with Circulars dated April 8, 2020, April 13, 2020, January 13, 2021, December 14, 2021 and December 28, 2022 and as such there is no requirement to have a venue of AGM. For details please refer to the Notice of AGM. |

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

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

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

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

and

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

**Foreign Currency Convertible Bonds (FCCB) are listed at**

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

**v) Listing Fees for 2022–23** : BSE/NSE listing fees for the financial year 2022–2023 was paid by the Company within the prescribed time.

**vi) Stock Exchange Codes:**

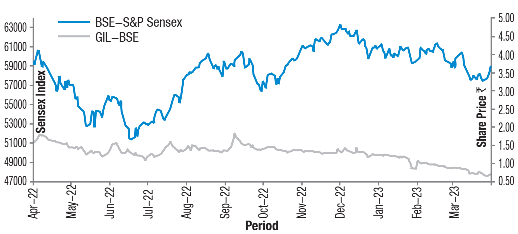
| | | |
|---|---|---|
| **BSE – Equity Shares** | : | 532775 |
| **NSE– Equity Shares** | : | GTLINFRA |
| **Reuters Code** | : | GTLI.BO & GTLI.NS |
| **Bloomberg ticker** | : | GTLI:IN |
| **Equity ISIN** | : | INE221H01019 |
| **Singapore Exchange Securities Trading Limited** | : | FCCB Series 'B1'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

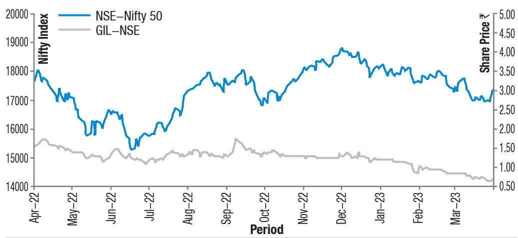
**vii) Market price data:**

High, low and number of equity shares traded during each month in the year 2022–23 on BSE and NSE:

| Month | BSE | | | NSE | | |
|---|---|---|---|---|---|---|
| | High (₹) | Low (₹) | Volume (Nos.) | High (₹) | Low (₹) | Volume (Nos.) |
| Apr–2022 | 1.79 | 1.40 | 92,45,74,222 | 1.80 | 1.40 | 1,20,14,68,116 |
| May–2022 | 1.43 | 1.14 | 63,37,55,391 | 1.45 | 1.15 | 98,63,66,522 |
| Jun–2022 | 1.56 | 1.08 | 74,76,37,564 | 1.55 | 1.05 | 96,67,67,982 |
| Jul–2022 | 1.60 | 1.11 | 71,66,39,126 | 1.50 | 1.10 | 80,29,39,628 |
| Aug–2022 | 1.48 | 1.27 | 52,93,46,785 | 1.45 | 1.25 | 69,25,98,817 |
| Sep–2022 | 1.84 | 1.30 | 1,03,08,25,110 | 1.80 | 1.30 | 1,02,79,68,662 |
| Oct–2022 | 1.44 | 1.27 | 36,12,78,378 | 1.45 | 1.25 | 43,40,91,177 |
| Nov–2022 | 1.38 | 1.21 | 47,33,67,773 | 1.35 | 1.20 | 45,68,03,412 |
| Dec–2022 | 1.44 | 1.14 | 57,35,78,985 | 1.45 | 1.15 | 63,01,01,795 |
| Jan–2023 | 1.23 | 0.8 | 38,44,51,114 | 1.25 | 0.80 | 50,23,30,155 |
| Feb–2023 | 1.15 | 0.85 | 39,04,79,389 | 1.15 | 0.80 | 38,71,46,400 |
| Mar–2023 | 0.90 | 0.64 | 57,96,98,229 | 0.90 | 0.60 | 45,65,22,799 |

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



**ix) Registrar and Share Transfer Agents:**

Name and Address : Bigshare Services Private Limited
Office No. S6–2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai–400093, Maharashtra, India

Telephone : Telephone No: +91–22–62638200 Extn.221–223
Fax No: +91 22 62638299

**x) Share transfer system:**

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

Pursuant to Regulation 40(1) of the Listing Regulations, as amended, transfer, transmission or transposition of securities shall be effected only in dematerialized form.

Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

**xi) Shareholding as on March 31, 2023:**

a. Distribution of equity shareholding as on March 31, 2023:

| No. of Shares | No. of Shareholders | % of Shareholders | Share amount (₹) | % to Total |
|---|---|---|---|---|
| Upto 500 | 5,74,655 | 49.22 | 85,26,24,790 | 0.67 |
| 501 – 1000 | 1,59,234 | 13.64 | 1,37,96,94,480 | 1.09 |
| 1001 – 2000 | 1,26,573 | 10.84 | 2,00,54,24,860 | 1.58 |
| 2001 – 3000 | 62,718 | 5.37 | 1,62,72,89,440 | 1.28 |
| 3001 – 4000 | 32,766 | 2.81 | 1,18,91,09,880 | 0.94 |
| 4001 – 5000 | 45,708 | 3.91 | 2,20,58,60,830 | 1.74 |
| 5001 – 10000 | 75,598 | 6.48 | 5,98,88,24,340 | 4.73 |
| 10001 & Above | 90,272 | 7.73 | 1,11,46,21,98,840 | 87.97 |
| **Total** | **11,67,524** | **100.00** | **1,26,71,10,27,460** | **100.00** |

b. Distribution of shares by categories of shareholders as on March 31, 2023:

| Sr. No. | Category | Nos. of Shares held | % |
|---|---|---|---|
| 1 | **Promoter & Promoter Group** | **42,01,44,016** | **3.32** |
| 2 | Public – Institutions | | |
| | a. – Mutual Funds | 214 | 0.00 |
| | b. – Foreign Portfolio Investors | 1,76,05,658 | 0.14 |
| | c. – Financial Institutions / Banks | 5,39,53,90,871 | 42.58 |
| | d. – Insurance Companies | 42,62,28,586 | 3.36 |
| | **Public Institutions** | **5,83,92,25,329** | **46.08** |
| 3 | Public – Non–Institutions | | |
| | a. – Resident Individuals / HUF | 6,02,95,22,240 | 47.58 |
| | b. – Other – Trusts | 1,80,550 | 0.00 |
| | c. – Other – Bodies Corporate (Domestic) | 11,39,57,877 | 0.90 |
| | d. – Other – Clearing Members | 1,23,82,584 | 0.10 |
| | e. – Other – Non–resident Indians / Foreign National | 13,87,52,340 | 1.10 |
| | f. – Other – Overseas Corporate Bodies | 1,97,266 | 0.00 |
| | g. – Other – Foreign Companies | 10,81,20,492 | 0.85 |
| | h. – Other – Directors & Relatives | 85,70,195 | 0.07 |
| | i. – Other – Unclaimed Suspense Account | 49,857 | 0.00 |
| | **Public Non–Institutions** | **6,41,17,33,401** | **50.60** |
| | **Total** | **12,67,11,02,746** | **100.00** |

c. Top 10 equity shareholders of the Company as on March 31, 2023:

| Sr. No. | Beneficiary / Shareholder Name | Shares Held | % Holding |
|---|---|---|---|
| 1 | Union Bank of India | 1,54,62,71,529 | 12.20 |
| 2 | Central Bank of India | 94,21,54,365 | 7.44 |
| 3 | Bank of Baroda | 72,79,74,981 | 5.75 |
| 4 | Indian Overseas Bank | 67,00,32,490 | 5.29 |
| 5 | ICICI Bank Ltd. | 52,78,32,504 | 4.17 |
| 6 | Canara Bank | 51,91,15,428 | 4.10 |
| 7 | Life Insurance Corporation of India | 42,61,77,058 | 3.36 |
| 8 | Global Holding Corporation Pvt Ltd | 42,01,44,016 | 3.32 |
| 9 | IFCI Ltd. | 29,64,90,245 | 2.34 |
| 10 | Series A Bondholders' Benefit Trust | 9,48,43,348 | 1.24 |

**xii) Dematerialization of shares and liquidity:**

Trading in equity shares of the Company on the Stock Exchanges is permitted only in dematerialized form as per notification issued by the SEBI. The Shares of the Company are available for trading under the depository systems in India – National Securities Depositories Limited and Central Depository Services Limited. 99.25% of the Company's shares are held in dematerialized form as on March 31, 2023.

**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, 2023 are as follows:

| Particulars | No. of Series B1 FCCBs (of US$ 1,000 each)* | No. of Series B2 FCCBs (of US$ 1,000 each)** | No. of Series B3 FCCBs (of US$ 1,000 each)* | Total No. of FCCBs (of US$ 1000 each) | No. of Equity Shares upon conversion |
|---|---|---|---|---|---|
| FCCBs allotted | 80,745 | 86,417 | 30,078 | 197,240 | |
| Converted till March 31, 2023 | 53,016.5 | 27,939 | 19,748 | 100,703.5 | 65,59,68,471 |
| Balance as on March 31, 2023 | 27,728.5 | 58,478 | 10,330 | 96,536.5 | |

* Series B1 and B3 bonds have become compulsorily convertible upon maturity date i.e. October 27, 2022. The Company has requested bondholders to share their respective details for converting bonds and crediting equity shares to their respective accounts. However, the Company is still awaiting the relevant details of bondholders w.r.t. 27,728.50 Series B1 Bonds and 10,330 Series B3 Bonds.

** Series B2 Bonds are redeemable and have matured on October 27, 2022. The lead lender has informed the Company that till the time the entire outstanding secured debt of the secured lenders is fully paid off, no other creditor including Series B2 bondholders, which rank sub–ordinate to the secured creditors, can be paid in priority. Hence, the Company could not redeem Series B2 Bonds on its maturity. In terms of Terms and Conditions of Series B2 Bonds, bondholders can exercise their right for conversion of bonds into equity shares till the date of receipt of redemption amount by the Principal Agent / Trustee of the Series B2 bonds.

If balance convertible bonds are converted into equity shares of the Company, the total share capital would go up by 62,88,25,245.

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

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

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

As stipulated under Regulation 34 read with Schedule V of the Listing Regulations, the Company reports the following details of equity shares lying in the suspense account as on March 31, 2023.

| Particulars | No. of Shareholders | No. of Shares |
|---|---|---|
| Aggregate number of shareholders and the outstanding shares lying in the suspense account as on April 1, 2022 | 490 | 49,857 |
| Number of shareholders who approached the Company for transfer of shares from suspense account during the year | 0 | 0 |
| Number of shareholders to whom shares were transferred from suspense account during the year | 0 | 0 |
| Aggregate number of shareholders and the outstanding shares remaining unclaimed as on March 31, 2023 | 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, 2023, the Company owns Telecom Towers across all 22 telecom circles in India. List of Branch Offices and addresses are provided elsewhere in this Annual Report.

**xvi) Address for correspondence:**

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

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

## 7 DISCLOSURES:

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

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

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

b. Details of non–compliance by the Company, penalties and strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years viz. 2020–21, 2021–22 and 2022–23 respectively: NIL

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

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

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

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

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

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

f. The Company has Foreign Currency Loan and Foreign Currency Convertible Bonds (FCCB). These possess a Foreign Currency Risk as this is un–hedged. For a detailed discussion on foreign exchange risk and hedging activities, please refer to note no. 52(1)(d) of the Financial Statements. The Commodity Price Risk, by and large, is managed contractually through price variation clauses.

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

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

| Particulars | Amount |
|---|---|
| Services as statutory auditor for FY 2022–23 | ₹ 45,00,000/– |
| Services as statutory auditors for quarterly limited review reports | ₹ 9,00,000/– |
| **Total** | **₹ 54,00,000/–** |

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

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

Details of number of complaints received, disposed of, and pending during year 2022–23 pertaining to the sexual harassment of women at workplace are as under

| | |
|---|---|
| Number of Complaints filed during the financial year 2022–23 | 0 |
| Number of Complaints disposed of during the financial year 2022–23 | 0 |
| Number of Complaints pending as on March 31, 2023 | 0 |

j. Non– Mandatory / Discretionary Requirements

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

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

ii. Shareholders Rights –

Financial Results for the half year / quarter ended September 30, 2022 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 2022–23, the Auditor of the Company has issued modified opinions w.r.t. the Company's inability to quantify the amount of property tax on its telecom towers to be ultimately borne by it due to pending petitions of the Company before the appropriate Courts, non–receipt of demand notices for property tax in respect of majority of the Telecommunication Towers and also due to Company's right to recover such property tax amount from certain customers.

iv. Separate post of Chairman and CEO –

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

v. Reporting of Internal Auditor –

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

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

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

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

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

n. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/Companies in which directors are interested by name and amount – Not Applicable

o. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries – Not Applicable

## 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, 2023.

Place : Mumbai
Dated : May 11, 2023

**Vikas Arora**
Whole–time Director

# CERTIFICATE

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

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

In my opinion and to the best of my information and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31$^{st}$ March, 2023, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | Director Identification Number (DIN) |
|---|---|---|
| 1. | Mr. Manoj G. Tirodkar | 00298407 |
| 2. | Mr N. Balasubramanian | 00288918 |
| 3. | Mr. Vikas K. Arora* | 09785527 |
| 4. | Dr. Anand P. Patkar | 00634761 |
| 5. | Mr. Charudatta K. Naik | 00225472 |
| 6. | Mr. Vinod B. Agarwala | 01725158 |
| 7. | Ms. Dina S. Hatekar | 08535438 |

** appointed as an Additional director & Whole time Director w.e.f. November 10, 2022*

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2023.

Date : 04/09/2023
Place : Thane
UDIN: F007052E000929303

Peer Review Cert. No: 2004/2022

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

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

**To,**

**The Members,**

**GTL Infrastructure Limited**

1. The Corporate Governance Report prepared by GTL Infrastructure Limited ("the Company"), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2023. This certificate is required by the Company for annual submission to the Stock exchanges and to be sent to the shareholders of the Company.

## MANAGEMENT'S RESPONSIBILITY

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

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

## AUDITORS' RESPONSIBILITY

4. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations referred to in paragraph 1 above.

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

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

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

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

## EMPHASIS OF MATTER

9. We draw your attention to Point No. 3(B)(v)(c)(i) of the report on Corporate Governance regarding remuneration paid to Whole Time Directors, which is subject to approvals of lenders in accordance with the provisions of Section 197 of the Companies Act, 2013.

Our Opinion is not modified in respect of this matter.

## OPINION

10. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2023, referred to in paragraph 1 above.

## OTHER MATTERS AND RESTRICTION ON USE

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

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

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

**Gopal Chaturvedi**
*Partner*
Membership No. 090903
UDIN No.: 23090903BGXJON8720

Place : Mumbai
Dated : September 05, 2023

# INDEPENDENT AUDITOR'S REPORT

**TO**

**THE MEMBERS OF**

**GTL INFRASTRUCTURE LIMITED**

**Report on the Audit of Financial Statements**

***Qualified Opinion***

We have audited the accompanying financial statements of **GTL INFRASTRUCTURE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including the Other Comprehensive Income, the Statement of Cash Flow 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 **"Financial Statements"**).

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matters described in the 'Basis for Qualified Opinion' para below,* the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Loss including other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

***Basis for Qualified Opinion***

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

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

**Material Uncertainty Related to Going Concern**

We draw attention to the Note no. 59 to the financial statements, regarding preparation of financial statements on going concern basis, notwithstanding the fact that the Company continued to incur the cash losses, net–worth has been fully eroded, defaulted in repayment of principal and interest to its lenders, certain lenders including Edelweiss Asset Reconstruction Company (EARC) have called back the loans, one of the secured lender had applied before the NCLT Mumbai Bench under Insolvency and Bankruptcy Code, 2016 for initiation of Corporate Insolvency Resolution Process (CIRP), which was dismissed by NCLT vide its order dated November 18, 2022, against which the secured lender has filed an appeal before the National Company Law Appellate Tribunal, ("NCLAT''), which is subjudice, in the meantime EARC who is the lead lender of the Company has filed its Intervention Application in abovementioned Appeal and the Company has filed its reply to the appeal as well as EARC intervention application, Aircel, an erstwhile major customer of the Company has filed Insolvency petition before NCLT and various other events resulting into substantial reduction in the tenancy, provisions for impairment for Property, Plant & Equipment (refer Note No. 3(a)(iv) to the financial statements), legal matters in relation to Property Tax and qualified opinion for the same (refer note no. 40 to the Financial Statements and above paragraph heading with *"Basis for Qualified Opinion",* respectively), dismissal of Company's proceedings by the Hon'ble Supreme Court, dismantling of various telecom sites by disgruntled landowners / miscreants and loss of assets (refer note no. 58 to the Financial Statements); these conditions along with other matters set forth in notes to the financial statements indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. The appropriateness of the assumptions of the going concern is critically depended upon the Company's ability to generate cash flows in future to meet its obligation.

Our opinion is not modified in respect of this matter.

**Key Audit Matters (KAM)**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key Audit Matter | How our audit addressed the key audit matter |
|---|---|
| **1) Property, Plant and Equipment (PPE):** | |
| **Impairment**<br>Annually Management reviews whether there are any indicators of impairment of the PPE of the Company by reference to the requirements under Indian Accounting Standards (Ind AS) 36 – "Impairment of Assets". Accordingly, Management has identified impairment indicators (operating losses, significant erosion of net–worth, dismantling of towers etc.) in the Company. As a result, an impairment assessment was required to be performed by the Company by comparing the carrying value of the PPE to their recoverable amount to determine whether impairment was required to be recognised.<br>For the purpose of the above impairment testing, value in use has been determined by forecasting and discounting future cash flows.<br>These conclusions are dependent upon significant management judgments, including in respect of:<br>– Estimated utilization, incremental tenancy (growth rate), frequency of assets replacement expenditure to be incurred, disposal values and discount rates applied to future cash flows.<br>During the year ended March 31, 2023 the management assessed carrying values of PPE and an impairment provision of ₹ 58,654 Lakhs and losses on account of dismantling of PPE of ₹ 34,169 Lakhs have been recognised and reduced the aggregate carrying value of PPE to ₹ 265,154 Lakhs, to their estimated recoverable value, which is the value in use (Refer Note no. 3(a), 35 and 58 to the Financial Statements).<br>We considered this matter as key audit matter due to the significance of the carrying value of the assets being assessed and due to the level of management judgments required in the assumptions impacting the impairment assessment and the sensitivity of the impairment model. | Our audit procedures included, among others:<br>– Updating our understanding of management's annual impairment testing process.<br>– Assessing internal controls designed for identification of impairment indicators.<br>– Ensuring that the methodology of the impairment exercise continues to comply with the requirements of Ind AS as adopted, including evaluating management's assessment of indicators of impairment against indicators of impairment specified within Ind AS 36.<br>– Assessing the assumptions around the key drivers of the cash flow forecasts including incremental tenancy growth, discount rates, estimated one time settlement with disputed operators, etc.<br>– Discussing / evaluating potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable.<br>– Testing the arithmetical accuracy of the impairment model prepared by the management and obtaining the fair valuation report of value in use from an independent SEBI registered merchant banker.<br>– Verifying the completeness of disclosure in the financial statements as per Ind AS 36. |

| Key Audit Matter | How our audit addressed the key audit matter |
|---|---|
| **2) Litigation Matters and Contingent Liabilities** | |
| The Company is subject to number of significant litigations. Major risks identified by the Company in that area related to Service Tax, Property Tax, Legal cases initiated by various rental site owners and by a FCCB holder, Application filed by a lender to the NCLT under IBC for the recovery of loan which was dismissed by NCLT and against which lender has filed an appeal before the National Company Law Appellate Tribunal, ("NCLAT''), which is subjudice, in the meantime EARC who is the lead lender of the Company has filed its Intervention Application in abovementioned Appeal and the Company has filed its reply to the appeal as well as EARC intervention application and now matter is posted for hearing on May 26, 2023, arbitration with the vendors / service providers, etc. The amount of litigation may be significant and estimates of the amounts of provisions or contingent liabilities are subject to significant Management judgment. (Refer Note No. 36, 38(A), 39, & 40 to the Financial Statements)<br>Due to complexity involved in these litigation matters, management's judgment regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined. Accordingly, it has been considered as a key matter. | Our audit procedure included, among others:<br>– Assessing the procedures implemented by the Company to identify and gather the risks it is exposed to.<br>– Obtaining an understanding of the risk analysis performed by the Company, with relating supporting documentation, and reading written statements from internal legal experts, where applicable.<br>– Discussion with the management on the development in these litigations during the year ended March 31, 2023.<br>– Enquiring from the company's legal counsel (internal) and study the responses as received from them.<br>– Verification that the accounting and / or disclosure as the case may be in the financial statements made by the Company is in accordance with the assessment of legal counsel / management.<br>– Obtaining representation letter from the management on the assessment of these matters as per SA 580 (revised) – Written representations. |

**Information Other than the Financial Statements and Auditor's Report Thereon**

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

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

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

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

**Management Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement Of Changes in Equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub–section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

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

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

   c) The Balance Sheet, 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) *Except for the effects of matters described in the Basis for Qualified Opinion paragraph above,* in our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act;

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

   f) On the basis of written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid/ payable by the Company to a whole time directors are subject to approval of lenders in accordance with the provisions of section 197 of the Act.

   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and as represented by the management:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements in Note No. 36, 38(A) and 39 to the Financial Statements *except in respect of property tax as detailed in Note No. 40 to the financial statements where the amount is not quantifiable and which is also a matter of qualified opinion in this report;*

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

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

iv. (a) Management has represented to us that, to the best of it's knowledge and belief, as disclosed in the notes to the financial statements, during the year no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Management has represented to us that, to the best of it's knowledge and belief, as disclosed in the notes to the financial statements, during the year no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (i) (iv) (a) & (b) contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has also not proposed dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

**Gopal Chaturvedi**
*Partner*
Membership No. 090903
UDIN No.: 23090903BGXJNA9185

Place : Mumbai
Dated : May 11, 2023

## "ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF GTL INFRASTURCTURE LIMITED (THE COMPANY)

**(Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date)**

i. a) (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) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.

