August 21, 2020

BSE Limited
Listing Department
P. J. Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 532371

National Stock Exchange of India Ltd.
Listing Department
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
Scrip Symbol: TTML

Dear Sir/Madam,

Subject: **25th Annual Report of the Company for FY 2019-20 - Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")**

This is in furtherance to our letters dated August 21, 2020, wherein the Company had informed that the 25th Annual General Meeting ("AGM") of the Company will be held on **Wednesday, September 16, 2020 at 1100 hours (IST)** via Video Conference / Other Audio Visual Means only, in accordance with the General Circular issued by Ministry of Corporate Affairs dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 and SEBI Circular dated May 12, 2020.

Pursuant to Regulation 34(1) of the Listing Regulations, please find enclosed the 25th Annual Report of the Company along with the Notice of the AGM and other Statutory Reports for the Financial Year 2019-2020, which is also being sent through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants / Registrar and Transfer Agent.

The same is also available on the website of the Company at www.tatateleservices.com.

This is for your information and records.

Thanking you,

Yours truly,
For Tata Teleservices (Maharashtra) Limited

Dhamnaskar

Vrushali Dhamnaskar
Assistant Company Secretary

Encl.: As above

TATA

TATA TELESERVICES (MAHARASHTRA) LIMITED

SMART SOLUTIONS
for Smart Businesses

ANNUAL REPORT 2019-20

DO Big

TATA TELESERVICES (MAHARASHTRA) LIMITED

Year on Year Performance - Last Ten Years

(Rs. in Crores)

Particulars	2019-2020	2018-2019	2017-2018	2016-2017**	2015-2016**	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Income from Telecommunication	1,052.62	1,246.40	1,843.15	2,657.42	2,915.12	2,836.69	2,649.43	2,608.16	2,470.25	2,248.74
Earnings Before Interest, Depreciation, Tax and Amortisation	432.30	702.40	170.42	712.65	815.78	646.46	614.30	500.63	548.83	1,146.77 *
Profit/(Loss) before Extraordinary/ Exceptional Items and Tax	(1,283.83)	(998.70)	(1,900.37)	(1,397.65)	(358.34)	(615.25)	(560.08)	(658.77)	(517.55)	49.91
Extraordinary/ Exceptional Items	(2,430.28)	(331.11)	7,941.67	958.82	-	-	-	-	-	-
Profit/(Loss) after tax ***	(3,714.11)	(667.59)	(9,841.99)	(2,356.47)	(358.34)	(615.25)	(560.08)	(658.77)	(517.55)	49.90
End of Period Subscribers (Nos. in Thousands)	804	2,807	6,056	8,682	10,702	11,119	10,578	10,534	14,127	16,852

* Including Rs.834.93 Crores towards profit on sale of wholly owned tower subsidiary
** Financial figures are as per Ind AS
*** Profit/(Loss) after tax figures are before Other Comprehensive Income (OCI)

CORPORATE DETAILS

BOARD OF DIRECTORS

Dr. Narendra Damodar Jadhav	-	Independent Director
Ms. Hiroo Mirchandani	-	Independent Director
Mr. Kumar Ramanathan (w.e.f. September 24, 2019)	-	Independent Director
Mr. Ankur Verma	-	Non-Executive Director
Mr. N. Srinath (w.e.f. April 1, 2020)	-	Non-Executive Director
Mr. Thambiah Elango	-	Non-Executive Director

DIRECTORS CEASED DURING THE YEAR

Mr. D. T. Joseph (upto September 21, 2019)	-	Independent Director
Mr. N. Srinath (upto March 31, 2020)	-	Managing Director

KEY MANAGERIAL PERSONNEL

Mr. Harjit Singh (w.e.f. August 12, 2020)	-	Manager
Mr. Kush S. Bhatnagar	-	Chief Financial Officer
Ms. Vrushali Dhamnaskar	-	Assistant Company Secretary

INVESTOR SERVICES	-	Mr. Hiten Koradia Manager – Secretarial e-mail: investor.relations@tatatel.co.in
STATUTORY AUDITORS	-	M/s. Price Waterhouse Chartered Accountants LLP
INTERNAL AUDITORS	-	ANB Solutions Private Limited Ernst & Young LLP
REGISTRAR & SHARE TRANSFER AGENTS	-	TSR Darashaw Consultants Private Limited 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi, Mumbai – 400 011. Tel: 91 22 6656 8484 Fax: 91 22 6656 8494 / 8496 Email: csg-unit@tsrdarashaw.com Website: www.tsrdarashaw.com
REGISTERED OFFICE (effective July 27, 2020)	-	D-26, TTC Industrial Area, MIDC Sanpada, P.O. Turbhe, Navi Mumbai – 400 703, Maharashtra
CORPORATE IDENTITY NUMBER (CIN)	-	L64200MH1995PLC086354

Twenty Fifth Annual General Meeting of Tata Teleservices (Maharashtra) Limited will be held on Wednesday, September 16, 2020 at 1100 hours through Video Conferencing facility or Other Audio Visual Means

The Annual Report can be accessed at the Company's website www.tatateleservices.com

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NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of Tata Teleservices (Maharashtra) Limited (the "Company") will be held on **Wednesday, September 16, 2020** at **1100 hours (IST) through Video Conferencing facility or Other Audio Visual Means** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020 together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Ankur Verma (DIN:07972892), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Appointment of Mr. Kumar Ramanathan as an Independent Director

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** Mr. Kumar Ramanathan (DIN: 06364297), who was appointed as an Additional Director of the Company by the Board of Directors with effect from September 24, 2019 and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the 'Act') but 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 in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modifications or re-enactments thereof and Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), as amended from time to time, Mr. Kumar Ramanathan (DIN:06364297), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Non-Executive Director of the Company, to hold the office for a term of five years from September 24, 2019 upto September 23, 2024."

4. Re-appointment of Mr. Srinath Narasimhan (DIN: 00058133) as Managing Director with effect from February 1, 2020 till March 31, 2020

To consider and if though fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, Articles of Association of the Company and any other applicable provisions, the consent of the Company be and is hereby accorded for the re-appointment of Mr. Srinath Narasimhan (DIN:00058133) as Managing Director of the Company, for a period of 2 months commencing February 1, 2020 till March 31, 2020 (who was also the Managing Director of Tata Teleservices Limited during the same period), upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting;

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to do all such acts, deeds and things and to take all the necessary steps as may be necessary, proper and expedient to give effect to this Resolution."

5. Appointment of Mr. Srinath Narasimhan (DIN: 00058133) as Non-Executive Director with effect from April 1, 2020

To consider and if though fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** Mr. Srinath Narasimhan (DIN: 00058133), who was appointed as an Additional Director of the Company by the Board of Directors with effect from April 1, 2020 and who holds office upto the date of this Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 (the 'Act') and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation;

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to do all such acts, deeds and things and to take all the necessary steps as may be necessary, proper and expedient to give effect to this Resolution."

6. Appointment of Mr. Harjit Singh as Manager and Key Managerial Personnel with effect from August 12, 2020 till August 11, 2023

To consider and if though fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, Articles of Association of the Company and any other applicable provisions, the consent of the Company be and is hereby accorded for the appointment of Mr. Harjit Singh as Manager and Key Managerial Personnel of the Company for a period of 3 (Three) years commencing August 12, 2020 till August 11, 2023 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Harjit Singh, and that no remuneration shall be payable to Mr. Harjit Singh as Manager and Key Managerial Personnel of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to do all such acts, deeds and things and to take all the necessary steps as may be necessary, proper and expedient to give effect to this Resolution."

7. Ratification of remuneration of Cost Auditors

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 1,80,000/- (Rupees One Lakh Eighty Thousand Only), plus applicable tax and out of pocket expenses incurred in connection with the audit, not exceeding 10% of the remuneration, incurred in connection with the audit, payable to M/s. Sanjay Gupta & Associates, Cost Accountants, having Firm Registration Number 000212, who are appointed by the Board of Directors of the Company (the 'Board') as Cost Auditors to conduct the audit of cost accounting records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014 for the financial year ending on March 31, 2021;

RESOLVED FURTHER THAT the Board (which expression shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to do all acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for the purpose of giving effect to this Resolution, including without limitation to settle any question, difficulty or doubt that may arise in this regard."

8. Issue of Non-Cumulative Redeemable Preference Shares - Series 6 on Preferential Basis

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 55, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder (as amended from time to time), the Articles of Association of the Company and the rules/regulations/guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable and subject to such approvals, permissions and sanctions, as may be necessary and subject to such condition(s) and modification(s) as may be prescribed by any of them and as may be agreed to by the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including powers conferred by this Resolution), consent of the Members be and is hereby accorded to the Board to offer, issue and allot upto 25,00,00,000 (Twenty Five Crores) Non-cumulative Redeemable Preference Shares – Series 6 ('RPS-6') of Rs.100/- (Rupees One Hundred Only) each for cash at par aggregating upto an amount of Rs. 2500,00,00,000 (Rupees Two Thousand Five Hundred Crores Only) on preferential basis to Tata Teleservices Limited ('TTSL') and/or Tata Sons Private Limited ('TSPL') and/or Panatone Finvest Limited ('PANATONE') in one or more tranches, on the terms and conditions as set out in the Explanatory Statement annexed to this Notice;

RESOLVED FURTHER THAT each RPS-6:

- shall carry a preferential right vis-à-vis Equity Shares of the Company with respect to payment of dividend or repayment of Capital;
- shall be non-participating in the surplus funds;
- shall be non-participating in the surplus assets and profits which remains after the entire capital has been repaid, on winding up of the Company;
- shall be entitled for payment of dividend on a Non-cumulative basis at the rate of 0.1% per annum or such other rate as may be fixed by the Board;
- shall be Non-convertible;
- shall not carry any voting rights; and
- shall be redeemable;

RESOLVED FURTHER THAT the Board be and is hereby also authorized to issue Non-cumulative Redeemable Preference Shares against any inter-corporate deposits/loans received or to be received or held from TTSL and/or TSPL and/or PANATONE or on redemption of Non-Convertible Debentures issued or to be issued to TTSL and/or TSPL and/or PANATONE, if so requested by TTSL and/or TSPL and/or PANATONE, as the case may be, settle any question, doubt or difficulty which may arise in regard to the issue of RPS-6 and to do all such acts, deeds and things as may be necessary and incidental for giving effect to this Resolution."

9. Issue of Non-Convertible Debentures on Private Placement

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, both as amended from time to time, read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, the provisions of the Memorandum and Articles of Association of the Company and subject to such other regulations, approval(s), consent(s), permission(s) and sanction(s) as may be necessary, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) for issuing, making offer(s) or invitation(s) to subscribe to cumulative/non-cumulative, listed and/or unlisted, secured and/or unsecured redeemable non-convertible debentures / bonds / Non-Convertible Debentures ('NCDs') on private placement, in one or more series/tranches, to the Promoter/Promoter Group companies, other bodies corporate, banks, financial institutions and/or others, such that the total amount does not exceed Rs. 2500,00,00,000 (Rupees Two Thousand Five Hundred Crores Only) on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs be issued, the consideration for the issue, utilization of issue proceeds and all matters connected with or incidental thereto and that such borrowing is within the overall borrowing limits of the Company;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to determine the terms and conditions of issue, including the class of investors (including the Promoters/Promoter group companies) to whom the NCDs may be issued/offered, time, type, number of NCDs, tranches, issue/offer price, tenor, interest rates, security (if any), premium/discount on redemption, listing, and to appoint Debenture Trustees and/or Registrar & Transfer Agents, if necessary, and to do all such acts, deeds and things and deal with all such matters as may be necessary in this regard."

10. Material Related Party Transactions

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment or modification thereof) and applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, approval of the Members of the Company be and are hereby accorded to the material related party transactions/ proposed transactions to be entered into between the Company and Tata Teleservices Limited, a related party, relating to rendering or availing of services, sharing of infrastructure, purchase/sale of Assets and Inventory and sharing of costs for an aggregate value of Rs. 200 Crores (Rupees Two Hundred Crores Only) per annum for the Financial Years 2021-2022, 2022-2023 and 2023-2024;

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) and the Key Managerial Personnel of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this Resolution."

By order of the Board
For **Tata Teleservices (Maharashtra) Limited**

Vrushali Dhamnaskar
Assistant Company Secretary
(ACS 28356)

Registered Office:
D-26, TTC Industrial Area,
MIDC Sanpada, P. O., Turbhe,
Navi Mumbai - 400 703.
CIN: L64200MH1995PLC086354
Website: www.tatateleservices.com
e-mail: investor.relations@tatatel.co.in
Tel.: 91 22 6661 5111
Fax: 91 22 6660 5517

Place: Navi Mumbai
Date: August 12, 2020

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 and Circular number SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ("SEBI") (collectively referred to as "Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing facility ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the "Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the said Circulars, the AGM of the Company is being held through VC/OAVM on Wednesday, September 16, 2020 at 11:00 hours (IST). The deemed venue for the 25th AGM will be Registered Office of the Company.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE CIRCULARS THROUGH VC/ OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**

3. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 3 to 10 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.

   Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the 25th AGM through VC/OAVM facility. Corporate Members intending to send their authorized representatives pursuant to sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC/OAVM or to vote through e-voting are requested to send a certified copy of the Board Resolution to the Company to scrutinizer by e-mail at evoting@mehta-mehta.com with copy marked to evoting@nsdl.co.in.

4. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

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 Members will be able to view the proceedings by logging into the National Securities Depository Limited's ("NSDL") e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.

6. In compliance with the aforesaid Circulars, Notice of the 25th AGM alongwith the Annual Report for financial year 2019-2020 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depository Participants ("DPs"). The Notice convening the 25th AGM and the Annual Report for financial year 2019-2020 has been uploaded on the website of the Company i.e., www.tatateleservices.com and may also be accessed on the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL i.e., www.evoting.nsdl.com.

7. Members are entitled to hold their shares in dematerialized ("Demat") form. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Those Members who are holding shares in physical form are requested to dematerialize their shares by approaching any of the DPs. In case any Member wishes to dematerialize his/her/its shares and needs any assistance, he/she/it may write to the Registrar & Share Transfer Agents of the Company i.e., TSR Darashaw Consultants Private Limited ("TSRDL") at csg-unit@tsrdarashaw.com and/or to the Investor Relations Officer of the Company at investor.relations@tatatel.co.in.

8. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with TSRDL in case the shares are held by them in physical form.

9. As mandated by the SEBI, Members holding shares in electronic form are requested to submit their Permanent Account Number ("PAN") details to their respective DPs and Members holding shares in physical form are requested to submit the PAN details to the Company or to TSRDL. Further, Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, 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 DPs in case the shares are held in electronic form and to TSRDL in case the shares are held in physical form.

10. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. If a Member desires to cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. SH-14. In respect of shares held in dematerialized form, the nomination form may be filed with the respective DPs.

11. **Updation of Members' Details:** The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company/ Registrar and Share Transfer Agent to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing these additional details is appended at the end of this Notice. Members holding shares in physical form are requested to submit the filled-in form to the Company or to its Registrar and Share Transfer Agent. Members holding shares in electronic form are requested to submit the details to their respective DPs.

12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or TSRDL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

13. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

14. In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast/exercise their vote on resolutions proposed to be considered at this AGM by electronic means and the business may be transacted through e-Voting services. The facility of casting votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by NSDL.

15. **The remote e-voting period commences on Sunday, September 13, 2020 (0900 hours IST) and ends on Tuesday, September 15, 2020 (1700 hours IST).** During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e., Wednesday, September 9, 2020**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, a Member shall not be allowed to change it subsequently.

16. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e., Wednesday, September 9, 2020.

17. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast 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 provided by NSDL during the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate the AGM through VC/OAVM but shall not be entitled to cast their vote again.

18. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting during the AGM.

19. Any person, who acquires shares of the Company and become a Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., Wednesday, September 9, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or at investor.relations@tatatel.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

20. The Board has appointed Ms. Ashwini Mohit Inamdar (Membership No. FCS 9409/CP No. 11226) or failing her, Mr. Atul Mehta (Membership No. FCS 5782/CP No. 2486), Partners, M/s Mehta & Mehta, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

21. At the twenty-second AGM held on July 31, 2017 the Members approved appointment of Price Waterhouse Chartered Accountants LLP, (Firm Registration No. 012754N/N500016) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the twenty-seventh AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM.

22. Since the AGM will be held through VC/OAVM, the route map, proxy form and attendance slip are not annexed in this Notice.

23. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any other Director authorised in this behalf, who shall countersign the same.

24. The Chairman or any other Director authorized in this behalf shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the results of the voting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tatateleservices.com and on the website of NSDL www.evoting.nsdl.com immediately after the results are declared by the Chairman or any other Director so authorised. Simultaneously, the same will also be communicated to the BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.

25. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e., Wednesday, September 16, 2020. Members seeking to inspect such documents can send an email to investors.relations@tatatel.co.in.

26. **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. The Members will be provided with the facility to attend the AGM through VC/OAVM through the NSDL e-voting system and they may access the same at https://www.evoting.nsdl.com by using their remote e-voting login credentials and selecting the EVEN of the Company i.e., 113393. On clicking this link, the Members will be able to attend and participate in the proceedings of the AGM. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.

2. The Members may join the AGM through Laptops, Smartphones, Tablets and iPads for better experience. Further, Members will be required to use internet with a good speed to avoid any disturbance during the AGM. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops 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 glitches.

3. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company with their name, DP ID and Client ID/Folio Number, PAN and mobile number on or before Sunday, September 13, 2020 at investor.relations@tatatel.co.in. Such questions by the Members shall be suitably replied to by the Company.

4. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio Number, PAN, Mobile Number at investor.relations@tatatel.co.in from Thursday, September 10, 2020 (0930 hours IST) to Sunday, September 13, 2020 (1700 hours IST). **Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM.** The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

5. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/1800-222-990 or contact Ms. Pallavi Mhatre, Manager – NSDL at evoting@nsdl.co.in / +91 22 24994545.

27. **The instructions for remote e-voting are as under:**

Step 1: Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.

4. Your User ID details will be as per details given below :

   a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******).

b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12************** then your user ID is 12**************).

c) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the Company (For example if folio number is 001*** and EVEN is 101456, then user ID is 101456001***).

5. Your password details are given below:

a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c. How to retrieve your 'initial password'?

   i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

   ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered (refer Note No. 28 of this Note).**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a. Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b. "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

   d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of the Company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional/Corporate shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by an e-mail to evoting@mehta-mehta.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for Members available at the Downloads sections of https://www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in. In case of any grievances connected with facility for e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: evoting@nsdl.co.in / Tel: +91 22 24994545.

4. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

5. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

28. Process for registration of email id for obtaining Annual Report and user id/password for e-voting and updation of bank account mandate:

- **Registration of e-mail addresses with TSRDL:** The Company has made special arrangements with TSRDL for registration of e-mail addresses of those Members (holding shares either in electronic or physical form) who wish to receive this Notice electronically and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company/DPs are required 1700 hours (IST) on Wednesday, September 9, 2020.

- Process to be followed for registration of e-mail address is as follows:

  (a) Visit the link: https://green.tsrdarashaw.com/green/events/login/hm

  (b) Enter the DP ID & Client ID /Physical Folio Number and PAN details. In the event, if the PAN details are not available on record, for Physical Folio, Member to enter one of the share certificate number.

  (c) System will verify the Client ID and PAN details.

  (d) On successful verification, system will allow you to enter your e-mail address and mobile number.

  (e) The system will then confirm the e-mail address for the limited purpose of service of this AGM Notice and Annual Report for FY2019-2020.

- The above system also provides a facility to the Members holding shares in physical form to upload a self-attested copy of their PAN Card, if the PAN details are not updated in accordance with the requirements prescribed by SEBI.

- After successful submission of the e-mail address, NSDL will e-mail a copy of this Notice and Annual Report for FY 2019-2020 along with the e-Voting user ID and password. In case of any queries, Members may write to csg-unit@tsrdarashaw.com or evoting@nsdl.co.in.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Kumar Ramanathan (DIN:06364297) as an Additional Director of the Company with effect from September 24, 2019, to hold office up to the date of this Annual General Meeting ("AGM") pursuant to the provisions of Section 161 of the Companies Act, 2013 (the "Act"). The Board has also appointed him as an Independent Non-Executive Director pursuant to the provisions of Section 149 of the Act read with Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), for a period of 5 years with effect from September 24, 2019, subject to approval of the Members. The Company has received a notice pursuant to Section 160 of the Act proposing his candidature for the office of Director of the Company.

Mr. Kumar Ramanathan has given a declaration stating that he meets the criteria of independence pursuant to Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Further, in the opinion of the Board, Mr. Kumar Ramanathan fulfills the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Non-Executive Director and he is independent of the management.

In compliance with the provisions of Sections 149, 152 and 160 read with Schedule IV to the Act and Regulation 16(1)(b) of the Listing Regulations, the appointment of Mr. Kumar Ramanathan as a Non-Executive Director and Independent Director is now being placed before the Members at this AGM for their approval.

Mr. Kumar Ramanathan, being an Independent Director, shall not be liable to retire by rotation.

The terms and conditions of appointment of Independent Director would be available for inspection by the Members, by writing an email to the Company at investor.relations@tatatel.co.in.

The brief profile of Mr. Kumar Ramanathan is given below:

Mr. Kumar Ramanathan is a Founder of Positive Integers Pvt. Ltd. (“Positive Integers”) a Decision Science company and have been spearheading this company since inception. Currently, he is holding the position of CEO in Positive Integers. Earlier he was holding position as Director - Analytics & Commercial for Africa, Middle East and Chief Marketing office at Vodafone India as also a Unit Manager at Pepsi Co.

Mr. Kumar Ramanathan, has a Masters Degree in Commerce from Delhi School of Economics and a Management Degree from IIM, Ahmedabad.

Mr. Kumar Ramanathan currently serves on the boards of companies like Thirumeni Finance Pvt. Ltd., Tata Communications Payment Solutions Pvt. Ltd., Positive Integers Pvt. Ltd., Tata Communications Transformation Services Ltd., Cartology Pvt. Ltd.

Mr. Kumar Ramanathan is also appointed as a Member of Audit Committee of the Company.

The details including the qualification and the list of companies in which Mr. Kumar Ramanathan serves as Director and Member/Chairman of various committees are stated in the annexure attached to the Notice.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Kumar Ramanathan to the extent of his appointment, are in any way concerned or interested in passing of the resolution mentioned at Item No. 3 of the Notice.

Item No. 4

The term of Mr. Srinath Narasimhan (hereinafter referred to as “Mr. Srinath” or the “Managing Director”) (DIN:00058133) as the Managing Director of the Company ended on January 31, 2020. The Board of Directors, on recommendation of the Nomination and Remuneration Committee, re-appointed him as the Managing Director of the Company for a period of two months with effect from February 1, 2020 till March 31, 2020, as per the provisions of the Sections 196, 197, 203, and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with Schedule V to the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modifications thereof, subject to approval of the Members. He is also the Managing Director of Tata Teleservices Limited and hence the re-appointment has been made by the Board of Directors in accordance with the provisions of Section 203 of the Act.

Mr. Srinath, aged 57 years, is a Mechanical Engineer from IIT (Chennai) and has a Management Degree from IIM (Kolkata), specialized in Marketing and Systems. Since joining the Tata Administrative Services in 1986, Mr. Srinath has held positions in Project Management, Sales & Marketing and Management in different Tata companies for more than 34 years.

Mr. Srinath is also Member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Finance Committee of the Company. He did not and does not currently hold any equity shares of the Company.

The principal terms and conditions of Mr. Srinath’s appointment as Managing Director are as follows:

1. **Term and Termination:**

1.1 2 months commencing from February 1, 2020 till March 31, 2020.

1.2 The appointment may be terminated earlier, without any cause, by either party by giving one month’s notice of such termination.

2. **Remuneration**

Mr. Srinath would not draw any remuneration from the Company as Managing Director.

3. **Duties and Powers:**

3.1 Mr. Srinath shall devote appropriate time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associated companies and/or subsidiaries, including performing duties as assigned to him from time to time by serving on the boards of such associated companies and/or subsidiaries or any other executive body or any committee of such a company.

3.2 Mr. Srinath shall not exceed the powers so delegated by the Board pursuant to clause 3.1 above.

3.3 Mr. Srinath undertakes to employ the best of his skill and ability and to make his utmost endeavours to promote the interests and welfare of the Company and to conform to and comply with the policies and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.

3.4 Mr. Srinath shall undertake his duties from such location as may be directed by the Board.

Other terms of Appointment:

4 The terms and conditions of the appointment of Mr. Srinath may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and Mr. Srinath, subject to such approvals as may be required.

5 Mr. Srinath, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.

6 All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to Mr. Srinath, unless specifically provided otherwise.

7 The employment of Mr. Srinath may be terminated by the Company without notice:

a. if Mr. Srinath is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or

b. in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by Mr. Srinath of any of the stipulations contained in the Agreement.

8 In the event Mr. Srinath is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.

9 Upon the termination by whatever means of his employment under the Agreement:

a. Mr. Srinath shall immediately cease to hold offices held by him in any holding company, subsidiaries or associate companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trusts connected with the Company.

b. Mr. Srinath shall not without the consent of the Board at any time thereafter represent himself as connected with the Company or any of its subsidiaries and associated companies.

10 If and when the term expires or is terminated for any reason whatsoever, Mr. Srinath will cease to be the Managing Director of the Company and also cease to be a Director of the Company. If at any time, the Managing Director ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director. If at any time, Mr. Srinath ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and Managing Director of the Company.

11 The terms and conditions of the appointment of Mr. Srinath also include clauses pertaining to adherence with the Tata Code of Conduct, Intellectual Property, maintenance of confidentiality, non-competition and non-solicitation.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of appointment of Mr. Srinath as specified above are now being placed before the Members for their approval.

The Board believes that it was necessary to appoint Mr. Srinath as the Managing Director for the period of two months ending March 31, 2020 and therefore recommends the Resolution at Item No. 4 for approval by the Members.

The details including the qualification and the list of companies in which Mr. Srinath serves as Director and Member/Chairman of various committees are stated in the annexure attached to the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Srinath to the extent of his re- appointment, are in any way concerned or interested in passing of the resolution mentioned at Item No. 4 of the Notice.

Item No. 5

The Board of Directors, on recommendation of the Nomination and Remuneration Committee, appointed Mr. Srinath Narasimhan (DIN:00058133) as an Additional Director of the Company with effect from April 1, 2020 and he holds office up to the date of this AGM pursuant to the provisions of Section 161 of the Companies Act, 2013 (the “Act”). The Company has received a notice pursuant to Section 160 of the Act proposing his candidature for the office of Director of the Company. Mr. Srinath shall be liable to retire by rotation.

In compliance with the provisions of Sections 152 and 160 of the Act, the appointment of Mr. Srinath as a Non-Executive Director of the Company is now being placed before the Members at this AGM for their approval.

The brief profile of Mr. Srinath is as under:

Mr. Srinath, aged 57 years, is a Mechanical Engineer from IIT (Chennai) and has a Management Degree from IIM (Kolkata), specialized in Marketing and Systems. Since joining the Tata Administrative Services in 1986, Mr. Srinath has held positions in Project Management, Sales & Marketing and Management in different Tata companies for more than 34 years.

Mr. Srinath is also appointed as a Member of Nomination and Remuneration Committee; Corporate Social Responsibility Committee; Stakeholders Relationship Committee and Finance Committee of the Company. He does not hold any equity shares of the Company.

The details including the qualification and the list of companies in which Mr. Srinath serves as Director and Member/Chairman of committees are stated in the annexure attached to the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Srinath to the extent of his appointment, are in any way concerned or interested in passing of the resolution mentioned at Item No. 5 of the Notice.

Item No. 6

The Board of Directors, on recommendation of the Nomination and Remuneration Committee, appointed Mr. Harjit Singh as the Manager and Key Managerial Personnel of the Company for a period of 3 (Three) years with effect from August 12, 2020 under the provisions of the Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with Schedule V to the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modifications thereof, subject to approval of the Members and such other approvals as may be required.

Mr. Harjit Singh joined Tatas as a TAS cadre in the year 1996. In his two-decade career till date, Mr. Harjit Singh has worked in leadership capacities in companies like Tata Teleservices, Tata Communications, Tata AutoComp Systems and Tata Housing.

Mr. Harjit Singh has played a variety of roles ranging from corporate strategy & planning, mergers and acquisitions, operationalisation of green field ventures to P&L responsibility of large business units. In his current role, Mr. Harjit Singh manages the Enterprise business of Tata Teleservices Limited and the Company. The business delivers voice, data and managed services to the complete spectrum of small, medium and large enterprises in India.

His academics include a PGDM in Finance and Operations from IIM, Ahmedabad and a B.E. (Mechanical) from IIT Roorkee.

He is holding 3,400 equity shares of the Company.

The principal terms and conditions of Mr. Harjit Singh as Manager and Key Managerial Personnel of the Company are as follows:

1. Term and Termination:

1.1 3 (Three) years effective from August 12, 2020 till August 11, 2023.

1.2 The appointment may be terminated earlier, without any cause, by either party by giving three months notice of such termination.

2. Remuneration

Mr. Harjit Singh would not draw any remuneration from the Company as Manager and Key Managerial Personnel.

3. Duties and Powers:

3.1 Mr. Harjit Singh shall devote appropriate time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associated companies and/or subsidiaries, including performing duties as assigned to him from time to time.