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

c) According to the information and explanations given to us and the records examined by us in respect of immovable properties disclosed as Property, Plant & Equipment (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) in the financial statements are in the name of the Company, except following properties:

| Description of Property | Gross Carrying Value (₹ in Lakhs) | Held in the name of | Whether promoter, director or their relative or employee | Period held | Reason for not being in the name of Company |
|---|---|---|---|---|---|
| Building – Clover Village, Plot No.1, Village – Wanowarie, Havelli, Pune | 504 | GTL Limited | GTL Limited is promoter of the Company | June 29, 2006 | The Company has made necessary application for effecting change in name before appropriate authority. |
| Right of Use (ROU), Lease Land at following Sites | | Chennai Network Infrastructure Limited (CNIL) | Not Applicable | December 22, 2017 | During the year 2018, erstwhile CNIL merged with the Company with an appointed date of April 1, 2016.<br><br>Due to the reasons mentioned in the Note no. 3(e) to the Financial Statements the Company have More than 14,000 unoccupied towers and as informed by the management, the lease agreement in such cases will be executed in the name of the Company once there is addition of new tenant. As further explained to us, in case of occupied sites, lease agreements will be executed in the name of the Company once they fall due for renewal. |
| Andhra Pradesh (89 Sites) | 67 | | | | |
| Assam (207 Sites) | 652 | | | | |
| Bihar (424 Sites) | 636 | | | | |
| Chennai (319 Sites) | 968 | | | | |
| Delhi (451 Sites) | 3,743 | | | | |
| Himachal Pradesh (84 Sites) | 391 | | | | |
| Jammu & Kashmir (202 Sites) | 528 | | | | |
| Jharkhand (88 Sites) | 202 | | | | |
| Karnataka (408 Sites) | 372 | | | | |
| Kolkata (1 Sites) | – | | | | |
| Kerela (250 Sites) | 1,203 | | | | |
| Maharashtra (31 Sites) | 144 | | | | |
| Mumbai (3 Sites) | 7 | | | | |
| North East (77 Sites) | 216 | | | | |
| Orissa (254 Sites) | 244 | | | | |
| Tamil Nadu (470 Sites) | 946 | | | | |
| Uttar Pradesh (Lucknow) (492 Sites) | 1,218 | | | | |
| Uttar Pradesh (Merut) (618 Sites) | 1,773 | | | | |
| West Bengal (370 Sites) | 1,345 | | | | |
| **Total 4,838 Sites** | **14,655** | | | | |

Further, as informed to us, in respect of 9 Immovable properties having Gross carrying value of ₹ 3,954 Lakhs and Net carrying value of ₹ 3,360 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.

d) According to information and explanations given to us and books of account and records examined by us, Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii. a) As explained to us and on the basis of the records examined by us, in our opinion, physical verification of the inventories have been conducted at reasonable intervals by the management and having regard to the size and nature of business of the Company and nature of its inventory, the coverage and procedures of such verification by the management is appropriate. As explained to us and on the basis of the records examined by us, the value of the discrepancies noticed on physical verification by management did not exceed 10% or more in aggregate of each class of inventory.

b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and therefore, clause (ii) (b) of Paragraph 3 of the Order is not applicable to the Company.

iii. As per the information and explanations given to us and books of account and records examined by us, during the year, the Company has not made any investment in or provided any guarantee or security or not granted any loan or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the clause (iii) of paragraph 3 of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations provided to us, the Company has complied with the provisions of Section 185 and Section 186 of the Act, as applicable in respect of investments. The Company has not granted any loan or provided any guarantees or security to the parties covered under Section 185 and Section 186 of the Act.

v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

vi. To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company. Therefore, the clause (vi) of paragraph 3 of the Order is not applicable to the Company.

vii. In respect of Statutory dues :

a) According to the records examined by us of the Company, undisputed statutory dues including Goods and Service tax, provident fund, employees' state insurance, income tax, duty of customs, cess and any other statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the aforesaid dues, outstanding as on March 31, 2023 for a period of more than six months from the date they became payable.

b) Details of statutory dues referred to in sub–clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

| 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 | 2007–18 | 12,655 | Hon. High Court |
| | | 2006–08, 2010–12, 2013–14, 2016–17 | 133 | Commissioner (A) |
| | | 2009–16, 2017–18 | 24 | Joint Commissioner (A) |
| | | 2007–14, 2016–17 | 445 | Deputy Commissioner (A) |
| | | 2010–11 | 18 | Presiding Member |

| Name of the Statutes | Nature of the Dues | Period to which it relates | ₹ in Lakhs (*) | Forum where the dispute is pending |
|---|---|---|---|---|
| The Finance Act, 1994 | Service Tax/GST | 2017–18 | 4 | Hon. High Court |
| | | 2010–2015, 2016–18 | 9,895 | Tribunal |
| | | 2010–15, 2016–19 | 19,712 | Commissioner (A) |
| | | 2010–18 | 21,169 | Commissioner GST |
| Property Tax | Property Tax (#) | 2014–15, 2019–20 | 552 | Hon. Supreme Court |
| | | 2008–10, 2011–12, 2013–18, 2019–20, 2022–23 | 24,032 | Hon. High Court |
| | | 2012–14, 2018–23 | 71 | District Court |
| The Income Tax Act, 1961 | Income Tax | 2015–16, 2016–17 | 13,240 | Assessing Officer |
| | | **Total** | **101,950** | |

(*) Net of amount deposited under protest

(#) Property Tax:

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

viii. According to the information and explanations given to us and representation given to us by the management, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix. a) In our opinion and according to the information and explanations given and books of account and records examined by us and considering the Corporate Debt Restructuring (CDR) scheme with banks, financial institution; we are of the opinion that as on March 31, 2023 the Company has defaulted in repayments of loans to banks, financial institution, EARC, foreign lenders and FCCB holders aggregating to ₹ 455,172 Lakhs (Refer note no. 18.4 to the Financial Statements). Details of such default are as under:

| Nature of borrowing including debt securities | Name of lender | Amount not paid on due date (₹ in Lakhs) | Whether principal or interest | No. of days delay or unpaid | Remarks, if any |
|---|---|---|---|---|---|
| Term Loan | Corporation Bank | 4,509 | Principal | 1 to 1644 | |
| | | 11,337 | Interest | 1 to 1644 | |
| | Canara Bank | 1,682 | Principal | 1 to 1644 | |
| | | 17,928 | Interest | 1 to 1644 | |
| | IDBI Bank | 4,637 | Principal | 1 to 1644 | |
| | | 9,943 | Interest | 1 to 1644 | |
| | Indian Bank | 1,350 | Principal | 1 to 1644 | |
| | | 4,066 | Interest | 1 to 1644 | |
| | LIC of India | 5,903 | Principal | 1 to 1644 | |
| | | 14,878 | Interest | 1 to 1644 | |
| | Edelweiss Asset Reconstruction Company Limited (EARC) | 85,452 | Principal | 1 to 1644 | |
| | | 214,153 | Interest | 1 to 1644 | |
| FCCB | FCCB Holders | 48,046 | Principal | 157 | |
| | | 23,081 | Interest | 157 to 1618 | |
| Term Loan | Deutsche Investitions– und– Entwicklu ngsgesellschaft mbH (DEG) | 6,704 | Principal | 17 to 2482 | |
| | | 1,503 | Interest | 17 to 2482 | |
| **Total** | | **455,172** | | | |

b) In our opinion, and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

c) In our opinion, and according to the information and explanations given and records examined by us, during the year the Company has not raised any money by way of term loan and the money raised in the earlier years by way of term loans have been applied prima facie for the purpose for which they were obtained.

d) In our opinion, and according to the information and explanations given to us, the Company has not raised any funds on the short–term basis. Therefore, the sub–clause (d) of clause (ix) of paragraph 3 of the Order is not applicable to the Company.

e) According to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Therefore, the sub–clause (e) of clause (ix) of paragraph 3 of the Order is not applicable to the Company.

f) According to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Therefore, the sub–clause (f) of clause (ix) of paragraph 3 of the Order is not applicable to the Company.

x. a) During the year, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and therefore, the sub–clause (a) of clause (x) of paragraph 3 of the Order is not applicable to the Company.

b) During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and therefore, the sub–clause (b) of clause (x) of paragraph 3 of the Order is not applicable to the Company.

xi. a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year. Further, refer note no. 58 to the Financial Statements regarding the dismantling of towers by the landowners / others.

b) According to the information and explanations given to us, no report under sub–section 12 of section 143 of the Act has been filed by us or by any other auditor in Form ADT–4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. In our opinion, company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.

xiii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

xiv. a) In our opinion, and according to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the company issued till date, for the period under audit.

xv. According to the information and explanations provided by the management, the Company has not entered into any non–cash transaction with directors or persons connected with him as referred to in Section 192 of the Act.

xvi. a) To the best of our knowledge and as explained, the Company is not required to be registered under section 45–IA of the Reserve Bank of India Act, 1934.

b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the company has not conducted any Non–Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.

c) In our opinion, and according to the information and explanations provided to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) In our opinion, and according to the information and explanations provided to us, the Group has no Core Investment Company (CIC).

xvii. In our opinion and according to the information and explanations provided to us, Company has incurred cash losses of ₹ 72,680 Lakhs in the financial year and ₹ 30,802 Lakhs in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause (xviii) of Paragraph 3 of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting and the various conditions specified under paragraph "Material uncertainty related to Going Concern" above, which indicates and causes us to believe that material uncertainty exists as on the date of the audit report that the Company is capable of meeting all of its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. The Company has incurred losses during the three immediately preceding financial years; accordingly the company is not required to do CSR expenses under Section 135 of the Act. Therefore, provisions of sub–clause (a) and (b) of clause (xx) of Paragraph 3 of the Order are not applicable to the Company.

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

**Gopal Chaturvedi**
*Partner*
Membership No. 090903
UDIN No.: 23090903BGXJNA9185

Place : Mumbai
Dated : May 11, 2023

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF GTL INFRASTRUCTURE LIMITED

**(Referred to in paragraph 2 (g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

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

We have audited the internal financial controls with reference to financial statements of **GTL INFRASTRUCTURE LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls With Reference To These Financial Statements

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

### Inherent Limitations of Internal Financial Controls With Reference To These Financial Statements

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to these financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Gopal Chaturvedi**
*Partner*
Membership No. 090903
UDIN No.: 23090903BGXJNA9185

Place : Mumbai
Dated : May 11, 2023

## Statement on Impact of Audit Qualifications

**for the Financial Year ended March 31, 2023 on Financial Results**

## GTL Infrastructure Limited (the Company)

**[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]**

I.

| Sl. No. | Particulars | Audited Figures (as reported before adjusting for qualifications) (₹ In Lakhs) | Adjusted Figures (audited figures after adjusting for qualifications) (₹ In Lakhs) |
|---|---|---|---|
| 1. | Turnover / Total income (Including Other Income) | 1,48,533 | Refer 'Details of Audit Qualification below' |
| 2. | Total Expenditure (Including Exceptional Items) | 3,30,224 | –do– |
| 3. | Net Profit/(Loss) | (1,81,691) | –do– |
| 4. | Earnings Per Share (in ₹) | (1.41) | –do– |
| 5. | Total Assets | 4,27,083 | –do– |
| 6. | Total Liabilities | 8,81,157 | –do– |
| 7. | Net Worth | (4,54,074) | –do– |
| 8. | Any other financial item(s) (as felt appropriate by the management) | Not Applicable | Not Applicable |

**II. Audit Qualification (each audit qualification separately):**

**a. Details of Audit Qualification:**

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

**b. Type of Audit Qualification :** Qualified Opinion

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

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

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

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

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

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

"The Hon'ble Supreme Court vide its order dated December 16, 2016 upheld that "Mobile Telecommunication Tower" is exigible to Property Tax and the State can levy property tax to Mobile Towers. While deciding the Special Leave Petition (SLP) for Mumbai matters, the Hon'ble Supreme Court had given liberty to agitate the issue with regard to the retrospective operation of assessment/demand of tax and the quantum thereof before the appropriate forum. Post the Judgment of Hon'ble Supreme Court in January 2017; the Company had challenged the quantum of property tax and other issues before the Bombay High Court. By an order dated April 18, 2017, Bombay High Court dismissed the appeal. Against the said order, the Company preferred a SLP with regards to the manner, quantum, component of property tax and other issues. The same was heard on January 25, 2018 and the Hon'ble Supreme Court was pleased to issue a notice to Municipal Corporation & also directed Municipal Corporations to maintain status quo. The said SLP was finally disposed of by an order dated January 02, 2019 and Hon'ble Supreme Court has set aside the Bombay High Court order dated April 18, 2017 and has directed the Bombay High Court to decide the Writ Petition on merits. The Company has filed an amendment application before the Bombay High Court in view of the Supreme Court order and developments happened during the pendency of the SLP before Supreme Court.

Another IP Company by name ATC Telecom Pvt. Ltd ("ATC Company'') have preferred an appeal before Hon'ble Supreme Court against the Order of the Gujarat High Court on the rates and taxes to be fixed for mobile towers in lieu of the Amendment made in the Gujarat Provincial Municipal Corporation Act, 1949 in the year 2011. The Hon'ble Supreme Court after hearing the ATC Company in September, 2018 has granted leave and the matter is pending for final hearing. Further, The Company has also filed a SLP on July 10th 2019, bearing SLP No. 16649 of 2019 before Hon'ble Supreme Court against Nagpur Municipal Corporation challenging the calculation and quantum of the Property Tax. The Hon'ble Supreme Court has given a stay on the High Court Order subject to payment of 50% of the demanded amount and tagged the said matter with ATC SLP. Also with respect to the few sites where demand notices for property tax have been received, the Company has contested the demands by filing writ petitions in appropriate Courts for the assessment of property tax demand / retrospective levy of property tax, procedure and quantum that have been demanded. Various Hon'ble High Courts passed an order not to take any coercive action till the admission of matter.

The matter being still sub–judice, non–receipt of demand notes for majority of the towers of the Company and the Company's right to recover property tax from certain customers, the Company is unable to quantify actual property tax amount payable excluding the components which are under challenge. The provision will be considered as and when the matter is resolved. In respect of the above, the auditors have issued modified reports for the year ended on March 31, 2023."

**(iii) Auditors' Comments on (i) & (ii) above:**

Refer "Basis for Qualified Opinion" in the Independent Auditors' Report dated May 11, 2023 on the Financial Results of the company for the quarter and year ended March 31, 2023.

For **GTL Infrastructure Limited**

| | | |
|---|---|---|
| **Vikas Arora** | **Bhupendra Kiny** | **N. Balasubramanian** |
| (Whole Time Director) | (Chief Financial Officer) | (Audit Committee Chairman) |
| (DIN 09785527) | | (DIN 00288918) |

**Refer our Independent Auditors' Report dated May 11, 2023 on the Financial Results of the Company.**

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

**Gopal Chaturvedi**
*Partner*
Membership No. 090903

Mumbai
Date: May 11, 2023

# BALANCE SHEET AS AT MARCH 31, 2023

₹ In Lakhs

| Particulars | Notes | As At March 31, 2023 | As At March 31, 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **(1) Non–Current Assets** | | | |
| (a) Property , Plant and Equipment | 3 (a) | **265,154** | 392,389 |
| (b) Right–of–use assets | 3 (b) | **53,733** | 60,122 |
| (c) Investment Property | 3 (c) | **3,033** | 3,101 |
| (d) Other Intangible Assets | 3 (d) | **93** | 3 |
| (e) Financial Assets | | | |
| (i) Investments | 4 | **–** | – |
| (ii) Others | 5 | **6,426** | 8,876 |
| (f) Other Non–current Taxes | 6 | **10,168** | 6,235 |
| (g) Other Non–current Assets | 7 | **3,217** | 4,182 |
| | | **341,824** | 474,908 |
| **(2) Current Assets** | | | |
| (a) Inventories | 8 | **447** | 469 |
| (b) Financial Assets | | | |
| (i) Investments | 9 | **6,877** | 6,529 |
| (ii) Trade Receivables | 10 | **13,074** | 8,647 |
| (iii) Cash and Cash Equivalents | 11 | **49,636** | 48,879 |
| (iv) Bank Balances other than (iii) above | 12 | **119** | 110 |
| (v) Others | 13 | **9,656** | 8,061 |
| (c) Current Tax Assets | 14 | **–** | 145 |
| (d) Other Current Assets | 15 | **5,450** | 7,710 |
| | | **85,259** | 80,550 |
| **Total Assets** | | **427,083** | 555,458 |
| **EQUITY AND LIABILITIES** | | | |
| **EQUITY** | | | |
| (a) Equity Share Capital | 16 | **1,267,110** | 1,262,333 |
| (b) Other Equity | 17 | **(1,721,184)** | (1,536,887) |
| | | **(454,074)** | (274,554) |
| **LIABILITIES** | | | |
| **(1) Non–Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 18 | **–** | – |
| (ia) Lease Liabilities | | **50,783** | 56,261 |
| (ii) Other Financial Liabilities | 19 | **2,023** | 2,016 |
| (b) Provisions | 20 | **5,384** | 6,156 |
| (c) Other non–current Liabilities | 21 | **1,144** | 1,363 |
| | | **59,334** | 65,796 |
| **(2) Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 22 | **367,073** | 402,977 |
| (ia) Lease Liabilities | | **32,958** | 28,004 |
| (ii) Trade Payables | 23 | | |
| – total outstanding dues of micro enterprises and small enterprises | | **125** | 105 |
| – total outstanding dues of creditors other than micro enterprises and small enterprises | | **4,214** | 2,883 |
| (iii) Others Financial Liablities | 24 | **404,223** | 316,875 |
| (b) Other Current Liabilities | 25 | **8,322** | 7,786 |
| (c) Provisions | 26 | **4,908** | 5,586 |
| | | **821,823** | 764,216 |
| **Total Equity and Liabilities** | | **427,083** | 555,458 |
| Significant Accounting Policies | 2 | | |
| Notes to the Financial Statements | 3 to 61 | | |

As per our report of even date
For **PATHAK HD & ASSOCIATES**
*Chartered Accountants*
Firm Regd. No. 107783W/W100593

**GOPAL CHATURVEDI**
*Partner*
Membership No:090903

Mumbai
Date: May 11, 2023

For and on behalf of the Board of Directors

**VIKAS ARORA**
*Whole Time Director*
DIN–09785527

**MANOJ TIRODKAR**
*Chairman*
DIN–00298407

**BHUPENDRA KINY**
*Chief Financial Officer*

**NITESH MHATRE**
*Company Secretary*
Membership No:A18487

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

₹ In Lakhs

| Particulars | Notes | For the Year ended on March 31, 2023 | For the Year ended on March 31, 2022 |
|---|---|---|---|
| **INCOME :** | | | |
| Revenue from Operations | 27 | **145,786** | 146,273 |
| Other Income | 28 | **2,747** | 1,416 |
| **Total Income** | | **148,533** | 147,689 |
| **EXPENSES :** | | | |
| Infrastructure Operation & Maintenance Cost | 29 | **81,775** | 88,081 |
| Employee Benefits Expense | 30 | **6,340** | 6,207 |
| Finance Costs | 31 | **78,193** | 73,388 |
| Depreciation and Amortization Expenses | 3 | **50,357** | 50,319 |
| Balances Written Off (Net) and Provision for Trade Receivables and Advances | 32 | **9,549** | 1,160 |
| Exchange Differences (Net) | 33 | **3,955** | 245 |
| Other Expenses | 34 | **41,401** | 9,410 |
| **Total Expenses** | | **271,570** | 228,810 |
| **PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX** | | **(123,037)** | (81,121) |
| Exceptional Item | | **58,654** | 66,346 |
| **PROFIT/(LOSS) BEFORE TAX** | | **(181,691)** | (147,467) |
| Tax Expenses | | **–** | – |
| **PROFIT/(LOSS) FOR THE YEAR** | | **(181,691)** | (147,467) |
| **Other Comprehensive Income** | | | |
| (A) (I) Items that will not be reclassified to Profit or Loss | | | |
| (i) Remeasurement of the defined benefit plans | | **(9)** | 66 |
| (B) Items that will be reclassified to Profit or Loss | | **–** | – |
| **Total Other Comprehensive Income** | | **9** | (66) |
| **TOTAL COMPREHENSIVE INCOME FOR THE YEAR** | | **(181,682)** | (147,533) |
| **Earnings Per Equity Share of ₹10 each** | 42 | | |
| **Basic and Diluted** | | **(1.41)** | (1.14) |
| Significant Accounting Policies | 2 | | |
| Notes to the Financial Statements | 3 to 61 | | |

As per our report of even date
For **PATHAK HD & ASSOCIATES**
*Chartered Accountants*
Firm Regd. No. 107783W/W100593

**GOPAL CHATURVEDI**
*Partner*
Membership No:090903

Mumbai
Date: May 11, 2023

For and on behalf of the Board of Directors

**VIKAS ARORA**
*Whole Time Director*
DIN–09785527

**MANOJ TIRODKAR**
*Chairman*
DIN–00298407

**BHUPENDRA KINY**
*Chief Financial Officer*

**NITESH MHATRE**
*Company Secretary*
Membership No:A18487

# CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

₹ In Lakhs

| Particulars | For the Year Ended March 31, 2023 | For the Year Ended March 31, 2022 |
|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Net Profit/(Loss) before tax as per Statement of Profit and Loss | **(181,691)** | (147,467) |
| **ADJUSTED FOR** | | |
| Depreciation and amortization expenses | **50,357** | 50,319 |
| Loss on Dismantling/Sale/Retirement of Fixed Assets (Net) | **33,358** | 2,206 |
| Interest Income | **(1,023)** | (344) |
| Finance Costs | **78,193** | 73,388 |
| Extinguishment of liabilities | **(39)** | (41) |
| Foreign Exchange (Gain)/Loss (Net) | **3,955** | 245 |
| Difference on measurement of financial instruments at fair value through Profit & Loss | **(349)** | (222) |
| Exceptional Items | **58,654** | 66,346 |
| Balances Written off (Net of Provision written back) | **(2,405)** | – |
| Provision for Trade Receivables and Advances | **11,954** | 1,160 |
| Miscellaneous Income on Asset Retirement Obligation (ARO) & Lease | **(726)** | (233) |
| Prepaid Rent amortization | **153** | 156 |
| Advance revenue on deposits | **(320)** | (521) |
| **OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE** | **50,071** | 44,992 |
| **ADJUSTMENTS FOR** | | |
| Trade and Other Receivables | **(10,500)** | 470 |
| Inventories | **22** | (102) |
| Trade and Other Payables | **13,911** | 9,979 |
| **CASH GENERATED FROM OPERATIONS** | **53,504** | 55,339 |
| Taxes paid/refund received (Net) | **(3,788)** | (5,000) |
| **NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES** | **49,716** | 50,339 |
| **CASH FLOW FROM INVESTING ACTIVITES** | | |
| Purchase of PPE and Capital Work–in –Progress (CWIP) | **(6,623)** | (8,759) |
| Proceeds from disposal of PPE & CWIP | **2,175** | 2,182 |
| Interest Received | **780** | 155 |
| **NET CASH FLOW USED IN INVESTING ACTIVITIES** | **(3,668)** | (6,422) |

**₹ In Lakhs**

| Particulars | **For the Year Ended March 31, 2023** | For the Year Ended March 31, 2022 |
|---|---|---|
| **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Repayment of Long–Term–Borrowings | **(33,500)** | (28,000) |
| Payment towards principal portion of lease liability | **(6,903)** | (6,200) |
| Payment towards interest portion of lease liability | **(4,880)** | (4,522) |
| Fixed Deposits with Banks pledged as Margin Money and others | **(8)** | (1) |
| **NET CASH USED IN FINANCING ACTIVITIES** | **(45,291)** | (38,723) |
| **NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS** | **757** | 5,194 |
| **Cash and Cash Equivalents (Opening Balance)** | **48,879** | 43,685 |
| **Cash and Cash Equivalents (Closing Balance)** | **49,636** | 48,879 |

(i) The cash flow statement has been prepared under the ''Indirect Method'' as set out in Ind AS – 7 ''Cash Flow Statements'' Figures in bracket indicate outflows.

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

(a) Increase in share capital and other Equity of ₹ 152 Lakhs (₹ 298 Lakhs previous year) on account of Conversion of Foreign Currency Convertable Bonds Series B2.

(b) Realisation of ₹ 2,010 Lakhs (₹ 1,391 Lakhs in previous year) by landers by way of sale of pledged equity shares Refer note 18.1(d)

(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 31,2023** | March 31, 2022 |
|---|---|---|
| Opening Balance | **402,977** | 434,573 |
| Change from financing cash flows paid | **(33,500)** | (28,000) |
| Changes on account of conversion to equity and extinguishment | **(152)** | (339) |
| Changes on account of Reduction in debt due to sale of pledged Shares invoked by Lenders | **(2,010)** | (1,391) |
| Changes on account of changes in foreign exchange rates | **5,365** | 1,252 |
| Changes on account of measurement of financial liabilities at amortised cost | **(5,608)** | (3,118) |
| Closing Balance | **367,072** | 402,977 |

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

As per our report of even date

For **PATHAK HD & ASSOCIATES**
*Chartered Accountants*
Firm Regd. No. 107783W/W100593

**GOPAL CHATURVEDI**
*Partner*
Membership No:090903

Mumbai
Date: May 11, 2023

For and on behalf of the Board of Directors

**VIKAS ARORA**
*Whole Time Director*
DIN–09785527

**MANOJ TIRODKAR**
*Chairman*
DIN–00298407

**BHUPENDRA KINY**
*Chief Financial Officer*

**NITESH MHATRE**
*Company Secretary*
Membership No:A18487

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

## (A) EQUITY SHARE CAPITAL

| Particulars | Number | ₹ In Lakhs |
|---|---|---|
| Equity Shares of INR 10 each issued, subscribed and fully paid | | |
| **Balance as at April 1, 2021** | **12,496,593,200** | **1,249,659** |
| Issued during the Year | | |
| – On conversion of Foreign Currency Convertible Bonds | | |
| – On Series B1 | 120,148,146 | 12,015 |
| – On Series B2 | 2,976,833 | 298 |
| – On Series B3 | 3,608,677 | 361 |
| **Balance as at April 1, 2022** | **12,623,326,856** | **1,262,333** |
| Issued during the Year | | |
| – On conversion of Foreign Currency Convertible Bonds | | |
| – On Series B1 | 33,705,961 | 3,371 |
| – On Series B2 | 1,517,728 | 152 |
| – On Series B3 | 12,552,201 | 1,255 |
| **Balance as at March 31, 2023** | **12,671,102,746** | **1,267,110** |

## (B) OTHER EQUITY

₹ in Lakhs

| Particulars | Equity Component of Compound Financial Instruments | Reserves & Surplus | | | | | Other Comprehensive Income | Other equity |
|---|---|---|---|---|---|---|---|---|
| | | Reconstruction Reserve | Capital Reserve | Equity Contribution due to pledged shares invoked by Lenders | Securities premium | Retained earnings | | |
| **Balance as at April 1, 2021** | **41,792** | **1,993** | **1,846** | **–** | **60,667** | **(1,484,516)** | **(151)** | **(1,378,369)** |
| – On conversion of Foreign Currency Convertible Bonds to Equity (Transfer to Share Capital) | – | – | – | – | – | – | – | – |
| – Pursuant to the scheme of arrangement | – | – | – | – | – | – | – | – |
| – Series B1 & Series B3 Compulsorily Convertible Bonds (Refer Note No. 22.1) | (12,376) | – | – | – | – | – | – | (12,376) |
| Other Equity (Global Holding Corporation Ltd) | – | – | – | 1,391 | – | – | – | 1,391 |
| Remeasurement of the defined benefit plans for the Year | – | – | – | – | – | (147,467) | (66) | (147,533) |
| **Balance as at March 31, 2022** | **29,417** | **1,993** | **1,846** | **1,391** | **60,667** | **(1,631,984)** | **(218)** | **(1,536,887)** |
| – On conversion of Foreign Currency Convertible Bonds to Equity | | | | | | | | |
| – Series B1 & Series B3 Compulsorily Convertible Bonds (Refer Note No. 22.1) | (4,626) | – | – | – | – | – | – | (4,626) |
| Other Equity (Global Holding Corporation Ltd) | – | – | – | 2,010 | – | – | – | 2,010 |
| Remeasurement of the defined benefit plans for the Year | – | – | – | – | – | (181,691) | 9 | (181,682) |
| **Balance as at March 31, 2023** | **24,791** | **1,993** | **1,846** | **3,401** | **60,667** | **(1,813,675)** | **(209)** | **(1,721,184)** |

As per our report of even date
For **PATHAK HD & ASSOCIATES**
*Chartered Accountants*
Firm Regd. No. 107783W/W100593

**GOPAL CHATURVEDI**
*Partner*
Membership No:090903

Mumbai
Date: May 11, 2023

For and on behalf of the Board of Directors

**VIKAS ARORA**
*Whole Time Director*
DIN–09785527

**MANOJ TIRODKAR**
*Chairman*
DIN–00298407

**BHUPENDRA KINY**
*Chief Financial Officer*

**NITESH MHATRE**
*Company Secretary*
Membership No:A18487

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 1. CORPORATE INFORMATION

GTL Infrastructure Limited (GIL, the Company, erstwhile standalone company) is domiciled and incorporated in India under the provision of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The registered office of the Company is located at Global Vision, 3rd Floor, Electronic Sadan II, MIDC TTC Industrial Area, Mahape, Navi Mumbai– 400 710, India.

The Company is in the business of passive infrastructure sharing which is based on building, owning, operating and maintaining passive telecom infrastructure sites capable of hosting active network components of various technologies of multiple telecom operators as well providing energy management solutions.

## 2. BASIS OF PREPARATION AND PRESENTATION

The financial statements of the Company have been prepared on a going concern basis in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

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

- Certain financial assets and liabilities measured at fair value
- Defined Benefit Plans– measured at Fair Value

The preparation of the financial statements requires management to make estimates and underlying assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years.

The Company's financial statements are presented in lakhs of Indian Rupees (INR) which is its functional and presentation currency. All values are rounded off to the nearest lakh, except when otherwise indicated.

### 2 (A) Significant Accounting Policies

### 2.1. Property, Plant & Equipment

(a) Property, plant and equipment, including Capital work in progress are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost, any cost directly attributable to bringing the assets to its working condition for its intended use, net changes on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. On transition to IND AS, the Company had elected to continue with the previous GAAP carrying values as deemed cost for all items of property, plant and equipment.

(b) The tangible assets at the cellular sites, which are ready to use in the first fifteen days of a month are capitalised on the fifteenth day of that month, whereas, if they are ready to use in the second half of a month, they are capitalised on the last day of that month

(c) Advances paid towards acquisition of property, plant & equipment are disclosed as Capital Advances under Loans and Advances and cost of assets not ready for use before the year–end, are disclosed as capital work in progress.

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

| Asset | Years |
|---|---|
| Network Operation Assets | 9 |
| Air Conditioners | 9 |
| Battery Bank | 3 |
| Other Electrical and Power Supply Equipment | 9 |
| Office Equipment | 3 |
| Furniture and fittings | 5 |
| Vehicles | 5 |
| Diesel Generators | 15 |

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

(e) The towers have been depreciated on straight line method at the rate of 2.72% per annum based on useful life of 35 years in terms of specific approval received from the Ministry of Corporate Affairs, Government of India vide Order no.45/2/2010–CL–III dated May 26, 2010 issued under Section 205(2)(d) of the Companies Act, 1956.The approval continues to be valid vide letter no.51/9/2014–CL–III dated September 19, 2014 received from Ministry of Corporate Affairs, Government of India.

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

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

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

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

(j) Gains or losses arising from disposal (dismantling/sale/retirement/loss due to theft by unknown miscreants) of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is disposed.

### 2.2. Investment Properties

Property that is held for long–term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on investment properties is provided using straight line method over the estimated useful lives as specified in Schedule II to the Companies Act, 2013. Residual values, useful lives and method of depreciation of investment properties are reviewed at each financial year end and impact of change, if any is adjusted prospectively. The effects of any revision are included in the statement of profit and loss when the changes arises.

Though the Company measures investment properties using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of de–recognition.

**2.3. Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation and impairment loss, if any. The cost comprises purchase price, borrowing cost, and any cost directly attributable to bringing the asset to its working condition for the intended use. On transition to IND AS, the Company had elected to continue with the previous GAAP carrying values as deemed cost.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and loss when the asset is derecognised.

The Company amortises intangible assets using the straight line method based on useful lives estimated by the management as mentioned below:

| | |
|---|---|
| Computer Software | 3 years |

**2.4. Impairment of Non–Financial Assets including Investment property**

At each balance sheet date, the Company assesses whether there is any indication that any property, plant & equipment and intangible asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Units (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 CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of profit and loss. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**2.5. Inventories**

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis and includes cost of purchase and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**2.6. Cash and cash equivalent**

Cash and cash equivalent in the balance sheet comprise cash at banks, on hand, cheques in hand, funds in transit and short–term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**2.7. Financial instruments**

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

**I) Financial assets**

**A. Initial recognition and measurement**

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

**B. Subsequent measurement**

**i) Financial Assets carried at amortised cost (AC)**

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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

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

**C. Equity investments**

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

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

**D. Investment in subsidiaries and associates**

The Company accounts for its investments in subsidiaries and associates at cost in financial statements

**E. Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

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

**F. Impairment of financial assets**

In accordance with IND AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

a) The 12–months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used to recognising impairment loss allowance based on 12–month ECL.

**II. Financial liabilities**

**A. Initial recognition and measurement**

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

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

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

**B. Subsequent measurement**

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

**a) Financial liabilities at fair value through profit or loss**

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

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

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

**b) Loans and borrowings**

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

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

This category generally applies to borrowings.

**c) Financial guarantee contracts**

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

**d) Derecognition**

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

**III. Embedded derivatives**

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

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

**IV. Reclassification of financial assets**

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

**V. Offsetting of financial instruments**

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

**2.8. Provisions, Contingent Liabilities, Contingent Assets and Commitments**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non–occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

**2.9. Fair value measurement**

"The Company measures financial instruments at fair value at each balance sheet date.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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

a) In the principal market for the asset or liability, or

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

### 2.10. Revenue recognition

The Company's revenue primarily consists of revenue for use of infrastructure facilities on individual / sharing basis and energy revenue for the provision of energy for operations of sites.

Revenue for use of infrastructure (which is termed as "Revenue from Telecom / Network Infrastructure Facilities") is governed by IND AS 116. The same is recognized as and when services are rendered, on a monthly basis as per the contractual terms under agreements entered with customers. The Company has ascertained that the revenue for use of infrastructure facilities is structured to increase in line with expected inflationary increase in cost of the Company and hence, not straight–lined.

Effective April 1, 2018, the Company has applied IND AS 115 "Revenue from Contracts with Customers" which establishes a comprehensive framework to depict timing and amount of revenue to be recognised. The Company has adopted IND AS 115 using cumulative effect method, where any effect arising upon application of this standard is recognised as at the date of initial application i.e. April 1, 2018. Company's revenue for provision of energy for operation of sites is governed by IND AS 115; Company's revenue from use of infrastructure facilities, which is covered in leases is specifically excluded from the Scope of IND AS 115.

Energy revenue is recognized over the period on a monthly basis upon satisfaction of performance obligation as per contracts with the customers. The transaction price is the consideration received from customers based on prices agreed as per the contract with the customers. The determination of standalone selling prices is not required as the transaction prices are stated in the contract based on the identified performance obligation.

The Company provides sharing benefits to its customers based on slab defined in the revenue contracts. Contract also contains clause on Service Level Agreements (SLAs) penalty/rewards, dependent upon the achievement of network uptime level as mentioned in the contract. The Company estimates SLA penalty/rewards at each month end and considers the impact of the same in the revenue.

Revenues in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred as unearned revenue).

Revenue from reimbursement of property tax is recognized over the period on a monthly basis upon satisfaction of performance obligation as per contracts with the customers. The transaction price is the consideration received from customers based on prices agreed as per the contract with the customers.

**Interest income**

Interest Income from financial assets is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Dividends**

Income from dividends is recognised when the Company's right to receive the dividend has been established.

### 2.11. Leases

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

**i. Company as a lessee**

**Operating lease:**

Effective April 1, 2019, the Company has adopted Ind AS– 116 "Leases" under modified retrospective approach without adjustment of comparatives and has considered a Right of Use (ROU) Assets and corresponding lease liabilities.

The Company recognizes right–of–use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right–of–use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right–of–use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right–of–use asset is depreciated from the commencement date on a straight–line basis over the shorter of the lease term and useful life of the underlying asset. Right–of–use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company may adopt the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in–substance fixed lease payments.

The Company recognises the amount of the remeasurement of lease liability as an adjustment to the right–of–use asset. Where the carrying amount of the right–of–use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re–measurement in statement of profit and loss.

The Company elects not to apply the requirements of Ind AS 116 to Short term leases or the leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as expense on either a straight line basis over lease term or another systematic basis. The Company has opted to recognize the asset retirement obligation liability as part of the cost of an item of property, plant and equipment in accordance with Ind AS16.

**ii. Company as a lessor**

**Operating lease:**

Rental income from operating lease is recognised on a straight line basis over the lease term unless payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected increase in inflationary cost; such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as the lease income.

Contingent rents are recognised as revenue in the period in which they are earned.

## 2.12. Employee benefits

**Short Term Employee Benefits**

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

**Post–Employment Benefits**

**Defined Contribution Plan**

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

**Defined Benefit Plan**

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

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

## 2.13. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss

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

## 2.14. Borrowing Costs

Borrowing Costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.15. Taxes

Tax expense represents the sum of current tax (including income tax for earlier years) and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income.

Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**2.16. Earnings per share**

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

**2.17. Current and Non–Current Classification**

"The Company presents assets and liabilities in statement of financial position based on current/non–current classification.

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

"An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Expected to be realised within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non–current."

"A liability is classified as current when it is:

a) Expected to be settled in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Due to be settled within twelve months after the reporting period, or

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non–current."

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non–current assets and liabilities. The Company has identified twelve months as its operating cycle.

**2(B) Recent accounting pronouncements**

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023.

Ind AS 1 – Presentation of Financial Statements

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

Ind AS 12 – Income Taxes

Ind AS 34–Interim Financial Reporting

Ind As 107 – Financial Instruments Disclosures

Ind As 109 – Financial Instruments

Ind As 115 – Revenue from Contract with Customers

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

**2(C) Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**a) Operating Lease**

**1. As Lessor**

The Company has assessed that its master service agreement ("MSA") with operators contains lease of its tower sites and plant and equipment and has determined, based on evaluation of the terms and conditions of the arrangements such as various lessees sharing the same tower sites with specific area, the fair value of the asset and all the significant risks and rewards of ownership of these properties retained by the Company, that such contracts are in the nature of operating lease and has accounted for as such.

The Company has ascertained that the annual escalations in the lease payment received under the MSA are structured to compensate the expected inflationary increase in cost and therefore has not been straight–lined

**2. As Lessee**

The Company has assessed that agreements entered with the landlords contain lease of the underlying space based on evaluation of terms and conditions of the contracts with landlords and are accounted for as such under Ind AS 116

**b) Revenue Recognition**

The Company's revenue primarily consists of revenue for use of infrastructure facilities (Rentals) and energy revenue for the provision of energy for operations of sites. Rentals are not covered within the scope of IND AS 115, hence identification of distinct performance obligation within IND AS 115 do not involve significant judgement.

Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company provides sharing benefits to its customers based on slab defined in the revenue contracts. Contract also contains clause on Service Level Agreements (SLAs) benefits/penalties dependent upon achievement of network uptime level as mentioned in the contract.

These benefits/SLA penalties are called variable consideration. There is no additional impact of variable consideration as per IND AS 115 since maximum benefit is already being given to customer and the same is deducted from revenue. There is no additional impact of SLA as the Company already estimates SLA penalty amount and the same is provided for at each month end. This SLA is presented as net off with revenue in the Statement of profit and loss.

c) **Depreciation and useful lives of property plant and equipment**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

d) **Recoverability of trade receivable:**

Judgements are required in assessing the recoverability of trade receivables and determining whether a provision against those receivables is required. Factors considered in assessing the recoverability of trade receivables include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non–payment.

e) **Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take in the future years, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

f) **Impairment of non–financial assets including investment property:**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre–tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

g) **Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

h) **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post–employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long–term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

i) **Fair value measurement of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

j) **Taxes**

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and the level of future taxable income together with future tax planning strategies. The Company does not expect availability of future taxable income sufficient to utilise its deferred tax assets. Further details on taxes are disclosed in note 44.

k) **Asset retirement obligations**

The Company has recognised a provision for asset retirement obligations associated with telecommunication towers. Such Provision is recognised in respect of the costs for dismantling of infrastructure equipment and restoration of sites under operating leases, which are expected to be incurred at the end of the lease term, based on the estimate provided by the internal technical experts. In determining the fair value of such provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs.

The Company estimates that the costs would be incurred at the end of the lease term and calculates the provision using the DCF method based on the discount rate that approximates interest rate of risk free borrowings and current estimate of asset retirement obligation duly adjusted for expected inflationary increase in related costs.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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

₹ in Lakhs

| Particular | Tangible Assets | | | | | | |
|---|---|---|---|---|---|---|---|
| | Land | Buildings | Plant and Equipments | Office Equipments | Furniture & Fixtures | Vehicles | Total |
| **COST** | | | | | | | |
| **As at April 1,2021** | **644** | **34,777** | **951,885** | **97** | **438** | **119** | **987,960** |
| Additions | – | 115 | 8,394 | 1 | – | 23 | 8,533 |
| Less: Deductions* | – | 611 | 17,379 | – | – | – | 17,990 |
| **As at March 31, 2022** | **644** | **34,281** | **942,900** | **98** | **438** | **142** | **978,503** |
| Additions | – | – | 8,606 | 7 | – | – | 8,613 |
| Less: Deductions* | – | 5,482 | 134,335 | – | – | – | 139,817 |
| **As at March 31, 2023** | **644** | **28,799** | **817,171** | **105** | **438** | **142** | **847,299** |
| **DEPRECIATION AND AMORTISATION** | **–** | **25,929** | **286,715** | **52** | **52** | **80** | **312,828** |
| Up to April 1,2021 | | | | | | | |
| Depreciation for the Year | – | 1,331 | 37,461 | 13 | 65 | 12 | 38,882 |
| Less: Deductions* | – | 476 | 9,870 | – | – | – | 10,346 |
| **DEPRECIATION AND AMORTISATION Up to March 31, 2022** | **–** | **26,785** | **314,305** | **65** | **117** | **92** | **341,364** |
| Depreciation for the Year | – | 805 | 37,517 | 15 | 82 | 17 | 38,436 |
| Less: Deductions* | – | 4,805 | 74,951 | – | – | – | 79,756 |
| **DEPRECIATION AND AMORTISATION Up to March 31, 2023** | **–** | **22,785** | **276,871** | **80** | **199** | **108** | **300,044** |
| **IMPAIRMENT** | **–** | **3,174** | **180,343** | **–** | **–** | **–** | **183,517** |
| Up to April 1,2021 | | | | | | | |
| Add: Impairment | – | 609 | 65,737 | – | – | – | 66,346 |
| Less: Deductions* | – | 88 | 5,026 | – | – | – | 5,114 |
| **IMPAIRMENT Up to March 31, 2022** | **–** | **3,695** | **241,054** | **–** | **–** | **–** | **244,749** |
| Add: Impairment | – | 1,303 | 57,351 | – | – | – | 58,654 |
| Less: Deductions* | – | 322 | 20,981 | – | – | – | 21,303 |
| **IMPAIRMENT Up to March 31, 2023** | **–** | **4,676** | **277,424** | **–** | **–** | **–** | **282,100** |
| **CARRYING VALUE** | | | | | | | |
| **As at March 31, 2022** | **644** | **3,801** | **387,540** | **33** | **321** | **50** | **392,389** |
| **As at March 31, 2023** | **644** | **1,338** | **262,876** | **25** | **239** | **34** | **265,154** |

* Includes deduction on account of sale of scrap, receipt of insurance claim, theft of fixed assets by Landlords/unknown miscreants etc.

3 (a) (i) Buildings include properties having carrying value of ₹ 504 Lakhs (Previous year ₹ 514 Lakhs) for which deeds of conveyance have yet to be executed in favour of the Company and ₹ 0.07 Lakhs (Previous year ₹ 0.07 Lakhs) towards cost of 70 shares of ₹ 100 each in a Co–operative Housing Society

3 (a) (ii) Buildings includes Land related properties and Boundary Wall at Sites having carring value of ₹ 4,978 Lakhs (Previous year ₹ 5,154 Lakhs).

3 (a) (iii) Property, Plant and Equipment (PPE) includes assets mortgaged as security (Refer Note No. 18.2)

3 (a) (iv) The Company, in accordance with the Indian Accounting Standard (Ind AS 36) 'Impairment of Assets', performed an impairment test based on current expectations of the impact of recent developments in telecom Sector on projected cash flows in tower business. The Carrying value of these assets exceeds its value in use and accordingly an impairment loss of Building ₹ 1,303 Lakhs and Plant & Equipments ₹ 57,351 lakhs has been recognized for the year ended March 31, 2023 and the same has been disclosed as exceptional item (previous year Building ₹ 609 Lakhs and Plant & Equipments ₹ 65,737 lakhs).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 3. (b) Right–of–use Assets

₹ in Lakhs

| Particulars | Right–of–use Assets |
|---|---|
| **COST** | |
| As at April 1,2021 | 75,337 |
| Additions | 15,167 |
| Less: Deductions | 3,322 |
| **As at March 31, 2022** | **87,182** |
| Additions | 6,618 |
| Less: Deductions | 5,274 |
| **As at March 31, 2023** | **88,526** |
| **DEPRECIATION / AMORTISATION / IMPAIRMENT** | |
| Up to April 1,2021 | 18,662 |
| Depreciation Charged For The Year | 11,369 |
| Less: Deductions | 2,971 |
| **Upto March 31, 2022** | **27,060** |
| Depreciation Charged For The Year | 11,843 |
| Less: Deductions | 4,110 |
| **Upto March 31, 2023** | **34,793** |
| **CARRYING VALUE** | |
| **As at March 31, 2022** | **60,122** |
| **As at March 31, 2023** | **53,733** |

### 3. (c) Investment Property

₹ in Lakhs

| Particulars | Buildings |
|---|---|
| **COST** | |
| As at April 1,2021 | 4,105 |
| Additions | – |
| Less: Deductions | – |
| **As at March 31, 2022** | **4,105** |
| Additions | – |
| Less: Deductions | – |
| **As at March 31, 2023** | **4,105** |
| **DEPRECIATION / AMORTISATION / IMPAIRMENT** | |
| Up to April 1,2021 | 936 |
| Depreciation Charged For The Year | 68 |
| Less: Deductions | – |
| **Upto March 31, 2022** | **1,004** |
| Depreciation Charged For The Year | 68 |
| Less: Deductions | – |
| **Upto March 31, 2023** | **1,072** |
| **CARRYING VALUE** | |
| **As at March 31, 2022** | **3,101** |
| **As at March 31, 2023** | **3,033** |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**3 (c) (i) Information regarding Income and Expenditure of Investment Property :**

₹ in Lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Rental Income derived from investment property | **259** | 242 |
| Re–imbursement of Expenses | **–** | – |
| Less: Direct Operating Expenses (Including repairs & maintenance) generating rental income | **(25)** | (19) |
| Income arising from investment property before depreciation | **234** | 223 |
| Less: Depreciation for the year | **(68)** | (68) |
| **Income from Investment Property (Net)** | **166** | 155 |

**3 (c) (ii)** The Company's Investment Property as at March 31,2023 consists of Building as mentioned above

**3 (c) (iii)** The Fair Value of the Property as at March 31,2023 are ₹ 3,968 Lakhs (Previous year – ₹ 3,710 Lakhs)

The fair value is based on the valuatiion by a registered valuer as defined under rule 2 of Companies (Registered Valuers & Valuation) Rules, 2017

The fair value measurement is categorised in Level 3 fair value hierarchy.

**3 (c) (iv)** Specific Charge – Banks, Financial Institutions and Asset Reconstruction Trust of the erstwhile standalone Company continue to have specfic charge.