3.2 Mr. Harjit Singh shall not exceed the powers so delegated by the Board pursuant to clause 3.1 above.

3.3 Mr. Harjit Singh undertakes to employ the best of his skill and ability and to make his utmost endeavours to promote the interests and welfare of the Company and to conform to and comply with the policies and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.

3.4 Mr. Harjit Singh shall undertake his duties from such location as may be directed by the Board.

Other Terms of Appointment:

4 The terms and conditions of the appointment of Mr. Harjit Singh may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and Mr. Harjit Singh, subject to such approvals as may be required.

5 Mr. Harjit Singh, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.

6 All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to Mr. Harjit Singh, unless specifically provided otherwise.

7 The employment of Mr. Harjit Singh may be terminated by the Company without notice:

a. if Mr. Harjit Singh is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or

b. in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by Mr. Harjit Singh of any of the stipulations contained in the Agreement.

8 In the event Mr. Harjit Singh is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.

9 Upon the termination by whatever means of his employment under the Agreement:

a. Mr. Harjit Singh shall immediately cease to hold offices held by him by virtue of this appointment in any holding company, subsidiaries or associate companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trusts connected with the Company.

b. Mr. Harjit Singh shall not without the consent of the Board at any time thereafter represent himself as connected with the Company or any of its subsidiaries and associated companies.

10 If at any time, Mr. Harjit Singh ceases to be in the employment of Tata Teleservices Limited for any reason whatsoever, he shall cease to be a Manager and Key Managerial Personnel of the Company.

11 The terms and conditions of the appointment of Mr. Harjit Singh also include clauses pertaining to adherence with the Tata Code of Conduct, Intellectual Property, maintenance of confidentiality, non-competition and non-solicitation.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of appointment of Mr. Harjit Singh as specified above are now being placed before the Members for their approval.

The Board believes that it was necessary to appoint Mr. Harjit Singh as the Manager for the period of 3 (Three) years effective August 12, 2020 till August 11, 2023.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Harjit Singh to the extent of his appointment, are in any way concerned or interested in passing of the Resolution mentioned at Item No. 6 of the Notice.

Item No. 7

The Board of Directors at its meeting held on June 2, 2020, on the recommendation of the Audit Committee, has approved the appointment of M/s. Sanjay Gupta & Associates (Firm Registration Number 000212) as Cost Auditors for auditing the cost accounting records in respect of the services covered under the Companies (Cost Records and Audit) Rules, 2014 of the Company for the financial year 2020-2021 at a remuneration of Rs. 1,80,000/- plus applicable tax and out of pocket expenses incurred in connection with the said audit but not exceeding 10% of the remuneration.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, remuneration of Cost Auditor of the Company is required to be ratified and approved by the Members of the Company. Accordingly, the consent of the Members by way of an Ordinary Resolution is sought for the ratification of the remuneration payable to M/s. Sanjay Gupta & Associates, Cost Accountants.

M/s. Sanjay Gupta & Associates, Cost Accountants, have certified that they are eligible for appointment as Cost Auditors, free from any disqualifications, are working independently and maintaining arm's length relationship with the Company.

The Board commends the Ordinary Resolution at Item No. 7 of the Notice for ratification and approval by the Members.

None of the Directors, Key Managerial Personnel and/or their respective relatives are in any way concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 7 of the Notice.

Item Nos. 8 and 9

The Board of Directors of the Company has been exploring various fund-raising options in order to augment the resources of the Company. The Members at its AGM of the Company held on September 20, 2019 had approved the issue of Redeemable Preference Shares - Series 5 and/or Issue of Non-Convertible Debentures ("NCDs") and/or acceptance/availing of Inter Corporate Deposits ("ICDs")/ Loans amount not exceeding Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only). The said approval for the issue of RPS and/or issue of NCD is valid for one year from the passing of the special resolution. Accordingly, the Board of Directors at its meeting held on June 2, 2020 has approved the proposal to pass a fresh resolution to raise an additional amount not exceeding Rs. 2500,00,00,000 (Rupees Two Thousand Five Hundred Crores Only) through issue of Non-cumulative Redeemable Preference Shares - Series 6 ("RPS-6") and/or issue of Non-Convertible Debentures ("NCDs") for an amount not exceeding Rs. 2500,00,00,000 (Rupees Two Thousand Five Hundred Crores Only) subject to the approval of the Members of the Company. The funds raised through one or more options will be utilised primarily for repayment/ prepayment of existing debt/loans of the Company and/or for redemption of the existing Redeemable Preference Shares issued earlier, after meeting the expenditure related to such issue(s) and for general corporate purposes. The aggregate fresh amounts proposed to be raised through all the two Resolutions at Item Nos. 8 and 9 would not exceed Rs. 5000,00,00,000 (Rupees Five Thousand Crores Only).

The necessary details with respect to each of the proposed enabling Resolutions are given hereunder:

a. **Issue of Non-cumulative Redeemable Preference Shares - Series 6 ("RPS-6") on Preferential basis**

   The Members are requested to note that in order to meet requirement of additional funds of Rs. 2500,00,00,000 (Rupees Two Thousand Five Hundred Crores Only), the Company may initially accept inter-corporate deposit ("ICD") from the Promoters including Tata Teleservices Limited ("TTSL") and/or Tata Sons Private Limited ("TSPL") and/or Panatone Finvest Limited ("PANATONE") and later on if requested by TTSL and/ or TSPL, and/or PANATONE, ICD may be converted into RPS-6. Similarly, ICD of Rs. 10,134.15 Crores (Rupees Ten Thousand One Hundred Thirty Four Crores and Fifteen Lakhs Only) already availed and further ICDs which may be availed from TTSL/TSPL/PANATONE in terms of approval of Members by way of postal ballot in September and November 2017 may also be converted into Non-cumulative Redeemable Preference Shares, if so requested/agreed to/by TTSL/TSPL/PANATONE.

   It is proposed to issue upto 25,00,00,000 (Twenty Five Crores) RPS-6 of Rs. 100/- (Rupees One Hundred Only) each for cash at par aggregating upto an amount of Rs. 2500,00,00,000 (Rupees Two Thousand Five Hundred Crores Only) on preferential basis to TTSL and/or TSPL and/or PANATONE in one or more tranches.

   Section 62(1)(c) of the Act, inter alia, provides that where it is proposed to increase the subscribed capital of the Company by the issue of further shares, such shares may be offered to any persons, whether or not those persons are holders of the equity shares of the Company, by way of preferential offer, if authorised by way of a Special Resolution.

Further, as per Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering or making an invitation to subscribe to securities, including Redeemable Preference Shares on a preferential basis, is required to obtain the prior approval of the Members by way of a Special Resolution, for each of the offers and invitations.

In view of the above, approval of the Members is being sought by way of Special Resolution under Sections 42, 55 and 62(1)(c) of the Act read with the Rules framed thereunder, to offer, issue and allot RPS-6 in the manner provided herein as per the Resolution set out at Item No. 8 of the Notice.

The terms of the issue of RPS-6 along with a statement of disclosures as required under Rule 9(3) of the Companies (Share Capital & Debentures) Rules, 2014, are as under:

Issue size	Upto 25,00,00,000 (Twenty Five Crores) RPS-6 of Rs. 100/- (Rupees One Hundred Only) each aggregating upto an amount of Rs. 2500,00,00,000 (Rupees Two Thousand Five Hundred Crores Only)
Nature of Shares	Non-cumulative, Non-participating and Non-convertible
Objective of issue	To repay/prepay the existing debt/ Loans in order to reduce the finance cost including conversion of ICD availed/to be availed, for payment of deferred payment liability to Department of Telecommunications for spectrum, general corporate purposes and/or for redemption of existing Redeemable Preference Shares issued earlier.
Manner of issue	RPS-6 will be issued on preferential basis in accordance with the provisions of Sections 42, 55 and 62 of the Act and the Rules framed thereunder
Issue price	RPS-6 will be issued for cash at par i.e., Rs.100/- (Rupees One Hundred Only) per RPS-6
Basis on which price has been arrived at	Not applicable since RPS-6 are issued at par
Offer period	As may be determined by the Board
Terms of issue and Rate of Dividend	The RPS-6 shall be issued on preferential basis to TTSL and/or TSPL. The rate of dividend shall be 0.1% per annum or such other rate as may be fixed by the Board.
Payment Terms	The entire issue price of Rs. 100/- (Rupees One Hundred Only) per RPS-6 shall be payable on application
Terms, manner and mode of Redemption	Redeemable at the end of 23 months from the date of allotment or such earlier or later date as may be decided by the Board. Redemption at par in accordance with Section 55 of the Act, out of the profits of the Company or out of proceeds of a fresh issue of shares made for the purpose of redemption.

The pre-issue and post-issue shareholding pattern of the Company are as under:

Since, Redeemable Preference Shares are Non-convertible, there will be no dilution in the Equity Capital.

The current shareholding pattern of the Company is as follows:

Equity Shareholding Pattern

Sr. No.	**Category**	**Equity Shareholding as on March 31, 2020**	
		No. of Shares held	**% of shareholding**
A	Promoters' holding		
1	Indian:		
	Individual	0	0.00
	Bodies Corporate	1453672327	74.36
	Sub Total	1453672327	74.36
2	Foreign Promoters	0	0.00
	Sub Total (A)	1453672327	74.36
B	Non-Promoters' holding		
1	Institutional Investors	91258	0.00
2	Central Government / State Government(s)	44199	0.00
3	Non-Institution:		
	Private Corporate Bodies	19014046	0.97
	Directors and Relatives	0	0.00
	Indian Public	445020361	22.77
	Others (including NRIs)	37085536	1.90
	Sub Total (B)	501255400	25.64
	GRAND TOTAL (A +B)	**1954927727**	**100.00**

The preference shareholding pattern of the Company is as follows:

Sr. No.	Category	Pre-Issue (Redeemable Preference Shares) As on March 31, 2020		Post Issue (RPS-6)	
		No. of Shares held	% of shareholding	No. of Shares held	% of shareholding
A	Promoters' holding				
1	Indian:				
	Individual	-	-	-	-
	Bodies Corporate	20,18,00,000	100	45,18,00,000	100
	Sub Total	20,18,00,000	100	45,18,00,000	100
2	Foreign Promoters	-	-	-	-
	Sub Total (A)	20,18,00,000	100	45,18,00,000	100
B	Non-Promoters' holding:				
1	Institutional Investors	-	-	-	-
2	Non-Institution:				
3	Private Corporate Bodies	-	-	-	-
4	Directors and Relatives	-	-	-	-
5	Indian Public	-	-	-	-
6	Others (Including NRIs)	-	-	-	-
	Sub Total (B)	-	-	-	-
	GRAND TOTAL (A+B)	**20,18,00,000**	**100**	**45,18,00,000**	**100**

The proposed issue of RPS-6 is in accordance with the provisions of the Articles of Association of the Company.

b. Issue of Non-Convertible Debentures on Private Placement

As per Sections 42 and 71 of the Act, read with the Rules framed thereunder, a company offering or making an invitation to subscribe to Non-Convertible Debentures ("NCDs") on private placement basis is required to obtain the prior approval of the Members by way of a Special Resolution.

It is proposed to issue NCDs for an amount not exceeding Rs. 2500,00,00,000 (Rupees Two Thousand Five Hundred Crores Only), subject to the approval of the Members of the Company. Such NCDs are proposed to be issued at par, i.e., at face value. It is also proposed to issue NCDs, in one or more tranches, to the Promoter/ Promoter Group companies, other bodies corporate, banks, financial institutions, other qualifying investors and/or others.

As per the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all Related Party Transactions require prior approval of the Audit Committee and all material Related Party Transactions require approval of the Members of the Company. A transaction with a related party shall be considered material, if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company. TTML and some of the Promoters are related parties as defined under Regulation 23 of the Listing Regulations.

In case of issue of NCDs to one or more of the Promoter/ Promoter Group companies, it is likely to exceed the materiality threshold limit. Hence, the proposed transaction is being placed before the Members for approval as per the Resolution set out at Item No. 9 of the Notice. Prior approval of the Audit Committee has been received for the same.

Further, all the related parties i.e., all entities falling under definition of related parties as per Regulation 23 of the Listing Regulations, shall abstain from voting on the Resolution set out at Item No. 9 of the Notice, irrespective of whether the entity is a party to the particular transaction or not.

The proposed issue amount of NCDs will be within the overall borrowing limits of the Company, as approved by the Members from time to time.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested in the aforesaid resolution. It may however be noted that Mr. N. Srinath, Mr. Ankur Verma and Dr. Narendra Damodar Jadhav are the common Directors between the Company and TTSL, are in any way concern or interested, financially or otherwise, in passing of the Resolution mentioned at Item No. 8 and 9 of the Notice.

Item No. 10

Tata Teleservices (Maharashtra) Limited ("TTML"/the "Company") provides telecommunication services to its subscribers in Mumbai and Rest of Maharashtra (including Goa) telecom circles. Tata Teleservices Limited ("TTSL") provides telecommunication services in Pan India, except Mumbai, Rest of Maharashtra (including Goa), Jammu & Kashmir, North East and Assam. TTSL also operates and maintains National Long Distance ("NLD") service network within territorial boundaries of India under license granted by Government of India. TTML and TTSL share certain infrastructure between them to achieve optimum cost of operations and also seamless connectivity as part of offering such services across the Country to their respective subscribers.

TTML and TTSL are conducting business under one single brand 'Tata Tele Business Services' with no overlapping geographies or conflicting businesses.

In order to achieve mutual benefits in the form of economies of scale and optimizing costs, TTML and TTSL have entered into various agreements in the past, to share costs of certain shared central services, network assets and other infrastructure / resources.

In addition, both TTML and TTSL had entered into interconnect agreements as mandated by the Telecom Regulatory Authority of India ("TRAI") for providing seamless access to the subscribers of each other. TTSL being NLD operator, TTML has entered into an agreement with TTSL for routing the traffic through NLD network of TTSL. TTML has also entered into similar agreements with other NLD operators.

TTML and TTSL propose to continue with the aforesaid agreements/arrangement in the future also.

Under the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all Related Party Transactions require prior approval of the Audit Committee and all material Related Party Transactions require approval of the shareholders of the Company by an Ordinary Resolution. A transaction with a related party shall be considered material, if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company. TTML and TTSL are related parties as defined under Regulation 23 of the Listing Regulations since both are subsidiaries of Tata Sons Private Limited.

The transactions between TTML and TTSL include the following:

a. **Inter Connect Usage Charges (Carriage):** The charges are based on volumes and TTML & TTSL offer each other competitive market rates.

b. **Inter Connect Usage Charges (Termination):** These charges are prescribed by TRAI from time to time and are followed by all the telecom operators in India.

c. **Purchase of Assets & Inventory:** Transaction Values are based on original procurement price as billed by independent third parties or such prices adjusted for depreciation without any mark-up.

d. **Service Income:** Income from provision of services is comparable with that offered by TTML to other similar offerings to other customers.

e. **Other Income:** Leasing of properties is made either based on valuation of the properties or the rates at which TTML had taken the same on lease from other private parties. Maintenance of such facilities are reimbursed by TTSL to TTML at actual without adding any mark-up.

f. **Allocation of Costs:** Sharing of common resources is based on "Various Ratios" such as Subscriber Ratio, Revenue Ratio and Reimbursement of Actual cost without mark-up.

Transactions are in nature of Revenue, Operation Costs and Capital Expenditures for TTML.

Further, TTML would incur higher cost if the contracts are entered into separately for volumes of the Company as against combined volumes of both TTSL and TTML. In addition, TTML also benefits from the synergy on integrated marketing strategy and optimum utilisation of knowledge, skill and experience, which would not have otherwise been available to TTML if such arrangements were not in place.

The aggregate value of the transactions with TTSL, a subsidiary of the holding Company to which the Company is also a subsidiary, for the next 3 Financial Years viz., 2021-2022, 2022-2023 and 2023-2024 is estimated at Rs. 200 Crores per annum, which is likely to exceed the materiality threshold limit. Hence, the transactions are required to be approved by the shareholders. These transactions are in the ordinary course of business of the Company and on arm's length basis. Prior approval of the Audit Committee has been received for the same.

The Board commends the Special Resolution at Item No. 10 of the Notice for approval by the Members.

Pursuant to Regulation 23 of the Listing Regulations, all the related parties i.e., all entities falling under definition of related parties as per Regulation 23 of the Listing Regulations, shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

The shareholding (including Preference Share Capital) of the Promoters of TTML in TTSL is given below:

Sr. No.	Name of Company/ Body Corporate	Category (in relation to TTML)	Shareholding in TTSL (Including Preference Capital) Percentage (%)
1	Tata Sons Private Limited	Promoter	96.19%

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested in the aforesaid Resolution. It may however be noted that Mr. N. Srinath, Mr. Ankur Verma and Dr. Narendra Damodar Jadhav are the common Directors between the Company and TTSL, are in any way concern or interested, financially or otherwise, in passing of the Resolution mentioned at Item No. 10 of the Notice.

By order of the Board
For **Tata Teleservices (Maharashtra) Limited**

Vrushali Dhamnaskar
Assistant Company Secretary
(ACS 28356)

Registered Office:
D-26, TTC Industrial Area,
MIDC Sanpada, P. O., Turbhe,
Navi Mumbai - 400 703.
CIN: L64200MH1995PLC086354
Website: www.tatateleservices.com
e-mail: investor.relations@tatatel.co.in
Tel.: 91 22 6661 5111
Fax: 91 22 6660 5517

Place: Navi Mumbai
Date: August 12, 2020

Important Communication to Members

Members holding shares in electronic mode are requested to update their e-mail address with their respective Depository Participant and for Members holding shares in physical mode are requested to provide their e-mail address to the Company at investor.relations@tatatel.co.in or to the Registrar and Share Transfer Agent at csg-unit@tsrdarashaw.com, so as to allow the Company to serve the documents in electronic mode.

Request to the Members

Members are requested to send their question(s), if any, to the Company Secretary / Chief Financial Officer at the Registered Office address of the Company or e-mail at investor.relations@tatatel.co.in in advance so that the answers/ details can be kept ready at the Annual General Meeting.

Details of Director as on the date of this Notice seeking appointment / re-appointment at the Annual General Meeting ("AGM")

(Pursuant to the provisions under Secretarial Standard on General Meeting and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Director	Mr. Ankur Verma	Mr. Kumar Ramanathan	Mr. Srinath Narasimhan (as a Managing Director)	Mr. Srinath Narasimhan (as a Additional Director)
Date of Birth	March 25, 1976	October 18, 1961	July 8, 1962	July 8, 1962
Age	44	58	57	57
Date of Appointment	Appointed on September 29, 2018 in casual vacancy	September 24, 2019	Appointed first time from February 1, 2011 (Last re-appointed by the Shareholders at the AGM held on July 31, 2017 with effect from February 1, 2017). NRC and Board has re-appointed him for two months effective February 1, 2020.	April 1, 2020
Qualifications	B.E. in Mechanical Engineering and PGDM from IIM, Kolkata	Masters Degree in Commerce from Delhi School of Economics and a Management Degree from IIM, Ahmedabad	Mechanical Engineering from IIT (Chennai) and a Management Degree from IIM (Kolkata)	Mechanical Engineering from IIT (Chennai) and a Management Degree from IIM (Kolkata)
Experience	Senior Vice President, at Chairman's Office at Tata Sons Private Limited. Around 15 years of experience in Investment Banking, Capital Markets and Corporate Strategy. Previously, was Managing Director (Investment Banking Division) in Bank of America Merrill Lynch and prior to that he was Group Manager & Head, Business Planning in Infosys Technologies Limited - Corporate Planning Group.	MD and CEO Positive Integers – a Data Analytics Company founded in 2013. 26 years of experience in Consumer Product Companies and Telecom Industry. Held leadership positions in Operations/ Sales and Marketing and had long stints in Vodafone/Hutch, Pepsico and Britannia.	34 years of experience within the Tata Group and has held positions in Project Management, Sales & Marketing and Management in different Tata companies in the ICT sector.	34 years of experience within the Tata Group and has held positions in Project Management, Sales & Marketing and Management in different Tata companies in the ICT sector.
Terms and conditions of appointment	- Director in Non-Executive Non-Independent capacity - Liable to retire by rotation	- Director in Non-Executive Independent capacity - Not liable to retire by rotation - Term of appointment – with effect from September 24, 2019 upto September 23, 2024 - Other terms and conditions - Available on the website of the Company i.e., www.tatateleservices.com.	Refer Item No. 4 of the Explanatory Statement	- Director in Non-Executive Non-Independent capacity - Liable to retire by rotation
Remuneration sought to be paid	Refer 'Remuneration paid to the Directors' under "Corporate Governance Report for the financial year 2019-2020"			
Last remuneration drawn during the year 2019-2020	Refer 'Remuneration paid to the Directors' under "Corporate Governance Report for the financial year 2019-2020"			

Name of the Director	Mr. Ankur Verma	Mr. Kumar Ramanathan	Mr. Srinath Narasimhan (as a Managing Director)	Mr. Srinath Narasimhan (as a Additional Director)
Number of Board meetings attended during the year	8	3	8	NA
Expertise in specific functional area	Investment Banking	Consumer market/ Telecommunications/ Data science and Analytics	High-technology areas such as Process Automation and Control, Information Technology and Telecommunication	High-technology areas such as Process Automation and Control, Information Technology and Telecommunication
Number of shares held in the Company (including held by the dependents)	Nil	Nil	Nil	Nil
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	• Tata AIA Life Insurance Co. Limited • Tata Capital Housing Finance Limited • Tata Teleservices Limited • Tata AutoComp Systems Limited • Tata Elxsi Limited • Tata Sky Limited	• Tata Communications Transformation Services Limited	• Tata Teleservices Limited • Tata Communications Limited • Tata Industries Limited	• Tata Teleservices Limited • Tata Communications Limited • Tata Industries Limited
Memberships/ Chairmanships of committees of other public companies	**Audit Committee:** • Tata AIA Life Insurance Co. Limited (Member) • Tata Capital Housing Finance Limited (Member) • Tata Teleservices Limited (Member) • Tata Sky Limited (Member) • Tata Elxsi Limited (Member) **Nomination and Remuneration Committee:** • Tata AIA Life Insurance Co. Limited (Member) **Corporate Social Responsibility Committee:** • Tata Capital Housing Finance Limited (Member)	**Audit Committee:** • Tata Communications Transformation Services Limited (Member) **Nomination and Remuneration Committee:** • Tata Communications Transformation Services Limited (Member)	**Stakeholders' Relationship Committee:** • Tata Communications Limited (Member) **Nomination and Remuneration Committee:** • Tata Communications Limited (Member) • Tata Industries Limited (Member) **Corporate Social Responsibility Committee:** • Tata Communications Limited (Chairman) • Tata Teleservices Limited (Member)	**Stakeholders' Relationship Committee:** • Tata Communications Limited (Member) **Nomination and Remuneration Committee:** • Tata Communications Limited (Member) • Tata Industries Limited (Member) **Corporate Social Responsibility Committee:** • Tata Communications Limited (Chairman) • Tata Teleservices Limited (Member)
Relationship with other Directors	Refer 'Board of Directors' under "Corporate Governance Report for the financial year 2019-2020"			

To,
TSR Darashaw Consultants Private Ltd.
Unit: Tata Teleservices (Maharashtra) Limited
6-10, Haji Moosa Patrawala Industrial Estate, 20,
Dr. E. Moses Road, Near Famous Studio,
Mahalaxmi, Mumbai - 400 011.

Updation of Shareholder Information

I / We request you to record the following information against my / our Folio No.:

General Information: Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN/ Registration No.: *	
(applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

*Self attested copy of the document(s) enclosed

Bank Details: IFSC: (11 digit)	MICR: (9 digit)
Bank A/c Type:	Bank A/c No.: *
Name of the Bank:	
Bank Branch Address:	

* A blank cancelled cheque is enclosed to enable verification of bank details

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/RTA responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that, the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No./beneficiary account.

Place:
Date:

Signature of Shareholder

DIRECTORS' REPORT

Dear Members,

Your Directors present 25th Annual Report on the business and operations of Tata Teleservices (Maharashtra) Limited ("TTML"/ the "Company"), together with the audited financial statements for the financial year ended March 31, 2020 and other accompanying reports, notes and certificates.

COMPANY OVERVIEW

TTML holds a Unified Licence ("UL") with Authorization for Access Service in Mumbai and Maharashtra License Service Area ("LSA") i.e., Maharashtra and Goa states as well as Authorization for Internet Service Provider ("ISP") Category "A" - National (Pan India coverage). The Company is one of the country's leading enablers of connectivity and communication solutions for businesses.

As described in last year's report, the transfer, by way of demerger, of Consumer Mobile Business ("CMB") of the Company to Bharti Airtel Limited ("Bharti") under a Scheme of Arrangement (the "Scheme"), became effective from July 1, 2019 after receiving the requisite approvals as detailed in the section "Scheme of Arrangement". The Scheme was earlier approved by your Board on December 19, 2017 and Equity Shareholders, Secured Creditors and Unsecured Creditors of the Company on August 30, 2018. DoT vide its letter dated February 6, 2020 conveyed its approval to take on record the transfer / merger as above. Details are provided in subsequent sections.

On completion of the demerger of the CMB as stated above, the Company does not have wireless services business since July 1, 2019 and has been focusing on providing various wireline voice, data and managed telecom services to Enterprise customers. The Company may also explore opportunities to strategically restructure the residual business at an appropriate time.

The Company currently provides its range of products and services to about 0.8 Million DELs ("Direct Exchange Lines") as of December 2019 and having about 17,000 kms of optical fibre transmission network in Mumbai and Maharashtra service areas.

FINANCIAL RESULTS

The Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2016, with transition date from April 1, 2015. Accordingly, the financial reports for current financial year 2019-2020 and previous financial year 2018-2019 have been prepared as per Ind AS reporting framework.

The financial highlights of the Company for the year ended March 31, 2020 are as follows:

(Rs. in Crores)

Particulars	**2019-2020**	2018-2019
Total Revenue	**1,088**	1,322
Expenditure	656	620
Earnings before Interest, Depreciation, Tax and Amortisation (EBITDA)	**432**	702
Finance & Treasury charges including exchange impact (net)	1,521	1,524
Depreciation / Amortisation	195	178
Profit/(Loss) Before Exceptional Items and Tax	**(1,284)**	(999)
Exceptional Items	(2,430)	331
Profit/(Loss) After Tax	**(3,714)**	(668)

(Nos are not comparable as CMB business demerged w.e.f. July 1, 2019)

The Company reported total revenue at Rs. 1,088 Crores as compared to Rs. 1,322 Crores in the previous year, decline of about 18%.

The Company reported drop in EBITDA at Rs. 432 Crores as against Rs. 702 Crores in the previous year. EBITDA margin for the year was 40%.

The Company's loss before exceptional items was Rs. 1,284 Crores as compared to last year's level of Rs. 999 Crores.

The Company has provided for exceptional items of Rs. 2,430 Crores, primarily towards additional provision for License Fee/Spectrum Usage Charges ("LF"/"SUC").

DIVIDEND AND APPROPRIATIONS

In view of the accumulated losses, the Directors regret their inability to recommend any dividend for the year under consideration. No appropriations are proposed to be made for the year under consideration.

COMPANY'S INITIATIVES

Digital disruption and transformation continued to gain momentum in FY 2019-2020 across Enterprises. Small, Medium and Large Enterprises are going through a phase of digital evolution. To ride the wave of digital transformation, Enterprises continued to invest in robust telecom infrastructure.

During the year, our focus continued to be on:

- Developing deeper understanding of the unique needs of our customers
- Delivering pioneering products & services
- Delighting our customers with great experience across touchpoint

During the year, we strengthened our suite of products and services involving Connectivity, Collaboration, IoT & Marketing Solutions. Some of the prominent products/ solutions we launched/strengthened during the year were:

- **Managed ILL:** This product bundles complete bouquet of managed services like proactive monitoring, fault management, configuration management, policy management and reporting along with standard internet lease line. It takes away the worries of ownership, deployment, usage and management from customers as it is actively managed by TTBS. It doesn't require capital outlay and has low operational expense.

- **SIP Channel on Demand:** This product gives flexibility to customers to easily upgrade their channels for running their short duration campaigns/projects. Typically, BFSI, Media, BPO and Voice Aggregators have such requirements and our product allows them to quickly upgrade their channel for a short/ desired time period.

- **Smart VPN:** This is a solution suite that offers private, dedicated and secured connectivity across multiple locations and to the cloud. It empowers enterprises by integrating diverse operations be it large, small, permanent or project based. Businesses can get enhanced security through VPN solution with protected internet access for sensitive information. The solution ensures real-time performance reporting and proactive monitoring. This solution combines various WAN connectivity solutions (wireless or wireline) to deliver an all-inclusive network connectivity solution to customers. The benefits like QoS (Quality of Service) along with enterprise-level SLAs is what makes Smart VPN more valuable for businesses.

- **Ultra LOLA 2.0:** This a technogically superior Point to Point offering with latency in microseconds, which enables Brokerage/Financial institutions to process market data in real time.