**3. (d) Intangible Assets***

₹ in Lakhs

| Particulars | Software Licenses | Customers Contract | Total |
|---|---|---|---|
| **COST** | | | |
| **As at April 1,2021** | **249** | **73,622** | **73,871** |
| Additions | 2 | – | 2 |
| Less: Deductions | – | – | – |
| **As at March 31, 2022** | **251** | **73,622** | **73,873** |
| Additions | 101 | – | 101 |
| Less: Deductions | – | – | – |
| **As at March 31, 2023** | **353** | **73,622** | **73,974** |
| **DEPRECIATION AND AMORTISATION** | 248 | 14,427 | 14,675 |
| **IMPAIRMENT** | – | 59,195 | 59,195 |
| Up to April 1,2021 | | | – |
| Depreciation Charged For The Year | 1 | – | 1 |
| Less: Deductions | – | – | – |
| Add: Impairment | – | – | – |
| **DEPRECIATION AND AMORTISATION Up to March 31, 2022** | **248** | **14,427** | **14,676** |
| **IMPAIRMENT Up to March 31, 2022** | **–** | **59,195** | **59,195** |
| Depreciation Charged For The Year | 11 | – | 11 |
| Less: Deductions | – | – | – |
| Add: Impairment | – | – | – |
| **DEPRECIATION AND AMORTISATION Up to March 31, 2023** | **259** | **14,427** | **14,686** |
| **IMPAIRMENT Up to March 31, 2023** | **–** | **59,195** | **59,195** |
| **CARRYING VALUE** | | | |
| **As at March 31, 2022** | **3** | **–** | **3** |
| **As at March 31, 2023** | **93** | **–** | **93** |

* Other than Internally generated

**3. (e) Following Property, Plant & Equipment are not in the name of the Company as on March 31,2023**

| Relevent Line Item of Balance Sheet | Descriptions of Items of Property | Title deeds held in the name of | Gross Carrying Value (₹ In Lakhs) | Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the Company |
|---|---|---|---|---|---|---|
| **Property, Plant & Equipment (PPE)** | **BUILDING : –** | | | | | |
| | | | | | | |
| 1 | Clover Village, Plot No.1, Village – Wanowarie, Havelli, Pune | Owned – GTL | 504 | GTL Limited is promoter of the Company | June 29, 2006 | The Company has made necessary application for effecting change in name before appropriate authority |
| | **Total of Building (A)** | | **504** | | | |
| **Property, Plant & Equipment (PPE)** | **Right of Use Assets (ROU)** | | | | | |
| 2 | Andhra Pradesh (89 Sites) | Owned – CNIL | 67 | Not Applicable | December 22, 2017 | During the year 2018, erstwhile Chennai Network Infrastructure Limited (CNIL) merged with the Company with an appointed date of April 1, 2016 pursuant to the Scheme of Arrangement of merger post approval of the scheme by the National Company Law Tribunal (Mumbai) & National Company Law Tribunal (Chennai). Shut down/exit of 14 telecom customers resulted into abandonment of more than 14,000 towers of the Company by them, making such towers unoccupied and loss of revenue towards the Infrastructure Provisioning Fees/Rental on such towers. In view of above, the rental to landlords related to unoccupied towers remained unpaid. The lease agreement in such cases will be executed in the name of the Company once there is addition of new tenant. In case of occupied sites, lease agreements will be executed in the name of the Company once they fall due for renewal. |
| | Assam (207 Sites) | | 652 | | | |
| | Bihar (424 Sites) | | 636 | | | |
| | Chennai (319 Sites) | | 968 | | | |
| | Delhi (451 Sites) | | 3,743 | | | |
| | Himachal Pradesh (84 Sites) | | 391 | | | |
| | Jammu & Kashmir (202 Sites) | | 528 | | | |
| | Jharkhand (88 Sites) | | 202 | | | |
| | Karnataka (408 Sites) | | 372 | | | |
| | Kerela (250 Sites) | | 1,203 | | | |
| | Maharashtra (31 Sites) | | 144 | | | |
| | Mumbai (3 Sites) | | 7 | | | |
| | North East (77 Sites) | | 216 | | | |
| | Orissa (254 Sites) | | 244 | | | |
| | Tamil Nadu (470 Sites) | | 946 | | | |
| | Uttar Pradesh (Lucknow) (492 Sites) | | 1,218 | | | |
| | Uttar Pradesh (Merut) (618 Sites) | | 1,773 | | | |
| | West Bengal (370 Sites) | | 1,345 | | | |
| | **Total of ROU (B)** | | **14,655** | | | |
| | **Total of PPE (A+B)** | | **15,159** | | | |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**Note – 3 (e) Following Property, Plant & Equipment are not in the name of the Company as on March 31,2022**

| Relevent Line Item of Balance Sheet | Descriptions of Items of Property | Title deeds held in the name of | Gross Carrying Value (₹ In Lakhs) | Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director | Property held since which date | Reason for not being held in the name of the Company |
|---|---|---|---|---|---|---|
| **Property, Plant & Equipment** | **BUILDING : –** | | | | | |
| 1 | Clover Village, Plot No.1, Village – Wanowarie, Havelli, Pune | Owned – GTL Limited | 595 | GTL Limited is promoter of the Company | June 29, 2006 | The Company has made necessary application for effecting change in name before appropriate authority |
| | **Total of Building (A)** | | **595** | | | |
| **Property, Plant & Equipment** | **LAND (FREEHOLD)** | | | | | |
| 2 | Land – Plot no. 33, Mouje Zaap, Sudagad Taluka, Raigad District | Owned – CNIL | 38 | Not Applicable | December 22, 2017 | Erstwhile Chennai Network Infrastructure Limited is merged with the Company and the Company has made necessary application for effecting change in name before appropriate authority |
| | **Total of Land (B)** | | **38** | | | |
| **Property, Plant & Equipment (PPE)** | **Right of Use Assets (ROU)** | | | | | |
| | Andhra Pradesh (90 Sites) | Owned – CNIL | 116 | Not Applicable | December 22, 2017 | During the year 2018, erstwhile Chennai Network Infrastructure Limited (CNIL) merged with the Company with an appointed date of April 1, 2016 pursuant to the Scheme of Arrangement of merger post approval of the scheme by the National Company Law Tribunal (Mumbai) & National Company Law Tribunal (Chennai). Shut down/exit of 14 telecom customers resulted into abandonment of more than 14,000 towers of the Company by them, making such towers unoccupied and loss of revenue towards the Infrastructure Provisioning Fees/Rental on such towers. In view of above, the rental to landlords related to unoccupied towers remained unpaid. The lease agreement in such cases will be executed in the name of the Company once there is addition of new tenant. In case of occupied sites, lease agreements will be executed in the name of the Company once they fall due for renewal. |
| | Assam (208 Sites) | | 887 | | | |
| | Bihar (429 Sites) | | 972 | | | |
| | Chennai (352 Sites) | | 1,754 | | | |
| | Delhi (452 Sites) | | 4,628 | | | |
| | Himachal Pradesh (85 Sites) | | 457 | | | |
| | Jammu & Kashmir (206 Sites) | | 797 | | | |
| | Jharkhand (88 Sites) | | 322 | | | |
| | Karnataka (409 Sites) | | 840 | | | |
| | Kolkata (1 Sites) | | 12 | | | |
| | Kerela (251 Sites) | | 1,419 | | | |
| | Maharashtra (31 Sites) | | 177 | | | |
| | Mumbai (7 Sites) | | 23 | | | |
| | North East (78 Sites) | | 274 | | | |
| | Orissa (258 Sites) | | 446 | | | |
| | Tamil Nadu (485 Sites) | | 1,634 | | | |
| | Uttar Pradesh (Lucknow) (495 Sites) | | 1,427 | | | |
| | Uttar Pradesh (Merut) (620 Sites) | | 2,102 | | | |
| | West Bengal (373 Sites) | | 1,720 | | | |
| | **Total of ROU (C)** | | **20,007** | | | |
| | **Total of PPE (A+B+C)** | | **20,640** | | | |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 4. NON–CURRENT FINANCIAL ASSETS – INVESTMENTS

**(Long–term, Trade)**

₹ In Lakhs

| Particulars | Number As at March 31, 2023 | Number As at March 31, 2022 | Face Value (₹) | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|---|---|---|
| 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 | 10.00 | **–** | – |
| **TOTAL** | | | | **–** | **–** |

| | | |
|---|---|---|
| 4.1 Aggregate Amount of Unquoted Investments | **–** | – |
| 4.2 Total Financial Assets Carried at Fair Value Through Profit & Loss | **–** | – |
| 4.3 Refer Note No. 2.7 for basis of valuation | | |

### 5. OTHER FINANCIAL ASSETS

₹ In Lakhs

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|---|---|---|---|
| **Security Deposit –** | | | | |
| **Others** | | | | |
| – Considered good | **6,317** | | 8,765 | |
| – Which have significant increase in credit risk | **104** | | 174 | |
| – Credit impaired | **–** | | – | |
| | **6,421** | | 8,939 | |
| Less : Provision for expected credit loss | **104** | | 174 | |
| | | **6,317** | | 8,765 |
| Fixed Deposits with Banks held as Security | | **108** | | 106 |
| Bank deposits with more than 12 months maturity | | **1** | | 5 |
| **Total** | | **6,426** | | 8,876 |

### 6. OTHER NON–CURRENT TAXES

₹ In Lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Advance income–tax | **10,168** | 6,235 |
| **Total** | **10,168** | 6,235 |

### 7. OTHER NON–CURRENT ASSETS

**(Unsecured, Considered good unless otherwise stated)**

₹ In Lakhs

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|---|---|---|---|
| **Capital advances –** | | | | |
| **Others** | | | | |
| – Considered good | **112** | | 802 | |
| – Considered Doubtful | **97** | | 97 | |
| | **209** | | 899 | |
| Less: Provision for doubtful advances | **97** | | 97 | |
| | | **112** | | 802 |
| Prepaid Expenses | | **300** | | 409 |
| Other Deposits | | **1,199** | | 1,376 |
| Other Advance* | | **1,606** | | 1,595 |
| **Total** | | **3,217** | | 4,182 |

* Mainly includes amount paid under protest to Indirect Tax Authorities.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 8. INVENTORIES

₹ In Lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Stores, Spares and Consumables | **447** | 469 |
| **Total** | **447** | 469 |

Refer Note No. 2.5 for basis of valuation

### 9. CURRENT FINANCIAL ASSETS – INVESTMENTS

**(Other than Trade)**

₹ In Lakhs

| Particulars | Number | | Face Value (₹) | | |
|---|---|---|---|---|---|
| | As at March 31, 2023 | As at March 31, 2022 | | As at March 31, 2023 | As at March 31, 2022 |
| **Investment (Carried at Fair Value through Profit & Loss)** | | | | | |
| **Unquoted** | | | | | |
| **In Unit of Mutual Funds** | | | | | |
| HDFC ULTRA SHORT TERM FUND – REGULAR GROWTH | **35,392,030** | 35,392,030 | 10 | **4,573** | 4,345 |
| ICICI PRUDENTIAL LIQUID FUND – GROWTH | **527,066** | 527,066 | 100 | **1,743** | 1,651 |
| ICICI PRUDENTIAL OVERNIGHT FUND GROWTH | **46,644** | 466,442 | 1,000 | **561** | 533 |
| **TOTAL** | | | | **6,877** | 6,529 |

**Note:**

| | | |
|---|---|---|
| 9.1 Aggregate Amount of Unquoted Investments | 6,877 | 6,529 |
| 9.2 Total Financial Assets Carried at Fair Value Through Profit & Loss | 6,877 | 6,529 |
| 9.3 Refer Note No. 2.7 for basis of valuation | | |

### 10. TRADE RECEIVABLES

**(Unsecured and subject to confirmation)**

₹ In Lakhs

| Particulars | As At March 31, 2023 | | As At March 31, 2022 | |
|---|---|---|---|---|
| Trade Receivables | | | | |
| – Considered good (Secured) | **–** | | – | |
| – Considered good (Unsecured) | **13,074** | | 8,647 | |
| – Which have significant increase in credit risk | **–** | | – | |
| – Credit impaired | **36,727** | | 27,521 | |
| | **49,801** | | 36,168 | |
| Less : Provision for expected credit loss – Credit impaired | **36,727** | | 27,521 | |
| | | **13,074** | | 8,647 |
| **Total** | | **13,074** | | 8,647 |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**10.1(a)** Trade Receivables aging schedule as on March 31, 2023 **₹ In Lakhs**

| Particulars | | Outstanding for following periods from due date of payment/date of transaction | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Not Due | Less Than 6 months | 6 months – 1 year | 1 –2 years | 2 –3 years | More than 3 years | Total |
| (i) | Undisputed Trade receivables – Considered good (Unsecured) | 571 | 12,425 | 66 | 12 | – | – | 13,074 |
| (ii) | Undisputed Trade receivables – Which have significant increase in credit risk | – | – | – | – | – | – | – |
| (iii) | Undisputed Trade receivables – Credit impaired | – | – | 1,425 | 916 | 166 | 125 | 2,632 |
| (iv) | Disputed Trade receivables – Considered good (Unsecured) | – | – | – | – | – | – | – |
| (v) | Disputed Trade receivables – Which have significant increase in credit risk | – | – | – | – | – | – | – |
| (vi) | Disputed Trade receivables – Credit impaired | – | 2,667 | 3,388 | 1,228 | 45 | 26,767 | 34,095 |
| | | **571** | **15,092** | **4,880** | **2,156** | **211** | **26,892** | **49,801** |
| Less: | Provision for expected credit loss – Credit impaired | – | (2,667) | (4,813) | (2,144) | (211) | (26,892) | (36,727) |
| **Total** | | **571** | **12,425** | **66** | **12** | **–** | **–** | **13,074** |

**10.1(b)** Trade Receivables aging schedule as on March 31, 2022 **₹ In Lakhs**

| Particulars | | Outstanding for following periods from due date of payment/date of transaction | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | Not Due | Less Than 6 months | 6 months – 1 year | 1 –2 years | 2 –3 years | More than 3 years | Total |
| (i) | Undisputed Trade receivables – Considered good | 740 | 7,907 | – | – | – | – | 8,647 |
| (ii) | Undisputed Trade receivables – Which have significant increase in credit risk | – | – | – | – | – | – | – |
| (iii) | Undisputed Trade receivables – Credit impaired | – | 179 | 382 | 104 | 223 | 92 | 980 |
| (iv) | Disputed Trade receivables – Considered good | – | – | – | – | – | – | – |
| (v) | Disputed Trade receivables – Which have significant increase in credit risk | – | – | – | – | | | – |
| (vi) | Disputed Trade receivables – Credit impaired | – | – | – | – | 1,918 | 24,623 | 26,541 |
| | | **740** | **8,087** | **382** | **104** | **2,141** | **24,715** | **36,168** |
| Less: | Provision for expected credit loss – Credit impaired | – | (179) | (382) | (104) | (2,141) | (24,715) | (27,521) |
| **Total** | | **740** | **7,907** | **–** | **–** | **–** | **–** | **8,647** |

## 11. CASH AND CASH EQUIVALENTS

**₹ In Lakhs**

| Particulars | As At March 31, 2023 | | As At March 31, 2022 | |
|---|---|---|---|---|
| Cash and cash equivalents | | | | |
| Balances with Banks: | | | | |
| – in current accounts* | **49,636** | | 48,878 | |
| Cash on hand (0 Value stands for ₹ 13,564) | **0** | | 1 | |
| | | **49,636** | | 48,879 |
| **Total** | | **49,636** | | 48,879 |

* The above balance includes ₹ 13,591 Lakhs (Previous year ₹ 10,910 Lakhs) in process of utilisation mainly in Cash Mangement System (CMS) Account which is used for Operational purpose.

(Further, Refer Note No. 36)

11.1 Cash and Cash Equivalents (As per Cash Flow Statement) **49,636** 48,879

## 12. OTHER BANK BALANCES

**₹ In Lakhs**

| Particulars | As At March 31, 2023 | | As At March 31, 2022 | |
|---|---|---|---|---|
| Margin Money | **119** | | 110 | |
| Fixed Deposits with Banks (0 Value stands for ₹ 3,545) | **–** | | 0 | |
| | | **119** | | 110 |
| **Total** | | **119** | | 110 |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 13. OTHERS CURRENT FINANCIAL ASSETS

₹ In Lakhs

| Particulars | As At March 31, 2023 | | As At March 31, 2022 | |
|---|---|---|---|---|
| **Security Deposits** | | | | |
| – Considered good | **3,503** | | 1,561 | |
| – Which have significant increase in credit risk | **637** | | 666 | |
| – Credit impaired | **–** | | – | |
| | **4,140** | | 2,227 | |
| Less : Provision for expected credit loss | **637** | | 666 | |
| | | **3,503** | | 1,561 |
| Unbilled Income | | **5,947** | | 6,353 |
| Other Receivables (Unsecured, Considered good unless otherwise stated ) | | | | |
| – Considered good | **–** | | – | |
| – Considered Doubtful | **2,458** | | 2,458 | |
| | **2,458** | | 2,458 | |
| Less: Provision for doubtful advances | **2,458** | | 2,458 | |
| | | **–** | | – |
| Interest Receivable | | **206** | | 147 |
| **Total** | | **9,656** | | 8,061 |

### 14. CURRENT TAX ASSETS

₹ In Lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Advance income–tax | **–** | 145 |
| **Total** | **–** | 145 |

### 15. OTHER CURRENT ASSETS

(Unsecured, Considered good unless otherwise stated)

₹ In Lakhs

| Particulars | As At March 31, 2023 | | As At March 31, 2022 | |
|---|---|---|---|---|
| Balance with Government Authorities/Entities | | **889** | | 3,420 |
| Prepaid expenses | | **905** | | 925 |
| Other Advances* | | | | |
| – Considered good | **3,656** | | 3,365 | |
| – Considered Doubtful | **100** | | 100 | |
| | **3,756** | | 3,465 | |
| Less: Provision for doubtful advances | **100** | | 100 | |
| | | **3,656** | | 3,365 |
| **Total** | | **5,450** | | 7,710 |

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

### 16. EQUITY SHARE CAPITAL

₹ In Lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| **Authorised** | | |
| 16,000,000,000; (16,000,000,000); Equity Shares of ₹ 10 each | **1,600,000** | 1,600,000 |
| 200,000,000; (200,000,000); Preference Shares of ₹ 100 each | **200,000** | 200,000 |
| | **1,800,000** | 1,800,000 |
| **Issued, subscribed and fully paid–up** | | |
| 12,671,102,746; (12,623,326,856); Equity Shares of ₹ 10 each fully paid–up | **1,267,110** | 1,262,333 |
| **Total** | **1,267,110** | 1,262,333 |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 16.1 Reconciliation of the shares outstanding at the beginning and at the end of the year

| Particulars | As At March 31, 2023 | | As At March 31, 2022 | |
|---|---|---|---|---|
| | Number | ₹ In Lakhs | Number | ₹ In Lakhs |
| Equity Shares at the beginning of the Year | **12,623,326,856** | **1,262,333** | 12,496,593,200 | 1,249,659 |
| Issued during the Year | | | | |
| – On conversion of Foreign Currency Convertible Bonds (Refer Note – 22.1) | **47,775,890** | **4,778** | 126,733,656 | 12,673 |
| Equity Shares at the end of the Year | **12,671,102,746** | **1,267,110** | 12,623,326,856 | 1,262,333 |

### 16.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### 16.3 Shares reserved for issue under options :

The Foreign Currency Convertible Bonds (FCCB) holders have the option to convert FCCB into 628,825,245 Equity Shares (Previous year 676,601,151). (Refer Note No. 22.1)

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

| Name of share holders | As At March 31, 2023 | | As At March 31, 2022 | |
|---|---|---|---|---|
| | Number of Shares held | % holding in Share Capital | Number of Shares held | % holding in Share Capital |
| Union Bank of India | **1,546,271,529** | **12.20%** | 1,546,271,529 | 12.25% |
| Central Bank Of India | **942,154,365** | **7.44%** | 942,154,365 | 7.46% |
| Bank Of Baroda | **727,974,981** | **5.75%** | 727,974,981 | 5.77% |
| Indian Overseas Bank | **670,032,490** | **5.29%** | 670,032,490 | 5.31% |

### 16.5 Shareholding of Promoters as on March 31, 2023

| Shares held by promoters at the end of the year | | As on March 31,2023 | | As on March 31,2022 | | % change during the year |
|---|---|---|---|---|---|---|
| Sr. No. | Promoter Name | No. of Shares | % of total Shares | No. of Shares | % of total Shares | |
| 1 | GTL Limited (Promoter)** | – | – | – | – | |
| 2 | Global Holding Corporation Private Limited (Promoter Group) | 420,144,016 | 3.32% | 420,144,016 | 3.33% | No* |

* Change due increase in equity share capital pursuant to allotment of shares upon conversion of FCCBs

** During the year ended March 31, 2019, entire shareholding held by GTL Ltd , which was pledged in favour of CDR lenders of GTL Ltd, through security trustee IDBI Trusteeship Services Ltd (ITSL) were invoked and transferred to account of ITSL under Securitisation and Reconstruction of Financial Assets and Enforcement of Securities interest Act 2002.

**16.6** Out of total paid up capital, 94,843,348 equity shares allotted pursuant to compulsory conversion of Series A Bonds on maturity are not yet listed, since information regarding the Series A Bondholders are not available with the Company. In the absence of requisite information, the Company has allotted the said equity shares to a Trust, created for the benefit of Series A Bondholders.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

## 17. OTHER EQUITY

₹ In Lakhs

| Particulars | As At March 31, 2023 | | As At March 31, 2022 | |
|---|---|---|---|---|
| **Equity Component of Compound Financial Instruments** | | | | |
| Opening Balance | **29,416** | | 41,792 | |
| Add: Series B1 & Series B3 Foreign Currency Convertible Bonds | **–** | | – | |
| | **29,416** | | 41,792 | |
| Less: Transferred to Share Capital on conversion of FCCB into Equity Shares | **4,626** | | 12,376 | |
| | | **24,790** | | 29,416 |
| **Reconstruction Reserve** | | **1,993** | | 1,993 |
| Balance as per last Balance Sheet | | | | |
| **Capital Reserve** | | **1,846** | | 1,846 |
| Balance as per last Balance Sheet | | | | |
| **Equity Contribution due to pledged Shares invoked by Lenders** | | **3,401** | | 1,391 |
| (Refer Note No. 18.1 (d)) | | | | |
| **Securities premium** | | **60,667** | | 60,667 |
| Balance as per last Balance Sheet | | | | |
| **Retained Earnings in the Statement of Profit & Loss** | | | | |
| Opening Balance | **(1,631,983)** | | (1,484,516) | |
| Add: Loss for the Year | **(181,691)** | | (147,467) | |
| | | **(1,813,674)** | | (1,631,983) |
| **Other Comprehensive Income in the Statement of Profit & Loss** | | | | |
| Opening Balance | **(217)** | | (151) | |
| Add: Loss for the Year | **9** | | (66) | |
| | | **(208)** | | (217) |
| **Total** | | **(1,721,184)** | | (1,536,887) |

**Nature and purpose of Reserves**

**17.1 Equity Component of Compound Financial Instruments**

Equity Component represents FCCB Series B1 & B3 Bonds compulsorily convertible into equity shares. (Refer Note No. 22.1)

**17.2 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.

**17.3 Capital Reserve**

Created on Forfeiture of Preferential Convertible Warrants. It shall be utilised as per provisions of Companies Act 2013.