- **Collaboration Solutions:** In order to address the continuous shift in modern workplace, where employees expect more openness, collaboration and flexibility in how they stay connected, we launched a host of plug and play collaboration solutions which allows enterprises to improve their productivity and enables them to grow faster:

  a. Web Conferencing Solutions: Web Conferencing Solution allows businesses with distributed workforce to conduct/ participate in reviews, collaborate effectively and exchange information in a secure data environment.

  b. Hosted Interactive Voice Response ('HIVR'): It is a cloud-based voice application that allows businesses to efficiently connect with its customers. It offers best in class call connectivity, multiple level IVR facility and wide range of numbers to choose from. Enterprises can quickly set up a distributed call center with our HIVR and let agents work from remote locations.

  c. International Bridging Services ('IBS'): This solution provides bridging facility to organizations so that they can connect to any international location or conference bridge. Our IBS gives customers the flexibility of getting your employees connected to international destinations without having ISD facility on their phones. It provides a centralized bridge facility for all conferencing needs in a cost effective and flexible manner.

We continued to increase our Engagement with Customers through our Digital and Social Media Platforms. Our on-ground connect events under the umbrella of "Do Big Events" have grown in stature with the introduction of our Thought Leadership series of "Do Big Conclave". Our "Do Big Forum" & "Do Big Conclave" formats have received immense appreciation from customers.

Customer-centricity initiatives

Customer-centricity is a way of life at Tata Tele Business Services ("TTBS") and 'Customer-First' attitude is embedded across our business operations. To us, customer centricity means offering a great experience right from the awareness stage till post purchase stage. For providing best-in-class customer service, we have invested in:

- Enhancing and Expanding our Network and Infrastructure
- Improvement in Network Resiliency and Uptimes
- Tools & Automation to simplify work processes
- Self Service Proliferation

Our customers have rewarded our focus on customer centricity by continuing to grow business with us and by giving us high customer satisfaction scores.

Awards & Recognition

The Company continued its journey to win Awards & Recognition. During the FY 2019-2020, the Company won the Digital Marketing award for “Marketing to Unique Audience” in B2B sector at the e4M Indian Marketing Awards 2019. The award is presented to organizations, individuals and teams who have achieved extraordinary success from innovative and effective marketing practices, having regard to the circumstances of different industries and diversity of marketing programs.

Some of the other recognitions we have received in the past include:

- CII Customer Obsession Award for customer engagement
- TelecomLead Innovation Leader Award for SmartOffice™
- International Echo Awards for Meet4Solutions (Digital Platform) in 2019
- Global Marketing Excellence Award for Excellence in Content Marketing.

HOLDING COMPANY

Pursuant to the provisions of the Companies Act, 2013 (the “Act”), Tata Teleservices Limited (“TTSL”) and Tata Sons Private Limited are the Holding Companies of your Company.

Pursuant to Section 47(2) of the Act, since October 18, 2018, TTSL has become entitled to additional voting rights of 26.26% in respect of the Redeemable Preference Shares (RPS) of Rs. 100/- each held in the Company. Accordingly, TTSL has total 74.56% voting rights in the Company, in respect of Equity Shares and RPS of the Company held by it. The RPS are Non-convertible.

SUBSIDIARY AND ASSOCIATE COMPANY

The Company does not have any subsidiary or associate company within the meaning of relevant provisions of the Act.

DIRECTORS’ RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s), including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company’s internal financial controls were adequate and effective during the financial year 2019-2020.

Accordingly, pursuant to the provisions of Section 134(5) of the Act, your Directors, to the best of their knowledge and belief and according to information and explanation obtained by them, confirm that:

1. in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed and there are no material departures;

2. they have 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 ended March 31, 2020 and of the loss of the Company for that period;

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

4. they have prepared the annual financial statements on a going concern basis;

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

6. they have devised systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CORPORATE STRUCTURE – DIRECTORS AND KEY MANAGERIAL PERSONNEL

BOARD OF DIRECTORS, MEETINGS AND ITS COMMITTEES

As on March 31, 2020, the Board of Directors comprised of 6 (Six) Directors. Of the 6 (Six) Directors, 5 (Five) (i.e., 83%)

are Non-Executive Directors and 1 (One) Managing Director. The term of Managing Director ended on March 31, 2020 and the incumbent has been appointed as Additional Director effective April 1, 2020. The Non-Executive Directors include 3 (Three) Independent Directors (including a Woman Director). The composition of the Board is in conformity with the provisions of the Act and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Further, all the Directors and senior management personnel have affirmed compliance with the Code of Conduct for the Financial Year 2019-2020 ("Year") and the declaration in this respect appears elsewhere in the Annual Report.

RESIGNATION OF DIRECTOR

Mr. D. T. Joseph, an Independent Non-Executive Director of the Company, due to his health and personal reasons, resigned as an Independent Non-Executive Director of the Company with effect from September 21, 2019.

The Board placed on record its sincere appreciation for the valuable contribution, support and guidance provided by Mr. D. T. Joseph during his tenure as an Independent Non-Executive Director of the Company.

RE-APPOINTMENT OF MANAGING DIRECTOR

Mr. Srinath Narasimhan who at the Annual General Meeting ("AGM") of the Company held on July 31, 2017 was re-appointed as Managing Director of the Company for a period of 3 years with effect from February 1, 2017 held office till January 31, 2020. The Board, on recommendation of the Nomination and Remuneration Committee, re-appointed, subject to the approval of the Members, Mr. Srinath Narasimhan as Managing Director for a period of two months till March 31, 2020. Accordingly, a resolution has been proposed in the Notice convening 25th AGM seeking approval of the Members to this appointment.

The relevant details of Mr. Srinath Narasimhan forms part of the Notice convening 25th AGM.

DIRECTORS RETIRING BY ROTATION

In accordance with the relevant provisions of the Act and in terms of the Articles of Association of the Company, Mr. Ankur Verma retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment. The Nomination and Remuneration Committee and Board recommends his re-appointment. The relevant details of Mr. Ankur Verma forms part of the Notice convening 25th AGM.

CESSATION OF DIRECTOR

Mr. Srinath Narasimhan, Managing Director of the Company, on completion of his term as Managing Director and Key Managerial Personnel on March 31, 2020, ceased to be Managing Director and Director of the Company with effect from close of business hours on March 31, 2020.

The Board placed on record its sincere appreciation for the valuable contribution, support and guidance provided by Mr. Srinath during his tenure as Managing Director of the Company.

APPOINTMENT OF DIRECTORS

The Board of Directors, on recommendation of Nomination and Remuneration Committee, appointed Mr. Kumar Ramanathan as an Additional Director in the category of Independent Non-Executive Director with effect from September 24, 2019. for the period of 5 (Five) years, subject to approval of the Members of the Company at the ensuing AGM. Mr. Kumar Ramanathan shall not be liable to retire by rotation. The Company has received declaration from Mr. Kumar Ramanathan that he fulfills the criteria of Independence as prescribed under the provisions of the Act read with the Schedules and Rules issued thereunder as well as Regulation 16 of the Listing Regulations.

Further, the Board of Directors, on recommendation of Nomination and Remuneration Committee, appointed Mr. Srinath Narasimhan as an Additional Director in the category of Non-Independent Non-Executive Director with effect from April 1, 2020. Mr. Srinath holds the office as an Additional Director till the ensuing AGM. The Company has received a notice in writing from a Member under Section 160(1) of the Act proposing candidature of Mr. Kumar Ramanathan and Mr. N. Srinath for the office of Director.

The relevant details of Mr. Kumar Ramanathan and Mr. Srinath Narasimhan forms part of the Notice convening 25th AGM.

APPOINTMENT OF MANAGER

The Company appointed Mr. Harjit Singh, President Enterprise Business as the Manager and Key Managerial Personnel under Section 203 of the Act with effect from August 12, 2020. He will draw remuneration from Tata Teleservices Limited. He will not draw any remuneration from the Company.

Accordingly, a resolution has been proposed in the Notice convening 25th AGM seeking approval of the Members to this appointment.

The relevant details of Mr. Harjit Singh forms part of the Notice convening 25th AGM.

INDEPENDENT DIRECTORS

All the Independent Directors of the Company have given declarations and confirmed that they meet the criteria of 'Independence' as stipulated under the Act and the Listing Regulations.

MEETINGS OF THE BOARD OF DIRECTORS

A calendar of Board and Committee meetings to be held during the Year is circulated in advance to the Directors.

During the Year, 8 (Eight) meetings of the Board of Directors were held viz. May 29, 2019; June 18, 2019; August 7, 2019; September 20, 2019; November 15, 2019; January 17, 2020; January 30, 2020 and February 5, 2020. Details of composition of the Board, meetings of the Board held and attendance of the Directors at such meetings are provided in the Corporate Governance Report, included in the Annual Report. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Regulations.

COMMITTEES OF THE BOARD

(i) Audit Committee:
During the Year, the Audit Committee comprised of 4 (Four) Members out of which 3 (Three) were Independent Directors and 1 (One) was Non-Executive Non-Independent Director. During the Year, 5 (Five) Audit Committee meetings were held. The Board has accepted the recommendations made by the Audit Committee from time to time.

(ii) Corporate Social Responsibility Committee:
During the Year, the Corporate Social Responsibility Committee comprised of 3 (Three) Members out of which 1 (One) was Independent Director, 1 (One) was Non-Executive Non-Independent Director and 1 (One) was Executive Director. During the Year, 1 (One) Corporate Social Responsibility Committee meeting was held.

(iii) Stakeholders' Relationship Committee:
During the Year, the Stakeholders' Relationship Committee comprised of 3 (Three) Members out of which 1 (One) was Independent Director, 1 (One) was Non-Executive Non-Independent Director and 1 (One) was Executive Director. During the Year, 1 (One) Stakeholders' Relationship Committee meeting was held.

(iv) Nomination and Remuneration Committee:
During the Year, the Nomination and Remuneration Committee comprised of 3 (Three) Members out of which 2 (Two) were Independent Directors and 1 (One) was Non-Executive Non-Independent Director. During the Year, 3 (Three) Nomination and Remuneration Committee meetings were held.

In addition to above, the Company also has the Finance Committee of the Board.

During the Year, the Board re-constituted some of the Committees in accordance with the Act and the Listing Regulations. Details of all the Committees along with their terms of reference, composition and meetings of each Committee held during the Year, are provided in the Corporate Governance Report, annexed to the Annual Report.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, performance of Board Committees and individual Directors pursuant to the provisions of the Act and the Listing Regulations.

The performance of the Board, the Committees and individual Directors was evaluated by the Board after seeking inputs from all the Directors through a questionnaire wherein the Directors evaluated the performance on scale of one to five based on the following criteria:

a) Criteria for Board Performance Evaluation: Degree of fulfillment of key responsibilities, Board structure and composition, Establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning, Board Culture and Dynamics, Quality of relationship between the Board and the Management.

b) Criteria for Committee Performance Evaluation: Degree of fulfillment of key responsibilities, Adequacy of Committee Composition, Effectiveness of meetings, committee dynamics, Quality of Relationship of the Committee with the Board and the management.

c) Criteria for Performance Evaluation of Individual Directors: Fulfilment of the independence criteria as specified in the Listing Regulations and their independence from the Management, Attendance, Contribution at meetings, guidance, Support to Management outside Board/Committee meetings.

Dr. Narendra Damodar Jadhav, Chairman of the Nomination and Remuneration Committee ("NRC"), was nominated for conducting one-on-one discussions with Directors to seek their feedback on the Board and other Directors.

The NRC also reviewed the performance of the individual Directors.

In separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Managing Director was evaluated, taking into account the views of the then Managing Director and Non-Executive Directors. Thereafter, the Board also reviewed the performance of the Board as a whole, its Committees and individual Directors.

SCHEME OF ARRANGEMENT

The Board of Directors at its meeting held on October 12, 2017 had approved the transfer, by way of demerger, the Consumer Mobile Business ("CMB") of the Company ("TTML") to Bharti Airtel Limited ("BAL") subject to requisite regulatory approvals.

The Scheme of Arrangement amongst TTML and BAL and their respective shareholders and creditors ("Scheme") for transfer of the Consumer Mobile Business ("CMB") of TTML to BAL was approved by The Competition Commission of India ("CCI") on November 16, 2017, by the Board of Directors on December 19, 2017 and by shareholders and secured and unsecured creditors on August 30, 2018. National Company Law Tribunal ("NCLT"), Mumbai sanctioned the Scheme by an order dated December 4, 2018 and NCLT, New Delhi by an order dated January 30, 2019. The said sanction by NCLT Mumbai & Delhi was subject to receipt of Department of Telecommunications ("DoT") approval, after receipt of which TTML was required to approach NCLT with fixed Appointed Date.

DoT granted approval subject to certain conditions on April 10, 2019 to TTML and BAL, some of which were subsequently stayed/modified by Telecom Disputes Settlement and Appellate Tribunal ("TDSAT") vide its interim orders dated April 22 and May 2 and May 6, 2019.

TDSAT, pending final hearing of the petitions filed by BAL directed DoT to take on record the demerger subject to fulfilment of modified conditions and also allowed BAL to operationalize spectrum and to undertake consequential actions.

TTML and BAL reported compliance with such conditions to DoT vide letter dated May 22, 2019. NCLT, Mumbai, vide its order dated June 12, 2019 approved July 1, 2019 as the Appointed Date under the Scheme. On June 24 and 25, 2019, BAL and TTML filed NCLT orders with the Registrar of Companies ("RoC") at Delhi and Mumbai respectively with the Appointed Date of July 1, 2019. BAL and TTML informed DoT vide letter dated June 26, 2019 of the NCLT orders and filing of those with RoC Delhi and Mumbai and further informed that the approval process for merger of Consumer Mobile Business of TTML to BAL has been completed with an Appointed and Effective Date of July 1, 2019 and all statutory formalities towards operationalizing the demerger of the CMB of TTML and consequent merger/transfer of the said CMB of TTML into BAL have been completed with an Appointed and Effective Date of July 1, 2019.

The Scheme became effective on July 1, 2019.

DoT appealed against TDSAT interim orders dated May 2, 2019 and May 6, 2019 in Hon'ble Supreme Court, which declined to interfere with the interim orders and requested TDSAT to finally hear the matter by end of February 2020. Subsequently, on February 6, 2020, DoT subject to outcome of the pending BAL petition in TDSAT and any appeal against the judgement has taken the demerger on record.

DoT on April 28, 2020, issued a show cause notice to the Company as to why a penalty of Rs. 50 Crores per circle on its two circles should not be levied for alleged violation of Clause 6.1 of the Unified License (with Access Service Authorisation) Agreement. The Company challenged the notice before the TDSAT which directed the Company to file its response with DoT and the decision to be taken by DoT on merit within a reasonable time in accordance with law without being prejudiced by the tone and tenor of the show cause notice and also without being influenced by the filing of the petition. The matter has been adjourned sine die. The Company filed it's detailed response on June 9, 2020 and a personal hearing was granted by DoT on July 3, 2020. DoT's response is awaited.

DoT has also filed a petition before NCLT, Delhi in the matter related to merger of TTML CMB with Bharti Airtel Limited wherein DoT has alleged that both the parties have violated the provisions of Scheme as sanctioned by Hon'ble Tribunal and that they should be punished and penalized as per the provisions of the Section 232(8) of the Company Act, 2013. The petition is yet to be listed.

Upon the Scheme becoming effective and in consideration of transfer of Consumer Mobile Business of the Company to BAL, BAL issued and allotted (A) 1 (One) BAL Equity Share to TTML Equity Holders on Record Date for every 2,014 (Two Thousand Fourteen) TTML Equity Shares each held in TTML on the Record Date; and (B) 10 (Ten) BAL Redeemable Preference Shares ("RPS") to all (and not each) TTML RPS Holders in proportion to their holding of TTML RPS on the Record Date. The Record Date was fixed as July 12, 2019.

NETWORK

Post transfer of mobile services to BAL, the Intra Circle Roaming Arrangement was withdrawn and network is aligned on serving Enterprise Business Unit. The focus is optimization/consolidation of locations as per business requirement.

SAFETY

The Company has a well-defined and practiced Employee Safety and Well-being Policy. The Company's Safety Policy comprises guidelines and standardized practices, based on robust processes. It advocates proactively improving its management systems, to minimize health and safety hazards, thereby ensuring compliance in all operational activities.

To minimize and mitigate risks related to Fire Safety and Physical Security, the Company has taken up various safety initiatives that includes:

- First Aid and Fire Safety trainings for all employees.
- Emergency Mock fire drills (day/night) every six months.
- Dissemination of Safety Guidelines, through Safety Awareness mailers and videos/Safety SMS's (covering Do's & Don'ts during emergency).

POLICIES AND PROCEDURES

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Policy of the Company on Directors' appointment including criteria for determining qualifications, positive attributes, independence of a Director and the Policy on remuneration of Directors, Key Managerial Personnel and other employees are annexed as **Annexure – IA** and **Annexure - IB** to this Report.

RISK MANAGEMENT POLICY

The Company has Risk Management Policy and the risk management framework which ensures that the Company is able to carry out identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has established and maintained adequate internal financial controls with respect to financial statements. Such controls have been designed to provide reasonable assurance with regard to providing reliable financial and operational information. During the Year, such controls were operating effectively and no material weaknesses were observed.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism in the form of Whistle Blower Policy for Directors, employees and other stakeholders of the Company to report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy, details of which are provided in the Corporate Governance Report, which forms part of the Annual Report.

The Policy provides for adequate safeguards against victimization of Directors/employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

The Whistle Blower Policy has been placed on the website of the Company at https://corporate.tatateleservices.com/Downloads/ttml/code_conduct_whistle.pdf

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility ("CSR") Committee in accordance with Section 135 of the Act. The composition of CSR Committee, the details of CSR Policy and initiatives taken by the Company on CSR activities during the Year have been provided in the **Annexure – II** to this Report. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this Report.

RELATED PARTY TRANSACTIONS

All Related Party Transactions ("RPTs") that were entered into during the financial year were on an arm's length basis and in the ordinary course of business of the Company. Pursuant to Regulation 23 of the Listing Regulations and Section 177 of the Act, prior approval of the Audit Committee is obtained for all RPTs. A statement of significant RPTs is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

Further, your Company has taken a prior approval of the Members for all material transactions/proposed transactions entered/to be entered into between the Company and TTSL, a related party, relating to rendering or availing of services, sharing of infrastructure, purchase/sale of Assets and Inventory and sharing of costs for an aggregate value of Rs. 620 Crores (Rupees Six Hundred and Twenty Crores Only) per annum for the financial years 2018-2019, 2019-2020 and 2020-2021. Similar resolution for next three financial years requesting prior approval of the Members for aggregate value of Rs. 200 Crores (Rupees Two Hundred Crores Only) forms part of the Notice convening 25th AGM.

The details of material contracts or arrangement or transactions entered by your Company on arm's length basis are provided in Form AOC-2, which is annexed as **Annexure – III** to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company falls within the scope of the definition "infrastructure company" as provided by the Act. Accordingly, the Company is exempt from the provisions of Section 186 of the Act with regards to loans made, guarantees given or security provided by the Company.

Your Company has not made any investment in securities of other Bodies Corporate during the financial year 2019-2020.

DEPOSITS

The Company has not accepted any deposits from public, during the financial year 2019-2020, within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposit) Rules, 2014. No amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

The Company availed Inter Corporate Deposits ("ICD") from TTSL amounting to Rs. 2,790.15 Crores (Rupees Two Thousand Seven Hundred Ninety Crores and Fifteen Lakhs Only) during the financial year 2019- 2020.

DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

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 the Rules thereunder, for prevention and redressal of complaints of sexual harassment at workplace. The objective of this policy is to lay clear guidelines and provide right direction, in case of any reported incidence of sexual harassment across the Company's offices and take appropriate decision in resolving such issues.

Further, the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year 2019-2020, the Company has not received any complaints on sexual harassment.

PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure – IV** to this report.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. Pursuant to Section 136(1) of the Act, this Report is being sent to the Members of the Company excluding the aforesaid information. However, Copy of this statement may be obtained by the Members by writing to the Assistant Company Secretary at investor.relations@tatatel.co.in.

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

Pursuant to Section 134(3)(m) of the Act read with Rule 8(3) of Companies (Accounts) Rules, 2014, the details of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are as under:

(A) Conservation of Energy:

(i) Steps Taken or Impact on Conservation of Energy:

a. Electricity and Diesel Generators are used for the powering of the Company's telephone exchanges and other network infrastructure equipment. The Company regularly reviews power consumption patterns across its network and has implemented various innovative projects including green initiatives in order to optimize power consumption which resulted into substantive cost savings and reduction of carbon foot print. Some of the major projects undertaken during the Year are:

- Network Optimization – 11 Tx locations switched off post Network optimization.
- 03 Core Switching locations full surrender
- Total Surrendered - 0.31 L Sq. ft.

b. The initiative on energy conservation has resulted into reduction of 0.34 Million units of energy consumption, carbon foot-print reduction of 17,381 TCO2 for the financial year 2019-2020.

(ii) Steps taken by the Company for utilizing alternate sources of Energy:

The Company has not utilized any alternate sources of energy.

(iii) Capital Investment on Energy Conservation Equipments: Nil.

(B) Technology Absorption: The Company has not imported any new technology.

(C) Foreign Exchange Earnings and Outgo:

(Rs. in Crores)

Particulars	2019-2020	2018-2019
Earnings	**0.12**	0.31
Outgo	**1.68**	2.97
Capital Goods	**68.39**	119.72

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATION IN FUTURE

The Hon'ble Supreme Court ("SC") pronounced its Judgment dated October 24, 2019 ("Judgement"), dismissing the appeals of operators and allowing Department of Telecommunication's ("DoT") appeal in respect of the definition of Gross Revenue ("GR") and Adjusted Gross Revenue ("AGR") as defined in the Unified Access Service License Agreement. The SC also directed all telecom licensees to pay amounts due within three months of the date of the order.

DoT vide letter dated November 13, 2019 directed all the telecom licensees to undertake self-assessment and make payment of Licence Fee ("LF") and other dues within three months in accordance with the Judgment.

The Company and other operators filed review petitions in SC challenging inter alia imposition of penalty and interest thereon. These petitions were dismissed on January 16, 2020.

The Company and other operators filed modification applications in the SC seeking modification of Supplementary Order dated October 24, 2019 to allow the Company and DoT to conduct the exercise for ascertaining and payment of the amounts due under the Judgment.

TTSL and TTML also submitted various representations and submitted documentary evidence to claim permissible deductions.

On February 14, 2020, the SC heard abovementioned modification applications of operators and passed an order which noted that despite the dismissal of Review Petitions, the Companies had not paid any amount. SC directed the MD/Directors of the Companies to show cause as to why SC should not initiate Contempt Proceedings against them for not complying with the orders passed by the court by not depositing the amount.

Mr. N. Srinath, then Managing Director filed an affidavit on behalf of himself and other directors as also the Company.

On February 17, 2020, TTSL and TTML (jointly "TTL") made a payment of Rs. 2,197 Crores based on self-assessment. TTL in good faith and by way of abundant caution, also made additional ad-hoc payment of Rs. 2,000 Crores on March 2, 2020 to cover reconciliation and verification differences with DoT, if any.

DoT on March 16, 2020 filed an application (Modification Application) for grant of a 20 year period for recovery of Rs. 16,798 Crores as the demand towards LF, Spectrum Usage Charges (SUC), Interest, penalty and interest on penalty, against Tata Group of companies and showed an amount of Rs. 12,601 Crores as outstanding after deducting an amount of Rs. 4,197 Crores, which was paid subsequent to Supreme Court judgement and to cease the interest applicable under the relevant licenses after a particular date.

Post March 31, 2020, SC has passed three (3) orders as below:

- On June 11, 2020, SC directed the operators to file joint affidavit with respect to proposal to secure the outstanding LF amount. The aforesaid order was passed on the Modification Application, filed by DoT in March 2020, seeking to recover the balance outstanding over 20 years.

- On June 18, 2020, SC directed that operators to file audited Balance Sheets, for the last 10 years including for the Calendar year ending March 31, 2020 as well as the Income Tax Returns and the particulars of AGR (LF) deposited during the last 10 Years. SC also requested telecom operators to make payment of reasonable amount to show their bonafide, before the next date of hearing. TTSL and TTML filed the required documents in compliance with the order.

- On July 20, 2020, SC passed an order agreeing with the statement relating to recoverable amount, filed by DoT as part of Modification Application and further ordered that there cannot be any re-assessment or recalculation of this amount. The order on time frame during which the payment is to be made and the how to securitize the outstanding dues, is reserved. The Company is awaiting clarity with the Judgement and the orders and will then decide on the future course.

Further details and details of the provisions made are given in the Notes to accounts.

While there are other critical litigations including litigations relating to various demands made by DoT, except the AGR issue, there are no material orders passed, as of date, by the Regulators / Courts or the Company has interim protection from courts against enforcement of such demands or notices, which would impact the going concern status of the Company and its future operations. However, there is always a chance that any order passed in critical litigations in future may have an impact on the going concern or future operations of the Company.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return for FY 2019-2020 in the prescribed Form No. MGT-9 is annexed as **Annexure – V** to this Report.

CREDIT RATING

The list of all credit ratings obtained by the Company along with any revisions thereto during the Year, for all debt instruments are given hereunder:

Rating Agency	Bank Facilities		Commercial Papers
	Long Term Rating	Short Term Rating	
CRISIL	AA- (Stable)	A1+	A1+
CARE	A+ (Stable)	A1+	A1+

There was change in outlook by rating agency CARE as compared to last year from 'Credit watch with developing implications' to Stable.

INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

There was no amount to be transferred to the IEPF during the year. However, total unclaimed amount of Rs. 2,98,047.30 is available with the Company towards sale proceeds of fractional shares arising out of issuance of bonus shares in 2014.

AUDITORS

Statutory Auditors

Pursuant to the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, Price Waterhouse Chartered Accountants LLP, having Firm Registration No. 012754N/N500016 were appointed as Statutory Auditors of the Company for a term of five years from the conclusion of 22nd AGM of the Company until the conclusion of 27th AGM to be held in the year 2022.

Cost Auditors

Section 148 of the Act read with Companies (Cost Record and Audit) Rules, 2014 (the "Rules"), requires every Telecommunication company to get its Cost Records audited by the Cost Accountants in practice and file the Cost Audit Report with the Central Government within 180 days of closure of the financial year. Accordingly, the Company is required to maintain cost records.

The Board of Directors of your Company has on the recommendation of Audit Committee, approved the re-appointment and remuneration of M/s. Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors of the Company for conducting cost audit for the financial year 2020-2021. A resolution seeking approval of the Members for ratifying the remuneration payable to the Cost Auditors for the financial year 2020-2021 is provided in the Notice of the ensuing AGM.

Internal Auditors

The Board has appointed Ernst & Young LLP and ANB Solutions Pvt. Ltd. as Internal Auditors for conducting internal audit of the Company for the financial year 2019-2020.

Secretarial Auditors and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Mehta & Mehta, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the year ending March 31, 2020. The Secretarial Audit Report in Form MR-3 is annexed as **Annexure – VI** to this Report.

AUDITORS' OBSERVATIONS AND DIRECTORS' COMMENTS

The Auditors' Report for the financial year ended March 31, 2020 does not contain any qualification, reservation, adverse remark or disclaimer.

CORPORATE GOVERNANCE REPORT

A report on Corporate Governance appears after this Report. A certificate from Price Waterhouse Chartered Accountants LLP, with regard to compliance of conditions of corporate governance, as specified in the Listing Regulations by the Company is annexed hereto and forms part of this Report.

The Company has complied with mandatory requirements of Corporate Governance prescribed under the Listing Regulations.

MANAGEMENTS' DISCUSSION AND ANALYSIS REPORT

A detailed report on Managements' Discussion and Analysis, as required under the Regulation 34 of the Listing Regulations for the Year under review is presented in a separate section, forming part of this Report.

COMPLIANCE WITH SECRETARIAL STANDRADS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

BUSINESS RESPONSIBILITY REPORT

As per Regulation 34 of the Listing Regulations, a Business Responsibility Report becoming applicable to the Company with effect from April 1, 2020, is attached and is a part of this Annual Report.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation for the assistance and support extended by the employees, shareholders, customers, financial institutions, banks, vendors, dealers, Department of Telecommunications, the Central and State Governments and others associated with the activities of the Company. We look forward to their continued support in future.

For and on behalf of the Board of Directors

Ankur Verma	**N. Srinath**
Director	Director
DIN: 07972892	DIN: 00058133

Place: Navi Mumbai
Date: August 12, 2020

Annexure – IA to the Directors' Report
Company's Policy on Directors Appointment and Remuneration

The Company has formulated the criteria determining qualifications, positive attributes and independence of Director. The details of the same are as under:

1. Definition of Independence

- A director will be considered as an "independent director" if the person meets with the criteria for 'independent director' as laid down in the Act and Clause 49 (as may be applicable).

- The definition of Independence as provided in the Act and Clause 49 is as follows:

"An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director,—

(a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

(b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;

(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

(c) who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

(d) none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

(e) who, neither himself nor any of his relatives –

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of –

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;

(v) is a material supplier, service provider or customer or a lessor or lessee of the company; (additional provision as per Clause 49);

(f) who is not less than 21 years of age (additional provision as per Clause 49)."

- Current and ex-employees of a Tata company may be considered as independent only if he/she has or had no pecuniary relationship with any Tata company (due to employment/receipt of monthly pension by way of Special Retirement Benefits/ holding consultant or advisor positions) during the two immediately preceding financial years or during the current financial year.

2. Qualifications of Directors

- Board will ensure that a transparent board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender.

- It is expected that board have an appropriate blend of functional and industry expertise.

- While recommending appointment of a director, it is expected that the Nomination and Remuneration

Committee ("NRC") consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board.

- Independent Directors ("ID") ideally should be thought/ practice leaders in their respective functions/domains.

3. Positive Attributes of Directors

Directors are expected to comply with duties as provided in the Act. For reference, the duties of the Directors as provided by the Act are as follows:

1) "Act in accordance with the articles of the company.

2) Act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.

3) Exercise duties with due and reasonable care, skill and diligence and exercise independent judgment.

4) Not be involved in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.

5) Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.

6) Not assign his office."

Additionally, the Directors on the Board of a Tata Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment.

IDs are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to Section 149(8) of the Act. The Code specifies the guidelines of professional conduct, role and function and duties of Independent Directors. The guidelines of professional conduct specified in the Code are as follows: "An independent director shall:

1) uphold ethical standards of integrity and probity;

2) act objectively and constructively while exercising his duties;

3) exercise his responsibilities in a bona fide manner in the interest of the company;

4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;

5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;

6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

7) refrain from any action that would lead to loss of his independence;

8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;

9) assist the company in implementing the best corporate governance practices."

For and on behalf of the Board of Directors

Ankur Verma	**N. Srinath**
Director	Director
DIN: 07972892	DIN: 00058133

Place: Navi Mumbai
Date: August 12, 2020

Annexure – IB to the Directors' Report
Remuneration Policy

Further, the Company has also formulated a Remuneration Policy for the Directors, Key Managerial Personnel and other employees and the same is given hereunder:

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of Tata Teleservices (Maharashtra) Limited ("Company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and Clause 49(IV)(B)(1) of the Equity Listing Agreement ("Listing Agreement"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

"(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"

Key principles governing this remuneration policy are as follows:

- **Remuneration for independent directors and non-independent non-executive directors**

  - Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
  - Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
  - Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).
  - Overall remuneration should be reflective of size of the company, complexity of the sector/industry/company's operations and the company's capacity to pay the remuneration.
  - Overall remuneration practices should be consistent with recognized best practices.
  - Quantum of sitting fees may be subject to review on a periodic basis, as required.
  - The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
  - The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
  - In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.

- **Remuneration for managing director ("MD") / executive directors ("ED") / KMP / rest of the employees**

  - The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be

    - Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)

- Driven by the role played by the individual,
- Reflective of size of the company, complexity of the sector/industry/ company's operations and the company's capacity to pay,
- Consistent with recognized best practices and
- Aligned to any regulatory requirements.

o In terms of remuneration mix or composition,

- The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- In addition to the basic/fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
- The company provides retirement benefits as applicable.
- In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/EDs such remuneration by way of commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
- In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:

o Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,

o Industry benchmarks of remuneration,

o Performance of the individual.

- The company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.

• Remuneration payable to Director for services rendered in other capacity

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:

a) The services rendered are of a professional nature; and

b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.

• Policy implementation

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

For and on behalf of the Board of Directors

Ankur Verma	**N. Srinath**
Director	Director
DIN: 07972892	DIN: 00058133

Place: Navi Mumbai
Date: August 12, 2020

Annexure – II to the Directors' Report
Annual Report on Corporate Social Responsibility ("CSR") Activities

1. **Brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken**

   As a member of the Tata Group, CSR is at the core of the Company. The Company's CSR policy upholds the ethos of the Tata Group's Sustainability (including CSR) Policy. The Company has designed its CSR policy based on Tata Group's focus areas.

   Given the financial position of the Company, most of the activities were by way of volunteering by the employees of TTL and it tended to be mostly in locations where there was a critical mass of employees. Few volunteering activities undertake are as under:

   Volunteering - Volunteers from Hyderabad office organized Diwali Mela – Diya sale stall by an NGO which supports under privileged children. Plantation drive by the employees and planted around 100 plants. Volunteers from Bhopal office employees donated clothes, plastic food containers, water bottles to Seva Bhartia (NGO) working amongst the economically weaker sections of the society, including the tribal belts. Online pledge was undertaken by the employees by saying "No" to single use plastic.

   The web link to the Company's CSR Policy is https://corporate.tatateleservices.com/downloads/Policy-on-Corporate-Social.pdf

2. **Composition of CSR Committee**

   The CSR Committee for the Company comprises of the following Members:

Sr. No.	Name	Designation
1	Dr. Narendra Damodar Jadhav	Non-Executive Independent Director
2	Mr. Ankur Verma	Non-Executive Director
3	Mr. N. Srinath*	Non-Executive Director

** Ceased to be Managing Director on March 31, 2020 and appointed as an Additional (Non-Independent, Non-Executive) Director w.e.f April 1, 2020.*

3. **Average net profit of the Company for last 3 financial years, prescribed CSR expenditure and details of CSR spent during the financial year**

   The Company did not make profits in the past 3 financial years; hence it does not have any budgeted CSR expenditure. However, in keeping with the Tata Group's philosophy of giving back to the society, all the above initiatives are managed with internal resources.

4. The implementation and monitoring of the CSR Policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Ankur Verma	**N. Srinath**
Director	Director
DIN: 07972892	DIN: 00058133

Place: Navi Mumbai
Date: August 12, 2020

Annexure – III to the Directors' Report

Form No. AOC-2
(Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

Tata Teleservices (Maharashtra) Limited ("TTML") has not entered into any contact or arrangement or transaction with related parties which is not on arm's length during financial year 2019-2020.

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

(a) Name of the Related Party and nature of Relationship: Tata Teleservices Limited ("TTSL") -Substantial interest in TTML and is Fellow Subsidiary.

(b) Nature of contracts / arrangements / transactions: Refer Table - A below.

(c) Duration of the contracts / arrangements / transactions: Refer Table - A below.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Refer Table - A below.

(e) Date(s) of approval by the Board, if any: Not applicable, since the contract was entered into in the ordinary course of business and on arm's length basis.

(f) Amount paid in Advance, if any: Nil.

Table – A

Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any
Roaming Income / Expenses	April 1, 2018 - March 31, 2021	TTML entered into agreement with all operators including TTSL to provide roaming services to customers. Contract Value: Inter Circle Roaming Expenses – Rs. 30 Crores p.a. (Value till 31.03.2020 Rs. NIL Crores) Inter Circle Roaming Income – Rs. 25 Crores p.a. (Value till 31.03.2020 Rs. NIL Crores)
Inter Usage Expenses and Income (Carriage & Termination)	April 1, 2018 - March 31, 2021	TTML enters into interconnection agreement with all operators including TTSL as per licensing conditions. Termination charges are prescribed by TRAI from time to time and are followed by all the telecom operators in India. Carriage & Termination Contract Value: Rs. 365 Crores p.a. (Carriage & Termination Expenses till 31.03.2020 (YTD) is Rs. 32.13 Crores & Termination Income till 31.03.2020 (YTD) is Rs. 0.10 Crores)

Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any
Purchase / Sale of Inventory / Used assets	April 1, 2018 - March 31, 2021	Procurement Contract allows needs based purchase / sale of Inventory/Used assets. Contract Value: Rs. 10 Crores p.a. (Value till 31.03.2020 (YTD) Rs. 0.79 Crores)
Lease Expense & Related Expense (Nelco Premises)	April 1, 2018 - March 31, 2021	Lease Expense (Nelco): Based on Independent Valuation, 11027 Sq. ft. Leased to TTML for a consideration of Rs. 11.16 Lakhs of rent per month. Expenses for house-keeping & facilities at Actual without Mark-up. Contract Value: Rs. 2 Crores for rent (excluding taxes) and reimbursement expenses for housekeeping, electricity and fuel charges etc. at actual. (Value till 31.03.2020 (YTD) is Rs. 1.89 Crores including reimbursements)
Telecommunication Services	Open Ended	TTML is a telecom operator. It provides telecommunication services to various entities, including TTSL. Contract Value: Rs. 35 (Value till 31.03.2020 (YTD) Rs. 18.41 Crores)
Cost Sharing O & M bandwidth	October 1, 2008 - September 30, 2023	TTML has in place a “leasing of bandwidth agreement” dated October 25, 2007 with TTSL. The arrangement also requires TTML to maintain the fiber given to TTSL in Mumbai and Rest of Maharashtra and Goa. Contract Value: Rs. 2 (Value till 31.03.2020 (YTD) is Rs. 1.00 Crore)
Other Income (Lease Income & Related Expenses Recovery Turbhe)	April 1, 2018 - March 31, 2021	Lease Income (Turbhe): Based on Independent Valuation, 51,478 Sq. ft. Leased to TTSL for a consideration of Rs. 25.75 Lakhs of rent per month. Recovery of housekeeping & facilities expense: At Actual without Mark-up. Contract Value: Rs. 18 Crores for rent (excluding taxes) and reimbursement of housekeeping, electricity and fuel charges etc. at actual. (Value till 31.03.2020 (YTD) is Rs. 13.85 Crores including reimbursements).
Cost Sharing	April 1, 2018 - March 31, 2021	Sharing of common resources is based on “Various Ratios” without Mark-up. Contract Value: Rs. 130 Crores p.a. (Value till 31.03.2020 (YTD) Rs.74.16 Crores).

For and on behalf of the Board of Directors

Ankur Verma
Director
DIN: 07972892

N. Srinath
Director
DIN: 00058133

Place: Navi Mumbai
Date: August 12, 2020

Annexure – IV to the Directors' Report

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

a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-2020:

Non-Executive Directors	Ratio to median remuneration
Ms. Hiroo Mirchandani	0.82
Dr. Narendra Damodar Jadhav	0.82
Mr. Kumar Ramanathan*	0.21
Mr. Thambiah Elango	0.06
Mr. Ankur Verma	0.37
Mr. D. T. Joseph@	0.36

* Appointed w.e.f. September 24, 2019
@ Resigned w.e.f. September 21, 2019

Remuneration was paid to the above Non–Executive Directors was by way of sitting fees only.

Managing Director	Ratio to median remuneration*
Mr. N. Srinath	---

* The Managing Director does not draw any remuneration from the Company.

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2019-2020:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. N. Srinath (Managing Director)*	N.A.
Mr. Kush S. Bhatnagar - Chief Financial Officer	6%
Ms. Vrushali Dhamnaskar – Assistant Company Secretary	7%

* Mr. N. Srinath does not draw any remuneration from the Company.

c. The percentage increase in the median remuneration of employees in the financial year: 7%.
(Increase on Median remuneration has been taken for on-roll employees as on March 31, 2020)

d. The number of permanent employees on rolls of the Company: 368.

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

The average annual increase for the year was 5% in case of employees other than managerial personnel.

f. Affirmation that the remuneration is as per the remuneration policy of the Company:
The Company affirms that the remuneration paid is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

Ankur Verma
Director
DIN: 07972892

N. Srinath
Director
DIN: 00058133

Place: Navi Mumbai
Date: August 12, 2020

Annexure – V to the Directors' Report

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2020
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	**CIN**	:	L64200MH1995PLC086354
ii	**Registration Date**	:	March 13, 1995
iii	**Name of the Company**	:	Tata Teleservices (Maharashtra) Limited
iv	▪ **Category** ▪ **Sub-Category of the Company**	:	▪ Company limited by Shares ▪ Indian Non-Government Company
v	**Address of the Registered Office and contact details**	:	Voltas Premises, T. B. Kadam Marg, Chinchpokli, Mumbai – 400 033 Tel. :91 22 6667 1414 Fax: 91 22 6660 5335 Email: investor.relations@tatatel.co.in
vi	**Whether listed company**	:	Yes
vii	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	:	TSR Darashaw Consultants Private Limited 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Near Famous Studio, Mahalaxmi, Mumbai – 400 011 Tel.: 91 22 6656 8484 Fax: 91 22 6656 8494 / 6656 8496 Email: csg-unit@tsrdarashaw.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY. All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Wired telecommunications activities	611	95
2	Wireless telecommunications activities	612	5

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Tata Teleservices Limited **Address:** 10th Floor, Tower I, Jeevan Bharati, 124 Connaught Circus, New Delhi – 110 001	U74899DL1995PLC066685	Holding Company	48.30%	2(46)
2	Tata Sons Private Limited **Address**: Bombay House, 24, Homi Mody Street, Mumbai – 400 001	U99999MH1917PTC000478	Holding Company	19.58%	2(46)

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

(i) Category-wise Share Holding

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019)				No. of Shares held at the end of the year (as on March 31, 2020)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	**Promoters & Promoter Group**									
1)	**Indian**									
A	Individual / HUF	0	0	0	0.00	0	0	0	0.00	0.00
B	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
C	State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
D	Bodies Corporate	1453672327	0	1453672327	74.36	1453672327	0	1453672327	74.36	0.00
E	Banks / FIs	0	0	0	0.00	0	0	0	0.00	0.00
F	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub - Total (A) (1)		**1453672327**	**0**	**1453672327**	**74.36**	**1453672327**	**0**	**1453672327**	**74.36**	**0.00**
2)	**Foreign**									
A	NRIs / Individuals	0	0	0	0.00	0	0	0	0.00	0.00
B	Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
C	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
D	Banks / FIs	0	0	0	0.00	0	0	0	0.00	0.00
E	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub - Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoters & Promoter Group (A) = (A) (1) + (A) (2)		**1463554409**	**0**	**1463554409**	**74.36**	**1453672327**	**0**	**1453672327**	**74.36**	**0.00**
B	**Public Shareholding**									
1)	**Institutions**									
A	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
B	Banks / FIs	1041115	0	1041115	0.05	59469	0	59469	0.00	(0.05)
C	Central Govt.	2266	0	2266	0.00	2266	0	2266	0.00	0.00
D	State Govt.	41933	0	41933	0.00	41933	0	41933	0.00	0.00
E	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
F	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
G	FIIs	0	0	0	0.00	0	0	0	0.00	0.00
H	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
I	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
J	Others (please specify)									
j-i	Foreign Portfolio Investors (Corporate)	5278884	0	5278884	0.27	30656	0	30656	0.00	(0.27)
j-ii	Foreign Bodies	0	0	0	0.00	0	0	0	0.00	0.00
j-iii	NRIs									
j-iii-a	Individual shareholding nominal shares upto Rs. 1 Lakh	3243732	33297	3277029	0.17	3080769	33297	3114066	0.16	(0.01)
j-iii-b	Individual shareholding nominal shares in excess of Rs.1 lakh	10715062	0	10715062	0.55	13182085	0	13182085	0.67	0.13

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019)				No. of Shares held at the end of the year (as on March 31, 2020)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub – total (B) (1)		**20322992**	**33297**	**20356289**	**1.04**	**16397178**	**33297**	**16430475**	**0.84**	**(0.20)**
2)	**Non - Institutions**									
a	Bodies Corporate									
(i)	Indian	33897564	3399	33900963	1.73	22460803	3399	22464202	1.15	(0.59)
(ii)	Overseas	1133	0	1133	0.00	1133	0	1133	0.00	0.00
b	Individuals									
(i)	Individual shareholders having nominal share capital upto Rs. 1 Lakh	237212639	2707868	239920507	12.27	230387512	2665320	233052832	11.92	(0.35)
(ii)	Individual shareholders having nominal share capital in excess of Rs. 1 Lakh	207036447	0	207036447	10.59	229167821	0	229167821	11.72	1.13
c	Others (please specify)	0	0	0	0.00	0	0	0	0.00	0.00
c.i	Trusts	40061	0	40061	0.00	39072	0	39072	0.00	0.00
c.ii	Directors & their relatives	0	0	0	0.00	0	0	0	0.00	0.00
Sub – total (B) (2)		**478187844**	**2711267**	**480899111**	**24.60**	**482156206**	**2668719**	**484824925**	**24.80**	**0.20**
Total Public Shareholding (B) = (B) (1) + (B) (2)		**498510836**	**2744564**	**501255400**	**25.64**	**498553384**	**2702016**	**501255400**	**25.64**	**0.00**
Grand Total (A + B + C)		**1952183163**	**2744564**	**1954927727**	**100.00**	**1952225711**	**2702016**	**1954927727**	**100.00**	**0.00**

(ii) Shareholding of Promoters (including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as on April 1, 2019)			Shareholding at the end of the year (as on March 31, 2020)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Tata Teleservices Limited (Promoter)	944174817	48.30	26.00	944174817	48.30	0.00	0.00
2	The Tata Power Company Limited *	126720193	6.48	0.00	126720193	6.48	0.00	0.00
3	Tata Sons Private Limited (Promoter)	382759467	19.58	0.00	382759467	19.58	0.00	0.00
4	Panatone Finvest Limited *	17850	0.00	0.00	17850	0.00	0.00	0.00
	Total	**1453672327**	**74.36**	**26.00**	**1453672327**	**74.36**	**0.00**	**0.00**

** Part of Promoter Group*

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

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year (as on April 1, 2019)		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company			No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
1	Tata Teleservices Limited (Promoter)	944174817	48.30		No change	0	0.00	944174817	48.30
				31.03.2020	At the end of the year			944174817	48.30
2	Tata Sons Private Limited (Promoter)	382759467	19.58		No change	0	0.00	382759467	19.58
				31.03.2020	At the end of the year			382759467	19.58
3	The Tata Power Company Limited *	126720193	6.48		No change	0	0.00	126720193	6.48
				31.03.2020	At the end of the year			126720193	6.48
4	Panatone Finvest Limited *	17850	0.00		No change	0	.00	17850	0.00
				31.03.2020	At the end of the year			17850	0.00

** Part of Promoter Group*

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

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on April 1, 2019		Date	Reason	Purchase of Shares/Decrease in Shareholding		Cumulative Shares during the year	
			No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
1	AAACS6183R	Eco Recycling Limited	3500000	0.18					3500000	0.18
					07.06.2019	Sale of shares	(500000)	(0.03)	3000000	0.15
					02.08.2019	Purchase of shares	133365	0.01	3133365	0.16
					23.08.2019	Purchase of shares	726506	0.04	3859871	0.20
					30.08.2019	Purchase of shares	172953	0.01	4032824	0.21
					20.09.2019	Sale of shares	(32824)	0.00	4000000	0.20
					31.03.2020	**At the end of the year**			**4000000**	**0.20**
2	AQVPM9675J	Niranjan Mohanty	1242638	0.06					1242638	0.06
					28.06.2019	Purchase of shares	96728	0.00	1339366	0.07
					05.07.2019	Purchase of shares	591535	0.03	1930901	0.10
					12.07.2019	Purchase of shares	574106	0.03	2505007	0.13
					09.08.2019	Purchase of shares	477000	0.02	2982007	0.15
					30.08.2019	Purchase of shares	400000	0.02	3382007	0.17
					13.09.2019	Purchase of shares	50000	0.00	3432007	0.18
					20.09.2019	Purchase of shares	30000	0.00	3462007	0.18
					25.10.2019	Purchase of shares	75200	0.00	3537207	0.18
					01.11.2019	Purchase of shares	117215	0.01	3654422	0.19
					13.12.2019	Purchase of shares	141000	0.01	3795422	0.19
					27.03.2020	Purchase of shares	1000	0.00	3796422	0.19
					31.03.2020	**At the end of the year**			**3796422**	**0.19**

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on April 1, 2019		Date	Reason	Purchase of Shares/Decrease in Shareholding		Cumulative Shares during the year	
			No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
3	AAZPL8375Q	C Loganathan	3674309	0.19					3674309	0.19
					26.07.2019	Purchase of shares	780	0	3675089	0.19
					31.03.2020	**At the end of the year**			**3675089**	**0.19**
4	AIAPS3756P	Fateh Singh	1800751	0.09					1800751	0.09
					05.04.2019	Purchase of shares	119249	0.01	1920000	0.10
					12.04.2019	Purchase of shares	60000	0.00	1980000	0.10
					26.04.2019	Purchase of shares	50000	0.00	2030000	0.10
					03.05.2019	Purchase of shares	74410	0.00	2104410	0.11
					10.05.2019	Purchase of shares	45590	0.00	2150000	0.11
					31.05.2019	Purchase of shares	110000	0.01	2260000	0.12
					07.06.2019	Purchase of shares	385000	0.02	2645000	0.14
					14.06.2019	Purchase of shares	5000	0.00	2650000	0.14
					12.07.2019	Purchase of shares	75000	0.00	2725000	0.14
					19.07.2019	Purchase of shares	25000	0.00	2750000	0.14
					09.08.2019	Purchase of shares	190000	0.01	2940000	0.15
					06.09.2019	Purchase of shares	60000	0.00	3000000	0.15
					08.11.2019	Purchase of shares	100000	0.01	3100000	0.16
					15.11.2019	Purchase of shares	100000	0.01	3200000	0.16
					07.02.2020	Purchase of shares	100000	0.01	3300000	0.17
					14.02.2020	Purchase of shares	33333	0.00	3333333	0.17
					31.03.2020	**At the end of the year**			**3333333**	**0.17**
5	AGVPK5476F	Aniruddha Kar	1152342	0.06					1152342	0.06
					05.04.2019	Purchase of shares	32787	0.00	1185129	0.06
					12.04.2019	Purchase of shares	66121	0.00	1251250	0.06
					19.04.2019	Sale of shares	(33334)	0.00	1217916	0.06
					26.04.2019	Purchase of shares	66668	0.00	1284584	0.07
					03.05.2019	Purchase of shares	101716	0.01	1386300	0.07
					10.05.2019	Sale of shares	(990186)	(0.05)	396114	0.02
					10.05.2019	Purchase of shares	990186	0.05	1386300	0.07
					17.05.2019	Purchase of shares	144205	0.01	1530505	0.08
					24.05.2019	Purchase of shares	37736	0.00	1568241	0.08
					31.05.2019	Purchase of shares	38462	0.00	1606703	0.08
					07.06.2019	Sale of shares	(100000)	(0.01)	1506703	0.08
					21.06.2019	Sale of shares	(300000)	(0.02)	1206703	0.06
					28.06.2019	Sale of shares	(277133)	(0.01)	929570	0.05
					05.07.2019	Sale of shares	(28270)	0.00	901300	0.05
					19.07.2019	Purchase of shares	241671	0.01	1142971	0.06
					26.07.2019	Purchase of shares	306762	0.02	1449733	0.07
					02.08.2019	Purchase of shares	173441	0.01	1623174	0.08
					09.08.2019	Purchase of shares	214333	0.01	1837507	0.09
					23.08.2019	Purchase of shares	74075	0.00	1911582	0.10
					30.08.2019	Purchase of shares	125981	0.01	2037563	0.10
					06.09.2019	Purchase of shares	237715	0.01	2275278	0.12

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on April 1, 2019		Date	Reason	Purchase of Shares/Decrease in Shareholding		Cumulative Shares during the year	
			No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
					13.09.2019	Purchase of shares	11000	0.00	2286278	0.12
					18.10.2019	Purchase of shares	26416	0.00	2312694	0.12
					01.11.2019	Purchase of shares	78432	0.00	2391126	0.12
					13.12.2019	Purchase of shares	141673	0.01	2532799	0.13
					20.12.2019	Purchase of shares	23434	0.00	2556233	0.13
					07.02.2020	Sale of shares	(742407)	(0.04)	1813826	0.09
					14.02.2020	Purchase of shares	(645456)	(0.03)	1168370	0.06
					21.02.2020	Purchase of shares	150000	0.01	1318370	0.07
					28.02.2020	Purchase of shares	200000	0.01	1518370	0.08
					6.03.2020	Purchase of shares	100000	0.01	1618370	0.08
					13.03.2020	Purchase of shares	**400000**	**0.02**	**2018370**	**0.10**
					20.03.2020	Purchase of shares	**398351**	**0.02**	**2416721**	**0.12**
					27.03.2020	Purchase of shares	**350000**	**0.02**	**2766721**	**0.14**
					31.03.2020	Purchase of shares	**200000**	**0.01**	**2966721**	**0.15**
					31.03.2020	**At the end of the year**			2966721	0.15
6	ACGPB3738A	Pravesh Babu	291969	0.01					291969	0.01
					05.04.2019	Purchase of shares	67609	0.00	359578	0.02
					12.04.2019	Purchase of shares	4990	0.00	364568	0.02
					19.04.2019	Purchase of shares	5650	0.00	370218	0.02
					26.04.2019	Purchase of shares	2710	0.00	372928	0.02
					17.05.2019	Purchase of shares	80700	0.00	453628	0.02
					24.05.2019	Purchase of shares	40600	0.00	494228	0.03
					14.06.2019	Purchase of shares	7644	0.00	501872	0.03
					21.06.2019	Sale of shares	(197994)	(0.01)	303878	0.02
					28.06.2019	Sale of shares	(84998)	0.00	218880	0.01
					05.07.2019	Purchase of shares	546000	0.03	764880	0.04
					19.07.2019	Purchase of shares	145200	0.01	910080	0.05
					26.07.2019	Purchase of shares	36529	0.00	946609	0.05
					09.08.2019	Purchase of shares	17400	0.00	964009	0.05
					16.08.2019	Purchase of shares	364438	0.02	1328447	0.07
					23.08.2019	Purchase of shares	71493	0.00	1399940	0.07
					30.08.2019	Purchase of shares	273474	0.01	1673414	0.09
					06.09.2019	Sale of shares	(75000)	0.00	1598414	0.08
					13.09.2019	Purchase of shares	1060061	0.05	2658475	0.14
					20.09.2019	Purchase of shares	640530	0.03	3299005	0.17
					27.09.2019	Purchase of shares	1025544	0.05	4324549	0.22
					11.10.2019	Purchase of shares	1589	0.00	4326138	0.22
					18.10.2019	Purchase of shares	526000	0.03	4852138	0.25
					25.10.2019	Sale of shares	(424808)	(0.02)	4427330	0.23
					01.11.2019	Sale of shares	(439280)	(0.02)	3988050	0.20
					08.11.2019	Purchase of shares	20010	0.00	4008060	0.21
					15.11.2019	Purchase of shares	170959	0.01	4179019	0.21

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on April 1, 2019		Date	Reason	Purchase of Shares/Decrease in Shareholding		Cumulative Shares during the year	
			No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
					22.11.2019	Sale of shares	(979019)	(0.05)	3200000	0.16
					13.12.2019	Sale of shares	(80002)	0.00	3119998	0.16
					20.12.2019	Purchase of shares	1	0.00	3119999	0.16
					10.01.2020	Sale of shares	(599665)	(0.03)	2520334	0.13
					31.01.2020	Purchase of shares	89310	0.00	2609644	0.13
					07.02.2020	Purchase of shares	100	0.00	2609744	0.13
					14.02.2020	Sale of shares	158212	0.01	2767956	0.14
					21.02.2020	Sale of shares	1001	0.00	2768957	0.14
					28.02.2020	Purchase of shares	60000	0.00	2828957	0.14
					06.03.2020	Purchase of shares	25000	0.00	2,853,957	0.15
					20.03.2020	Sale of shares	28409	0.00	2882366	0.15
					27.03.2020	Sale of shares	2302	0.00	2884668	0.15
					31.03.2020	Purchase of shares	1700	0.00	2886368	0.15
					31.03.2020	**At the end of the year**			**2886368**	**0.15**
7	AAVPM4685Q	Pushpa A Madrecha	776308	0.04					776308	0.04
					09.08.2019	Purchase of shares	522228	0.03	1298536	0.07
					11.10.2019	Purchase of shares	5000	0.00	1303536	0.07
					18.10.2019	Purchase of shares	45000	0.00	1348536	0.07
					22.11.2019	Purchase of shares	2800	0.00	1351336	0.07
					24.01.2020	Purchase of shares	512440	0.03	1863776	0.10
					31.01.2020	Purchase of shares	100000	0.01	1963776	0.10
					14.02.2020	Purchase of shares	361000	0.02	2324776	0.12
					21.02.2020	Purchase of shares	192500	0.01	2517276	0.13
					28.02.2020	Purchase of shares	96000	0.00	2613276	0.13
					06.03.2020	Purchase of shares	94000	0.00	2707276	0.14
					20.03.2020	Purchase of shares	86787	0.00	2794063	0.14
					31.03.2020	Purchase of shares	13213	0.00	2807276	0.14
					31.03.2020	**At the end of the year**			**2807276**	**0.14**
8	AEUPM6333A	Ashok Kumar Madrecha	2028975	0.10					2028975	0.10
					19.04.2019	Purchase of shares	900	0.00	2029875	0.10
					26.04.2019	Purchase of shares	9000	0.00	2038875	0.10
					17.05.2019	Purchase of shares	18000	0.00	2056875	0.11
					24.05.2019	Purchase of shares	10800	0.00	2067675	0.11
					31.05.2019	Purchase of shares	56025	0.00	2123700	0.11
					13.09.2019	Purchase of shares	25000	0.00	2148700	0.11
					20.09.2019	Purchase of shares	6321	0.00	2155021	0.11
					11.10.2019	Purchase of shares	131000	0.01	2286021	0.12
					18.10.2019	Purchase of shares	7500	0.00	2293521	0.12
					31.03.2020	Purchase of shares	90000	0.00	2383521	0.12
					31.03.2020	**At the end of the year**	**0**		**2383521**	**0.12**

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on April 1, 2019		Date	Reason	Purchase of Shares/Decrease in Shareholding		Cumulative Shares during the year	
			No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
9	ABZPN5198A	Shaheen Mehamood Shaikh	0	0.00					0	0.00
					14.02.2020	Purchase of shares	1022000	0.05	1022000	0.05
					21.02.2020	Purchase of shares	783000	0.04	1805000	0.09
					20.03.2020	Purchase of shares	135935	0.01	1940935	0.10
					31.03.2020	**At the end of the year**	**0**		**1940935**	**0.10**
10	AACCA2570L	Abinandan Holdings Private Limited	1600000	0.08					1600000	0.08
					29.11.2019	Sale of shares	(94)	0.00	1599906	0.08
					31.03.2020	**At the end of the year**	**0**		**1599906**	**0.08**

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (as on April 1, 2019)		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
1	**Ms. Hiroo Mirchandani (Independent Director)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
2	**Dr. Narendra Damodar Jadhav (Independent Director)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
3	**Mr. Kumar Ramanathan (Independent Director)@**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
4	**Mr. Thambiah Elango (Non-Executive Director)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
5	**Mr. Ankur Verma (Non-Executive Director)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (as on April 1, 2019)		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
6	**Mr. N. Srinath (Managing Director)#**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
7	**Mr. D. T. Joseph (Independent Director)***				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
8	**Mr. Kush S. Bhatnagar (Chief Financial Officer)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
9	**Ms. Vrushali Dhamnaskar (Assistant Company Secretary)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

@ Appointed w.e.f. September 24, 2019
* Resigned w.e.f. September 21, 2019
# Term as Managing Director ended on March 31, 2020.