**17.4 Securities premium**

Created on conversion of Employee Stock Options Scheme , Preferential Warrants and Foreign currency convertible Bonds. It shall be utilised as per provisions of Companies Act 2013.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 18. BORROWINGS

₹ In Lakhs

| Particulars | As At March 31, 2023 | | As At March 31, 2022 | |
|---|---|---|---|---|
| **Secured Loans** | | | | |
| Rupee Term Loans from | | | | |
| – Banks | **36,681** | | 46,659 | |
| – Financial Institution | **7,345** | | 10,529 | |
| – Asset Reconstruction Trust | **107,057** | | 154,771 | |
| | | **151,083** | | 211,959 |
| Less: Transferred to Current Borrowings (Reclassified pursuant to IND (AS) –1) (Refer Note No. 18.1 & 22) | | **(151,083)** | | (211,959) |
| **Total** | | **–** | | – |

**18.1 (a)** In 2018, post the unprecedented shutdown and exits of major customers like Aircel, RCom, Tata Tele etc., the Company suffered a significant fall in revenue and EBITDA and there was an urgent need to right size the debt levels. At that time, the lenders of the Company chose to assign their respective debts in favour of Edelweiss Asset Reconstruction Company Limited ("EARC"). As of March 31, 2023, 79.34% of Indian Rupee Debt of ₹ 322,625 Lakhs have been assigned in favour of Edelweiss Asset Reconstruction Company ("EARC") acting in its capacity as Trustee of EARC Trust–SC 338 vide assignment agreement executed in favour of EARC. The Company believed that once the assignment was completed, the debt would be restructured to sustainable levels in a timely manner and accordingly, the Company presented multiple Resolution Plans starting from April 2018 for consideration of lenders' consortium updating such plans from time to time after taking into account various developments in telecom sector. However, for reasons best known to them, the said Resolution Plans submitted by the Company were never considered by the lenders and also few lenders elected not to assign their respective debts to EARC.

**(b)** The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated November 18, 2022 (which was uploaded on its website on November 23, 2022) has dismissed petition filed by Canara Bank for initiation of Corporate Insolvency Resolution Process ("CIRP") under Section 7 of the Insolvency & Bankruptcy Code, 2016 ("IBC"). The Hon'ble Tribunal held that the business of the Company is sustainable, it is a viable going concern under its current management and the overall financial health of the Company is not bad enough to be admitted under CIRP. Thus, in view of aforementioned, the petition is dismissed, against which Canara Bank has filed an appeal before National Company Law Appellate Tribunal, at Delhi ("NCLAT''). EARC who is the lead lender of the Company has also filed its intervention applicaiton in the said appeal, before NCLAT.

**(c)** IDBI Trusteeship Company Limited (ITSL) at the behest of lenders has, without the consent of and information to the Company, debited a total amount of ₹ 35,600 Lakhs, ₹ 28,000 Lakhs and ₹ 33,500 Lakhs from the TRA account during financial year 2020–21, 2021–22 and 2022–23 respectively aggregating to ₹ 97,100 Lakhs as on March 31, 2023. In the absence of consent of and information to the Company about such debits, the Company has provided the interest on borrowings after adjusting this amount in principal.

**(d)** Meanwhile IDBI Trusteeship Company Limited (ITSL), Security Trustee, on the instruction of lenders of the Company has invoked pledge on 2,85,00,000 equity shares of GTL Limited, pledged by Global Holding Corporation Private Limited, promoter group company and transferred the said shares to their account. As on March 31, 2023, recovery from sale of the 2,85,00,000 equity shares amounting to ₹ 3,401 Lakhs is reduced from the Lenders' outstanding amount and considered as other equity towards contribution of promoter group company considering invocation of their pledged shares by the lenders.

**(e)** The Company received notices of recall of loans from EARC and IDBI Bank claiming alleged default of ₹ 382,261 Lakhs and ₹ 20,102 Lakhs respectively in terms of Master Restructuring Agreement dated December 31, 2011 during financial year 2020–21. The Company has strongly refuted the claims and responded to said notices appropriately. Thus, in absence of directions from lenders as stated above, the Company continues to mention terms of repayment (Refer note No 18.3) and amount of Overdue (Refer note no. 18.4) as on March 31, 2023 in terms of and in accordance with the payment schedule, terms and conditions of Strategic Debt Restructuring Scheme as approved by then lenders.

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

**18.2 (a)** (i) Specific Charge – Banks, Financial Institutions and Asset Reconstruction Trust of the erstwhile standalone Company and erstwhile CNIL continue to have specfic charge on the assets or properties of respective companies as existed on the effective date of merger i.e December 22, 2017.

(ii) Personal guarantee of Mr. Manoj Tirodkar (Promoter) and sponsor support from Global Holding Corporation Private Limited (GHC) to Banks and Life Insurance Corporation of India (LIC).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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

Specific Charge – Secured Foreign Currency Lender of erstwhile standalone Company 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

**18.3 Terms of Repayment**

(i) Rupee Term Loans from Banks, Financial Institutions and Asset Reconstruction Trust (including Current Maturities of Long–term borrowings) having an effective yield of 10.75% over the tenure of the facility amounting to ₹ 365,522 Lakhs are repayable in 33 structured quarterly instalments ending on June 30, 2026 as per the SDR termsheet.The Maturity Profile of these loans is as set below:

| 2023–24 | 2024–25 | 2025–26 | 2026–27 |
|---|---|---|---|
| ₹ 241,379 Lakhs | ₹ 53,508 Lakhs | ₹ 54,431 Lakhs | ₹ 16,204 Lakhs |

(ii) Part of Rupee Term Loan from Asset Reconstruction Trust (assigned by ICICI Bank Limited) (including current maturities of Long–term borrowings) having an effective yield of 8 % over the tenure of the facility amounting to ₹ 30,605 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:

| 2023–24 | 2024–25 | 2025–26 | 2026–27 |
|---|---|---|---|
| ₹ 20,362 Lakhs | ₹ 4,366 Lakhs | ₹ 4,366 Lakhs | ₹ 1,511 Lakhs |

(iii) Rupee Term Loan from Asset Reconstruction Trust having an Interest rate of 8% p.a aggregating to ₹ 10,493 Lakhs are repayable only after the Final Settlement date of all the other restructured Loans i.e., June 30, 2026 as per SDR terms,.

(iv) The Foreign Currency Term Loan (included Current Maturities of Long term borrowings) is repayable in 24 equated quarterly instalments of Euro 4 Lakhs starting from June 15 , 2013 and ending on March 15 , 2021. The loan carries Interest rate of 3 months Euribor+200 bps.

**18.4** The details of overdue Principal and interest payable as at March 31, 2023 is as follows:

**₹ In Lakhs**

| Particulars | Total Overdue | Ageing 0–90 Days | Ageing 91–365 Days | Ageing 366–1095 Days | More than 1095 Days |
|---|---|---|---|---|---|
| Principal Payable on Rupee Term Loan from Banks & Financial Institution* | 22,138 | 5,667 | 5,667 | 10,804 | – |
| Principal Payable on Rupee Term Loan from Asset Reconstruction Trust* | 81,394 | 21,411 | 21,411 | 38,572 | – |
| Principal Payable on Foreign Currency Term Loan from Financial Institution* | 6,573 | – | – | 1,209 | 5,363 |
| Principal Payable on Foreign Currency Term Loan from Others* | 131 | – | 131 | – | – |
| Principal Payable on Foreign Currency Convertible Bonds* | 48,046 | – | 48,046 | – | – |
| Interest Payable on Rupee Term Loan from Banks & Financial Institution** | 58,854 | 6,085 | 9,401 | 24,424 | 18,945 |
| Interest Payable on Rupee Term Loan from Asset Reconstruction Trust** | 213,451 | 22,384 | 35,009 | 91,675 | 64,383 |
| Interest Payable on Foreign Currency Term Loan from Financial Institution** | 1,500 | 74 | 228 | 490 | 708 |
| Interest Payable on Foreign Currency Term Loan from Others** | 4 | 1 | 3 | – | – |
| Interest Payable on Foreign Currency Convertible Bonds** | 23,081 | 2,227 | 3,562 | 7,708 | 9,584 |
| **TOTAL** | **455,172** | **57,849** | **123,458** | **174,882** | **98,983** |

* Included in Current Maturities of Long–Term Borrowings (Refer Note – 22)

** Shown as Interest accrued and due on Borrowings (Refer Note – 24)

During the financial year 2020–21, the Company has received notices of recall of loans from Edelweiss Asset Reconstruction Company Limited ("EARC") and IDBI Bank claiming alleged default of ₹ 382,261 Lakhs and ₹ 20,102 Lakhs respectively. However , in absence of directions from lenders as stated in Note No. 18.1, the Company continues to mention terms of repayment (Refer note No 18.3) and amount of Overdue (Refer note no. 18.4) as on March 31, 2023 in terms of and in accordance with the payment schedule, terms and conditions of Strategic Debt Restructuring Scheme as approved by then lenders.

## 19. OTHER NON–CURRENT FINANCIAL LIABILITIES

**₹ In Lakhs**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Deposits from customers | **2,023** | 2,016 |
| **Total** | **2,023** | 2,016 |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 20. PROVISIONS

₹ In Lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Provision for compensated absences | **98** | 98 |
| Asset Retirement Obligation | **5,286** | 6,058 |
| **Total** | **5,384** | 6,156 |

### 21. OTHER NON–CURRENT LIABILITIES

₹ In Lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Advance Revenue | **1,144** | 1,363 |
| **Total** | **1,144** | 1,363 |

### 22. BORROWINGS

₹ In Lakhs

| Particulars | As At March 31, 2023 | | As At March 31, 2022 | |
|---|---|---|---|---|
| Borrowings Reclassified from Non–current Borrowings pursuant to IND (AS) –1 (Refer Note No. 18 & 18.1) | | | | |
| **Secured Loans** | | | | |
| Rupee Term Loans from | | | | |
| – Banks | **36,681** | | 46,659 | |
| – Financial Institution | **7,345** | | 10,529 | |
| – Asset Reconstruction Trust | **107,057** | | 154,771 | |
| | | **151,083** | | 211,959 |
| **Unsecured Loans** | | | | |
| – Foreign Currency Convertible Bonds (Refer Note – 22.1) | | **48,046** | | 45,637 |
| Current maturities of long–term borrowings (Refer Note – 18.1 & 18.4) | | | | |
| – Rupee Term Loans from Banks and Financial Institutions | **55,325** | | 42,902 | |
| – Foreign Currency Term Loans from Financial Institutions & Others | **6,704** | | 6,338 | |
| – Rupee Term Loans from Asset Reconstruction Trust | **206,416** | | 161,132 | |
| | **268,445** | | 210,372 | |
| Less : Amount debited by IDBI Trusteeship (Adjustment in Principal Repayment) (Refer Note – 18.1 (c)) | **97,100** | | 63,600 | |
| Less : Amount realised by Lenders by invoking Pledge (Adjustment in Principal Repayment) (Refer Note – 18.1 (d)) | **3,401** | | 1,391 | |
| | | **167,944** | | 145,381 |
| **Total** | | **367,073** | | 402,977 |

**22.1 Foreign Currency Convertible Bonds (FCCBs) :**

**(i)** During the financial year 2017–18, the Company had issued 80,745 Zero Coupon Foreign Currency Compulsorily Convertible Bonds due on 2022 of US$ 1000 each ("Series B1 Bonds), 86,417 Interest Bearing Convertible Bonds due on 2022 of US$ 1000 each ("Series B2 Bonds") and 30,078 Zero Coupon Compulsorily Convertible due 2022 of US$ 1000 each ("Series B3 Bonds") in exchange of the then Existing outstanding Interest Bearing Convertible Bonds due 2017 ("Series B Bonds") of US$ 167,193,000 along with redemption premium and outstanding interest on Series B Bonds, pursuant to Offering Memorandum dated October 26, 2017. Since these bonds were issued against the cashless exchange offer, the Company did not receive any proceeds from the offering of the Series B1 Bonds, Series B2 Bonds and Series B3 Bonds.

**(ii) Terms and Conditions of the Series B1 Bonds:**

a. The Series B1 Bonds are compulsorily convertible into fully paid equity shares of ₹ 10 each on October 27, 2022 at a fixed rate of exchange of ₹ 65.1386 to US$.1.00 subject to certain adjustments as described in Terms and Conditions of Series B1 Bonds;

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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)** Series B1 & Series B3 bonds have become compulsorily convertible upon maturity date i.e. October 27, 2022. The Company has requested bondholders to share their respective details for converting bonds and crediting equity shares to their respective account. However, the Company is still awaiting the relevant details of bondholders. Series B2 Bonds are redeemable and have matured on October 27, 2022. The lead secured lender has, however, informed the Company that till the time the entire outstanding Secured debt of the Secured lenders is fully paid off, no other creditor including Series B2 Bondholders, which rank sub–ordinate to the secured creditors, can be paid in priority. Hence, the Company could not redeem Series B2 Bonds on its maturity. As per the Terms and Conditions of Series B2 Bonds, in case of default in redemption of Series B2 Bonds, conversion right of bondholders will revive and /or will continue to be exercisable up to the date of receipt of redemption amount by the Principal Agent / Trustee of the Series B2 Bonds.

**(vi)** As on March 31, 2023, 27,728.50 Series B1 Bonds, 58,478 Series B2 Bonds and 10,330 Series B3 Bonds were outstanding.

## 23. TRADE PAYABLES

**₹ In Lakhs**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| **Suppliers for goods and services** | | |
| – Micro,Small & Medium Enterprises | **125** | 105 |
| – Others | **4,214** | 2,883 |
| **Total** | **4,339** | 2,988 |

**23.1 (a) Trade Payables aging schedule as on March 31, 2023**

| Particulars | Outstanding for following periods from due date of payment/date of transaction | | | | | |
|---|---|---|---|---|---|---|
| | Not Due | Less Than 1 year | 1 –2 years | 2 –3 years | More than 3 years | Total |
| (i) MSME | 108 | 12 | 3 | 1 | 1 | 125 |
| (ii) Others | 3,704 | 195 | 45 | 48 | 123 | 4,115 |
| (iii) Disputed dues– MSME | – | – | – | – | – | – |
| (iv) Disputed dues– Others | – | – | – | 11 | 88 | 99 |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**23.1 (b) Trade Payables aging schedule as on March 31, 2022**

| Particulars | Outstanding for following periods from due date of payment/date of transaction | | | | | |
|---|---|---|---|---|---|---|
| | Not Due | Less Than 1 year | 1 –2 years | 2 –3 years | More than 3 years | Total |
| (i) MSME | 75 | 22 | 4 | 1 | 3 | 105 |
| (ii) Others | 2,251 | 235 | 84 | 29 | 284 | 2,883 |
| (iii) Disputed dues– MSME | – | – | – | – | – | – |
| (iv) Disputed dues– Others | – | – | – | – | – | – |

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

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| (i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year: | | |
| (a) Principal amount Outstanding | **125** | 105 |
| (b) Interest thereon (0 Value stands for ₹ 18,704 (Previous year ₹ 18,731) | **0** | 0 |
| (ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period: | | |
| (a) Interest paid in terms of Section 16 | **NIL** | NIL |
| (b) Delayed principal payments | **NIL** | NIL |
| (iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | **NIL** | NIL |
| (iv) The amount of interest accrued and remaining unpaid at the end of each accounting year (0 Value stands for ₹ 18,704 (Previous year ₹ 18,731) | **0** | 0 |
| (v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | **NIL** | NIL |

The Company has compiled this information based on intimations received from suppliers of their status as Micro or Small enterprises and / or its registration with the appropriate authority under Micro, Small and Medium Enterprises Development Act, 2006.

## 24. OTHER CURRENT FINANCIAL LIABILITIES

₹ In Lakhs

| Particulars | As At March 31, 2023 | | As At March 31, 2022 | |
|---|---|---|---|---|
| Interest accrued but not due on borrowings | | **24** | | 11 |
| Interest accrued and due on borrowings (Refer Note – 18.1 & 18.4) | | **297,384** | | 222,349 |
| Deposits from customers | | **9,423** | | 10,793 |
| Creditors for Capital goods (Refer Note No. 24.2) | | | | |
| – Micro,Small & Medium Enterprises | **11** | | 9 | |
| – Others | **82** | | 70 | |
| | | **93** | | 79 |
| Other Payable* | | **97,299** | | 83,643 |
| **Total** | | **404,223** | | 316,875 |

* Mainly includes Provision towards Rent, Electricity, Salary, Other expenses and arbitration Claim payable to GTL Limited (Refer Note No. 36).

**24.1 (a) Creditors for Capital goods aging schedule as on March 31, 2023**

| Particulars | Outstanding for following periods from due date of payment / date of transaction | | | | | |
|---|---|---|---|---|---|---|
| | Not Due | Less Than 1 year | 1 –2 years | 2 –3 years | More than 3 years | Total |
| (i) MSME | 11 | – | – | – | – | 11 |
| (ii) Others | 33 | 38 | – | – | – | 71 |
| (iii) Disputed dues– MSME | – | – | – | – | – | – |
| (iv) Disputed dues– Others | – | – | – | 2 | 9 | 11 |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**24.1 (b) Creditors for Capital goods aging schedule as on March 31, 2022**

| Particulars | Outstanding for following periods from due date of payment / date of transaction | | | | | |
|---|---|---|---|---|---|---|
| | Not Due | Less Than 1 year | 1 –2 years | 2 –3 years | More than 3 years | Total |
| (i) MSME | 8 | 1 | – | – | – | 9 |
| (ii) Others | 39 | 11 | 2 | – | 18 | 70 |
| (iii) Disputed dues– MSME | – | – | – | – | – | – |
| (iv) Disputed dues– Others | – | – | – | – | – | – |

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

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| (i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year: | | |
| (a) Principal amount Outstanding | 11 | 9 |
| (b) Interest thereon (0 Value stands for ₹ 29) | – | 0 |
| (ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period: | | |
| (a) Interest paid in terms of Section 16 | NIL | NIL |
| (b) Delayed principal payments | NIL | NIL |
| (iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | NIL | NIL |
| (iv) The amount of interest accrued and remaining unpaid at the end of each accounting year (0 Value stands for ₹ 29) | – | 0 |
| (v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | NIL | NIL |

The Company has compiled this information based on intimations received from suppliers of their status as Micro or Small enterprises and / or its registration with the appropriate authority under Micro, Small and Medium Enterprises Development Act, 2006.

## 25 OTHER CURRENT LIABILITIES

**₹ In Lakhs**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Advance Revenue | **214** | 289 |
| Advance received from customer | **21** | 43 |
| Property Tax Payable | **5,334** | 4,764 |
| Statutory dues | **2,753** | 2,690 |
| **Total** | **8,322** | 7,786 |

## 26. PROVISIONS

**₹ In Lakhs**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Provision for compensated absences | **23** | 8 |
| Asset Retirement Obligation | **4,885** | 5,578 |
| **Total** | **4,908** | 5,586 |

## 27. REVENUE FROM OPERATIONS

**₹ In Lakhs**

| Particulars | For the Year ended on March 31, 2023 | For the Year ended on March 31, 2022 |
|---|---|---|
| Revenue from Telecom/Network Infrastructure Facilities | **87,483** | 86,136 |
| Energy and Other Re–imbursements | **58,303** | 60,137 |
| **Total** | **145,786** | 146,273 |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 28. OTHER INCOME

₹ In Lakhs

| Particulars | For the Year ended on March 31, 2023 | For the Year ended on March 31, 2022 |
|---|---|---|
| Interest Income | **1,023** | 344 |
| Difference on measurement of financial instruments at fair value through Profit & Loss | **349** | 222 |
| Extinguishment of Liabilities* | **39** | 41 |
| Miscellaneous Income | **1,336** | 809 |
| **Total** | **2,747** | 1,416 |

*** Extinguishment of Liabilities towards FCCB Conversion**

### 29. INFRASTRUCTURE OPERATION & MAINTENANCE COST

₹ In Lakhs

| Particulars | For the Year ended on March 31, 2023 | For the Year ended on March 31, 2022 |
|---|---|---|
| Short–term Lease – Site Rentals | **9,677** | 10,278 |
| Power, Fuel and Maintenance Charges | **67,879** | 71,988 |
| Repairs and Maintenance to Plant and Equipments | **770** | 847 |
| Stores & Spares consumption | **43** | 35 |
| Other Operating Expenditure | **3,406** | 4,933 |
| **Total** | **81,775** | 88,081 |

### 30. EMPLOYEE BENEFITS EXPENSE

₹ In Lakhs

| Particulars | For the Year ended on March 31, 2023 | For the Year ended on March 31, 2022 |
|---|---|---|
| Salaries and Allowances | **5,943** | 5,895 |
| Contribution to Providend Fund, Gratuity fund and Other Funds | **373** | 287 |
| Employee Welfare and other amenities | **24** | 25 |
| **Total** | **6,340** | 6,207 |

**30.1** Mr. Vikas Arora was appointed as Whole–time Director (WTD) w.e.f November 10, 2022. The requisite approvals towards managerial remuneration payable / paid to Mr. Vikas Arora ₹ 40.29 Lakhs and Mr. Milind Naik (who resigned as WTD w.e.f September 22, 2022 and paid remuneration of ₹ 241.96 Lakhs during his tenure as WTD) are still awaited from the lenders.

**30.2 Employee Benefits:**

As per Accounting Standard 15 “Employee Benefits” the disclosure of Employee Benefit, as defined in Accounting Standard are given below:

**Defined Contribution Plan**

₹ In Lakhs

| Particulars | For the Year ended on March 31, 2023 | For the Year ended on March 31, 2022 |
|---|---|---|
| Employer’s Contribution to Provident fund | **189** | 143 |
| Employer’s Contribution to Pension fund | **94** | 83 |
| **Total** | **283** | 226 |

**Defined Benefit Plan**

The employee’s Gratuity Fund Scheme, which is a defined benefit plan, is managed by the Trust maintained with Life Insurance Corporation of India [LIC]. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences is recognised in same manner as gratuity.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**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, 2023** | As at March 31, 2022 |
| Defined Benefit Obligation at beginning of the Year | **593** | 469 |
| Current Service Cost | **70** | 41 |
| Current Interest Cost | **42** | 30 |
| Past Service Cost | **–** | – |
| Liability Transfer In | **6** | – |
| Liability Transfer Out | **(2)** | – |
| Acturial (Gains)/Losses on Obligation – Due to change in Demographic Assumptions*<br>* 0 Value stands for ₹ 31,943 | **–** | (0) |
| Acturial (Gains)/Losses on Obligation – Due to change in Financial Assumptions | **(12)** | (29) |
| Acturial (Gains)/Losses on Obligation – Due to Experience | **4** | 107 |
| Benefits paid | **(33)** | (25) |
| Defined Benefit Obligation at the end of the Year | **668** | 593 |

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

₹ In Lakhs

| Particulars | Gratuity Funded | |
|---|---|---|
| | **As at March 31, 2023** | As at March 31, 2022 |
| Fair Value of Plan Asset at beginning of the Year | **663** | 567 |
| Interest Income | **48** | 37 |
| Expected Return on Plan Assets | **1** | 11 |
| Actuarial Gain/ (Loss) | **–** | – |
| Contributions | **96** | 73 |
| Fund Transfer In | **6** | – |
| Fund Transfer out | **(2)** | – |
| Benefits paid | **(33)** | (25) |
| Fair Value of Plan Asset at the end of the Year | **778** | 663 |

**c. Reconciliation of present value of obligations & fair value of plan assets**

₹ In Lakhs

| Particulars | Gratuity Funded | |
|---|---|---|
| | **As at March 31, 2023** | As at March 31, 2022 |
| Fair Value of Plan Asset at the end of the Year | 778 | 663 |
| Present Value of Defined Benefit Obligation at end of the Year | 668 | 593 |
| Liability/ (Asset) recognised in the Balance Sheet | (110) | (70) |

**d. Expense Recognised During the year**

₹ In Lakhs

| Particulars | Gratuity Funded | |
|---|---|---|
| | **For the year ended March 31, 2023** | For the year ended March 31, 2022 |
| Current Service Cost | **70** | 41 |
| Net Interest Cost | **(5)** | (6) |
| Past Service Cost | **–** | – |
| Net Cost Recognised in Statement of Profit and Loss Account | **65** | 35 |
| In Other Comprehensive Income (OCI) | **–** | – |
| Actuarial (Gain)/ Loss | **(8)** | 78 |
| Return on plan assets | **(1)** | (12) |
| Net (Income)/Expenses for the year recognised in OCI | **(9)** | 66 |

**e. Assumptions used to determine the defined benefit obligation**

| Particulars | Gratuity Funded | |
|---|---|---|
| | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
| **Mortality Table** | Indian Assured Lives mortality (2006–08) Ultimate | Indian Assured Lives mortality (2006–08) Ultimate |
| **Discount Rate (p.a.)** | 7.44% | 7.15% |
| **Estimated rate of return on Plan Assets (p.a.)** | 7.44% | 7.15% |
| **Expected rate of increase in salary (p.a.)** | 5.00% | 5.00% |

The estimates of rate of increase in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply anad demand in the employment market. The above information is certified by the actuary.

The Expected Rate of Return of Plan Assets is determined considering several applicable factors. Mainly the composition of Plan Assets held, assessed risks, historical results of return on Plan Assets and the Company's policy for Plan Assets Management.

**f. The major categories of plan assets of the fair value of the total plan assets are as follows:**

₹ In Lakhs

| Particulars | Gratuity Funded | |
|---|---|---|
| | **For the year ended March 31, 2023** | For the year ended March 31, 2022 |
| Insurance Fund | **778** | 663 |

**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, 2023** | **For the year ended March 31, 2023** | For the year ended March 31, 2022 | For the year ended March 31, 2022 |
| **Sensitivity level** | **1% Increase** | **1% Decrease** | 1% Increase | 1% Decrease |
| **Assumptions** | | | | |
| Impact of Rate of discounting | **(39)** | **44** | (37) | 41 |
| Impact of Rate of salary increase | **36** | **(34)** | 34 | (32) |
| Impact of Rate of Employee Turnover | **6** | **(7)** | 6 | (6) |

**h. Expected Contribution towards defined benefit plan in future years**
**Maturity Analysis of Projected benefit Obligation from the fund**

₹ In Lakhs

| Particulars | Gratuity Fund | |
|---|---|---|
| | **For the year ended March 31, 2023** | For the year ended March 31, 2022 |
| Within 1 year | 64 | 42 |
| 1–2 year | 54 | 45 |
| 2–3 year | 41 | 65 |
| 3–4 year | 69 | 38 |
| 4–5 year | 69 | 58 |
| 5–10 years | 395 | 351 |
| 11 years & above | 474 | 443 |

Maturity Analysis of Projected Defined Benefit Obligation is done considering future salary, attrition & death in respective year for members as mentioned above.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 31. FINANCE COSTS

₹ In Lakhs

| Particulars | For the Year ended on March 31, 2023 | For the Year ended on March 31, 2022 |
|---|---|---|
| Interest | **69,715** | 65,503 |
| Finance Cost on Lease Liability | **6,532** | 6,489 |
| Exchange difference to the extent considered as an adjustment to borrowing costs | **1,946** | 1,396 |
| **Total** | **78,193** | 73,388 |

### 32. BALANCES WRITTEN OFF (NET) AND PROVISION FOR TRADE RECEIVABLES AND ADVANCES

₹ In Lakhs

| Particulars | For the Year ended on March 31, 2023 | For the Year ended on March 31, 2022 |
|---|---|---|
| Investment Written Off (Refer Note No. 4) | **–** | 3,325 |
| Less: Provision written Off (earlier recognised pursuant to measurement at fair value through P&L) | **–** | (3,325) |
| Balances Written Off (Net) | **1,320** | 39 |
| Less: Provision for Doubtful Debts/Advances Written Back | **(3,725)** | (39) |
| Provision for Trade Receivables/Energy Recoverables & Deposits | **11,954** | 1,160 |
| **Total** | **9,549** | 1,160 |

### 33. EXCHANGE DIFFERENCES (NET)

₹ In Lakhs

| Particulars | For the Year ended on March 31, 2023 | For the Year ended on March 31, 2022 |
|---|---|---|
| Exchange differences (net) | **3,955** | 245 |
| **Total** | **3,955** | 245 |

### 34. OTHER EXPENSES

₹ In Lakhs

| Particulars | For the Year ended on March 31, 2023 | For the Year ended on March 31, 2022 |
|---|---|---|
| Short–term Lease | **694** | 662 |
| Property Tax Including Rates and Taxes – Others | **1,615** | 1,476 |
| Electricity | **97** | 81 |
| Repairs and Maintenance | | |
| – Office Equipments | **41** | 34 |
| Insurance Premium | **1,421** | 1,134 |
| Communication Cost | **65** | 67 |
| Travel and Conveyance | **763** | 400 |
| Legal and Professional Charges | **1,658** | 2,046 |
| Payment to Auditors | **54** | 49 |
| Office Expenses | **387** | 337 |
| Printing and Stationery | **46** | 26 |
| Directors' Sitting Fees | **106** | 109 |
| Advertisement and Business Promotion | **16** | 14 |
| Loss on/due to Sale, theft of fixed assets by Landlords/Unknown miscreants (net) | **33,358** | 2,206 |
| Miscellaneous Expenses | **1,080** | 769 |
| **Total** | **41,401** | 9,410 |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**34.1 Auditor's Remuneration includes**

₹ **In Lakhs**

| Particulars | For the Year ended on March 31, 2023 | For the Year ended on March 31, 2022 |
|---|---|---|
| Audit Fees | **45** | 40 |
| Certification Fees | **9** | 9 |
| **Total** | **54** | 49 |

## 35. EXCEPTIONAL ITEMS

₹ **In Lakhs**

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|
| Impairment Loss | **58,654** | 66,346 |
| **Total** | **58,654** | 66,346 |

Considering the current situation of telecom scenario mentioned in note no. 59 and dismantling of sites as mentioned in note no. 58, the Company carried out an impairment test of its property, plant and equipment in accordance with the Indian Accounting Standards (Ind AS) 36 – 'Impairment of Assets' and found that the Carrying cost of these assets exceeds its value in use; therefore, an impairment loss of ₹ 58,654 Lakhs has been recognized for the year ended March 31, 2023 (previous year ₹ 66,346 Lakhs) and the same has been disclosed as exceptional items.

**36.** Pursuant to the Energy Management & Field Level Management Services Agreement and Suspension Agreement, GTL Limited ("GTL") invoked arbitration against the Company claiming ₹ 69,000 Lakhs along with damages under its recovery. Arbitral Tribunal of 3 (Three) retired Supreme Court Judges has been formed and on examination of the underlying facts, the Hon'ble Tribunal passed its interim award dated December 17, 2019 directing the Company to pay an amount of ₹ 44,000 Lakhs. The Company preferred an appeal before the Hon'ble Delhi High Court. While confirming the interim award passed by the Arbitral Tribunal, the appeal was dismissed by the High Court. In view of the Arbitration award and dismissal of appeal by Delhi High Court, the Company had provided ₹ 44,000 Lakhs as claims against arbitration and disclosed the same as exceptional items in the financial statements in FY 2019–20.

In the month of June, 2020 EARC challenged the Interim Award dated December 17, 2019 by way of an appeal before the Hon'ble Delhi High Court ("EARC Appeal"). On November 18, 2020 the said EARC Appeal was disposed off by the Hon'ble Delhi High Court thereby allowing the appeal of the EARC and modified the Interim Award dated December 17, 2019 to the extent that all payments directed thereunder, would be deposited, not with the Company or in an Escrow Account to be maintained by the Company, but in the TRA, created and maintained in accordance with the TRA Agreement. The said deposit amount shall remain subject to further orders to be passed by the learned Arbitral Tribunal. After the said Judgment and Order dated November 18, 2020, EARC had filed a Clarification application and Review Petition in regards with the said Judgment and Order dated November 18, 2020. The Clarification Application and the Review Petition were dismissed by the Hon'ble Delhi High Court on February 3, 2021 and February 4, 2022 respectively. EARC thereafter has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India, against the Delhi High orders dated November 18, 2020 and February 4, 2022. EARC through Impleadment application has requested to the Hon'ble Supreme Court to implead the non–assigning lenders of the Company to the said SLP. Company has filed its reply and now the matter is posted for hearing on May 17, 2023. The balance claim of GTL is still under consideration by the Arbitral Tribunal, final hearing by GIL and GTL are completed and matter reserved for final order.

## 37. DISCLOSURE ON LEASES

**Company as a lessor**

The Company has entered into operating lease arrangement with its customers for Infrastructure provisioning. The following table sets out the Maturity analysis of lease receivable for the lock in period of the customers after the reporting date:

**Maturity Analysis of Lease Receivables on undiscounted basis**

₹ **In Lakhs**

| Periods | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| 0–1 year | **52,049** | 56,216 |
| 1–2 Year | **49,918** | 53,496 |
| 2–3 Year | **45,414** | 51,319 |
| 3–4 Year | **37,573** | 46,747 |
| 4–5 Year | **16,364** | 38,748 |
| Above 5 Year | **48,738** | 70,424 |
| **Total** | **2,50,056** | 316,950 |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**Company as a lessee**

**Disclosure as per Ind AS 116**

**₹ In Lakhs**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Depreciation charge for right–of–use assets | **11,843** | 11,369 |
| Finance Cost on lease liability | **6,532** | 6,489 |
| Expense relating to short–term leases: | | |
| – Infrastructure Operation & maintenance cost | **9,677** | 10,278 |
| – Other Expenses | **694** | 662 |
| Total cash outflow for leases | **11,783** | 10,722 |
| Additions to right–of–use assets | **6,618** | 15,167 |
| Carrying amount of right–of–use assets | **53,733** | 60,122 |
| Carrying amount of lease liabilities | **83,741** | 84,265 |

The Company has entered into operating lease arrangement with its landlords for land & building occupancies for sites & offices premises. The following table sets out the Maturity analysis of lease payables for the lock in period after the reporting date:

**Maturity analysis of lease Payables on undiscounted basis**

**₹ In Lakhs**

| Periods | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Within one year | **38,606** | 34,291 |
| After one year but not later than five years | **46,746** | 49,605 |
| Later than five years | **20,837** | 26,832 |
| **Total** | **106,189** | 110,728 |

**38. (A) Contingent Liabilities and Commitments**

i) Contingent liabilities not provided for:

**₹ In Lakhs**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Bank guarantees<br>(provided under contractual and legal obligations) | **29** | 29 |
| Claims against the Company not acknowledged as debts | **163,687** | 139,879 |
| Disputed liability in respect of indirect tax matters under appeal | **64,055** | 63,667 |
| Disputed liability in respect of direct tax matters under appeal* | **13,240** | 16,182 |

* During the year, the Company was in receipt of the Income Tax Order Under Section 271(1)(c) of the Income Tax Act,1961 passed by the National Faceless Assessment Centre (NFAC) in case of erstwhile Chennai Network Infrastructure Limited (CNIL) for Assessment Year (AY) 2016–17 imposing a penalty of ₹ 12,904 Lakhs for furnishing inaccurate particulars.

There were various disallowances of expenses made in the regular assessment for the AY 2016–17 for which the erstwhile CNIL/ the Company has filed appeals before the Commissioner of Income Tax (Appeals). The appeals filed before the Commissioner of Income Tax (Appeals) in respect of the Assessment framed for the AY 2016–17, for which penalty is being imposed, has already been settled under the "The Vivad Se Vishwas Scheme 2020" and as a matter of settlement the Income Tax Department has issued Form 5, in respect of the those appeals. Therefore, the penalty under said Section 271(1)(c) is not leviable as per the Vivad Se Vishwas Scheme, 2020.

Considering the above fact the Company has filed a writ petition before the Honourable Bombay High Court.

ii) Certain Legal issues are outstanding against the Company mainly in relation to the alleged non–compliance of policies of municipal corporations, cases pending for permanent injunctions, objections by the local residents, disputes with site owners, in respect of which the amounts cannot be quantified at this stage and therefore the Contingent Liability in respect of this could not be determined.

The Company does not expect any material financial effect of the above matters under litigation.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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

**₹ In Lakhs**

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Capital Commitments | **430** | 657 |

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

**39.** During earlier years, as legally advised, the Company's CENVAT credit aggregating to ₹ 7,993 Lakhs was utilized for discharging service tax liability of CNIL, an erstwhile Associate, which subsequently got merged with the Company. CNIL also paid the same amount to the Service Tax Authority under Voluntary Compliance Encouragement Scheme (VCES) in November, 2013. Subsequently, the Company filed a writ petition in High Court of Judicature at Mumbai for seeking restoration of this cenvat credit and based on the Mumbai High Court direction, CESTAT passed the order in March 2015 for allowing the Company to restore the said amount as Cenvat credit. The Service tax authorities have filed an appeal with the High court challenging the CESTAT order passed in March 2015. The Company has been advised that there will not be any outflows in this regard.

**40.** The Hon'ble Supreme Court vide its order dated December 16, 2016 upheld that "Mobile Telecommunication Tower" is exigible to Property Tax and the State can levy property tax to Mobile Towers. While deciding the Special Leave Petition (SLP) for Mumbai matters, the Hon'ble Supreme Court had given liberty to agitate the issue with regard to the retrospective operation of assessment/demand of tax and the quantum thereof before the appropriate forum. Post the Judgment of Hon'ble Supreme Court in January 2017; the Company had challenged the quantum of property tax and other issues before the Bombay High Court. By an order dated April 18, 2017, Bombay High Court dismissed the appeal. Against the said order, the Company preferred a SLP with regards to the manner, quantum, component of property tax and other issues. The same was heard on January 25, 2018 and the Hon'ble Supreme Court was pleased to issue a notice to Municipal Corporation & also directed Municipal Corporations to maintain status quo. The said SLP was finally disposed of by an order dated January 02, 2019 and Hon'ble Supreme Court has set aside the Bombay High Court order dated April 18, 2017 and has directed the Bombay High Court to decide the Writ Petition on merits. The Company has filed an amendment application before the Bombay High Court in view of the Supreme Court order and developments happened during the pendency of the SLP before Supreme Court.

Another IP Company by name ATC Telecom Pvt. Ltd ("ATC Company'') have preferred an appeal before Hon'ble Supreme Court against the Order of the Gujarat High Court on the rates and taxes to be fixed for mobile towers in lieu of the Amendment made in the Gujarat Provincial Municipal Corporation Act, 1949 in the year 2011. The Hon'ble Supreme Court after hearing the ATC Company in September, 2018 has granted leave and the matter is pending for final hearing. Further, The Company has also filed a SLP on July 10, 2019, bearing SLP No. 16649 of 2019 before Hon'ble Supreme Court against Nagpur Municipal Corporation challenging the calculation and quantum of the Property Tax. The Hon'ble Supreme Court has given a stay on the High Court Order subject to payment of 50% of the demanded amount and tagged the said matter with ATC SLP. Also with respect to the few sites where demand notices for property tax have been received, the Company has contested the demands by filing writ petitions in appropriate Courts for the assessment of property tax demand / retrospective levy of property tax, procedure and quantum that have been demanded. Various Hon'ble High Courts passed an order not to take any coercive action till the admission of matter.

The matter being still sub–judice, non–receipt of demand notes for majority of the towers of the Company and the Company's right to recover property tax from certain customers, the Company is unable to quantify actual property tax amount payable excluding the components which are under challenge. The provision will be considered as and when the matter is resolved. In respect of the above, the auditors have issued modified report for the year ended on March 31, 2023.

**41. As per Ind AS 24, the disclosure of transactions with the related parties are given below:**

**(a) List of Related Parties and relationships:**

**Key Management Personnel**

Mr. Vikas Arora, Whole Time Director (WTD) (Appointed w.e.f November 10, 2022)

Mr. Milind K. Naik, Whole Time Director (Resigned as WTD w.e.f September 22, 2022)

Mr. Bhupendra J. Kiny, Chief Financial Officer

Mr. Nitesh A. Mhatre, Company Secretary

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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

₹ In Lakhs

| | Particulars | For the Year Ended March 31, 2023 | For the Year Ended March 31, 2022 |
|---|---|---|---|
| **I]** | **KEY MANAGERIAL PERSONNEL** | | |
| **i)** | **Vikas Arora– Whole Time Director#*** | | |
| | Salaries & Allowances | **38** | – |
| | Post Employment Benefits | **2** | – |
| | **Total** | **40** | – |
| **ii)** | **Milind Naik– Whole Time Director#*** | | |
| | Salaries & Allowances | **57** | 115 |
| | Post Employment Benefits | **–** | – |
| | **Total** | **57** | 115 |
| **iii)** | **Bhupendra Kiny, CFO*** | | |
| | Salaries & Allowances | **124** | 149 |
| | Post Employment Benefits | **4** | 4 |
| | **Total** | **128** | 153 |
| **iv)** | **Nitesh Mhatre, Company Secretary*** | | |
| | Salaries & Allowances | **71** | 108 |
| | Post Employment Benefits | **3** | 3 |
| | **Total** | **74** | 111 |

* 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. Vikas Arora was appointed as Whole–time Director (WTD) w.e.f. November 10, 2022. The requisite approvals towards managerial remuneration payable / paid to Mr. Vikas Arora of ₹ 40.29 Lakhs and Mr. Milind Naik (who resigned as WTD w.e.f. September 22, 2022 and was paid remuneration of ₹ 241.96 Lakhs during his tenure as WTD) are still awaited from the lenders.

## 42. EARNINGS PER SHARE

₹ In Lakhs

| Particulars | Unit | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|
| Net Loss after tax attributable to Equity Shareholders for Basic/Diluted EPS | **₹ in Lakhs** | **(181,691)** | (147,467) |
| Weighted average number of equity shares* outstanding for Basic/Diluted# EPS | **Nos.** | **12,917,891,485** | 12,915,492,957 |
| **Basic & Diluted Earnings Per Share (₹)** | | **(1.41)** | (1.14) |

* Includes shares to be issued to the holders of Foreign Currency Compulsorily Convertible Bonds (FCCB Series–B1 & B3).

\# The effect of Interest Bearing Convertible Bonds (FCCB Series–B2) on the Earnings per Share is anti–dilutive and hence, the same is not considered for the purpose of calculation of dilutive Earning per Share.

## 43. Details of loans given, investment made and guarantees given, covered U/s 186(4) of the Companies Act, 2013

The Company has not given any Loan or Guarantee to any party for their borrowings. Details of Investments are given in note no. 4 and 9 to the Financial Statements.

## 44. DEFERRED TAX

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

The Company has incurred losses during the financial year 2022–23 and previous financial year 2021–22. The Company has no tax expenses in these years as per provisions of Income Tax Act, 1961 and no deferred tax assets recognised. Since the Company has been following the new tax regime, effective tax rate applicable for financial year 2022–23 is 25% in case of income other than Capital Gains and 20 % in case of Long Term Capital Gain.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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

₹ In Lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Property, Plant & Equipment and Investment Property | **5,721** | 28,860 |
| Net Leasess | **(4,948)** | (6,036) |
| Other Intangible Assets | **(569)** | (789) |
| Investments | **73** | (24,712) |
| Disallowance Under Section 43B of the Income Tax Act, 1961 | **(89,064)** | (55,617) |
| Provision for doubtful debts | **(9,182)** | (6,880) |
| Tax Losses : | | |
| Business Losses | **(11,078)** | – |
| Unabsorbed Depreciation | **(116,162)** | (116,162) |
| **Deferred Tax (Assets)/Liability** | **(225,209)** | (181,336) |

**Note:** Figures in bracket indicates Deferred Tax Assets

The Company has net Deferred Tax Assets (DTA) as at March 31, 2023 which is not recognised in the Financial Statements in the absence of probable taxable profits against which the same can be utilised.

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

₹ In Lakhs

| Assessment Year (AY) | Unused tax Loss** | Carried Forward Till AY |
|---|---|---|
| 2016–17 | **6,453** | 2024–25 |
| 2017–18 | **30,736** | 2025–26 |
| 2022–23* | **113,650** | 2031–32 |
| **Total** | **150,839** | |

* Subject to filing of the return of Income

** After Adjustment of settlement made under Vivad Se Vishwas Scheme 2020

From last many years the Company is incurring losses and does not expect sufficient future taxable income in the near future against which the unused tax losses can be utilised, so the Company has not recognised the DTA for the same.

## 45. DISCLOSURE ON REVENUE RECOGNITION

### (a) Disaggregated Revenue information & Performance Obligation

The Company provides passive infrastructure on shared basis to telecom operators (Telcos) for hosting their active network components. The business model of passive infrastructure sharing is based on building, owning, operating and maintaining passive telecom infrastructure sites capable of hosting active network components of various technologies of multiple Telcos. The Company's operation is solely in geographic boundaries of India. The main source of revenue includes Infrastructure Provisioning fee (IPF) & Reimbursements of Energy & Other Cost. It's an ongoing service performance obligation based on long term contracts with the customers with pre defined lock in periods, contracts are optimally designed based on fixed or actual contract basis matrix. Since the performance obligation is an ongoing process the same is billed on monthly basis/satisfaction of conditions in contract, which falls due for payments within upto 30 days of billing or advance as per terms of contract. (Refer note no. 27 for Segregation of Revenue).

### (b) Trade Receivables and Contract balances

The timing of revenue recognition, billings and collections results in receivables, unbilled revenue and unearned revenue on the Company's Balance Sheet. Amounts are billed in accordance with agreed–upon contractual terms on monthly basis. The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of billings from the contracts, which are classified as financial assets when the right to consideration is unconditional and is due only within a month. Invoicing to the customers is based on the contracts and therefore, the timing of revenue recognition is different from the timing of invoicing to the customers. Invoicing in excess of earnings is classified as unearned revenue. Trade receivables and unbilled revenues are presented net of provision in the Balance Sheet.

The following table discloses the movement in unbilled energy & other reimbursement revenue on Customer contracts during the Year ended March 31, 2023.

₹ In Lakhs

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Balance at the beginning | **5,280** | 4,725 |
| Add : Revenue recognized during the year end | **5,092** | 5,280 |
| Less : Invoiced during the year end | **5,280** | 4,725 |
| **Balance at the end** | **5,092** | 5,280 |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 46. 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, 2021 | 49 | 11,780 | 11,829 |
| Unwinding of finance cost | – | 473 | 473 |
| Addition | 69 | – | 69 |
| Payment | (6) | – | (6) |
| Reversal / Re–measurement of liability | (6) | (617) | (623) |
| As at March 31, 2022 | 106 | 11,636 | 11,742 |
| As at April 1, 2022 | 106 | 11,636 | 11,742 |
| Unwinding of finance cost | – | 355 | 355 |
| Addition | 55 | – | 55 |
| Payment | (4) | – | (4) |
| Reversal / Re–measurement of liability | (36) | (1,820) | (1,856) |
| As at March 31, 2023 | 121 | 10,171 | 10,292 |

**47.** 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.

### 48. 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.

Revenue from operations includes ₹ 135,310 Lakhs (previous year ₹ 137,962 Lakhs) towards aggregate amount of revenue from three customers (previous year three customers), who individually contributes more than 10% of total revenue of the company.

These revenues are attributed to the Revenue from Telecom / Network Infrastructure Facilities, Energy & Other reimbursements.

### 49. 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 | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| **Financial Assets :** | | |
| – Investment in Preference Shares | **–** | – |
| – Investment in units of Mutual Funds | **6,877** | 6,529 |
| **Total** | **6,877** | 6,529 |

**b) The carrying amounts of the following financial assets and financial liabilities are a reasonable approximation of their fair values.**

Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately

i) Financial Assets:
- Cash and Cash equivalents
- Bank balances Including Deposits other than cash and cash equivalents
- Loans & Advances
- Security Deposits
- Interest Receivable
- Trade Receivables and Unbilled Income

ii) Financial Liabilities:
- Lease Liabilities
- Trade Payables and Creditors for Capital Goods
- Other Financial Current Liabilities
  - Borrowings Including Interest
  - Deposits from Customer

**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. Fair Value of mutual fund are reported as per Net Asset Value

ii. 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

iii. 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.

iv. Fair Value of financial instruments measured at amortised cost such as Deposits, Borrowings, Lease Liabilities etc are approximate to their Carrying values.

v. 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.