V. INDEBTEDNESS:

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

(Rs. in Crores)

Indebtedness at the beginning of the financial year	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
(i) Principal Amount	752	17,166	-	17,917
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	8	-	8
(iv) Interest accrued but not due-DPL	-	109	-	109
Total (i+ii+iii+iv)	**752**	**17,283**	**-**	**18,035**
Change in Indebtedness during the financial year				
▪ Addition	489	27,188	-	27,677
▪ Reduction	48	28,944	-	28,992
Net Change	**441**	**(1,756)**	**-**	**(1,316)**

Indebtedness at the beginning of the financial year	**Secured Loans excluding Deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the end of the financial year				
(i) Principal Amount	1,192	15,509	-	16,702
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	17	-	17
(iv) Interest accrued but not due-DPL	-	-	-	-
Total (i+ii+iii+iv)	**1,192**	**15,527**	**-**	**16,719**

Note: Please note, since details are sought for indebtedness, trade deposits are not covered here accordingly.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	**Particulars of Remuneration**	**Name of MD / WTD / Manager**	**Total Amount**
		Mr. N. Srinath (Managing Director)	
1	Gross salary	Mr. Srinath, Managing Director, does not draw any remuneration from the Company.	
	a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961		
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961		
	c. Profits in lieu of salary under Section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- Others, specify…		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other directors:

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of the Directors						Total Amount
		Ms. Hiroo Mirchandani (Independent Director)	Dr. Narendra Damodar Jadhav (Independent Director)	Mr. Kumar Ramanathan (Independent Director)@	Mr. Ankur Verma (Non-Executive Director)	Mr. Thambiah Elango (Non-Executive Director)#	Mr. D. T. Joseph (Independent Director)*	
1	**Independent Directors**							
	a. Fee for attending Board / Committee meetings	8,00,000	8,00,000	2,00,000	0	0	3,50,000	21,50,000
	b. Commission	0	0	0	0			0
	c. Others, please specify	0	0	0	0			0
	Total (1)	**8,00,000**	**8,00,000**	**2,00,000**	**0**	**0**	**3,50,000**	**21,50,000**
2	**Other Non-Executive Directors**							
	a. Fee for attending Board / Committee meetings	0	0	0	3,60,000	60,000	0	4,20,000
	b. Commission	0	0	0	0			0
	c. Others, please specify	0	0	0	0			0
	Total (2)	**0**	**0**	**0**	**3,60,000**	**60,000**	**0**	**4,20,000**
Total (B) = (1+2)		**8,00,000**	**8,00,000**	**2,00,000**	**3,60,000**	**60,000**	**3,50,000**	**25,70,000**
Total Managerial Remuneration								Nil
Overall Ceiling as per the Act		Not applicable as only sitting fees paid						

@ Appointed w.e.f. September 24, 2019
* Resigned w.e.f. September 21, 2019
# sitting fees was paid w.e.f. November 15, 2019

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD:

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Kush S. Bhatnagar (Chief Financial Officer)	Ms. Vrushali Dhamnaskar (Assistant Company Secretary)	Total
1	Gross Salary	1,19,69,927.00	11,56,821.00	1,31,26,748.00
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	a. as % of profit	0	0	0
	b. Others, specify	0	0	0
5	Others, please specify	0	0	0
	Total	**1,19,69,927.00**	**11,56,821.00**	**1,31,26,748.00**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

For and on behalf of the Board of Directors

Ankur Verma
Director
DIN: 07972892

N. Srinath
Director
DIN: 00058133

Place: Navi Mumbai
Date: August 12, 2020

Annexure – VI to the Directors' Report
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and the rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Tata Teleservices (Maharashtra) Limited,
Voltas Premises, T. B. Kadam Marg,
Chinchpokli, Mumbai - 400033

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tata Teleservices (Maharashtra) Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts I statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 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) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (during the year under review not applicable to the Company);

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

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

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

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (during the period under review not applicable to the Company);

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (during the period under review not applicable to the Company);

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (during the period under review not applicable to the Company);

   (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 (during the period under review not applicable to the Company);

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company); and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);

(vi) Telecom Regulatory Authority of India Act, 1997 with rules thereunder

(vii) The Indian Telegraph Act, 1885

(viii) The Indian Wireless Telegraphy Act, 1993

We have examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

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

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc. mentioned above subject to the following observations:

a) As per Regulation 33(1)(a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 there was a delay of 1 day in submitting the quarterly financial statements for September 2019 quarter to both NSE & BSE and a fine of INR 5,000 + 14% GST i.e. 700 (Total INR 5,700) was paid to both NSE & BSE;

b) Financial Statements along with the Limited Review Report for the quarter ended June 2019 was submitted to the Stock Exchange on Aug 07, 2019, however the revised Limited Review Report was re-submitted again on Aug 08, 2019.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We 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.

We further report that during the audit period the Company had the following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

a) Department of Telecommunication (DoT) issued approval on the Scheme of Arrangement between the Company and Bharti Airtel Limited (BAL) subject to certain conditions on April 10, 2019 to the Company, some of which were subsequently been stayed/modified by Telecom Disputes Settlement and Appellate Tribunal (TDSAT) vide its order dated April 22, May 2 and May 6, 2019.

b) TDSAT directed DoT to take on record the demerger subject to fulfilment of conditions. The company has reported compliance with such conditions to DoT vide letter dated May 22, 2019.

c) National Company Law Tribunal, vide its order dated June 12, 2019, approved July 1, 2019 as the Appointed Date under the TTML Scheme. On June 25, 2019 the company filed NCLT orders with the Registrar of Companies Mumbai with the Appointed Date of July 1, 2019. The Company informed DoT vide letter dated June 26, 2019 of NCLT orders and filing of those with Registrar of Companies (RoCs) Mumbai and further informed that the merger of Consumer Mobile business of the Company to Bharti Airtel Limited has been completed with an Appointed and Effective Date of 1st July 2019.

d) However, DoT wrote on July 5th, 2019 to RoC Mumbai and RoC Delhi with a copy to the company and BAL and requested RoCs not to take any further action in the matter as DoT had not issued final approval. The Companies in a Joint letter to RoCs pointed out that the forms filed had been approved by ROC offices and thus all actions related to the Schemes that are relevant for ROC offices had already been completed in accordance with applicable laws and therefore there were no further actions required from them. RoC's reply to the above mentioned joint letter is awaited.

e) The members at their Annual General Meeting held on September 20, 2019 approved the following:

   (i) Issue of Non-Cumulative Redeemable Preference Shares - Series 5 on Preferential Basis;
   (ii) Issue of Non-Convertible Debentures on Private Placement.

f) The Finance Committee of the Company vide Circular Resolutions approved the following:

S. NO.	Date	Particulars
1.	May 06, 2019	Approval for roll over/fresh issuance of Commercial Papers for an amount upto Rs. 5,23,00,00,000 (Rupees Five Hundred and Twenty Three Crores)
2.	June 17, 2019	Approval for roll over/fresh issuance of Commercial Papers for an amount upto Rs. 27,00,00,00,000 (Rupees Two Thousand Seven Hundred Crores)
3.	June 20, 2019	Issuance of Commercial Papers for an amount upto Rs. 5,00,00,00,000 (Rupees Five Hundred Crores)
4.	July 18, 2019	Issuance of Commercial Papers for an amount upto Rs. 25,55,00,00,000 (Rupees Two Thousand Five Hundred and Fifty Five Crores)

S. NO.	Date	Particulars
5.	September 24, 2019	Issuance of Commercial Papers for an amount upto Rs. 27,00,00,00,000 (Rupees Two Thousand Seven Hundred Crores)
6.	October 01, 2019	Issuance of Commercial Papers for an amount upto Rs. 10,20,00,00,000 (Rupees One Thousand and Twenty Crores)
7.	December 16, 2019	Approval for Fresh Issuance, Allotment & Listing of Commercial Papers & obtaining term loan for an aggregate amount upto INR 40,20,00,00,000 (INR Four Thousand and Twenty Crores Only)
8.	January 16, 2020	Approval for availing term loan upto INR 8,00,00,00,000 (Rupees Eight Hundred Crores Only) from Standard Chartered Bank (SCB) and Fresh Issuance of Commercial papers for an amount of I INR 7,00,00,00,000 (Rupees Seven Hundred Crores Only)

Note: Due to lockdown under COVID-19, Certification on this Form MR-3 is done on the basis of few documents are made available to us in electronic form (i.e. share drive on internet) by the Secretarial Team of the Company and such documents will be verified physically after the lockdown is lifted.

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

Atul Mehta
Partner
PCS No.: 5782
CP No.: 2486

Place: Mumbai
Date: June 02, 2020
UDIN: F005782B000309085

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

Annexure A

To,
The Members,
Tata Teleservices (Maharashtra) Limited,
Voltas Premises, T. B. Kadam Marg,
Chinchpokli, Mumbai - 400033

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

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

4) Wherever required, we 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 laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in points vi, vii and viii of our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

7) 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.

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

Atul Mehta
Partner
PCS No.: 5782
CP No.: 2486

Place: Mumbai
Date: June 02, 2020
UDIN: F005782B000309085

BUSINESS RESPONSIBILITY REPORT

[Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	**Corporate Identity Number (CIN) of the Company**	L64200MH1995PLC086354
2	**Name of the Company**	Tata Teleservices (Maharashtra) Limited
3	**Registered Office Address**	Voltas Premises, T. B. Kadam Marg, Chinchpokli, Mumbai – 400 033 Effective July 27, 2020, Registered Office Address changed to D-26, TTC Industrial Area, MIDC Sanpada, P. O., Turbhe, Navi Mumbai - 400 703
4	**Website**	www.tatateleservices.com
5	**E-mail id**	investor.relations@tatatel.co.in
6	**Financial Year reported**	April – March
7	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	611 - Wired Telecommunications Activities
8	**List three key products / services that the Company manufactures / provides (as in balance sheet)**	Providing telecommunication services including broadband and internet services.
9	**Total number of locations where business activity is undertaken by the Company**	
	(a) Number of International Locations (Provide details of major 5)	Not Applicable
	(b) Number of National Locations	Mumbai and Rest of Maharashtra (including Goa)
10	**Markets served by the Company – Local / State / National / International**	States i.e., Maharashtra and Goa

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	**Paid up Capital (INR)**	Rs. 1,954,92,77,270/-
2	**Total Turnover (INR)**	Rs. 1,077,74,54,310.61
3	**Total profit after taxes (INR)**	Rs. (3,714,10,94,922.46)
4	**Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**	The Company did not make profits in the past 3 financial years; hence it does not have any budgeted CSR expenditure. However, in keeping with the Tata Group's philosophy of giving back to the society, all the initiatives are managed with internal resources by the employees on voluntary basis.
5	**List of activities in which expenditure in 4 above has been incurred**	As mentioned above, volunteering initiatives were undertaken and managed by the employees.

SECTION C: OTHER DETAILS

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

SECTION D: BR INFORMATION

1	Details of Director / Directors responsible for BR			
	(a)	**Details of the Director/Director responsible for implementation of the BR policy/policies** - Corporate Social Responsibility Committee comprising of Dr. Narendra Damodar Jadhav (DIN 02435444), Mr. Ankur Verma (DIN:07972892) and Mr. N. Srinath (DIN:00058133) Directors.		
	(b)	**Details of the BR Head**		
		No.	**Particulars**	**Details**
		1	**DIN Number (if applicable)**	NA
		2	**Name**	Saurav Chakrabarti
		3	**Designation**	Vice President – Quality
		4	**Telephone Number**	91 22 66615111
		5	**e-mail id**	Saurav.chakrabarti@tatatel.co.in

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

The 9 principles outlined in the National Voluntary Guidelines are as follows:

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

(a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	**Do you have a policy/policies for............**	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*
2	**Has the policy being formulated in consultation with the relevant stakeholders?**	Yes. The Company has adopted the Tata Code of Conduct ("TCoC") policy developed by Tata Group. The development of TCoC was done based on the comprehensive deliberations and research on the globally followed best practices.								
3	**Does the policy conform to any national / international standards? If yes, specify?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	**Has the policy being approved by the Board? Is yes, has it been signed by MD / owner / CEO / appropriate Board Director?**	Yes. The policy has been approved by the Board and signed by the appropriate Director.								
5	**Does the Company have a specified Committee of the Board / Director / Official to oversee the implementation of the policy?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	**Indicate the link for the policy to be viewed online?**	https://corporate.tatateleservices.com/Downloads/Tata-Code-Of-Conduct-2015.pdf								
7	**Has the policy been formally communicated to all relevant internal and external stakeholders?**	The policy has been formally communicated to internal stakeholders. The communication of TCoC is extended to suppliers, vendors, dealers and channel partners.								

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
8	**Does the Company have in-house structure to implement the policy / policies?**	The Company has established in-house structures to implement the policy.								
9	**Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?**	Yes. The Company has Ethics compliance structure in place which is led by the Chief Ethics Counsellor. This ensures effective deployment of TCoC as well as a redressal mechanism for any ethical issues. A dedicated 24/7 helpline is also in place for anyone to register a complaint.								
10	**Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?**	Yes. Adherence to Tata Code of Conduct and deployment in letter and spirit are discussed within the leadership team at regular intervals and reported to the Board, as appropriate.								

* Tata Code of Conduct

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	Not applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

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

Yes. The BR Performance of the company would be reviewed annually.

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

Yes. The first BR Report of the Company has been prepared and would be published on the Company's website. The BR Report would be published annually.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

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

No. The Tata Code of Conduct ("TCoC") governs the process of engagement with all stakeholders with respect to all business dealings.

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

During the financial year 2019-2020,

- Total five (5) cases were received under TCoC.
- Total four (4) cases were closed as on March 31, 2020.
- 5th case was closed in June 2020.
- Nil complaints were received under our Whistle-blower Policy

Principle 2

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

The Company is in the business of telecommunication and provides Connectivity, Collaboration and Cloud & SaaS solutions, amongst other value-added telecom services, to its customers. These services have been designed to help customers reduce their carbon footprint by minimizing travel without compromising on business needs. This has led to a positive impact on the environment.

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

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

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

During the year, emphasis was placed on optimum utilization of assets leading to rollback of sites in some areas and network being aligned to serve the Enterprise Business Unit.

The following steps were taken towards conservation of energy:

a. Electricity and Diesel Generators are used for the powering of the Company's telephone exchanges and other network infrastructure equipment. The Company regularly reviews power consumption patterns across its network and has implemented various innovative projects including green initiatives to optimize power consumption which resulted into cost savings and reduction of carbon footprint.

b. The initiative on energy conservation has resulted into reduction of 0.34 Million units of energy consumption, carbon foot-print reduction of 17,381 TCO2 for the financial year 2019-2020.

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

In line with the Tata Group philosophy, the Company follows a sourcing approach which takes into account environmental, social and ethical factors. The Company has a stated Environment Policy and Health & Safety Policy and continually works with its vendors and suppliers to reduce the environmental impacts of sourcing.

TTML's procurement is restricted to network equipment (mostly electronic) and other standard office supplies. The sustainable sourcing for the Company starts from the supplier selection process wherein all suppliers are mandatorily required to abide by the Tata Code of Conduct, thereby committing to ethical ways of doing business in letter and spirit. This also ensures that they supply us products which promote sustainability. Once procured, the distribution and delivery process also factors in optimal route planning for reduction in carbon footprint.

The other major input for our business is electricity. The Company sources electricity from power generating companies which promote and use renewable resources for power generation. This way also the Company contributes to reduction in carbon footprint.

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

Keeping in mind the primary parameters of quality and reliability, the Company procures various materials from local sources, where local is defined as the State where the Company is offering its telecom services. The Company also takes initiatives in enhancing the capabilities of local and small vendors. The Company also encourages its suppliers / dealers to adopt such practices to promote local and small vendors.

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

   The major concern for any telecom Company with regard to waste management is the volume of e-waste generated. At TTML, there is a clear directive of taking the material through various stages of screening before declaring any material scrap. This screening process focusses on exploring reusability and recyclability of the material and looking for possible ways to prevent such scrap generation in future. Once a material is declared scrap, a designated team approves the final disposal. It is ensured that such scrap is channelized to authorized collection centers or registered dismantler(s) or recycler(s) or is returned to the pickup or take back services provided by the original equipment manufacturers. Around 10% material has been declared scrap during Financial Year 2019-2020.

Principle 3

1. **Please indicate the Total number of employees:** The Company has 368 on-roll employees as on March 31, 2020.

2. **Please indicate the Total number of employees hired on temporary / contractual / casual basis:** The Company has 424 employees on temporary / contractual / casual basis as on March 31, 2020.

3. **Please indicate the Number of permanent women employees:** The Company has 45 on-roll women employees as on March 31, 2020.

4. **Please indicate the Number of permanent employees with disabilities:** Nil.

5. **Do you have an employee association that is recognized by management:** No.

6. **What percentage of your permanent employees is members of this recognized employee association?** Not applicable.

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	**Child labour / forced labour / involuntary labour**	No complaints were received during the financial year 2019-2020.	
2	**Sexual harassment**		
3	**Discriminatory employment**		

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

		Total	Imparted Training	% age
(a)	Permanent Employees	368	361	98%
(b)	Permanent Women Employees	45	44	98%
(c)	Casual/Temporary/ Contractual Employees	Nil	Nil	Nil
(d)	Employees with Disabilities	Nil	Nil	Nil

Principle 4

1. **Has the Company mapped its internal and external stakeholders? Yes / No**

   Yes. The Company has defined its internal and external stakeholders. Its internal stakeholders are largely its employees (permanent and contractual) and external stakeholders are largely its Customer, Shareholders & Lenders, Government & Regulatory Authorities, Industry Associations, Network Operators, Contractors/Suppliers and Media & Academic Institutions.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.**

   Yes. The Company has a CSR policy in place which guides it in identifying and helping the disadvantaged, vulnerable and marginalized stakeholders. Further, the Company is providing telecommunication services in the State of Maharashtra (including Goa) and has achieved deep rural penetration.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   The Company, as part of the Tata Group's various CSR programs, encourages its employees to participate in various CSR initiatives to help disadvantaged, vulnerable and marginalized stakeholders.

Principle 5

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

   Yes. The TCoC is communicated to all stakeholders.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   During the financial year 2019-2020:

   - 1 case was reported from a Channel Partner and this was closed satisfactorily.
   - 1 case was reported anonymously and this too was resolved.

Principle 6

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

   Sustainability is built into the Company's business processes through the Sustainability Policy. All Suppliers, Contractors and NGOs working with the Company, subject to it being limited to the Company's contracts and arrangements, are encouraged to abide by it.

2. **Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   At TTML, we recognise our social and economic responsibility to act and reduce our carbon footprint and to engage constructively on climate change issues. Various organizational efforts are focused on enhancing our energy efficiency, emission reduction and finding more carbon-neutral solutions for network operations including data centres. The approach on Energy and Climate Change management is governed by the Company's Sustainability Policy, TCoC and various other Tata Group-level Climate Change policies.

   This includes a commitment to continual improvement and prevention of pollution, as well as a commitment to comply with applicable legal and other environmental legislation. At a Group level, Tata Sustainability Group provides a common framework and governance mechanism for all Tata companies to implement climate change policies.

3. **Does the Company identify and assess potential environmental risks? Y/N**

   Yes. The environmental risks and consequential issues arising out of it are part of the risk assessment and mitigation process. The Company has always been sensitive to the environmental impact of Telecom Network operations and has proactively adopted various sustainable practices whenever possible.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   Not applicable.

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

   Apart from installation of energy efficient hardware, the Company through Infrastructure providers has adopted low carbon technologies including green sites and outdoor sites. Also refer to "Conservation of Energy" as appeared under "Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo" section of the Director's Report appears in this Annual Report for Financial Year 2019-2020 for details on the Company's energy efficiency.

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

   Yes. The Company is compliant with regular audits and all processes are aligned with respect to the safe disposal of solid and hazardous wastes and all emissions are within the limits prescribed by the CPCB and SPCB.

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

   One show cause notice was received from Maharashtra Pollution Control Board ("MPCB") in November, 2018, in connection with refusal for 'Consent to Establish' [Consent] under 'The Water (Prevention and Control of Pollution) Act,1974', which was appropriately replied by the Company. However, MPCB rejected the Company application for grant of Consent, against which an appeal was filed by the Company with the Appellate Authority, Environment Department, Govt. of Maharashtra, which appeal is pending.

Principle 7

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

   The Company participates in stakeholder consultations with the Department of Telecommunications, Government of India, Telecom Regulatory Authority of India and interactions between industry associations like FICCI, ISPAI and relevant Ministries (Department of Telecommunications, Department of Information Technology, Ministry of Home Affairs) to support long term policy formulation in the Telecom sector as well as to deal with the critical operational / business issues.

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

   Yes. The Company jointly with Tata Teleservices Limited ("TTSL") participated in consultations on governance and administration, sustainable business principles, inclusive development policies (with a focus on skill building and literacy), economic reforms and tax and other legislations. It also uses the TCoC as a guide for its actions in influencing public and regulatory policy.

   In order to bring transparency in its decision-making process, the Telecom Regulatory Authority of India has evolved a consultative process. For important issues pertaining to Telecom sector, Consultation Papers are issued by it requesting response from stakeholders. Post response from all stakeholders, an Open House discussion is organised. The Company and TTSL jointly participate in all such consultation processes which are relevant to its line of business and puts forth its views in a fair and transparent manner. The Company also gives its inputs to the Government/Regulator as and when the same is called for.

   The Company performs the function of policy advocacy in a transparent and responsible manner and takes into account the corporate as well larger national interest.

Principle 8

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

   Yes. The Company has specified programmes/initiatives/ projects in pursuit of Principle 8. The Company, as part of the Tata Group's umbrella programs, along with TTSL, collaborates with NGOs to implement projects in the areas of healthcare, education, employability & sustainable livelihoods. Please refer to "Report on Corporate Social Responsibility Activities" which is Annexure II to the Director's Report of the Company, during Financial Year 2019-2020, for detailed community engagement strategy and key initiatives.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

   The Company did not make profits in the past 3 financial years; hence it does not have any budgeted CSR expenditure. However, in keeping with the Tata Group's philosophy of giving back to the society, all the initiatives are managed with internal resources of the Company jointly with TTSL through an Employee Volunteering Program, wherein we utilize the skills of our employees to support different projects/initiatives. Please refer to "Report on Corporate Social Responsibility Activities" which is Annexure II to the Director's Report of the Company, during Financial Year 2019-2020, for detailed community engagement strategy and key initiatives.

3. **Have you done any impact assessment of your initiative?**

   Yes.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   The Company did not make profits in the past 3 financial years; hence it does not have any budgeted CSR expenditure. However, in keeping with the Tata Group's philosophy of giving back to the society, all the initiatives are managed with internal resources of the Company jointly with TTSL through an Employee Volunteering Program, wherein we utilize the skills of our employees to support different projects/initiatives.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Yes. Initiatives conducted under CSR are tracked to determine the outcomes achieved and the benefits to the community.

Principle 9

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

   The Company is engaged in the business of providing telecommunication services. Out of the total calls received by the Company from customers, approximately 23% are related to complaints. Around 0.04% of the total complaints received during Financial Year 2019-2020 were in an open stage as on March 31, 2020. The rest were closed satisfactorily.

   No new Consumer Complaints were filed against the Company during the Financial Year 2019-2020. A total of 11 Consumer Complaints, filed against TTML in previous financial years were pending as on March 31, 2020.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)**

   The Company being in the business of providing telecommunication services, the same is not applicable.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   No such case was filed against the Company.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   Yes. The Company carries out customer satisfaction surveys at regular intervals.

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2019-2020

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2020.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is set of practices followed to ensure that the affairs of the Company are managed in a way which would ensure its accountability, transparency and fairness in all its transactions and meet its stakeholders' aspirations and social expectations. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last.

The Company believes in highest standards of good and ethical Corporate Governance practices. Good Corporate Governance practices stem from the culture and mindset of the organization. It is also believed that Corporate Governance is not only about enacting regulations and procedures but also maintaining and establishing an environment of trust and confidence among various stakeholders. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Tata culture and ethos. The Company has a strong legacy of fair, transparent and ethical governance practices.

In order to adopt Corporate Governance practice in its true spirit, the Company has adopted a "Tata Code of Conduct" for its employees including Managing/Executive Director and senior management. In addition, the Company has also adopted a Code of Conduct for its Non-Executive Directors, which includes duties of the Independent Directors as laid down in the Companies Act, 2013 (the "Act"). These codes are available on the website of the Company. Further, the Company's Corporate Governance philosophy has been strengthened through the "Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices".

TATA CODE OF CONDUCT

Tata Code of Conduct is a comprehensive document that serves as the ethical road map for the employees and the Company. It also inter alia governs the conduct of business in consonance with national interest, fair and accurate presentation of financial statements, being an employer providing equal opportunities to its employees, prohibition on acceptance of gifts and donations that can be intended or perceived to obtain business or uncompetitive favors, practicing political non-alignment, safe and healthy environment for its people, maintaining quality of products and services, being a good corporate citizen, ethical conduct and commitment to enhancement of stakeholders' value.

All the Directors and senior management personnel have affirmed compliance with the Code of Conduct for the Financial Year 2019-2020 ("Year"). The declaration by the Chief Financial Officer and Assistant Company Secretary in this respect appears elsewhere in the Annual Report for the Year.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable, with regard to corporate governance.

TATA CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND CODE OF CORPORATE DISCLOSURE PRACTICES

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a code under the nomenclature of "Tata Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices" for prevention of insider trading and ensuring timely and adequate disclosures of all Unpublished Price Sensitive Information in a transparent manner.

BOARD OF DIRECTORS

Composition

The Board of Directors of the Company (the "Board") has an optimum combination of Executive and Non-Executive Directors and composition of the Board is in conformity with Regulation 17 read with Regulation 25(6) of the Listing Regulations and Section 149 of the Act.

The Company has adopted the Governance Guidelines on Board Effectiveness (the "Governance Guidelines"), keeping in view the provisions of the Act and the Listing Regulations. These Governance Guidelines, amongst other things, cover aspects related to composition of the Board/Committees with adequate numbers of Executive Directors, Non-Executive Directors and Independent Directors, effective discharge of duties by individual Directors, the Board and its Committees in the best interest of the stakeholders, appointment/retirement of Directors and performance evaluation of the individual Directors, the Board as a whole and its Committees.

The Board of Directors, as on March 31, 2020, comprised of 6 (Six) Directors. Of the 6 (Six) Directors, 5 (Five) i.e., 83% of the total number of Directors were Non-Executive Directors and 3 (Three) i.e., 50% of the total number of Directors were Independent Directors (including a Woman Director). The Company was managed by the Managing Director under the supervision, direction and control of the Board. The Managing Director was assisted by a team of highly qualified and experienced professionals.

None of the Directors of the Company is a Member of more than 10 Committees or Chairperson of more than 5 Committees (Committees include Audit Committee and Stakeholders' Relationship Committee) across all public companies in which he/she is a Director. All the Directors have made the necessary disclosures regarding committee positions held by them in other companies. None of the Directors of the Company is related to each other.

All the Directors are also in compliance of the limit on Independent Directorship of listed companies as prescribed in Regulation 25(2) of the Listing Regulations. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the 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 declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

Mr. D. T. Joseph, an Independent Non-Executive Director of the Company, due to his health and personal reasons, resigned as an Independent Non-Executive Director of the Company with effect from September 21, 2019. Further, Mr. Joseph confirmed that there were no other material reasons other than those mentioned above.

All the Directors of the Company, except Independent Directors, are liable to retire by rotation. The Company does not have any Nominee Director of Financial Institutions/Banks.

The Board met at least once in each quarter and the maximum time gap between two Board Meetings did not exceed the limit prescribed in the Act and the Listing Regulations. 8 (Eight) Meetings of the Board of Directors were held during the Year, viz. May 29, 2019; June 18, 2019; August 7, 2019; September 20, 2019; November 15, 2019; January 17, 2020; January 30, 2020 and February 5, 2020. The necessary quorum was present for all the meetings.