## 50. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying value of financial instruments by categories as at year end is as follows:

**₹ in Lakhs**

| Particulars | **As at March 31, 2023** | | As at March 31, 2022 | |
|---|---|---|---|---|
| | **Fair value Through Profit/Loss** | **Amortised Cost** | Fair value Through Profit/ Loss | Amortised Cost |
| **Financial Assets** | | | | |
| Cash & cash equivalents | **–** | **49,636** | – | 48,879 |
| Deposit with Bank | **–** | **228** | – | 220 |
| Investments | **6,877** | **–** | 6,529 | – |
| Other Financial assets | **–** | **15,973** | – | 16,827 |
| Trade Receivables | **–** | **13,074** | – | 8,647 |
| **Total** | **6,877** | **78,911** | 6,529 | 74,573 |
| **Financial Liabilities** | | | | |
| Lease Liabilities | **–** | **83,741** | – | 84,265 |
| Trade payables | **–** | **4,339** | – | 2,988 |
| Borrowing and interest | **–** | **664,481** | – | 625,338 |
| Other Financial Liabilities | **–** | **108,838** | – | 96,531 |
| **Total** | **–** | **861,399** | – | 809,122 |

## 51. 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, which 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The following table provides the fair value measurement hierarchy of the Company's Assets and Liabilities

| Particulars | As at March 31, 2023 | | | As at March 31, 2022 | | |
|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| Financial Assets measured at fair value through Profit or loss (Investments) : | | | | | | |
| – Investment in Preference shares | – | – | – | – | – | – |
| – Investment in Mutual Funds | 6,877 | – | – | 6,529 | – | – |
| **Total** | **6,877** | – | – | 6,529 | – | – |

## 52. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES:

The Company's principal financial liabilities comprise loans and borrowings including Interest thereon, Lease Liabilities, Trade payables, Capex Creditors, deposits from Customers and others Financial Liabilities. The main purpose of these financial liabilities is to finance the Company's operations, including Tower/Network upgradation projects under implementation. The Company's principal financial assets include Investments, Deposits, loans and advances, receivables and cash and bank balances that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Risk Management Committee in consultation with 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 mutual funds.

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.

India's top telecoms companies, including Reliance Jio, Vodafone Idea and Bharti Airtel, have appealed to the government for reduced levies, saying the sector requires more financial relaxation and support for viability and sustenance. Through the Cellular Operators Association of India, the industry is seeking a reduction in license fees, from 3% to 1% and a deferral of the universal service obligation levy of 5%.

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

**₹ In Lakhs**

| Borrowings | As at March 31, 2023 | As at March 31, 2022 |
|---|---|---|
| Floating Rate Loans with interest thereon | **8,233** | 7,459 |
| Fixed rate Loans with interest thereon | **649,551** | 606,716 |
| **Total** | **657,784** | 614,175 |

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

| Unhedged Foreign currency exposure as at March 31, 2023 | Currency | Amount in Foreign Currency | ₹ In Lakhs |
|---|---|---|---|
| Borrowings and interest thereon | USD ($) | 86,570,240 | 71,127 |
| Borrowings and interest thereon | Euro (€) | 9,209,918 | 8,233 |
| Trade Payable | USD ($) | 38,233 | 31 |
| **Total** | | **95,818,391** | **79,391** |

| Unhedged Foreign currency exposure as at March 31, 2022 | Currency | Amount in Foreign Currency | ₹ In Lakhs |
|---|---|---|---|
| Borrowings and interest thereon | USD ($) | 80,901,906 | 61,198 |
| Borrowings and interest thereon | Euro (€) | 8,853,605 | 7,459 |
| Trade Payable | USD ($) | 38,233 | 29 |
| **Total** | | **89,793,744** | **68,686** |

**Notes:**

(i) Above exposure does not include exposure towards Foreign Currency Compulsory Convertible bonds (FCCB) B1 & B3.

(ii) Amounts in INR are reported at the closing exchange rates.

(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, which constitute more than 95% of the total 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. As such, considering the ratio of fixed rate and floating rate borrowings, risk exposure is at minimum level.

**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 (basis points) | Consequent effect on profit/ loss before tax |
|---|---|---|---|
| March 31, 2023 | Foreign Currency Term Loan | +/– 100 | +/– 82 |
| March 31, 2022 | Foreign Currency Term Loan | +/– 100 | +/– 75 |

**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) | Consequent effect on profit/ loss before tax | |
|---|---|---|---|---|
| | | | **March 31, 2023** | March 31, 2022 |
| Foreign Currency Convertible Bonds | USD ($) | 100 | 711 | 612 |
| Foreign Currency Term Loan | Euro (€) | 100 | 82 | 75 |
| Trade Payable | USD ($) | 100 | 0.31 | 0.29 |
| **Total** | | | 793 | 687 |

**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. Metal prices depends on the LME rate (London metal exchange), any variation in the LME prices, battery prices gets fluctuate.

Further, Company consumes diesel and electricity for running its tower sites. These rates for diesel and electricity fluctuate based on central & 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

**Trade Receivables**

The Company periodically assesses the financial reliability of its customers, taking into account the current economic trend, business challenges, historic trend of payments, bad debts & ageing of accounts receivables. The Company provides Passive Telecom Infrastructure to Telecom Operators in India. During previous few years, all telecom companies faced increased pressure on earnings and financing fronts, which in turn adversely impacted financing and fund raising plans of tower companies.

The Company lost substantial number of tenancies in last few years, due to various events which were beyond management control, such as shutdown/exit of major telecom operators including Aircel Group, Reliance Communications and Tata Tele, Shyam Sistema Business combination of Vodafone & Idea (VIL), Telenor & Airtel, etc. The Company believes that it has binding long term contractual lock in arrangements with Aircel/other customers and accordingly, continues to pursue its claim of approx. ₹ 15,34,023 Lakhs arising out these developments. One of the customers, is not paying its monthly invoices raised by the Company on time and delaying the same by one/two months. Even after continuous follow–up, apart from making delayed payment, it is unilaterally making deductions. Additionally, another customer is facing financial crunch, which has resulted in long pending overdue and uncertainty in collection. The Company has already initiated the arbitration and legal recourse for recovery proceedings against the defaulting customers.

The Company, as a part of its risk management plan, has proactively taken various measures including legal measures to recover its dues from defaulting operators. In case of BSNL, to mitigate the funding risk, the Company has terminated certain non–paying sites by following due contractual process. On the other hand, the Company is taking measures to ensure smooth operations and contracted network time for remaining customers which would enable the Company to keep the credit risk at moderate level. The Company has also obtained rolling advances & security deposits from its customers which in turn mitigate the credit risk to that extent.

The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. 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's Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy subject to lenders' consent.

**3) Liquidity Risk**

Liquidity risk is that the company will not be able to settle or meet its obligation on time or at reasonable price. Company's principal sources of liquidity are cash flows generated from its operations including deposits and advances received from customers as a part of its contractual terms. Considering the various developments during the last decade in telecom sector affecting the Company, various steps have been initiated by the Company to ensure that liquidity risk remains at low level.

The Company lost substantial number of tenancies in last few years, due to various events which were beyond management control, such as shutdown / exit of major telecom customers including Aircel Group, Reliance Communications and Tata Tele, Business combination of Vodafone & Idea (VIL), Telenor & Airtel, etc. The Company believes that it has binding long term contractual lock in arrangements with Aircel/other operators and accordingly, continues to pursue its claim of approx. ₹ 15,34,023 Lakhs arising out these developments.

One of the customers, in its latest published unaudited financial results for the quarter and nine months ended December 31, 2022, had indicated that its ability to continue as a going concern is dependent on its ability to raise additional funds as required, successful negotiation with lenders and vendors for continued support and generation of cashflow from operations for settling its liability as they fall due. The said customer had also disclosed in its financial results that so far it has met all debt obligations to its lenders / banks and financial institutions along with applicable interest till date.

The Company, in these circumstances, has proactively taken various steps to ensure smooth operations and contracted network uptime for its existing customers, namely VIL, Reliance Jio, Bharti Airtel, BSNL etc. These steps include reduction in fixed/semi variable costs including electricity and diesel charges, operations and maintenance charges, ground rent, terminating non–paying site after following contractual process, initiating arbitration for recovery of dues etc. The Company is also in the process of re–negotiating its arrangements with existing vendors. These steps are expected to enable the Company to remain EBITDA positive.

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated November 18, 2022 has dismissed petition filed by one of the secured lenders for initiation of Corporate Insolvency Resolution Process ("CIRP") under Section 7 of the Insolvency & Bankruptcy Code, 2016 ("IBC"). The said lender has filed an appeal against this order before the Hon'ble National Company Law Appellate Tribunal ("NCLAT''). In the meantime, EARC who is the lead lender of the Company has filed its Intervention Application in abovementioned Appeal. The Company has filed its reply to the appeal as well as EARC intervention application and now matter is posted for hearing on May 26, 2023.

The Company is optimistic that various resource optimization initiatives under taken by the Company along with positive developments in telecom sector can lead to stabilization and revival.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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

**₹ In Lakhs**

| **As at March 31, 2023** | **Less than 1 year** | **More than 1 year** | **Carrying Value** |
|---|---|---|---|
| Interest bearing Loans & Borrowing* (Including current maturities) | 512,904 | 151,083 | 663,987 |
| Lease Liability | 32,958 | 50,783 | 83,741 |
| Other financial liabilities | 107,309 | 2,023 | 109,332 |
| Trade Payables | 4,339 | – | 4,339 |

| As at March 31, 2022 | Less than 1 year | More than 1 year | Carrying Value |
|---|---|---|---|
| Interest bearing Loans & Borrowing* (Including current maturities) | 412,832 | 211,959 | 624,791 |
| Lease liability | 28,004 | 56,261 | 84,265 |
| Other financial liabilities | 95,061 | 2,016 | 97,077 |
| Trade Payables | 2,988 | – | 2,988 |

* Refer note no. 18.1

## 53. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, mandatorily convertible foreign currency bonds, securities premium, all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure continuity of the operating activities of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through internal accruals of the Company.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest–bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023.

**54.** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post–employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective

## 55. ANALYTICAL RATIOS

| Particulars | Numerator | Denominator | March 31, 2023 | March 31, 2022 | %Variance | Reason for variance |
|---|---|---|---|---|---|---|
| a) Current ratio | Current Assets | Current Liabilities | 0.104 | 0.105 | (2%) | |
| b) Debt–Equity ratio | Total Debts | Total Equity (Equity Shares Capital + Other equity) | (1.46) | (2.28) | (36%) | Reduction in Other equity due to rise in loss for the year |
| c) Debt service coverage ratio | Earnings available for debt service (Net profit after taxes + depreciation & amortization + Finance cost + non cash operating items + Other adjustment) | Finance cost +principle repayment of long term borrowings during the year | 0.10 | 0.14 | (23%) | FCCB dues are considered in Debt servicing for the Year. |
| d) Return on equity ratio | Net profit after tax | Average Total Equity [(Opening Total Equity + Closing Total Equity)/2] | (0.50) | (0.73) | (32%) | Reduction in Other equity due to rise in loss for the year |
| e) Inventory turnover ratio | Revenue from sales of products | Average Inventory [(opening balance + closing balance)/2] | NA | NA | NA | |
| f) Trade receivables turnover ratio | Revenue from operations | Average trade receivable [(Opening balance + closing balance) /2] | 8.57 | 9.39 | (9%) | |
| g) Trade payables turnover ratio | Infrastructure & Maintenance Cost | Average trade payable [(Opening balance + closing balance)/2] | 1.06 | 1.69 | (37%) | Reduction in operational cost due to slower growth & operators exits higher than new additions |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

| Particulars | Numerator | Denominator | March 31, 2023 | March 31, 2022 | %Variance | Reason for variance |
|---|---|---|---|---|---|---|
| h) Net capital turnover ratio | Revenue from opeations | Average Working Capital [(Current asset – Investments) – current liabilities] | (0.21) | (0.22) | (8%) | |
| i) Net profit ratio | Net profit after tax | Revenue from operations | (125%) | (101%) | 24% | |
| j) Return on capital employed | profit Before interest & Tax | Total Equity + Total Debt + Deferred Tax Liability | (49%) | (21%) | 133% | Reduction in Other equity due to rise in loss for the year and increase in interest cost |
| k) Return on Investment | Interest Income on fixed deposits + Profit on sale of investments | Current Investments + Non current Investments + Fixed deposits with bank | 5% | 3% | 47% | Change in NAV & interest rate |

## 56. OTHER STATUTORY INFORMATION

- There are no balances outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 except the following:

₹ In Lakhs

| Company | Nature of Transaction | Opening Balance | Closing Balance | Relationship, if any |
|---|---|---|---|---|
| Rajaram Tomar Logistics Private Limited | Payable | 0.22 | 0.22 | Not Applicable |
| S R Telepower Services Private Limited | Payable | 2.81 | 0.21 | Not Applicable |
| Peregrine Guarding Private Limited | Payable | 0.00 | 0.29 | Not Applicable |

- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(s), including entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any such transaction which is not recorded in the books of accounts surrendered or disclosed as income during the year in the tax assessments under the Income–tax Act, 1961.
- No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company is not declared wilful defaulter by any bank or financial institution or other lender.

**57.** The management and authorities have the power to amend Financial Statements in accordance with section 130 and 131 of Companies Act, 2013.

## 58. DISMANTLING OF UNOCCUPIED SITES

During last decade, there were various developments which adversely impacted Indian telecom sector. The extremely challenging external environment during last decade impacted the Indian telecom sector where even multinational companies and/or large Indian conglomerates have either (i) shut down and exited from the telecom sector or (ii) downsized their operations significantly. The first set of issues included the landmark judgement of the Hon'ble Supreme Court cancelling 122 2G telecom licenses in February 2012 (including licenses of Uninor, Videocon, Etisalat, Idea and Tata), the Vodafone Tax issues, the 3G auctions and the unsustainable debt accumulated by the telecom companies. All these factors led to mass exits of operators and significant scale down by the remaining. As a result, majority of the Company's telecom sites turned into single tenant sites. Thereafter, the year 2017–18 has seen unprecedented shutting down of some of the major telecom operators such as Aircel Group (then largest customer of the Company), Tata Teleservices, Reliance Communication, Sistema Shyam (merged with Reliance Communication) and Telenor (merged with Airtel).

Thus, consequent to closure of 14 telecom customers, more than 14,000 towers of the Company were abandoned by such discontinuing operators, thereby making such towers unoccupied, which is more than 50% of the total tower portfolio. These external events were beyond the control of the management and the Company. Post abandonment of these towers, the discontinuing operators didn't make payment of their contractual dues including rent payable to landlords, taxes and other dues, etc., related to unoccupied towers remained unpaid, many of which are pass through payments for the Company. As a result, the Company was saddled with substantial costs and liabilities including rents, taxes and other dues on such unoccupied towers without any revenue. The Company is already litigating with such discontinuing operators to recover its contractual dues, which are amounting to more than ₹ 15,34,023 Lakhs.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The Company, on a monthly basis, has been requesting EARC, being Monitoring Institution for payments due to the landlords of the unoccupied sites. However, the same is yet to be approved by the EARC.

Due to non–receipt of the rental amounts, many of the landowners blocked access to our Company's employees to sites. Resultantly, disgruntled landlords / unknown miscreants resorted to unauthorized dismantling of the tower sites. 2,932 sites got dismantled during Year ended March 31, 2023 (Previous Year 259 sites) out of the above unoccupied sites. This has resulted into a loss (net) of ₹ 34,169 Lakhs for the year ended March 31, 2023 (Previous year ₹ 3,181 Lakhs) which is included in other expenses in the Financial Statements.

The Company has already initiated various steps to protect its assets from such miscreants including carrying out additional surveys, discussion with landowners, legal actions against such miscreants, recovering site material, lodging of police complaints / FIR and insurance claim etc. Additionally, the Company has deployed Tower Vigilance Team(TVT) in theft prone areas to curb theft of the towers and tower materials which is showing positive result since deployment. In few cases, thieves have been arrested by the police as a result of additional measures taken by the Company.

**59.** The Company had undertaken a Corporate Debt Restructuring (CDR) exercise in 2011 as per applicable CDR guidelines and regulations. For reasons beyond the management control, post implementation of CDR package, the adverse conditions relating to the telecom sector had a material adverse impact in the achievement of the CDR projections. These events include the landmark judgement of the Hon'ble Supreme Court cancelling 122 2G telecom licenses in February 2012 (including licenses of Uninor, Videocon, Etisalat, Idea and Tata), the Vodafone Tax issues, the 3G auctions and the unsustainable debt accumulated by the telecom companies. The Company had met its repayment obligations till June 30, 2016 out of its cash accruals and realization from current assets. However in view of the substantial developments which have had a significant impact on the financial performance of the Company, the repayment obligations were not likely to be met going forward. In view thereof, in the Joint Lender Forum (JLF) meeting held on September 20, 2016, the Rupee Lenders reviewed the account and after deliberations, invoked the scheme for SDR. Thus with secured debt reduced to a sustainable level, there was significant investor interest for buying out lenders equity stake as part of the Strategic Debt Restructuring (SDR) process.

Post implementation of SDR scheme, the unprecedented shut downs of major wireless operators such as Aircel Group, Reliance Communications and Tata Tele, consolidation in telecom industry such as Business combination of Vodafone & Idea, Telenor & Airtel have had a material adverse effect on the Company. These event were beyond the control of the management. As a result, the Company lost substantial number of tenancies making more than 14,000 towers unoccupied, which is more than 50% of the total tower portfolio. Also, Company's EBITDA reduced substantially from ₹ 1,10,000 Lakhs to less than ₹ 30,000 Lakhs due to continued cost of unoccupied sites and fall in revenue due to defaults by bankrupt operators.

Table below highlights the tenancies lost by the company due to telecom sector events, which were beyond the management control, such as shut down / exit of 14 Telecom customers over the past few years.

| Sr no | Events of Tenancy Loss | No. of Tenancy | Period | Description |
|---|---|---|---|---|
| 1 | Cancellation of 2G licenses | 4,319 | Upto December 2017 | Supreme Court judgment on cancellation of 122 2G telecom licenses |
| 2 | Slower 3G/BWA growth | 4,750 | Since FY 2012–13 | Industry slowdown following the Supreme Court verdict |
| 3 | Operator scale back due to auction | 3,500 | | |
| 4 | Aircel default on commitment of additional 20,000 Tenancies | 15,200 | May 2014 | Legal and financial issues |
| 5 | RCom shutdown of wireless business | 1,386 | August & September 2017 | Unsustainable business due to competition |
| 6 | Tata exit from wireless business | 2,910 | Since May 2017 | |
| 7 | Merger of Vodafone and Idea | 3,227 | Since April 2018 | Forced industry consolidation due to competition |
| 8 | Consolidation of Telenor with Airtel | 1,395 | During FY 2018–19 | |
| 9 | Aircel filing of bankruptcy | 23,727 | January 2018 | Unsustainable business due to competition |
| 10 | BSNL exits due to uncertainty of collection | 1,767 | Since FY 2018–19 | Unsustainable business due to competition |
| 11 | Exit during business course with various reasons | 4,923 | Since April 2013 | |
| | **Aggregate Tenancy Loss from 2012 to 2023** | **67,104** | | |

These developments have resulted in reduction in the revenue and earnings and the Company was saddled with substantial costs and liabilities on unoccupied towers. Thus, these factors resulted in erosion of Company's net worth and provision for impairment of property, plant and equipment.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

As a consequence of the above developments, there was an urgent need to right size the debt levels. At the time, the lenders of the Company chose to assign their respective debts in favour of Edelweiss Asset Reconstruction Company Limited ("EARC"). The Company believed that once the assignment was completed, the debt would be restructured to sustainable levels in a timely manner and accordingly, the Company presented multiple Resolution Plans starting from April 2018 for consideration of lenders' consortium updating such plans from time to time after taking into account various developments in telecom sector. However, for reasons best known to them, the said Resolution Plans submitted by the Company were never considered by the lenders and also few lenders elected not to assign their respective debts to EARC. Further, a Techno–Economic Viability study for better understanding of the realistic sustainable debt was not carried out.

The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated November 18, 2022 has dismissed petition filed by one of the secured lenders for initiation of Corporate Insolvency Resolution Process ("CIRP") under Section 7 of the Insolvency & Bankruptcy Code, 2016 ("IBC"). The said lender has filed an appeal against this order before the Hon'ble National Company Law Appellate Tribunal ("NCLAT''). In the meantime, EARC who is the lead lender of the Company has filed its Intervention Application in abovementioned Appeal. The Company has filed its reply to the appeal as well as EARC intervention application and now matter is posted for hearing on May 26, 2023.

Additionally, the Company has received notices of recall of loans from EARC and IDBI Bank claiming alleged default in terms of Master Restructuring Agreement dated December 31, 2011. The Company has strongly refuted the claims, as the lenders knew it fully that restructuring was essential post ARC sale. Meanwhile IDBI Trusteeship Company Limited (ITSL), Security Trustee, on the instruction of lenders of the Company has invoked pledge on 2,85,00,000 equity shares of GTL Limited, pledged by Promoter Group Company and transferred the said shares to their account. The lenders have recovered and appropriated ₹ 2,010 lakhs (previous year ₹ 1,391 Lakhs) Lakhs from sale of the said equity shares. The above events, cast significant doubt on the Company's ability to continue as a Going Concern.

With the telecom sector moving towards stabilization, management believes that below events in telecom sector are positive developments which will lead to increased demand for its towers and thereby increase in the revenue and EBITDA levels.

1. Revival package approved by the Government of India for telecom sector;
2. Hike in mobile call and data tariffs by telecom operators;
3. Mapping of sites for 5G rollout by the operators.

In addition to the above, various resource optimization initiatives undertaken by the Company, can lead to stabilization and revival. Further, the Company also continues to pursue contractual claims of approx. ₹ 15,34,023 Lakhs from various operators in respect of premature exits by them in the lock in period. One of such claims of the Company against TATA was settled during the year resulting in receipt of arbitration award in favour of the Company and consequent recovery of ₹ 2,900 Lakhs from TATA.

Considering the above and as the Company does not have any intention to stop its operations or liquidate its assets, the Company continues to prepare the books of account on Going Concern basis.

**60.** The figures for the corresponding previous year have been regrouped/rearranged wherever necessary, to make them comparable.

**61.** These financial statements have been approved for issue by the Board of Directors at their meeting held on May 11, 2023.

As per our report of even date

For **PATHAK HD & ASSOCIATES**
*Chartered Accountants*
Firm Regd. No. 107783W/W100593

**GOPAL CHATURVEDI**
*Partner*
Membership No:090903

Mumbai
Date : May 11, 2023

For and on behalf of the Board of Directors

**VIKAS ARORA**
*Whole Time Director*
DIN–09785527

**MANOJ TIRODKAR**
*Chairman*
DIN–00298407

**BHUPENDRA KINY**
*Chief Financial Officer*

**NITESH MHATRE**
*Company Secretary*
Membership No:A18487

NOTICE is hereby given that the Twentieth (20th) Annual General Meeting of the Members of GTL Infrastructure Limited will be held on Thursday, September 28, 2023, at 11:00 a.m. (IST), through Video Conferencing ("VC") / Other Audio–Visual Means ("OAVM") to transact the following business:

**Ordinary Business**

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a director in place of Mr. Charudatta K. Naik (DIN: 00225472), who retires by rotation and, being eligible, offers himself for re–appointment.