The names and categories of the Directors, their attendance at Board Meetings and at the last Annual General Meeting ("AGM") held during the Year and number of shares of the Company held by them as on March 31, 2020 are given herein below.

Name of the Director	Director Identification Number	Category of the Director	Number of Shares held (including held by dependents)	Number of Board Meetings during the Year		Attendance at AGM held on September 20, 2019
				Held	Attended	
Ms. Hiroo Mirchandani	06992518	Independent, Non-Executive	Nil	8	8	Present
Dr. Narendra Damodar Jadhav	02435444	Independent, Non-Executive	Nil	8	8	Present
Mr. Kumar Ramanathan (appointed w.e.f. September 24, 2019)	06364297	Independent, Non-Executive	Nil	4	3	Not Applicable
Mr. Thambiah Elango	07973530	Non-Independent, Non-Executive	Nil	8	7	Present
Mr. Ankur Verma	07972892	Non-Independent, Non-Executive	Nil	8	8	Present
Mr. N. Srinath*	00058133	Executive	Nil	8	8	Present
Mr. D. T. Joseph (resigned w.e.f. September 21, 2019)	01716572	Independent, Non-Executive	Nil	4	3	Present

** Ceased to be Managing Director on March 31, 2020 and appointed as an Additional (Non-Independent, Non-Executive) Director w.e.f April 1, 2020.*

The names of other listed entities in which the Director is a Director and the number of Directorships and Committee Chairmanships/ Memberships held by them in other public limited companies as on March 31, 2020 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, Chairmanship/Memberships of only Audit Committee and Stakeholders Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations:

Name of the Director	**Number of Directorships in other Public Companies**		**Number of Committee positions held in other Public Companies**		**Directorships held in other listed companies (Category of Directorship)**
	Chairperson	**Member**	**Chairperson**	**Member**	
Ms. Hiroo Mirchandani	-	3	-	2	▪ Nilkamal Ltd. (Independent Director) ▪ Polycab India Ltd. (Independent Director)
Dr. Narendra Damodar Jadhav	-	2	-	2	Nil
Mr. Kumar Ramanathan (appointed w.e.f. September 24, 2019)	-	1	-	1	Nil
Mr. Thambiah Elango	-	-	-	-	Nil
Mr. Ankur Verma	-	6	-	5	▪ Tata Elxsi Ltd. (Non-Executive Director) ▪ Tata Capital Housing Finance Ltd. (Non-Executive Director)
Mr. N. Srinath	-	3	-	1	▪ Tata Communications Ltd. (Non-Executive Director)
Mr. D. T. Joseph (resigned w.e.f. September 21, 2019)	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

All the information required to be placed before the Board under Part A of Schedule II to the Listing Regulations has been duly placed. Dates of the Board/Committee Meetings are decided at the beginning of the financial year and are communicated to all the Directors well in advance. Additional meetings of the Board of Directors are held when deemed necessary. The agenda alongwith the explanatory notes are circulated in advance to the Directors.

The Board periodically reviews the compliance reports of all important laws applicable to the Company.

As required under Regulation 36(3) of the Listing Regulations and Secretarial Standard 2, particulars of Directors proposed for appointment/re-appointment at this AGM are given in the Annexure to the Notice of the AGM.

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board and the names of directors who have such skills/expertise/competence:

Sr. No.	Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board	The names of directors who have such skills/expertise/competence
1	Knowledge: understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates	Ms. Hiroo Mirchandani Dr. Narendra Damodar Jadhav Mr. Kumar Ramanathan Mr. Ankur Verma Mr. Thambiah Elango Mr. N. Srinath
2	Behavioral Skills: attributes and competencies to use their knowledge and skills to interact with key stakeholders	
3	Strategic thinking and decision making	
4	Financial Expertise	Ms. Hiroo Mirchandani Dr. Narendra Damodar Jadhav Mr. Ankur Verma Mr. N. Srinath
5	Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business	Mr. Thambiah Elango Mr. N. Srinath

Familiarization Programme for Independent Directors

At the time of appointment of an Independent Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected from him/her as a Director of the Company. The Independent Directors of the Company were also provided with necessary documents/brochures, reports and internal policies to familiarize them about the telecom industry, business operations and functioning of various divisions/departments of the Company.

As required under Regulation 25(7) and 46 of the Listing Regulations, the details of Familiarisation program imparted to the Independent Directors are available on the Company's website at the following weblink: https://corporate.tatateleservices.com/Downloads/ttml/Familiarization-Programmes-upto-FY-2019-2020.pdf

COMMITTEES OF THE BOARD

There are 7 (Seven) Board Committees as on March 31, 2020, which comprises 4 (Four) statutory committees and 3 (Three) other committees that have been formed, considering the needs of the Company, details of which are as follows:

AUDIT COMMITTEE

Terms of Reference

The terms of reference of the Audit Committee as on March 31, 2020 are broadly as under:

1. **Financial Statements**

- Oversight of the Company's financial reporting process and disclosure of its financial information, to ensure that the financial statements are correct, sufficient & credible.
- Discuss and review with the management and auditors the annual / half yearly / quarterly financial statements and auditor's report before submission to the Board, with particular reference to:
  - o Matters required to be included in the Directors' Responsibility Statement in the Board's report.
  - o Disclosure under Management Discussion and Analysis of financial position and results of operations.
  - o Review of accounting policies, practices & standards and reasons for change, if any.
  - o Major accounting entries involving estimates based on exercise of judgment by management.
  - o Qualifications/modified opinion in the draft audit report.
  - o Significant adjustments made in the financial statements arising out of audit findings.
  - o Compliance with listing and other legal requirements relating to financial statements.

- o Disclosure of related party transactions.

- Scrutinize inter-corporate loans and investments.

- Review the statement of uses/applications of funds by major category and the statement of funds utilized for purposes other than as mentioned in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights or private placement issue, and make appropriate recommendations to the Board to take up steps in this matter. These reviews are to be conducted till the money raised through the issue has been fully spent.

- Provide approval for appointment of the CFO (i.e. whole-time Finance Director or any other person leading the Finance function or discharging responsibilities related to that function) after assessing the qualifications, experience and background, etc. of the candidate.

- Review utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

- Review statement of deviations pertaining to (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).

2. <u>External / Independent / Statutory Auditors</u>

- Provide recommendations to the Board related to the appointment, re-appointment, remuneration and terms of appointment of the auditors of the Company. This would involve recommending the name of an individual or a firm as an external statutory auditor for consideration by the Board and further recommendation to the shareholders. While making recommendations, the Committee shall consider:

  o whether the qualifications and experience of the auditors are commensurate with the size and requirements of the Company.

  o any order or pending proceeding relating to matters of professional conduct against the proposed auditor before the Institute of Chartered Accountants of India or any competent authority or any Court.

  To make these recommendations, the Committee may also call for any information from the proposed auditors as it may deem fit.

- Review and monitor the auditor's independence and performance and effectiveness of the audit process.

- Hold timely discussions with external/ statutory auditors regarding:

  o The nature, scope and staffing of Audit as well as post-Audit discussion / review for dealing with any area of concern prior to commencement of audit.

  o All critical accounting policies and practices.

  o Significant financial reporting issues and judgments made in connection with preparation of the Company's financial statements.

- Provide pre-approval of all audit and non-audit services that are to be rendered by the external auditor and the remuneration for the services.

- Provide approval of payment to statutory auditors for any other services rendered by the statutory auditors.

- Review, with the management, the auditor's report on the annual financial statements covering the:

  o Assessment of the accounting principles used and the significant estimates made by management,

  o Compliance with accounting and auditing standards,

  o Evaluation of the overall financial statement presentation,

  o Observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the Company,

  o Matters arising out of disqualification of any Director as per legal and regulatory provisions,

  o Any qualification, reservation or adverse remark in the auditor's report relating to the maintenance of accounts and other connected matters,

  o Adequacy and operating effectiveness of internal financial control systems,

- o Other matters which are required to be included in the audit report as per regulatory and legal provisions.

- Review, with the external auditors, certain information relating to the auditor's judgments about the quality, of the Company's accounting principles as applied to its financial reporting. This review would typically include discussion on :

  - o such matters as the consistency of application of Company's accounting policies, clarity & completeness of the Company's financial statements and any related disclosures.

  - o such items that have a significant impact on the representational faithfulness, verifiability & neutrality of the accounting information included in the financial statements.

- Review and suitably reply to the report(s) forwarded by the auditors on the matters where the auditors have sufficient reasons to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company.

- Review with the external auditor, any audit problems or difficulties and the management's response thereto.

- Resolve any disagreements of the external auditor with the management regarding financial reporting.

3. <u>Internal Audit</u>

- Review the adequacy of the internal audit function, if any, including the structure of the internal audit department (including appointment of outsourced Internal Audit Firms), staffing and seniority of the official heading the department, the reporting structure coverage and budget, scope, coverage and frequency of internal audit.

- Review the performance of the internal audit department, including the objectivity and authority of its reporting obligation and results of internal audit.

- Discuss with internal auditors (including outsourced internal audit firms) any significant findings and follow-up thereon.

- Review findings of the internal investigations by internal auditors into matters where there is suspected fraud / irregularity / failure of internal control systems of a material nature, and reporting the matter to the Board.

- Review the appointment, removal, performance and terms of remuneration of the Chief Internal Auditor (this also includes review of appointment, removal, performance and terms of remuneration of any outsourced internal audit firms).

- Review the regular internal reports to management prepared by the internal audit department and the outsourced internal audit firms, as well as Management's response on the same.

- Review internal audit reports relating to weaknesses in internal control.

- Pre-approve any non-audit related work allotment, which may conflict with the role & independence of the Chief Internal Auditor and other internal audit team members and the outsourced internal audit firms.

4. <u>Cost Audit</u>

- Review the appointment, re-appointment, removal and terms of remuneration of the cost auditors. This includes pre-approval of any other services that may be rendered by the cost auditors and fees pertaining thereto.

- Review and recommend the cost audit report to the Board.

5. <u>Internal Control</u>

- Review, with the management, external and internal auditors and the outsourced internal audit firms, the quality, adequacy & effectiveness of the Company's internal control system and any significant deficiencies or material weakness in the internal controls.

- Review management letters / letters of internal control weaknesses issued by statutory auditors.

- Evaluation of Internal financial controls.

6. <u>Risk Management</u>

- Evaluate on a regular basis the adequacy and efficacy of the risk management systems.

- Discuss with the management and provide oversight in regard to the Company's enterprise-wide risk assessment and management, including appropriate guidelines to govern the process. Specifically it is preferable that:

- o On a regular basis there should be a review of the enterprise risks (strategic, financial, operational & environmental) and mitigation strategies deployed to manage and bring these risks to an acceptable level.

- o There should be a review and endorsement of the treasury policy that defines the Company's major financial risk exposures and appetite for financial risks and outlines the appropriate mitigation strategies to minimize risks arising out of foreign currency transactions, interest fluctuations, borrowings, etc.

- o There should be a review of the risk disclosure statements in all public documents or disclosures.

7. Whistle blowing / Vigil mechanism

- The Committee shall maintain an oversight of the adequacy of the whistle blowing/ vigil mechanisms. It shall review the Company's arrangements for its employees, stakeholders and Directors to raise concerns, in confidence, about suspected wrongdoing in the Company on matters including those related to ethics, compliance, financial reporting, accounting and auditing.

- The Committee shall ensure that these arrangements allow independent investigation of such matters and appropriate follow up action.

- The whistle blower mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee on appropriate or exceptional cases.

8. Compliance with Regulatory Requirements and Policies

- Review the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

- Review the valuation of undertakings or assets of the Company, wherever it is necessary.

- Oversee compliance with legal and regulatory requirements and also the Tata Code of Conduct ("TCoC") for the Company and its subsidiaries.

- Review at periodic intervals all pending litigations initiated by or against the Company.

9. Related Party Transactions

- Review the statement of significant related party transactions submitted by the management, including the 'significant' criteria / thresholds decided by the Management.

- Provide approval for proposed transactions or any subsequent modification of transactions entered into before 1st April 2014 of the Company with related parties.

- The Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions, as mentioned in the Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014.

10. Subsidiary Company Oversight

- Review the financial statements, in particular, the investments made by the unlisted subsidiary companies.

- The Chief Internal Auditor of the Company shall also be responsible for the Internal Audit and Risk Management of all subsidiary companies and, therefore, he shall report thereon to the Committee. (This will be carried out through periodic assessments either directly or through an outsourced / co-sourced arrangement).

- The following functions shall be reviewed by the Committee of a material subsidiary Company along with the holding Company's Audit Committee:

  - o Statutory Audit:
    - ▪ Appointment of the auditors
    - ▪ Fixing of remuneration of the auditors
    - ▪ Pre-approval of services to be requisitioned
    - ▪ Compliance regarding 'prohibited service', as defined in the policy
    - ▪ Financial Statements
    - ▪ Investments and significant transactions
    - ▪ Review / oversight of the work done by the auditors.

  - o Internal Audit:
    - ▪ Review the adequacy of structure and function of the Internal Audit, status of audit plan and its execution.
    - ▪ Review key Internal Audit observations along with management response thereto.

o Review the status on compliance with the Tata Code of Conduct.

o Review the adequacy of risk management and the control environment.

11. **Other Functions**

- Perform other activities related to this Charter as requested by the Board of Directors.

- The Committee shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively. [SEBI (PIT) Regulations.

- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Management Discussion and Analysis of Financial Condition and Results of Operations, statements of related party transactions, internal audit reports, fraud related reports, quarterly results, management letters to auditors, proposals and terms of appointment of internal auditors have been regularly placed before the Audit Committee for review during the Year.

Composition, Meetings held and attendance during the Year

The composition of the Audit Committee of the Board is in conformity with Section 177 of the Act and Regulation 18 of the Listing Regulations. The Audit Committee meetings were also attended by the Managing Director, Chief Financial Officer, Statutory Auditors and Internal Auditors. The Cost Auditor is invited to attend the meeting of the Audit Committee at which Cost Audit related matters are discussed. The functional heads are also invited as and when required. The Company Secretary acts as Secretary to the Committee.

The Audit Committee met at least once in each quarter and the maximum time gap between two Audit Committee meetings did not exceed the limit prescribed in Regulation 18 of the Listing Regulations. 5 (Five) meetings of the Audit Committee were held during the Year, viz. May 29, 2019; August 7, 2019; September 20, 2019; November 15, 2019 and February 5, 2020. The composition of the Audit Committee as on March 31, 2020 and the details of attendance of each Member at these meetings are given below:

Name of the Member	Category	No. of Meetings during the Year	
		Held	Attended
Ms. Hiroo Mirchandani (Chairperson)	Independent, Non-Executive	5	5
Dr. Narendra Damodar Jadhav	Independent, Non-Executive	5	5
Mr. Kumar Ramanathan (w.e.f. September 24, 2019)	Independent, Non-Executive	2	1
Mr. Ankur Verma	Non-Independent, Non-Executive	5	5
Mr. D. T. Joseph (upto September 21, 2019)	Independent, Non-Executive	3	2

The necessary quorum was present at all the meetings. Chairperson of the Audit Committee was present at the Annual General Meeting held on September 20, 2019.

NOMINATION AND REMUNERATION COMMITTEE

The role of the Nomination and Remuneration Committee ("NRC") is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise, independence and execution. The NRC evaluates the performance of Directors and Senior Management Personnel based on the expected performance criteria. NRC also recommends to the Board the remuneration payable to Directors and Senior Management Personnel of the Company.

Terms of Reference

The Board has adopted a revised charter of the NRC for its smooth functioning covering aspects relating to composition, responsibilities, evaluation process, remuneration, Board development and reviewing HR strategy. The key terms of reference of the NRC, inter alia, are:

1. **Board Composition and Succession related:**

- Recommend to the Board the setup and composition of the Board. This shall include "Formulation of the criteria for determining qualifications, positive attributes and independence of a director". This also includes periodical review of composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.

- Support the Board in matters related to the setup, review and refresh of the Committees.
- Devise a policy on Board diversity.
- Recommend to the Board the appointment or reappointment and removal of Directors. For the purpose of identification of prospective Directors, the Committee may be supported by Group Human Resources.
- As NRC of the parent/holding company, recommend to the Board of the parent/holding company, how the Company will vote on resolutions for appointment of Directors on the Boards of its material subsidiary companies.
- Recommend to the Board, the appointment and removal of KMP, Senior Management and Executive Team Members. The Committee shall consult the Audit Committee of the Board before recommending the appointment of the Chief Financial Officer ("CFO").

2. <u>Evaluation related:</u>

- Carry out the evaluation of every Director's performance and support the Board and Independent Directors, as may be required, in evaluation of the performance of the Board, its Committees and Individual Directors to be carried out either by the Board, NRC or by an independent external agency and review its implementation and compliance . This shall include "Formulation of criteria for evaluation of Independent Directors and the Board."
- Oversee the performance review process for the KMP, Senior Management and Executive Team with the view that there is an appropriate cascading of goals and targets across the Company.
- Recommend to the Board whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of the performance evaluation of Independent Director.

3. <u>Remuneration related:</u>

- Recommend the remuneration policy for the Directors, KMP, Senior Management, Executive Team and other Employees. This includes review and recommendation of the design of annual and long term incentive plan (includes deferred payment plans, equity plans, etc.) for Managing Director ("MD")/Executive Directors ("ED"), KMP, Senior Management and the Executive Team.
- While formulating such a policy, the Committee shall ensure that:
  - o the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - o relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
  - o remuneration to Directors, KMP, Senior Management and Executive Team involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- The policy shall be displayed on the website of the Company. Also the salient features of the policy and any changes therein, shall be disclosed in the Board's report and the web address link shall be indicated therein at which the complete policy is available.
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP, Senior Management and Executive Team of the Company. This includes review and recommendation of actual payment of annual and long term incentives for MD/EDs, KMP, Senior Management and Executive Team.
- Review matters related to remuneration and benefits payable upon retirement and severance to MD/EDs, KMP, Senior Management and Executive Team.
- Review matters related to voluntary retirement and early separation schemes for the Company.
- Provide guidelines for remuneration of Directors on material subsidiaries.
- As NRC of the parent/holding company, recommend to the Board of the parent/holding company how the Company will vote on resolutions for remuneration of directors on the Boards of its material subsidiary companies.
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of Board, KMP, Senior Management and Executive Team Members. This includes review and approval of any information related to Directors, KMP, Senior Management, Executive Team and their remuneration to be presented in the annual report or other external communications (statutory or otherwise).

4. **Board Development related:** Oversee familiarization programmes for Directors.

5. **Review of HR Strategy, Philosophy and Practices:**

- Review HR and People strategy and its alignment with the business strategy periodically or when a change is made to either.

- Review the efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for Board, KMP, Senior Management and Executive Team).

6. **Other functions:** Perform other activities related to the charter as requested by the Board from time to time.

Composition, Meetings held and attendance during the Year

The composition of the NRC of the Board is in conformity with the Section 178 of the Act and Regulation 19 of the Listing Regulations.

3 (Three) meetings of the NRC were held during the Year, viz. May 29, 2019; June 18, 2019 and January 30, 2020. The necessary quorum was present for all the meetings. The composition of the NRC as on March 31, 2020 and the details of attendance of each Member at these meetings are given below:

Name of the Member	Category	No. of Meeting(s) during the Year	
		Held	Attended
Dr. Narendra Damodar Jadhav (Chairman)	Independent, Non-Executive	1	1
Ms. Hiroo Mirchandani	Independent, Non-Executive	3	3
Mr. Ankur Verma	Non-Independent, Non-Executive	3	3
Mr. D. T. Joseph (upto September 21, 2019)	Independent, Non-Executive	2	2

Mr. D. T. Joseph, the then Chairman of the NRC was present at the Annual General Meeting held on September 20, 2019.

Performance Evaluation Criteria for Independent Directors

The Governance Guidelines adopted by the Company, inter alia, lay down the evaluation criteria and procedure for performance evaluation of Independent Directors. Criteria for evaluation of Independent Directors include aspects such as attendance and contribution at the Board/Committee Meetings and guidance/support to management outside Board/Committee Meetings.

The performance evaluation criteria for independent directors is determined by the NRC. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

Remuneration Policy

The Company has adopted the Remuneration Policy for its Directors, Key Managerial Personnel and other employees of the Company, which has been annexed to the Directors' Report forming part of this Annual Report.

Remuneration paid to the Directors

Apart from receiving sitting fees for attending meetings, none of the Non-Executive Directors have any material pecuniary relationship or transaction with the Company.

Non-Executive Directors

During the Year, the Company paid sitting fees of Rs. 50,000/- per meeting to Non-Executive Directors for attending meetings of the Board or any Committee thereof. The Non-Executive Directors who are in the employment of any Tata Companies, were paid sitting fees of Rs. 20,000/- per meeting for attending meetings of the Board or any Committee thereof.

The Company also reimburses out-of-pocket expenses incurred by the Directors for attending the meetings and for business of the Company. The Company also arranges for air tickets, stay arrangements and local transport for travel of directors for attending any Board of Committee meetings or in connection with the business of the Company.

None of the Directors has been issued any stock options by the Company during the Year or any time in the past. Further, none of the Directors of the Company is in receipt of any commission from the Company.

The details of sitting fees paid by the Company during the Year are as follows:

A) Non-Executive Directors

Name of the Director	Sitting Fees (Rs.)
Ms. Hiroo Mirchandani	8,00,000
Dr. Narendra Damodar Jadhav	8,00,000
Mr. Kumar Ramanathan	2,00,000
Mr. Thambiah Elango	60,000
Mr. Ankur Verma	3,60,000
Mr. D. T. Joseph (upto September 21, 2019)	3,50,000

B) Managing Director

Mr. N. Srinath, Managing Director, did not draw any remuneration from the Company. No sitting fee or commission was paid by the Company to Mr. Srinath.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The terms of reference of the Stakeholders Relationship Committee ("SRC") as on March 31, 2020, were as under:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by the shareholders.

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by its Registrar & Share Transfer Agent.

4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

5. The SRC shall meet at least once in a year.

6. To attend Meeting(s): The Chairman of the SRC shall attend the Annual General Meetings of the Company to provide any clarification on matters relating to its scope sought by the shareholders of the Company.

7. The Terms of Reference shall be reviewed and reassessed by the SRC, periodically and appropriate recommendations shall be made to the Board to update the same based on the changes that may be brought about due to any regulatory framework or otherwise.

Composition, Meetings held and attendance during the Year

The composition of the SRC of the Board is in conformity with Section 178 of the Act and Regulation 20 of the Listing Regulations. During the Year, the Committee met once i.e., on February 5, 2020 and the necessary quorum was present at the meeting. The composition of SRC and the details of attendance of each Member at the meeting are given below:

Name of the Member	Category	No. of Meeting during the Year	
		Held	Attended
Dr. Narendra Damodar Jadhav (Chairman)	Independent, Non-Executive	1	1
Mr. Ankur Verma	Non-Independent, Non-Executive	1	1
Mr. N. Srinath	Executive	1	1
Mr. D. T. Joseph (upto September 21, 2019)	Independent, Non-Executive	Not Applicable	Not Applicable

Details of Shareholders' complaints received and resolved

The details of Shareholders' complaints received and redressed during the Year are as follows:

Opening	Received during the Year	Resolved during the Year	Pending
0	2	2	0

The status of complaints is reported to the Board on a quarterly basis.

Name and designation of the Compliance Officer

Ms. Vrushali Dhamnaskar

Assistant Company Secretary & Compliance Officer

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of Reference

The terms of reference of Corporate Social Responsibility ("CSR") Committee as on March 31, 2020 are as follows:

1. To frame the CSR Policy, subject to the approval by the Board.

2. To make the necessary and required modifications and variations in the CSR Policy, subject to the approval by the Board.

3. To determine the amount to be expended towards the CSR activities subject to the minimum limits prescribed by the Act.

4. To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.

Composition, Meetings held and attendance during the Year

During the Year, the Committee met once i.e., on February 5, 2020 and the necessary quorum was present at the meeting. The composition and the details of attendance of each Member at the meeting are given below:

Name of the Member	Category	No. of Meeting during the Year	
		Held	Attended
Dr. Narendra Damodar Jadhav	Independent, Non-Executive	1	1
Mr. Ankur Verma	Non-Independent, Non-Executive	1	1
Mr. N. Srinath	Executive	1	1
Mr. D. T. Joseph (upto September 21, 2019)	Independent, Non-Executive	Not Applicable	Not Applicable

In addition to the above, the Company also has other Committees, viz.:

1. **Finance Committee** inter alia to consider and approve proposals for availing various loans/credit facilities and other treasury related matters within the powers delegated by the Board.

2. Operations Committee with effect from April 1, 2020.

3. Allotment Committee.

INDEPENDENT DIRECTORS' MEETING

During the Year, the Independent Directors met on May 29, 2019, inter alia, to assess the quality, content and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. The Independent Directors, inter-alia, also reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of executive directors and non-executive directors. All the Independent Directors were present at the meeting.

GENERAL BODY MEETINGS

Details of General Meetings

The Company's first statutory meeting was held on April 24, 1995. Till date, the Company has held 24 AGMs and 15 Extraordinary General Meetings of the shareholders.

The details of date, time and venue of the AGMs held during the last three years are as under:

Particulars	Date	Time	Venue
22nd Annual General Meeting	July 31, 2017	1100 hours	"Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannath Rao Bhosle Marg, Nariman Point, Mumbai – 400 021
23rd Annual General Meeting	September 29, 2018	1100 hours	
24th Annual General Meeting	September 20, 2019	1100 hours	

Details of Special Resolutions passed in the above referred AGMs are as under:

Particulars of the AGM	Section under which Special Resolution was passed	Purpose
23rd Annual General Meeting held on September 29, 2018	Section 12 of the Act	Shifting of Registered Office of the Company from "Voltas Premises, T. B. Kadam Marg, Chinchpokli, Mumbai - 400 033" to "D-26, TTC Industrial Area, MIDC Sanpada, P. O. Turbhe, Navi Mumbai – 400 703" or any other place in Navi Mumbai as may be decided by the Board of Directors of the Company.
	Sections 42, 55, 62(1)(c) of the Act	To issue upto 200,00,00,000 (Two Hundred Crores) RPS-4 of Rs. 100/- (Rupees One Hundred Only) each for cash at par aggregating upto an amount of Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only) on preferential basis to Tata Teleservices Limited and/or Tata Sons Limited and/or Panatone Finvest Limited in one or more tranches.
	Sections 42, 71 of the Act	To issue NCDs for an amount not exceeding Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only), at par and in one or more tranches, to the Promoters/Promoter Group companies, other bodies corporate, banks, financial institutions, other qualifying investors and/or others.
	Applicable provisions of the Act and Regulation 23 of Listing Regulations	To accept/avail Inter Corporate Deposits ("ICDs")/Loans upto an aggregate additional amount of Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only), in one or more tranches, from the Promoters/Promoter Group companies and/or other bodies corporate.
24th Annual General Meeting held on September 20, 2019	Sections 149 of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV to the Act and Listing Regulations	Re-appointment of Ms. Hiroo Mirchandani as an Independent Director for a further term of five years with effect from March 9, 2020 upto March 8, 2025.
	Sections 42, 55, 62(1)(c) of the Act	To issue upto 150,00,00,000 (One Hundred Fifty Crores) RPS-5 of Rs. 100/- (Rupees One Hundred Only) each for cash at par aggregating upto an amount of Rs. 15000,00,00,000 (Rupees Fifteen Thousand Crores Only) on preferential basis to Tata Teleservices Limited and/or Tata Sons Private Limited and/or Panatone Finvest Limited in one or more tranches.
	Sections 42, 71 of the Act	To issue NCDs for an amount not exceeding Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only), at par and in one or more tranches, to the Promoters/Promoter Group companies, other bodies corporate, banks, financial institutions, other qualifying investors and/or others.

POSTAL BALLOT

No resolution was passed through postal ballot during the Year ended March 31, 2020. None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution by way of postal ballot.

MEANS OF COMMUNICATION

- The quarterly, half yearly and annual financial results of the Company are published in Business Line (English) and Navshakti (regional language). The Financial results, official press releases and presentations, if any, are also displayed on the website of the Company viz. https://corporate.tatateleservices.com/en-in/ttml.
- The financials and other information filed by the Company from time to time with the SEs are available on the website of the Company and website of the SEs i.e., BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). BSE has introduced online filling of information through BSE Corporate Compliance

and Listing Centre and NSE has introduced NSE Electronic Application Processing System ("NEAPS"). Various reports/information as required under the Listing Regulations are filed through these systems.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis forms part of this Annual Report.

GENERAL SHAREHOLDER INFORMATION

Twenty Fifth Annual General Meeting

Date	September 16, 2020
Day	Wednesday
Time	1100 Hours (IST)
Venue	To be held through Video Conference or Other Audio Visual Means

Financial Year
The Company follows the April to March Financial Year.

Date of Book Closure
Not applicable.

Listing on the Stock Exchanges
The Company's equity shares are listed on the following SEs and the listing fees have been paid to both the SEs within the stipulated time:

Name and address of the Stock Exchanges	Stock Code / Scrip Code	ISIN Number
BSE Limited (BSE) P. J. Towers, Dalal Street, Mumbai – 400 001	532371	INE517B01013
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	TTML	

The Company's Commercial Papers are listed on NSE.

Corporate Identity Number (CIN) of the Company: L64200MH1995PLC086354

Market Price Data
The High and Low of the Company's equity shares during each month in the last Financial Year were as follows:

(Amount in Rs.)

Month	BSE		NSE	
	High	Low	High	Low
April 2019	3.29	2.91	3.30	2.90
May 2019	3.20	2.58	4.10	2.60
June 2019	5.27	3.22	5.15	3.30
July 2019	4.36	2.85	4.30	2.85
August 2019	3.10	2.37	3.05	2.35
September 2019	3.79	2.36	3.65	2.35
October 2019	2.89	2.59	2.85	2.55
November 2019	3.19	2.62	3.20	2.60
December 2019	2.90	2.21	2.85	2.20
January 2020	2.80	2.21	2.80	2.20
February 2020	4.31	2.22	4.40	2.20
March 2020	2.75	1.80	2.75	1.85

Source: BSE and NSE websites

Performance of the Company's Equity Share Price in comparison to BSE and NSE indices

The performance of the Company's share price vis-à-vis the broad based BSE and NSE indices during the year are as under:

Particulars	TTML Share Price v/s. BSE Sensex		TTML Share Price v/s. NSE Nifty	
	TTML Share Price (Rs.)	BSE Sensex	TTML Share Price (Rs.)	NSE NIFTY
As on April 1, 2019	3.05	38,871.87	3.05	11,669.15
As on March 31, 2020	1.89	29,468.49	1.80	8,597.75
Change (%)	(38.03)	(24.19)	(40.98)	(26.32)

Registrar and Share Transfer Agents

The Company has appointed TSR Darashaw Consultants Private Limited ("TSR") as its Registrar & Share Transfer Agents. Shareholders are advised to approach TSR on the following address for any shares and demat related queries and issues:

TSR Darashaw Consultants Private Limited
6-10, Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road, Near Famous Studio,
Mahalaxmi, Mumbai – 400 011.
Tel.: 91 22 6656 8484
Fax: 91 22 6656 8494 / 8496
e-Mail: csg-unit@tsrdarashaw.com
website: www.tsrdarashaw.com

Share Transfer System

In accordance with amendments to Regulation 40 of the Listing Regulations, physical transfer of shares is not permitted with effect from April 1, 2019. Therefore, request for transferring physical shares in Form SH-4 will not be accepted by the Company and/or its Registrar and Share Transfer Agent, TSR. However, transmission and transposition of shares in physical form are permitted.

Pursuant to Regulation 40(9) of the Listing Regulations, the Company obtains certificate from a Practicing Company Secretary on half-yearly basis to the effect that all the transfers are completed within 15 days from the date of lodgment of the transfer. A copy of the certificate so received is submitted to both the stock exchanges, where the equity shares of the Company are listed.

As regards transfers of dematerialized shares i.e., shares in electronic form, the same are effected through the demat accounts of the transferor/s and transferee/s maintained with the recognized Depository Participants with no involvement of the Company.

Distribution of Equity Shareholding

The broad shareholding distribution of the Company as on March 31, 2020 with respect to categories of investors was as follows:

Category of Investors		Percentage of Shareholding	
		As on March 31, 2020	As on March 31, 2019
Promoters and Promoter Group Companies	Indian	74.36	74.36*
International Investors (FIIs / NRIs / OCBs / Foreign Banks / Foreign Corporate Bodies)		0.84	0.99
Indian Financial Institutions / Banks / Mutual Funds / Insurance Companies / Central & State Government		0.01	0.06
Private Bodies Corporate / Trusts / NBFCs / LLP		1.16	1.73
Individuals / HUF		23.63	22.86
TOTAL		**100.00**	**100.00**

*Tata Teleservices Limited (Promoter Company) had pledged its shareholding equivalent to 26% of the Company's total paid-up equity share capital to secure the term loans/facilities availed by the Company. The pledge has been released on February 15, 2019.

The broad shareholding distribution of the Company as on March 31, 2020 with respect to size of holdings was as follows:

Range (No. of Shares)	% of Paid-up Capital	Total No. of Shareholders	% of Total No. of Shareholders
1 to 500	1.81	2,00,184	60.94
501 to 1,000	1.95	55,681	16.95
1,001 to 2,000	2.69	39,179	11.93
2,001 to 3,000	1.52	12,076	3.68
3,001 to 4,000	0.89	4,945	1.51
4,001 to 5,000	0.91	3,804	1.16
5,001 to 10,000	2.43	6,630	2.02
10,001 and above	87.82	6,005	1.83
Total	**100.00**	**3,28,504**	**100.00**

The quarterly shareholding patterns filed with the SEs are also available on the website of the Company and on the website of the SEs where equity shares of the Company are listed i.e., BSE and NSE.

Dematerialization of Shares and Liquidity

The equity shares of the Company are under compulsory dematerialized form. As of March 31, 2020, 99.86% of the total equity shares issued by the Company have been dematerialised. The equity shares of the Company are available for dematerialisation with both the depositories in India i.e., National Securities Depository Limited and Central Depository Services (India) Limited.

Outstanding Employee Stock Options, Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs") etc.

The Company has not issued any GDRs/ADRs/Warrants in the past and hence, as on March 31, 2020, the Company does not have any outstanding GDRs/ADRs/Warrants.

Commodity price risk or foreign exchange risk and hedging activities

The Company has a comprehensive foreign exchange risk management policy for managing foreign currency and interest rate exposure. The Company identifies risks and exposures to be hedged from time to time and hedges these exposures at an appropriate cost. During the Year, the Company has managed foreign exchange risk and hedged in compliance with its extant foreign exchange risk management policy. The open foreign exchange exposures are reviewed at a regular interval. Note 2.4 to the financial statements describes the accounting policy relating to the foreign currency transactions and translations. The details of the derivative financial instruments are enclosed in the Note 36 of the financial statements.

Utilisation of Funds

The Company has not made any issue/allotment during the Year.

Where we offer services

The Company provides its range of products and services to about 0.8 Million (wireline + wireless) subscribers in the State of Maharashtra (including Goa) through its telephone exchanges located at Turbhe (Navi Mumbai), Nariman Point (Mumbai), Andheri (Mumbai), Pune, Nasik, Panjim, Nagpur, Aurangabad and Kolhapur.

Address for correspondence

Shareholders holding shares in physical mode are requested to direct all equity shares related correspondence/queries to TSR and only the non-shares related correspondence and complaints regarding TSR should be addressed to the Compliance Officer at the registered office of the Company. Shareholders holding shares in electronic mode (dematerialized) should address all shares related correspondence to their respective Depository Participants only.

RISK MANAGEMENT

The Company has devised a formal Risk Management framework for risk assessment, prioritization and minimization. Further, the Company assesses the risk management framework periodically. The scope of the Audit Committee includes review of the Company's financial and risk management framework.

OTHER DISCLOSURES

Disclosure on Materially Significant Related Party Transactions

All transactions entered into with Related Parties as defined under the Act and Regulation 23 of the Listing Regulations during the Year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Act. All Related Party Transactions ("RPTs") were approved by the Audit Committee. The Company has entered into RPTs which were material as per the Regulation 23 of the Listing Regulations and as per the Policy for RPTs approved by the Board. The Company has obtained approval of Members by way of Postal Ballot for such Material RPTs. There were no materially significant RPTs during the Year which in the opinion of the Board may have potential conflict with the interest of the Company at large.

Suitable disclosure as required by the Indian Accounting Standards (Ind AS) – 24 has been made in the notes to the Financial Statements.

Apart from paying sitting fees, there was no pecuniary transaction undertaken by the Company with the Independent/ Non-Executive Directors during the Year.

A Policy for Related Party Transactions, as approved by the Board, is available on the Company's website under the following web link: https://www.tatateleservices.com/Downloads/ttml/Policy-on-Determination-ofMateriality-for-Disclosures.pdf

Disclosure on Whistle Blower Policy

The Company has adopted a Whistle Blower Policy which ensures protection and confidentiality to whistle blowers. The Chairman of the Audit Committee is authorized to receive from whistle blowers the Protected Disclosures under this policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made by whistle blowers in accordance with the policy. No personnel of the Company have been denied access to the Audit Committee.

Credit Rating

List of all credit ratings obtained by the Company alongwith any revisions thereto during the Year, for all debt instruments of the Company or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad, are given hereunder.

The credit rating of the various borrowings/debt instruments is set out below:

Rating Agency	Bank Facilities		Commercial Papers
	Long Term Rating	Short Term Rating	
CRISIL	AA- (Stable)	A1+	A1+
CARE	A+ (Stable)	A1+	A1+

There was change in outlook by rating agency CARE as compared to last year from 'Credit watch with developing implications' to Stable.

Statutory Auditors

Price Waterhouse Chartered Accountants LLP, having Firm Registration No. 012754N/N500016 have been appointed as the Statutory Auditors of the Company. During the Year, the Company has paid Rs. 1,15,65,000/- for all the services, on a consolidated basis.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of complaints filed, disposed of and pending are as follows:

Number of complaints filed during the financial year 2019-2020	Number of complaints disposed of during the financial year 2019-2020	Number of complaints pending as on end of the financial year 2019-2020
0	0	0

Compliance with non-discretionary requirements of Listing Regulations

The Company has complied with the non-discretionary requirements, relating to Corporate Governance as stipulated in the Listing Regulations, for the Year.

Implementation of discretionary requirements

The Company has implemented the following discretionary requirements relating to Corporate Governance, as specified in Part E of Schedule II of the Listing Regulations:

- The Auditors Report on Financial Statement for the Year is unmodified.
- The Internal Auditors of the Company present their quarterly Reports to the Audit Committee.

Certification with Respect to Financial Statements

The certificate as required pursuant to Regulation 17(8) of the Listing Regulations is periodically furnished by the Managing Director and the Chief Financial Officer of the Company to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls.

Details of Compliance with respect to submission of Annual Audited Financial Results

- Your Company, being a listed Company pursuant to Regulation 33 of the Listing Regulations, was required to submit the Annual Audited Financial Results to the Stock Exchanges for the quarter and year ending March 31, 2016 on or before May 30, 2016 (i.e., sixty days from the end of the financial year). Since the said financial results were under the finalization, the same could not be submitted within the prescribed time. As per the SEBI Circular No. CIR/CFD/CMD/12/2015 dated November 30, 2015 a penalty of Rs. 5000/- per day for non-compliance and if non-compliance continues for more than 15 days, additional fine of 0.1% of Paid-up capital of the Company or Rs. 1 Crore whichever is less shall be imposed by the Stock Exchanges. Accordingly, the Company had paid Rs. 1,01,30,000/- without holding of any tax to National Stock Exchange of India Limited and Rs. 1,14,46,900/- (post deducting TDS amounting to Rs. 2,02,600/-) to BSE Limited, as penalty for delayed submission of financial results.

- Your Company, being a listed Company pursuant to Regulation 33 of the Listing Regulations, was required to submit the Audited Financial Results to the Stock Exchanges for the quarter and half year ending September 30, 2017 on or before November 14, 2017 (i.e., forty five days from the end of the quarter). Since the said financial results were under the finalization, the same could not be submitted within the prescribed time. As per the SEBI Circular No. CIR/CFD/CMD/12/2015 dated November 30, 2015 a penalty of Rs. 5000/- per day for non-compliance and if non-compliance continues for more than 15 days, additional fine of 0.1% of Paid-up capital of the Company or Rs. 1 Crore whichever is less shall be imposed by the Stock Exchanges. Accordingly, the Company had paid Rs. 1,20,06,500/- without holding of any tax to BSE and NSE each, as penalty for delayed submission of financial results.

- Your Company, being a listed Company pursuant to Regulation 33 of the Listing Regulations, was required to submit the Financial Results to the Stock Exchanges for the quarter and half year ending September 30, 2019 on or before November 14, 2019 (i.e., forty five days from the end of the quarter). Since the said financial results were under the finalization, the same could not be submitted within the prescribed time. As per the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 3, 2018, a penalty of Rs. 5000/- per day for non-compliance shall be imposed by the Stock Exchanges. Accordingly, the Company had paid Rs. 5,900/- without holding of any tax to BSE and NSE each, as penalty for delayed submission of financial results.

Apart from above, no other penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years i.e., since April 1, 2017.

A certificate has been received from M/s. Kaushik M. Jhaveri & Co., Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the companies by SEBI, Ministry of Corporate Affairs or any such statutory authorities, is annexed as a part of this Report.

Auditors' Certificate

The certificate dated June 2, 2020 issued by Price Waterhouse Chartered Accountants LLP, Statutory Auditors, on compliance with the Corporate Governance requirements by the Company is annexed to this Report.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. Both these codes are available on the Company's website.

We confirm that the Company has, in respect of the Financial Year ended March 31, 2020, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, employees in the General Manager cadre and above and the Company Secretary.

Kush Bhatnagar
Chief Financial Officer

Mumbai
June 2, 2020

Vrushali Dhamnaskar
Assistant Company Secretary

Mumbai
June 2, 2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of,
TATA TELESERVICES (MAHARASHTRA) LIMITED
Voltas Premises, T.B. Kadam Marg,
Chinchpokli, Mumbai – 400033.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TATA TELESERVICES (MAHARASHTRA) LIMITED having CIN: L64200MH1995PLC086354 and having registered office at Voltas Premises, T. B. Kadam Marg, Chinchpokli, Mumbai – 400033 (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 Sub 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 according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 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	DIN	Date of appointment in Company	Date of Cessation in Company
1.	Mr. Srinath Narasimhan	00058133	February 01, 2014	The term as a Managing Director and Director of the Company ended on March 31, 2020
2.	Mr. Narendra Damodar Jadhav	02435444	April 01, 2019	-
3.	Mr. Ramanathan Kumar	06364297	September 24, 2019	-
4.	Ms. Hiroo Mirchandani	06992518	March 09, 2015	-
5.	Mr. Ankur Verma	07972892	September 29, 2018	-
6.	Mr. Thambiah Elango	07973530	April 01, 2019	-
7.	Mr. Daniel Trevelyn Joseph	01716572	May 08, 2009	September 21, 2019

Ensuring the eligibility of for the appointment / continuity of every director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kaushik M. Jhaveri & Co.,

Kaushik M. Jhaveri
Practising Company Secretary
FCS No.: 4254
CP No.: 2592
UDIN: F004254B000310153
Date: June 02, 2020
Place: Mumbai

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of Tata Teleservices (Maharashtra) Limited

We have examined the compliance of conditions of Corporate Governance by Tata Teleservices (Maharashtra) Limited, for the year ended March 31, 2020 as stipulated in Regulations [17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V] of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance 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.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N / N500016

Nitin Khatri
Partner
Membership No: 110282
UDIN : 20110282AAAABE7486

Place: Mumbai
Date: June 2, 2020

MANAGEMENTS' DISCUSSION AND ANALYSIS REPORT

TELECOM INDUSTRY DEVELOPMENTS

Global Telecom Industry

The global telecom industry landscape is changing faster than ever. Erosion of legacy revenue streams driven by over-the-top ("OTT") competitors continues, forcing operators to consider new ways of remaining relevant to consumer and enterprise customers. International Data Corporation ("IDC") expects telecommunication services spending to reach $1.6 trillion in 2020 with nearly flat growth compared to 2019.

Globally Small and Medium Businesses ("SMBs") are increasingly embracing digital transformation to take advantage of both the opportunities it presents, and the disruption it can mitigate. Surveys done by IDC indicate a strong focus on customer experience and on creating innovative products and services driving new ICT investments. Companies and organizations across industries are shifting gears in their digital transformation process, investing in Cloud, Mobility, Internet of Things, Artificial Intelligence and Robotics, to transform their business processes.

The COVID-19 pandemic has impacted the market in several ways. COVID-19 is leading to a lot of uncertainty around the spending impact on various technology markets. This pandemic is highlighting the importance of connectedness. On the positive side, IDC has observed increased use of telecom services due either to nationwide lockdowns or work-from-home policies that companies have implemented for their employees. IDC expects the global telecom services market to weather the current conditions better than other elements of the ICT market.

Businesses in sectors of the economy that are hardest hit during the first half of 2020 are likely to react by delaying some purchases and projects, and the lack of visibility related to medical factors will ensure that many organizations take an extremely cautious approach when it comes to budget contingency planning in the near term. However, there will be pockets of opportunity during the next six months, as organizations create response measures focused around increased remote work and collaboration.

Indian Telecom Industry

The Indian economy has emerged as the fastest growing major economy of the world. India is also one of the largest and fastest-growing markets for digital consumers. India has the second largest telecom network in the world with a total subscriber base at 1.2 Billion as on December 2019. India also has the second highest number of internet subscribers globally. The public and private sectors are both propelling digital consumption growth. Digitization continues to gain momentum in India.

Digital transformation has a significant impact on the businesses and its ecosystem. It rebuilds business strategy by leveraging modern technologies like Big Data, Cloud, Mobile, Machine Learning, and Artificial Intelligence acting at the nexus of next generation enterprise solutions. Indeed, digital transformation has already showcased a paramount shift in the conventional methods of manufacturing, storage, material handling, and delivery. Enterprise solution providers understand the need for digitization of businesses to unlock their maximum potential.

Indian Government has also launched multiple initiatives to digitize the economy. Few of them are mentioned below.

- The Government of India has introduced Digital India program under which all the sectors such as healthcare, retail, etc. will be connected through internet.
- Government of India schemes such as BharatNet, Bharatmala, Startup India and Standup India, Make in India, Sagarmala, Industrial corridors, UDAN-RCS, dedicated freight corridors, and E-Kranti are interconnected with the Digital India initiative.
- As per Union Budget 2020, the government has increased the funds to Digital India initiative by 23% to Rs. 3,958 Crores for the financial year 2020-2021.
- The Department of Information Technology intends to set up over 1 million internet-enabled common service centres across India as per the National e-Governance Plan.
- The Government of India's National Telecom Policy 2018 has envisaged attracting investments worth US$ 100 billion in the sector by 2022.

All the above Government initiatives are likely to accelerate the pace of digitization in India.

While Large Enterprises have been ahead of the curve in employing technology at a scale, over the last few years, SMBs have also embraced digitization.

Small businesses are closing the digital gap with larger firms. Large enterprises have the financial resources and expertise to invest in some advance technologies, such as Artificial Intelligence and Internet of Things, but growing high-speed internet connectivity and shrinking data costs are opening digital opportunities for many small and medium business owners. Digitization can enable Large Enterprises ("LEs") to achieve growth and attain scale of business.

45% of Large Enterprises in India are growing slower than India's GDP, despite India being one of the fastest-growing trillion-dollar economies in the world. This is because of a combination of factors such as unicorns, digital natives, and technologically advanced global players eating into Indian Large Enterprises' revenues. Digital has become a core focus area for Large Enterprises, especially in recent years. Research revealed a strong correlation between the digital spend and the business growth of Large Enterprises. Enterprises with a strong digital focus have witnessed higher business growth. *(Source: Zinnov Research)*

In the current environment, impacted by COVID-19, enterprises are likely to embrace digital technologies even more rapidly as India becomes one of the largest Work from Home market. There is a likely acceleration in the adoption of Cloud Based Solutions, Collaboration Solutions, AI, Internet of Things and Data Management Solutions that allow enterprises to integrate, secure and manage data and collaboration effectively.

In the near future, Digital will become an absolute imperative for survival, growth and market leadership as more and more employees start operating from home. The economy is likely to witness slowdown in the near term, stressing the balance sheets of the organizations and may slow down their growth focused capital investment plans in digital systems, tools and platforms.

KEY REGULATORY DEVELOPMENTS / LITIGATIONS

Alternate Digital KYC process:

- Department of Telecommunications ("DoT") has issued instructions for Alternate Digital KYC process for issuance of new connections on April 3, 2019 and instructed Telecom Service Provider ("TSP") to implement same within one month.
- TTML has partially implemented the process Payment and Pre-payment for Spectrum Auction 2015:
- Pre-payment of Rs. 442.78 Crores for 2nd instalment for TTML for spectrum dues for auction 2015 made to DoT on April 8, 2019.
- Financial Bank Guarantee ("FBG") of Rs. 442.78 Crores for TTML has been replaced by Bharti Airtel Ltd. and TTML FBG has been released by DoT and bank has cancelled these FBG.

Clarification regarding surplus adjustment in Licence Fees ("LF") and Spectrum Usage Charges ("SUC"):

- DoT has issued process for adjustment of surplus amount paid as LF/SUC on October 9, 2019. Surplus License Fee will be adjusted against LF demands and surplus SUC can be adjusted only against SUC demands only.

Release of Performance Bank Guarantee ("PBG")/FBG:

- Rural DEL scheme PBG of Rs. 50 Lakhs for Maharashtra Licence Service Area of TTML have been released by DoT.
- Village Public Telephone Scheme PBG of Rs. 27 Lakhs in Maharashtra has been released by DoT.
- FBG securing Minimum Roll Out obligation of auction acquired spectrum of Rs. 21 Crores in Mumbai has been released by DoT.

Operational continuity of telecom service in view of COVID-19 lock down:

- DoT vide its letters dated March 21, 2020 has instructed all Chief Secretaries of State and Union Territories to extend their support to ensure uninterrupted telecom services during the lock down period.
- All TSPs are required to submit a report (initially twice and subsequently once per day) to TERM Cell on COVID-19 cases and network breakdown and support needed.

TRAI Regulations

In the FY 2019-2020, Telecom Regulatory Authority of India ("TRAI") introduced Regulation/s and/or amendments thereto, covering on:

o TRAI issued The Telecommunication Interconnection Usage Charges (Fifteenth Amendment) Regulations, 2019 dated December 17, 2019.

o TRAI issued Telecommunication Consumers Education and Protection Fund (Fifth Amendment) Regulations, 2020 dated January 16, 2020.

TRAI Directions

In the FY 2019-2020, apart from directions in relation to specific service providers, TRAI provided directions and/or amendments, thereto covering:

- o Directions on missed calls (wangiri calls) originating from outside the country dated April 2, 2019.

- o Direction to TTML to facilitate refund of unspent balance of pre-paid mobile subscribers and security deposit of the postpaid subscribers pursuant to surrender of administratively allocated spectrum in 800 MHz band and closure of services under the CDMA dated June 10, 2019.

- o Amendment to Direction No. 311-311/2012-QoS regarding prefixing of code of service provider and service area to the alpha-numeric identifier of all commercial SMSs which are sent with only sender identification & without the normal ten-digit mobile number dated July 15, 2019.

- o Direction regarding submission of Performance Monitoring Report to the Authority on UCC dated August 6, 2019.

- o Direction to implement Green Technology in the Telecom Sector and submission of the Carbon Footprint Report - Issued to all Basic, CMTS, UASL, Unified License & UL (VNO) Licensees dated January 2, 2020.

- o Order to all TSPs regarding 'Framework of Publishing Mobile Number Revocation List' dated November 21, 2019.

- o Direction to implement Green Technology in the Telecom Sector and submission of the Carbon Footprint Report - Issued to all National Long Distance Service Providers dated January 2, 2020.

- o Direction to implement Green Technology in the Telecom Sector and submission of the Carbon Footprint Report - Issued to all Internet Service Providers dated January 2, 2020.

- o Direction to implement Green Technology in the Telecom Sector and submission of the Carbon Footprint Report - Issued to all International Long Distance Service Providers dated January 2, 2020.

- o Direction regarding implementation of The Telecom Commercial Communications Customer Preference Regulations (TCCCPR), 2018 dated January 20, 2020.

MAJOR LITIGATION

- **Dual Technology**

  The Cellular Operators Association of India ("COAI") challenged the DoT Press Release dated October 19, 2007 allowing the existing licensees to use dual technology i.e., CDMA operators were permitted to acquire and use GSM spectrum for providing GSM services and vice-versa ("Dual Tech Policy") before TDSAT, which upheld the Dual Tech Policy by order dated March 30, 2009. TTML GSM admin spectrum in 1800 MHz band was allocated under this Dual Tech Policy in 2008 and same has expired on September 29, 2017. COAI challenged the TDSAT order before the Supreme Court, praying that the Dual Tech Policy should be repealed and the GSM start-up spectrum should be cancelled. Civil Appeal No. 6576 of 2010 was last listed on July 16, 2019 and is on Board for hearing. In case the policy is held to be invalid, there could be some financial liability for past period of about eight years during which this spectrum was held by the Company.

- **3G Intra Circle Roaming ("ICR")**

  The Company challenged the DoT's circular dated December 23, 2011 directing it to (i) stop provisioning of 3G Intra Circle Roaming ("3G ICR") services under the intra service area roaming arrangement in service areas where the Company was providing 3G services through other operators without obtaining the 3G spectrum; and (ii) show cause notice of Rs. 500 Crores. The circular was challenged by the Company before TDSAT. The TDSAT vide its judgment dated April 29, 2014, held that 3G ICR arrangements do not violate any provision of the UASL. The DoT filed an appeal before the Hon'ble Supreme Court against the said judgment passed by the TDSAT. The matter is pending before the Supreme Court. The Company filed another Petition No. 02/2017 in TDSAT on January 6, 2017 with a prayer to allow 3G ICR under unified license and TDSAT directed that the Company can enter into 3G ICR and DoT shall not take any coercive action against the Company.

- **Adjusted Gross Revenue ("AGR") Definition**

  Please see main Directors' Report for details.

- **One Time Spectrum Charges ("OTSC")**

- o After the 2G judgment by the Supreme Court in February 2012, the DoT in December 2012 levied one-time spectrum charges ("OTSC") on administratively allocated CDMA spectrum. The Government decisions dated November 8, 2012; December 28, 2012 and March 15, 2013 under which the OTSC was charged, permitted the operators to surrender the CDMA spectrum beyond 2.5 MHz (CDMA) till April 2013 in case the operators did not want to pay OTSC. The Company received a demand note from the DoT towards OTSC of Rs. 290

Crores for retention of CDMA spectrum beyond 2.5 MHz (excess spectrum) with effect from January 1, 2013 till expiry of license. The Company filed a writ petition dated April 4, 2013 before the Mumbai High Court challenging the demand. Subsequently, the Company retained 1.25 MHz (out of excess 2.5 MHz) in Mumbai and surrendered balance 1.25 MHz in August, 2013 and surrendered excess spectrum in Maharashtra in November, 2013 and has paid under protest OTSC of Rs. 120 Crores in respect of spectrum retained in Mumbai. The surrender of the excess spectrum and the payment of OTSC by the Company is without prejudice to rights of the Company.

o Subsequently, the Mumbai High Court stayed the demand for OTSC on April 9, 2013. The DoT has objected to the jurisdiction of the Mumbai High Court to entertain challenge to OTSC on the ground that TDSAT has exclusive jurisdiction to adjudicate the issues raised in the writ petition. The matter is pending and will be listed in due course.

o Meanwhile, DoT filed in Hon'ble Supreme Court ("SC") Transfer Petition seeking transfer of three Writ Petitions filed separately by Bharti Airtel Limited, Tata Teleservices (Maharashtra) Limited and Idea Cellular Limited & Anr. pending before Mumbai High Court, on the grounds that there would be conflicting judgments/orders if the writ petitions are not transferred and more so when the issue is pending consideration before Supreme Court, which were dismissed by SC vide orders dated September 27, 2019.

- **Wireless Planning Commission ("WPC") Spectrum Dues**

WPC raised various demand notes relating to microwave charges, for amount of Rs. 185 Crores which were challenged by the Company. The Company's contention was that there was discrepancy in the charges imposed by the DoT (for instance, the DoT had charged for carriers which were either surrendered by the Company or not allocated to the Company or already paid for by the Company). The Company filed a petition before the TDSAT challenging the demand notes, post which the WPC, DoT issued revised demand of Rs. 121.37 Crores, which has again been revised to Rs. 129.93 Crores. The revised demand is primarily due to interpretation of definition of Adjusted Gross Revenue ("AGR") adopted by DoT which is at variance with the Company and industry interpretation, charging of compound interest and levy of penalty and interest on penalty on the Company for the period starting from FY 2005-06 to FY 2011-12 for all the circles. The Company's contention is that pursuant to the order of the TDSAT, the Company would only be liable for simple interest on the microwave charges imposed by the DoT (i.e., no penalty or compound interest could be levied by the DoT). Hon'ble TDSAT deferred the matter until the disposal of Civil Appeal pending before the Hon'ble Supreme Court for a similar case by the Company and other operators.