3. To consider and, if though fit, to pass, with or without modi–fications, 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 pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s. CVK & Associates, Chartered Accountants, Mumbai (Firm Registration No. 101745W) be and hereby appointed as the Statutory Auditors of the Company in place of retiring the Statutory Auditor M/s. Pathak H. D. & Associates LLP, Chartered Accountant, Mumbai (Firm Registration No. 107783W/W100593) to hold office for a term of five years from the conclusion of this Annual General Meeting ("AGM")till the conclusion of the Twenty Fifth (25th) AGM to be held in the calendar year 2028 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, though fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution:**

   "**RESOLVED that** Mrs. Sunali Chaudhry (DIN: 07139326), who was appointed by the Board of Directors, based on the recommendation of the Nomination & Remuneration Committee, as an Additional Director of the Company with effect from September 5, 2023 and who holds office up to the date of this Annual General Meeting of the Company pursuant to the provisions of Section 161(1) and any other applicable provisions, if any, of the Companies Act 2013 (the "Act") (including any modification and re–enactment thereof) and Article 130 of Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice under Section 160(1) of the Act in writing from a member proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Non–Executive / Non–Independent Director of the Company, liable to retire by rotation."

**By Order of the Board of Directors,**

Place : Mumbai
Date : September 5, 2023

**Nitesh A. Mhatre**
Company Secretary

**Registered Office:**
'Global Vision', 3rd Floor,
Electronic Sadan No. II, MIDC,
TTC Industrial Area, Mahape,
Navi Mumbai 400 710
Tel: +91 22 68293500 Fax: +91 22 68293545
E–mail: gilshares@gtlinfra.com; Website: www.gtlinfra.com
CIN: L74210MH2004PLC144367

**Notes:**

1. Pursuant to General Circular No. 10/2022 dated December 28, 2022 and other circulars issued by the Ministry of Corporate Affairs ("MCA") and Circular No. SEBI/HO/CFD/PoD–2/P/CIR/2023/4 dated January 5, 2023 issued by the Securities and Exchange Board of India ("SEBI") (hereinafter collectively referred to as "the Circulars"), the forthcoming 20th Annual General Meeting ("AGM") of the Company is being conducted through Video Conferencing ("VC") / Other Audio–Visual Means ("OAVM").

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") setting out material facts concerning the businesses under Item Nos. 3 and 4 of the Notice is annexed hereto. Further, the relevant details with respect to Item Nos. 2 and 4 pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("SEBI Listing Regulations") in respect of director/s seeking appointment / re–appointment at this AGM is annexed.

3. Since the 20th AGM is being held pursuant to the MCA and SEBI Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations, the Company is providing facility of e–voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means, as the authorized e–Voting agency. The facility of e–voting for casting votes by a member during the 3 days period prior to the AGM ("Remote e–voting") and during the course of the AGM ("Venue e–voting") will be provided by CDSL.

5. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement

of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without the restriction of first come first served basis.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.

7. Pursuant to the Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, pursuant to Sections 112 and 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e–voting.

8. In line with the Circulars, the Annual Report for FY 2022–23 containing the Notice of AGM, Financial Statements, Directors' Report, Auditors' Report, Corporate Governance Report, Business Responsibility and Sustainability Report and Management Discussion & Analysis, is being sent by electronic mode to those Members whose names appear in the Register of Members as on Friday, September 01, 2023 and whose e–mail addresses are registered with the Company, its Registrar and Share Transfer Agent, Bigshare Services Private Limited ("BSPL") or Depositories. The Annual Report has been uploaded on the website of the Company at www.gtlinfra.com and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively. A copy of the same will also be available on the website of CDSL (agency for providing the Remote e–Voting and venue e–voting system during the AGM) i.e. www.evotingindia.com.

9. The procedure for participating in the AGM through VC / OAVM is explained below in this Notice.

10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names, as per the Register of Members of the Company, will be entitled to vote.

11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held in electronic form.

    In respect of shares held in physical form, members are requested to intimate changes, if any, in respect of the above information, to the Company / Registrar and Share Transfer Agent ("RTA") in prescribed Form ISR–1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_PoD–1/P/CIR/2023/37 dated March 16, 2023. In absence of any of the required documents in a folio, on or after October 1, 2023, the folio shall be frozen by the RTA. Members may also refer to the Investor Information on the Company's website https://www.gtlinfra.com/investors/investor–services/. Accordingly, members are requested to take appropriate steps immediately to avoid freezing of respective folios by the RTA.

12. Attention of Members is also drawn to SEBI Circular No. SEBI / HO / MIRSD / MIRSD_RTAMB / P / CIR / 2022/8 dated January 25, 2022 which mandates that listed companies issue securities only in dematerialized form while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub–division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Members are therefore requested to make service requests by submitting a duly filled and signed Form ISR–4, the format of which is available under Investor Information on the Company's website https://www.gtlinfra.com/investors/investor–services/ and on the website of the Company's Registrar and Transfer Agents, at https://www.bigshareonline.com/Resources.aspx. It may be noted that any service request will be processed only after the related folio is KYC compliant. Members may also note that the above referred circular also stipulates crediting of the shares to Suspense Escrow Demat Account, in case concerned shareholder fails to submit demat request within the prescribed timelines.

13. All documents referred to in this Notice and the Register of Contracts & Directors' shareholdings are open for inspection up to the date of AGM, for which purpose, members may send their request to gilshares@gtlinfra.com.

14. The Company's Equity Shares are listed on BSE and NSE. The Listing Fees for the FY 2023–24 in respect of equity shares of the Company have been paid.

15. The venue of the 20th AGM shall be deemed to be the Registered Office of the Company at "Global Vision", 3rd Floor, Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai–400710. Maharashtra, India.

**16. THE INSTRUCTIONS FOR SHAREHOLDERS FOR E–VOTING ARE AS UNDER:**

    (i) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of SEBI Listing Regulations, GTL Infrastructure Limited, being a listed entity is providing e–voting facility to its shareholders, in respect of all shareholders' resolutions.

(ii) The 3 days remote e–voting period prior to AGM begins on Monday, September 25, 2023 at 09:00 a.m (IST) and ends on Wednesday, September 27, 2023 at 05:00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut–off date ("record date") of Thursday, September 21, 2023 may cast their vote electronically. The e–voting module shall be disabled by CDSL for voting thereafter.

(iii) Shareholders who have already voted as above prior to the meeting date would not be entitled to vote during the course of AGM.

(iv) In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e–Voting facility provided by Listed Companies, Demat account holders would now be able to cast their vote by way of a single login credential, through their respective Demat accounts / websites of Depositories /Depository Participants, without having to register again with the E–voting Service Providers ("ESPs").

**17(A) PROCESS FOR LOGIN FOR E–VOTING AND JOINING VIRTUAL MEETINGS, FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE**

| **Type of shareholders** | **Login Method** |
|---|---|
| **Individual Shareholders** holding securities in Demat mode with **CDSL** | 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e–Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasinew/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.<br>2) After successful login the Easi / Easiest user will be able to see the e–Voting option for eligible Companies where the e–Voting is in progress as per the information provided by company. On clicking the e–Voting option, the user will be able to see e–Voting page of the CDSL e–Voting service provider for casting his/her vote during the remote e–Voting period or joining virtual meeting & voting during the course of the meeting. Additionally, there are also links provided to access the system of all e–Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e–Voting service providers' website directly.<br>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration<br>4) Alternatively, the user can directly access e–Voting page by providing Demat Account Number and PAN No. from a e–Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e–Voting option where the e–Voting is in progress and also able to directly access the system of all e–Voting Service Providers. |
| **Individual Shareholders** holding securities in demat mode with **NSDL** | 1) If user is already registered for NSDL IDeAS facility, they may visit the e–Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e–Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. User will have to enter User ID and Password. After successful authentication, user will be able to see e–Voting services. Click on "Access to e–Voting" under e–Voting services and user will be able to see e–Voting page. Click on Company name or e–Voting service provider name and user will be re–directed to e–Voting service provider website for casting vote during the remote e–Voting period or joining virtual meeting & voting during the course of the meeting. |
| | 2) If the user is not registered for IDeAS e–Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br>3) Visit the e–Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a Mobile. Once the home page of e–Voting |
| | system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. User will have to enter User ID (i.e. Sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, user will be redirected to NSDL Depository site wherein user can see e–Voting page. Click on Company name or e–Voting service provider name and user will be redirected to e–Voting service provider website for casting vote during the remote e–Voting period or joining virtual meeting and voting during the course of the meeting. |

| Type of shareholders | Login Method |
|---|---|
| **Individual Shareholders** (holding securities in demat mode) login through their **Depository Participants** | User can also login using the login credentials of demat account through Depository Participant registered with NSDL/CDSL for e–Voting facility. After Successful login, user will be able to see e–Voting option. Once user clicks on e–Voting option, user will be redirected to NSDL/CDSL Depository site after successful authentication, wherein user can see e–Voting feature. Click on Company name or e–Voting service provider name and user will be redirected to e–Voting service provider website for casting vote during the remote e–Voting period or joining virtual meeting and voting during the course of the meeting. |

**Important note:** members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in Demat mode with **CDSL** | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.: 1800 22 55 33 |
| Individual Shareholders holding securities in Demat mode with **NSDL** | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at +91 22 48867000 and +91 22 24997000 |

**17(B) PROCESS & MANNER OF REMOTE E–VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE AND OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE:**

a. The shareholders should log on to the e–voting website www.evotingindia.com.

b. Click on “Shareholders” module.

c. Now Enter your User ID

   (a) For CDSL: 16 digits beneficiary ID,

   (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

d. Next enter the Image Verification as displayed and Click on Login.

e. If you are holding shares in electronic (‘demat’) form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

f. If you are a first–time user follow the steps given below:

| For Shareholders holding shares in Demat Form other than individual and Physical Form | |
|---|---|
| PAN | Enter your 10–digit alpha–numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>*Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the Sequence Number as provided in the email, in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.<br>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 18(B)c. |

g. After entering these details appropriately, click on “SUBMIT” tab

h. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, Shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that company opts for e–voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost are to keep your password confidential.

i. For shareholders holding shares in physical form, the details can be used only for e–voting on the resolutions contained in this Notice.

j. Click on the EVSN of "GTL INFRASTRUCTURE LIMITED" on which you choose to vote.

k. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

l. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

m. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

n. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

o. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

p. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**Facility for Non – Individual shareholders and Custodians – Remote Voting**

- Non–Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz. gilshares@gtlinfra.com, if they have voted from individual tab and not uploaded same in the CDSL e–voting system for the scrutinizer to verify the same.

**17(C) INSTRUCTIONS FOR SHAREHOLDERS ATTENDING AND PARTICIPATING IN THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1) The procedure for attending meeting and voting on the day of the AGM is same as the instructions mentioned above for e–voting.

2) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e–voting.

3) Shareholders who have voted through Remote e–Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi–Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7) Shareholders who would like to express their views or ask questions during the meeting may register themselves as a speaker by sending their request along with questions mentioning their name, demat account number/folio number, email–id, mobile number at gilshares@gtlinfra.com from Monday, September 18, 2023 (09.00 A.M. IST) to Friday, September 22, 2023 (05.00 P.M. IST). Members who have registered themselves as speakers will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on availability of time for the AGM.

8) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e–Voting and are otherwise not barred from doing so, shall be eligible to vote through e–Voting system available during the AGM.

9) If any Votes are cast by the shareholders through the e–voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e–voting during the meeting is available only to the shareholders attending the meeting.

**17(D) PROCESS FOR SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES – FOR OBTAINING LOGIN CREDENTIALS FOR E–VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1) **Shareholders holding shares in physical form** – please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self–attested scanned copy of PAN card), AADHAR (self–attested scanned copy of Aadhar Card) by email to Company/RTA email–id.

2) **Shareholders holdings shares in demat form** – please provide Demat account details (CDSL–16 digit beneficiary ID or NSDL–16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self–attested scanned copy of PAN card), AADHAR (self–attested scanned copy of Aadhar Card) to Company/RTA email–id.

Queries or issues regarding attending AGM & e–Voting from the CDSL e–Voting System, may be raised by sending email to helpdesk.evoting@cdslindia.com or contact at toll free no.: 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or by email to helpdesk.evoting@cdslindia.com or call at toll free no.: 1800 22 55 33.

18. The Company has appointed Mr. Chetan A. Joshi, a Practicing Company Secretary, (Membership No. FCS 7052, CP 7744) as the Scrutinizer, for conducting the entire remote e–voting process and e–voting process at the meeting, in a fair and transparent manner.

19. The Scrutinizer shall, immediately after the conclusion of voting at AGM, unblock the votes cast through remote e–voting (votes cast during the AGM and votes cast through remote e–voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or whole time Director or a person authorized by the Chairman. The results will be announced within the time stipulated under the applicable laws.

20. The results declared along with the Scrutinizer's Report will be hosted on the Company's website at www.gtlinfra.com and on CDSL's website at www.evotingindia.com for information of the Members, besides being communicated to BSE and NSE, where the shares of the Company are listed.

**By Order of the Board of Directors,**

Place : Mumbai
Date : September 5, 2023

**Nitesh A. Mhatre**
*Company Secretary*

**Registered Office:**

'Global Vision', 3rd Floor,
Electronic Sadan No. II, MIDC,
TTC Industrial Area, Mahape,
Navi Mumbai 400 710
Tel: +91 22 68293500 Fax: +91 22 68293545
E–mail: gilshares@gtlinfra.com; Website: www.gtlinfra.com
CIN: L74210MH2004PLC144367

## ANNEXURE TO THE NOTICE

**Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 (the "Act")**

### Item No. 3

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). However, the same is strictly not required as per Section 102 of the Act.

The members at the 15th Annual General Meeting ("AGM") of the Company held on September 27, 2018 had approved the appointment of M/s. Pathak H.D. & Associates LLP (Firm Registration Number: 107783W / W100593), Chartered Accountants, Mumbai as the Statutory Auditors of the Company for a term of five years to hold office till conclusion of this AGM.

Accordingly, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors has, based on the recommendation of the Audit Committee, at its meeting held on September 5, 2023 proposed the appointment of M/s. CVK & Associates (Firm Registration Number: 101745W), Chartered Accountants, Mumbai ("CVK") as the Statutory Auditors of the Company for a term of 5 years, to hold office from the conclusion of this AGM till the conclusion of twenty–fifth (25th) AGM to be held in the year 2028.

The proposed remuneration to be paid to CVK for audit services for the financial year ending March 31, 2024, is ₹ 45 Lakhs (Rupees Forty–Five Lakhs) plus applicable taxes and out–of–pocket expenses, if any. Besides the audit services, the Company would also obtain certifications from the statutory auditors under various statutory regulations and other permissible non–audit services as required from time to time, for which their remuneration shall be approved by the Audit Committee, in accordance with the provisions of Sections 142 and 144 of the Act. The Board of Directors, in consultation with the Audit Committee, shall approve revision to the remuneration of the Statutory Auditors for the remaining part of the tenure.

CVK have consented to their appointment as Statutory Auditor and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

CVK was established in the year 1981. It is a leading chartered accountancy firm rendering comprehensive professional services which include audit, management consultancy, tax consultancy, accounting services, manpower management, secretarial services etc. CVK is a professionally managed firm. The team consists of distinguished chartered accountants, corporate financial advisors and tax consultants. The firm represents a combination of specialized skills, which are geared to offers sound financial advice and personalized proactive services. Those associated with the firm have regular interaction with industry and other professionals which enables the firm to keep pace with contemporary developments and to meet the needs of its clients.

The Board commends passing of the ordinary resolution set out at Item No. 3 of the Notice for approval by the Members. None of the Directors / Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the passing of the Resolution.

### Item No.4

In its endeavour to have more participation of women on the Board and to promote gender equality, the Board of Directors, at its meeting held on September 5, 2023, based on the recommendation of the Nomination & Remuneration Committee, appointed Mrs. Sunali Chaudhry as an Additional Director of the Company with effect from September 5, 2023. In terms of Section 161(1) of the Act, Mrs. Sunali Chaudhry hold office of Additional Director only up to the date of this AGM of the Company, and is eligible for appointment as a Director. The Company has received a notice in writing from a Member, in terms of Section 160(1) of the Act, proposing her candidature for the office of Director.

The Company has also received from Mrs. Sunali Chaudhry (i) consent in writing to act as Director in Form DIR–2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014' (ii) intimation in Form DIR–8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Act and (iii) a declaration to the effect that she has not been debarred or disqualified from being appointed or continuing as Director of a Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Mrs. Sunali Chaudhry has over 25 years of experience as law professional specializing in Arbitration, Mergers & Acquisition and Risk Management & Business Development and Corporate functions of Corporate Communications. She was on the board of the Company from March 31, 2015 to February 22, 2022, post which due to her other professional commitments resigned from the directorship. Now, she has communicated her availability to contribute towards objective of the Company as a member of the Board. The directors are of the view that appointment of Mrs. Sunali Chaudhry will be beneficial to the Company considering her extensive experience in legal and other fields.

Further details of Mrs. Sunali Chaudhry have been given in Annexure A to this Notice.

The Board commends passing of the ordinary resolution at Item No. 4 of the Notice. Except Mrs. Sunali Chaudhry, none of the Directors / Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the passing of the Resolution.

**Annexure A**

Details of Directors seeking appointment / re–appointment at the Annual General Meeting

(In pursuance of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings)

| Sr No | Particulars | Mr. Charudatta K. Naik | Mrs. Sunali Chaudhry |
|---|---|---|---|
| 1. | DIN | 00225472 | 07139326 |
| 2. | Age | 58 years | 40 years |
| 3. | Qualifications | • Bachelor of Engineering – BE, Electronics & Telecom Engineering | • Bachelor of Commerce<br>• Masters in Finance Management<br>• Bachelor of Law |
| 4. | Experience | Wide experience in telecom sector | Wide experience in legal field specially in telecom, power and aviation sectors |
| 5. | Details of remuneration to be paid, if any | Sitting Fees for attending Board meetings and Committee meetings, if any, where he is a member | Sitting Fees for attending Board meetings and Committee meetings, if any, where she is a member |
| 6. | Details of first appointment to the Board | Mr. Charudatta Naik was first appointed on February 4, 2004 | Ms. Sunali Chaudhry was first appointed on March 31, 2015 |
| 7. | Shareholding in the Company | 13,25,900 Equity Shares of ₹ 10 each. | 2,85,445 Equity Shares of ₹ 10 each. |
| 8. | Relationship with other Directors / Manager/ KMPs | Mr. Charudatta K. Naik does not have any relationship with the Directors or Manager or any other Key managerial personnel of the Company. | Mrs. Sunali Chaudhry does not have any relationship with the Directors or Manager or any other Key managerial personnel of the Company. |
| 9. | No. of Meetings attended during the year | 8 (Eight) | Not Applicable |
| 10. | In case of Independent Directors, justification for choosing the appointee | Not Applicable | Not Applicable |
| 11. | Directorship / Membership / Chairmanship of Committees in other entities | Director in DAILAI Technologies Private Limited | NIL |
| 12. | Listed entities from which the Director has resigned in the past three years | NIL | Resigned from the Company on February 22, 2022 due to professional commitments |

**By Order of the Board of Directors,**

**Nitesh A. Mhatre**
*Company Secretary*

Place : Mumbai
Date : September 5, 2023

**Registered Office:**

'Global Vision', 3rd Floor,
Electronic Sadan No. II, MIDC,
TTC Industrial Area, Mahape,
Navi Mumbai 400 710
Tel: +91 22 68293500 Fax: +91 22 68293545
E–mail: gilshares@gtlinfra.com; Website: www.gtlinfra.com
CIN: L74210MH2004PLC144367

# LIST OF OFFICES IN INDIA

### ANDHRA PRADESH
207/208, Navketan Bldg 62,
2nd Floor, Sarojini Devi Rd,
Near Clock Tower,
Secunderabad – 500 003

### ASSAM
3rd Floor, Mayur Garden Building,
Opp Rajeev Bhavan,
ABC Bus Stop, Bhangagarh,
GS Road, Guwahati – 781 005

### BIHAR
Markandey Complex, 3rd Floor,
Gayatri Mandir Road,
Near Paneerwalla, Kankerbagh,
Patna – 800 020

### GUJRAT
101, 1st Floor, Sanmukh Complex,
9, Kalpana Society,
Behind Navrangpura Post Office,
Navrangpura, Ahmedabad – 380 009

### HARYANA
3rd Floor,
Palm Court Building,
20/4, Sukhrali Chowk,
Gurgaon – 122 001

### JAMMU & KASHMIR
1st Floor, Sunny Square,
Commercial Complex,
Near J & K Bank Ltd, Gangyal,
Jammu – 180 010

### JHARKHAND
3rd Floor, Raymond building,
Kutchery Road,
Beside Gopal Complex,
Ranchi – 834 001

### KARNATAKA
No. 3, Connaught Road,
Off Queens Road,
Tasker Town,
Bangalore – 560 052

### KERALA
66/4514, Prabhu Tower, 2nd Floor,
Opp. Chennai Silks, Veekshanam Road,
M. G. Road, North End,
Ernakulam – 682 035

### MADHYA PRADESH
C–204, 2nd Floor, Block–C,
Kartar Arcade,
Near Capital Petrol Pump,
Raisen Road, Bhopal – 462 023

### MAHARASHTRA
Global Vision,
3rd Floor, Electronic Sadan No. 2,
TTC Industrial Area,
Mahape, Navi Mumbai – 400 710

### MAHARASHTRA
Janmabhoomi Chambers,
29 Walchand Hirachand Marg,
Ballard Estate,
Mumbai – 400 001

### MAHARASHTRA
Survey No. 61, Hissa No. 2/7,
Plot No. 01, Off. Salunkhe Vihar Road,
Opp. Oxford Village, Wanowarie,
Pune – 411 040

### ORISSA
1st Floor, Plot No 401,
Surya Nagar, Unit – 7,
Khurda,
Bhubaneswar – 751 003

### PUNJAB
Charu Tower, Plot No. F–388,
Ground Floor, Phase–8B,
Industrial Area, Sector–90,
Mohali –160 055

### RAJASTHAN
312 to 319, 3rd Floor,
Geetanjali Tower, Civil Lines,
Bombay Walon Ka Bagh, Ajmer Road,
Jaipur – 302 006

### TAMILNADU
City Centre, 3rd Floor,
New No. 232, Old No. 186,
Purasawalkam High Road,
Kilpauk, Chennai – 600 010

### TAMILNADU
JK Business Centre,
No. 55–59, 2nd Floor,
Sowripalayam Road,
Coimbatore – 641 036

### UP (East)
Dayal Chamber,
27/6 K.A., Ground Floor,
Ram Mohan Rai Marg, Hazratganj,
Lucknow – 226 001

### UP (West)
3rd Floor, Park Plaza, Unit No 185/1,
Mangal Pandey Nagar,
University Road,
Meerut – 250 004

### WEST BENGAL
Shaila Tower, 7th Floor,
Unit 701, Plot J1/16,
Block EP&GP, Salt Lake, Sec V,
Kolkata – 700 091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**GTL Infrastructure Limited**

"Global Vision", 3rd Floor, Electronic Sadan–II, MIDC, TTC Industrial Area,
Mahape, Navi Mumbai – 400 710, Maharashtra, India.
Tel: +91 22 6829 3500 | Fax: +91 22 6829 3545
CIN : L74210MH2004PLC144367

**www.gtlinfra.com**