- **Mumbai Circle TERM Penalty**

o TTML received demand notices dated February 22, 2011; April 30, 2014; December 7, 2015; January 14, 2016 and March 31, 2016 amounting to Rs. 117.72 Crores from Mumbai Circle TERM Cell imposing penalties alleging non-compliance of subscriber verification norms. It was further averred in the demand note that failing the immediate payment of the penalty, the TERM Cell may invoke and encash the bank guarantees furnished by TTML to DoT. It is a license requirement to verify credentials of each acquired customer. The penalty was challenged before the TDSAT and Delhi High Court ("HC"). Delhi HC, on March 23, 2018 directed DoT that if DoT intends to take any coercive action, it would approach the Delhi HC first. This was challenged in Delhi HC by way of Clarification Application in WP No. 3000 of 2018. Delhi HC while granting time for addressing the submissions on merits passed an interim order directing DoT to not withhold any process/permission on account of non-payment of dues, which are subject matter of the petition. The matter shall be listed in due course. The interim order continues. The revised penalty amount, as communicated by DoT on December 20, 2019 is Rs. 236.90 Crores.

o TTML received additional demand note(s) amounting to Rs. 30.74 Crores from Mumbai and Maharashtra Circle TERM Cell. TTML filed a writ petition before the Mumbai High Court challenging the demand note of Rs. 19.79 Crores and was granted a stay. The balance demand of Rs. 10.95 Crores has been represented to TERM Cell and response is awaited. If the matter is ruled against the Company, the Company may have to pay the penalty along with interest.

o TTML received another demand note dated March 28, 2019 amounting to Rs. 31.55 Lakhs and subsequent rejection order dated July 16, 2019. TTML filed TP No. 72 of 2019 against the Demand and vide Order dated August 26, 2019, the Hon'ble TDSAT ordered that TTML to pay the penalty amount as per Demand notice except for 41 CAFs (total penalty for 59 missing CAFs was calculated as Rs. 29.50 Lakhs) within one week. DoT is directed not to take any coercive action. The Company had paid Rs. 11.05 Lakhs as per TDSAT order. The balance disputed amount is Rs. 20.50 Lakhs. If the matter is ruled against the Company, the Company may have to pay the penalty along with interest.

- **MERC Order on applicability of commercial tariff on Mobile Towers**

  By way of Multiyear Tariff Order dated November 3, 2016 passed by the Maharashtra Electricity Regulatory Commission ("MERC"), the mobile towers were re-categorized and covered under the commercial tariff as against the industrial tariff applicable to the mobile towers under the previous tariff orders. The said Tariff Order dated November 3, 2016 has been challenged by various telecom operators as well as IP1 companies before the Appellate Tribunal for Electricity ("APTEL"), Delhi by way of appeals under Section 111 of the Electricity Act and all appeals have been clubbed and heard together. Interim protection has been granted by the APTEL in favour of the appellants including TTML, with a direction that subject to the outcome of the appeals filed by the telecom operators and IP1 companies before it, the appellants shall pay to the Maharashtra State Electricity Distribution Company Ltd. ("MSEDCL") the tariff in terms of industrial category including all outstanding and the current dues, without prejudice to the rights and contentions of all the parties and there shall be no coercive steps taken by MSEDCL. In view of the above orders, which is still in force, the appellants are not required to make the payment as per the commercial tariff as made applicable by virtue of the aforesaid impugned tariff order dated November 3, 2016. APTEL vide its Judgment dated February 12, 2020 in a batch of appeals, has allowed all the appeals thereby holding that the mobile towers shall be categorized under the 'industrial tariff' and not under 'commercial tariff. In other words, the said order of MERC is now reversed, and the industrial tariff is restored for mobile towers.

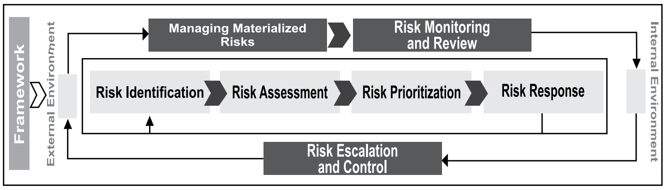
RISKS AND CONCERNS

This section discusses the various aspects of enterprise-wide risks management. It might be noted that the risk related information outlined here is not exhaustive and is for information purpose only.

The Company has formulated a well defined and dynamic enterprise risk management ("ERM") program. The program is governed by a comprehensive risk management policy, which, amongst others, includes the risk management governance structure and the risk management process.

The Central Risk Office actively monitors the risk management process. Results of the risk management activities are annually presented to the Risk Steering Committee and Audit Committee of the Board of Directors.

The risk management process enables proactive identification, recording, tracking of risks and monitoring of mitigation plans to respond to changes in business and regulatory environment. The risk management process is embedded in all facets of Company's work systems, thereby reassuring all stakeholders, customers, investors, employees and partners of the Company's business sustainability.



The ERM framework aims to realize the following benefits for the organization:

1. Enhance risk management;
2. Facilitate risk-based decision making;
3. Improve governance and accountability;
4. Enhance credibility with key stakeholders such as investors, employees, government, regulators, society etc.;
5. Protect and enrich stakeholder value.

The Company is exposed to several risks such as regulatory risks, technology risks, financing risks and competition risks. An effective and dynamic risk management process enables the Company to manage and mitigate the impact of these risks. The key risks facing the Company include:

1. **Market and Competition Risks**

   The Enterprise Telecom Market has seen a muted growth over FY 2019-2020. The market growth was led by Enterprise Data and Managed services, while the Enterprise Voice market continued its decline on account of shift towards mobility.

   The market continues to shift to a service-oriented model. Telecom companies are leveraging the scale and agility of cloud to virtualize networks, rapidly introduce innovation, and embrace IoT opportunities. Operators are investing in holistic capabilities to provide end-to-end communications solutions and also leverage the new age technologies e.g. IoT, SDN/NFV, Hybrid Cloud, SIP Trunking etc. to strengthen their market position.

   In the Enterprise voice segment, the market shift to mobility services continues, further aggravated by unlimited free voice offers. Growth in Innovative SIP Trunking solutions partly negate this decline. The new services based on the more flexible technologies (IP, MPLS, Ethernet etc.) continue to replace traditional services such as IPLC and DLC. The risk of new entrants scaling up presence in the Enterprise Telecom market continues.

2. Regulatory Risks

As is evident from the Major Litigation section hereinabove, telecom industry continues to face plethora of changes and ambiguities in the regulatory space.

During the FY 2019-2020, Supreme Court gave its judgement in one of the major litigations of the industry, which was the definition of AGR. The details have been provided in the Directors' Report as well as in the Notes to Accounts.

The Company also obtained the approvals from the regulatory, licensing and other statutory agencies for the demerger of the Consumer Mobile Business in FY 2019-2020. DoT has issued on April 28, 2020 a show cause notice to the Company asking it to show cause why penalty of Rs. 100 Crores be not levied for transferring consumer mobile undertaking on July 1, 2019 without getting DoT final approval which was received on February 6, 2020.

However, the Company continues to tackle the litigation issues (most of the legacy wireless issues) including a) Telecom Policies and Licenses in areas of dual technology, b) allocation of access and microwave spectrum, c) EMF radiation, d) green technology, e) security guidelines, f) EKYC of existing subscriber base, g) Minimum Rollout obligation, h) AGR definition and the decision to charge One Time Spectrum Charges (OTSC) within the contracted quantum of spectrum, i) penalties levied by TERM cell etc. and these issues are now pending before various courts. There are significant financial penalties under challenge and those carry significant regulatory risks, in case the court judgments are not favorable to the Company.

The Company has a legal and statutory compliance program in place to continuously scan and where possible monitor, the regulatory environment, identify the changes applicable to the Company's operations and undertake measures to comply with the regulatory requirements. Further, the Policy advocacy team continues to engage with external stakeholders including regulatory bodies to ensure a harmonious relationship with various regulatory agencies.

3. Technological Risks

The Technology is making rapid evolution in every aspect of Enterprise Networks and Services. Technologies such as Cloud, Software Defined Networks (SDN), Network Function Virtualization (NFV), Artificial Intelligence (AI), 5G, IoT, Virtual & Augmented Reality are enabling "Digitization" of various Enterprises and their businesses to enter into "Industry 4.0" revolution which is currently taking place.

Many of the Telecom Services Providers in both Fixed Line and Mobile Services are in the process of adopting these Technological changes to transform their network and services in view of rolling out newer products & services to their customers. It is quite critical to identify opportunities for the Company in these areas, identify relevant Products & Services and plan for transformation of the existing network infrastructure and remain competitive and futureproof in the market place.

At the same time while adopting new Technologies and Services, legacy Network elements and respective products and services should be planned to be retired to ensure services continuity and also to avoid higher operational costs in a phased manner. To enable the Company to move in synchrony with the changes in technology, significant investments may be required in the Network Infrastructure.

Various states and city authorities continue to do civic infrastructure developments like construction of metro transportation networks, State & National Highways, etc. which will involve extensive realignment and digging of roads and thereby possibly impacting our Optical fiber network which is one of our most critical Network asset base which might result in disruption of services / down-time to our customers.

The Company has undertaken proactive monitoring, maintenance and relocation of assets to ensure optimal utilization of resources.

Post de-merger and shut down of Mobility Network and in order to reorganize the Network Infrastructure to orient the same for Enterprise business, fresh investments are already undertaken from last year and transformation of legacy Network elements to the latest and futureproof Technologies is already commenced and these efforts will continue to be adopted through the coming years. Few such examples are introduction of IP Multimedia Services (IMS) platform, OTN & PTN (Optical Transport Networks), PTN (Packet Transport Network) which are enabling latest IP (Internet Protocol) based services to the end customers have already been introduced replacing legacy TDM (Time Division Multiplexing) architecture. Such transformations will continue enable introduction of latest Technological platforms, services and at the same time would enhance the efficiencies by eliminating the legacies and significant operating costs eventually aligning to meet the projected growth of Enterprise business.

4. **Financing Risks**

While the Company's debt had come down and EBIDTA had improved post the demerger of the CMB business, the Company continues to carry a substantial debt as of March 31, 2020, including funds borrowed for AGR payment. In addition, the Company may be required to invest significantly in capital expenditure of network infrastructure towards sustaining and growing the enterprise business. This may impose additional strain on the existing financial situation of the Company.

The Company has experienced difficulties in its borrowing programs in the past and the current economic scenario on account of the COVID-19 pandemic might impact the Company's ability to refinance the debt and raise additional debt. Further, the terms of raising fresh capital may not be in line with past terms and conditions and/or may be subject to such covenants which may be challenging for the Company to adhere to thereby impacting the costs of not only incremental capital but also existing debt adversely.

In the previous years, fresh infusion of funds has been undertaken by the stake holders (Tata Teleservices Limited) to clear substantial amount of bank borrowings including spectrum dues, thereby providing comfort to the lenders on the support from the shareholders. With the above support, the Company has been able to refinance its debt in the past and believes that it should be able to continue to refinance the debt in the coming year as well. Further, a series of cost optimization initiatives have been undertaken to reduce strain on fund requirements.

5. **Talent Retention Risks**

Given the background of volatile and uncertain times, key talent retention assumes a significant risk. To address this and to improve employee confidence, measures have been put in place to continuously engage with the employees by way of periodic communication of key developments, ongoing rewards and recognition initiatives, etc.

Further, the Company has been working to ensure workforce optimization by providing various internal career movements. Employee engagement and connect will be the key areas of focus in the current COVID-19 situation.

6. **Brand Risks**

It has been more than a year, since we moved to the new brand "Tata Tele Business Services" for Enterprise business. Over the last year, we have been continuously investing in Digital media, Direct Marketing activities and Customer Engagement events to strengthen our brand. We have strengthened our Thought Leadership Forum under the umbrella of "Do Big", through the introduction of "Do Big Conclave", wherein we invite industry experts to discuss pioneering solutions with our prospective customers, thereby enabling them to scale their business. These forums have been well appreciated across stakeholders. Going further, we will continue to invest in our Brand.

7. **Natural Disasters and Pandemics**

TTL, having pan-India operations, is always under the threat of various natural disasters like floods, cyclones and landslides. In order to ensure continuity of operations and services to customers, TTL evaluates various such risks from people, process and technology perspectives and draws up mitigation plans. Weather data is regularly monitored to be prepared for natural calamities and work out business continuity plans.

The recent COVID-19 global pandemic put to test TTL's business continuity plan. Your Company managed to continue providing services to customers and also catered to requests for upgrades and new connections. This was done keeping in mind the health and safety of our employees and customers. Continuity of operations was done with >95% of employees working from home thereby ensuring their health and safety.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

An Audit Committee of the Board of Directors has been constituted as per the provisions of Section 177 of the Companies Act, 2013 (the "Act").

The internal audit for various functions/aspects is conducted by the independent firms, which conduct reviews and evaluation and present their reports to the Audit Committee and the management at regular intervals.

The Internal Auditors' reports dealing with internal control systems are reviewed by the Audit Committee and appropriate actions are taken, wherever necessary.

OPPORTUNITIES AND THREATS

Opportunities

Digital transformation and adoption of emerging technologies such as Cloud, Mobility, IoT, Analytics etc. is changing the dynamics and landscape of Enterprise requirements.

Enterprises in India are increasingly investing in cloud, network, and other digital services as they look to simplify their business operations, enhance workforce productivity and achieve business excellence. With explosion of devices and rapidly increasing data usage, OTT and IT companies are experiencing high requirement for high capacity, high speed networks for their backbone and datacenter connectivity.

Enterprises are increasingly using the public/hybrid cloud for storage as well as to run and support applications due its simplicity and the economies of scale. Further, fueling this demand is the continuous push of Government towards digitization.

All of the above are driving the demand for Enterprise Data and Managed Services.

Amongst the various industry verticals, BFSI, IT and Manufacturing have been the front runners to drive growth. Small & Medium Businesses' ('SMBs') segment continues to accelerate their digital transformation journey, thereby driving demand for Data and Managed services.

Telcos and service providers in India are working to build advanced networking solutions to fulfill the dynamic changes in requirements of enterprises in terms of high bandwidth and agile networking for digital transformation. The operators are investing in Software Defined/Hybrid networking, MPLS over 4G, High capacity Ethernet, Enterprise Wi-Fi to create value for Enterprises.

Threats

Entry of new operators and disruptive product and pricing strategies by new and existing operators may lead to tremendous financial strain in the short to medium term.

Legacy voice and data network infrastructure may not be comparable with competition's network infrastructure thereby significantly impacting the product offerings. With all operators rolling out the IP networks to carry both voice and data, the capacity available in the legacy network may not be able to handle the burgeoning voice and data traffic of the customers.

The new services based on the more flexible technologies (IP, MPLS, Ethernet etc.) continue to replace traditional services such as IPLC and DLC. The market for Managed Services continues to be a fragmented market with constantly evolving business models and technology innovation.

Disruption caused by COVID-19 may also adversely affect the voice business in near future.

HUMAN RESOURCES

All the audits i.e., Internal, Statutory and Internal Financial Controls checks were completed successfully, without any observation/NC. The Company completed transition of Consumer Mobility Business employees to Bharti Airtel Limited on July 1, 2019.

The Company had a total of 368 employees on its rolls as on March 31, 2020.

QUALITY AND PROCESSES

The Company follows the Tata Business Excellence Model ("TBEM") as its quality and process improvement framework. TBEM is a process maturity model that is adapted from the globally acclaimed Malcolm Baldrige Performance Excellence Framework of the National Institute of Standards and Technology, US Department of Commerce.

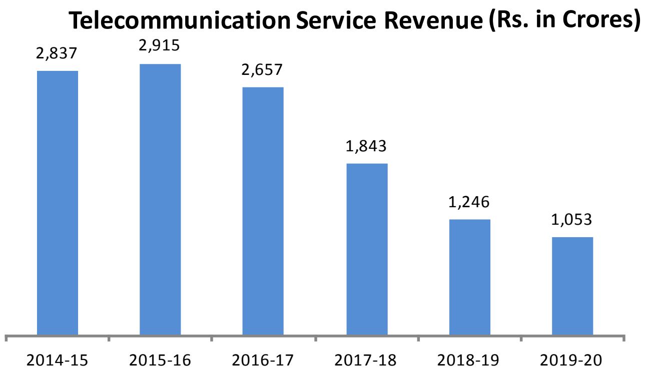
The TBEM framework is divided into six process and one business results categories. It also has a special category on Safety to ensure stakeholder safety and health. The six process categories include Leadership; Strategy; Customer; Measurements, Information & Knowledge Management; Workforce and Operations. The Business Results section includes Product, Customer, Workforce, Leadership and Financial results. In the model, equal weightage is given to process and business outcomes thereby ensuring a virtuous cycle for overall improvement.

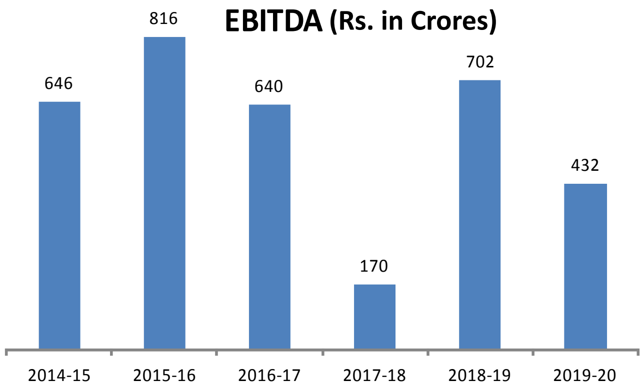
The TBEM reference manual comprises of 100 plus criteria questions which help companies follow a journey of process and data maturity and improve constantly. Process Maturity is evaluated using the Approach-Deployment-Learning-Integration perspectives, while the Business Results are assessed using Levels-Trends-Comparatives-Integration framework. This balanced and holistic approach helps the Company stay on a continuous improvement path and evaluate processes against business outcomes. The TBEM framework has helped Tata companies understand and serve customers better, mitigate risks and create long term multi-stakeholder value. The Company is on a renewed journey to create enhanced value for all stakeholders through this framework.

KEY FINANCIAL INFORMATION & OPERATIONAL PERFORMANCE

Revenue from Telecommunications Service

Service revenue for the year ended March 31, 2020 decreased to Rs. 1,053 Crores as against Rs. 1,246 Crores in the previous year. These nos. are not comparable as CMB business demerged w.e.f. July 1, 2019.



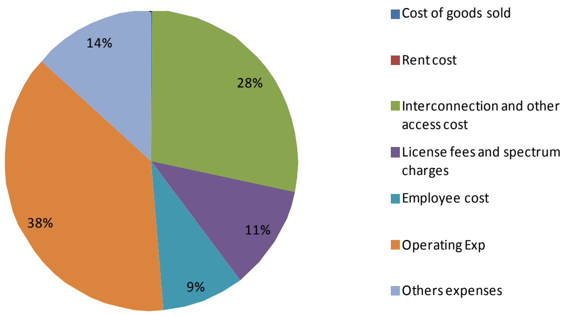


Other Income

Other income during the year stood at Rs. 36 Crores (previous year Rs. 76 Crores) which included income from rendering of services to the tune of Rs. 25 Crores (previous year Rs. 31 Crores).

Operating Expenses

Operating expenses including provision for contingencies for the year were recorded at Rs. 656 Crores as against Rs. 620 Crores in the previous year. The major components of the total operating expenses are as follows:



Operating Expenses (%)

Earnings Before Interest, Tax, Depreciation and Amortization ("EBITDA")

The focus during the last few years for the Company has been on optimizing its operations and increasing the asset utilizations. The Company's EBITDA reported at 40%.

Net Loss

The Company's loss before exceptional items was Rs. 1,284 Crores as compared to last year level of Rs. 999 Crores. The Company reported a net loss of Rs. 3,714 Crores during the year, after providing LF/SUC Rs 2,467 Crores. Net impact of Rs. 2,430 Crores shown under exceptional items is after accounting for the said LF/SUC provision.

Balance Sheet

The Shareholders' Funds was Rs. 17,479 Crores (Negative) as at March 31, 2020 against Rs. 14,820 Crores (Negative) as at March 31, 2019.

Total borrowing for the Company (including long term borrowing, short term borrowing, current maturities of long term borrowing and long term debt payable on demand, acceptance, payables under usance letter of credit, debt components of ICDs and deferred spectrum liability including interest) was Rs. 16,701 (excluding liability component of RPS) Crores as compared to Rs. 16,289 Crores in the previous year.

The Net Block (including tangible as well as intangible assets) as at March 31, 2020 decreased to Rs. 680 Crores as compared to Rs. 718 Crores in the previous year. The Company has assets under development and Capital Work in Progress of Rs. 39 Crores and Right of use Assets of Rs. 213 Crores.

Significant Changes in Key Financial Ratios

The key financial ratios are as under:

Particulars	**2019-2020**	2018-2019
Operating Profit Margin (%)[1]	40%	53%
Net Profit Margin (%)[1 & 2]	(341%)	(50%)
Return on Net Worth (%)[3]	NA	NA

Debt Service Coverage Ratio (DSCR)[1]	0.04	0.12
Interest Service Coverage Ratio (ISCR)[1]	0.52	0.70
Debt Equity Ratio Note[1]	(0.96)	(1.22)
Current Ratio[2 #]	0.07	0.29

Excluding borrowings & interest accrued but not due and assets classified as held for sale & liabilities directly associated with assets classified as held for sale.

Note:
1. The aforesaid ratios are not comparable, as CMB business has been demerged with effect from July 1, 2019.
2. Provision for LF/SUC Rs. 2,467 Crores made during 2019-2020.
3. Due to negative Net worth this ratio is not computed.

OUTLOOK

The Company has successfully completed the demerger transaction of its consumer mobile business to Bharti Airtel Limited on July 1, 2019.

The enterprise segment of the telecom business is projected to witness growth in the years to come on the basis of:

1. Wide Optical fiber network of ~132,000 kms. (TTSL+TTML).

2. Strong brand presence across customers in this business with deep customer relationships.

3. Wide range of customized solutions enabling to service as a “A One Stop Shop” for meeting needs of enterprise customers and enhancement of the Product portfolio, including Managed Services.

4. Robust Channel Partner Ecosystem.

5. Uniform, high quality customer experience.

With changing technology and increasing competition and conditions created by COVID-19 epidemic, sustaining the growth without substantial incremental investments may be challenging.

The Company may also explore opportunities to strategically restructure certain business lines/assets at an appropriate time.

The expectations and risks stated in this report are in the opinion of the management and may not necessarily fructify.

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Teleservices (Maharashtra) Limited
Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Tata Teleservices (Maharashtra) Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and total comprehensive loss (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

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

Emphasis of Matter

4. We draw your attention to Note 1.4 to the financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The management believes that no adjustments are required in the financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

5. We draw your attention to Note 1.5 to the financial statements which states that the Company had received an anonymous letter alleging irregularities in procurement of certain materials for which the investigation by the Company is yet to be concluded. Our opinion is not modified in respect of this matter.

Key audit matters

6. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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. Accuracy of revenue recorded for telecommunication services given the complexity of the related IT systems (Refer notes 2.3 and 25 to the financial statements) The Company's revenue from telecommunication services is recorded through complex automated (IT) structure wherein the data is processed through multiple systems, which requires periodic reconciliation controls to ensure completeness and accuracy.	Our audit procedures included control testing and substantive procedures covering, in particular: • Understanding and evaluating the relevant IT systems and design of key controls including procedures on testing of IT general controls. • Testing operating effectiveness of key controls over: a) Capturing and recording of revenue transactions;

Key audit matter	How our audit addressed the key audit matter
There is an inherent risk around the accuracy of revenue recorded given the complexity of billing, rating and other relevant support systems and the impact of changing pricing models to revenue recognition (tariff structures, discounts, etc.).	b) Authorization of rate changes and the input of this information to the billing systems; c) Accuracy of calculation of amounts billed to customers; • Testing the end-to-end reconciliation from billing and rating systems to the general ledger. The testing included validating material journals processed between the billing & rating system and general ledger; • Performing tests on the accuracy of customer bill generation on a sample basis and testing of a sample of the credit notes issued; • Testing cash receipts for a sample of customers back to the customer invoice. Based on the procedures performed above, we did not find any material exceptions in the accuracy of telecommunication services revenue recognized during the year.
2. Assessment of contingent liabilities and provisions for litigations (Refer note 23 – "Provisions", note 32 – "Contingent Liabilities" and note 2.14 on Companies accounting policies with regard to provision and contingent liabilities.) There are a number of material regulatory and tax cases against the Company. Significant judgement is required in estimating / reassessing the level of provisioning and/or disclosures. The management's assessment is supported by advice from independent legal/ tax consultants obtained by them. We considered this as a Key Audit Matter as the eventual outcome of litigations is uncertain and the positions taken by the Management are based on the application of significant judgement and estimation. Any unexpected adverse outcomes could significantly impact the Company's results and financial position.	Our procedures included the following: • Testing design and implementation of key controls surrounding litigation, regulatory and tax procedures and assessment of probable outflow; • Discussing with the management and tax and regulatory department heads to understand significant matters under litigation; • Obtaining and substantively testing evidences to support the management's assessment and rationale for provisions made or the decision not to record provisions, including correspondence with external legal counsel; • Reviewing the minutes of board of directors' meetings in respect of discussions relating to litigations/legal matters; • Reading external legal opinions obtained by management, where available; • Evaluating independence, objectivity and competence of the management's tax/legal consultants; • Monitoring and considering external information sources such as media reports to identify potential legal actions; • Obtaining confirmations, where appropriate, of relevant third party legal representatives and discussing with them certain material litigation, if required; • Testing that the adjustments arising on account of reassessment in estimates during the year are either due to changes occurred in the circumstances on which estimate was based or as a result of more information or more experience gained during the current year. • Assessing management's conclusions through understanding precedents in similar cases; • For Direct and Indirect tax litigations, involving auditors' tax experts to understand the current status of tax cases and monitoring changes in the disputes by reading external advice received by the Company; • Performing detailed procedures on the underlying calculations supporting the provisions recorded and ensuring adequacy of disclosures made. • Assessing the appropriateness of the disclosures made in financial statements.

Key audit matter	How our audit addressed the key audit matter
	Based on the above procedures performed, we have not identified any significant exceptions relating to disclosure of contingent liabilities and accounting for provisions for litigations.
3. Accounting for demerger of Consumer Mobile Business (Refer Note 1.2, 14, 24 and 31 to the financial statements) During the year, the Company received all the requisite regulatory approvals in respect of the Scheme of Arrangement for transfer of its Consumer Mobile Business (CMB) to Bharti Airtel Limited ("Bharti"). Accordingly, the scheme was given effect to in the books of account with effect from the appointed and effective date of July 1, 2019, as approved by the National Company Law Tribunal (NCLT). This has been considered as a key audit matter in view of magnitude of the transaction, complexity involved in ensuring accuracy and completeness of the assets and liabilities transferred for CMB, estimates and significant management judgements in respect of the derecognition of the same.	Our audit procedures included : • Understanding the management's basis of identifying the assets and liabilities related to Consumer Mobile Business. • Reading the scheme related documents and agreements executed between the company and Bharti for appropriate identification of the assets and liabilities transferred to Bharti and focusing on accounting for non-routine transaction, estimates and judgements in respect of the de-recognition of the assets and liabilities. • Verifying the approvals received from regulatory authorities and assessing the compliance with the conditions specified therein, • Verifying correct identification of assets and liabilities relating to the CMB and ensuring accuracy and completeness of the balances transferred to Bharti; • Assessing the appropriateness of the disclosures made in financial statements. Based on the above procedures performed, we noted that the demerger of CMB has been accounted appropriately.
4. Assessment of Going Concern as a basis of accounting : (Refer note 1.3 to the financial statements) The Company has significant accumulated losses and has incurred loss during the current and earlier years. Its net worth is eroded and the current liabilities exceed its current assets as at that March 31, 2020. These may create a doubt regarding the Company's ability to continue as a going concern. However, the financial statements have been prepared on a going concern basis in view of the financial support from the promoter company and the management's plan to generate cash flows through operations which would enable the Company to meet its financial obligations as and when they fall due. We considered this to be a key audit matter because management's assessment is largely dependent on the support letter obtained from its Promoter Company.	Our procedures included the following : • Obtained the management assessment of appropriateness of Going Concern basis of accounting. • Discussed with the management on future business and their plans to ensure that the Company is able to meet its financial obligations in the foreseeable future. • Read the minutes of board of directors meeting for discussion on future business plans and on liquidating certain assets to ensure availability of liquid funds. • Verified the support letter obtained by the Company from its Promoter indicating that Promoter will take necessary actions to organize for any shortfall in liquidity in Company that may arise to meet its financial obligations and timely repayment of debt during the period of 12 months from the balance sheet date. • Verified the financial ability of the Promoter Company to support the Company from the latest audited financial statements of the Promoter Company. • Verified that the promoter company has supported the Company in the past when the need arose. Based on the above procedures, we noted the management assessment of going concern basis of accounting as appropriate.

Other Information

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report, Corporate Governance Report and Other Information included in Annual Report, but does not include the financial statements and our auditor's report thereon.

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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

8. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

10. 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.

11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 with reference to financial statements 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.

12. 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.

13. 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.

14. 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 period 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

15. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 23 and 44 to the financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.

17. The Company has not paid/ provided for managerial remuneration during the year. Accordingly, provision of Section 197 is not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

Nitin Khatri
Partner
Membership No. 110282
UDIN: 20110282AAAABA1640

Place: Mumbai
Date: June 2, 2020

Annexure A to Independent Auditors' Report

Referred to in paragraph 16(f) of the Independent Auditors' Report of even date to the members of Tata Teleservices (Maharashtra) Limited on the financial statements for the year ended March 31, 2020

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Tata Teleservices (Maharashtra) Limited ("the Company") as of March 31, 2020 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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer paragraph 4 and 5 of our main audit report.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

Nitin Khatri
Partner
Membership No. 110282
UDIN: 20110282AAAABA1640

Place: Mumbai
Date: June 2, 2020

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of Tata Teleservices (Maharashtra) Limited on the financial statements as of and for the year ended March 31, 2020

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 3 on Property, plant and equipment to the financial statements, are held in the name of the Company.

ii. The Company does not hold any inventory as at March 31, 2020. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.

We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 32(v) to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income tax, goods and service tax, duty of customs, duties of excise and Sales tax which have not been deposited on account of any dispute. The particulars of dues of service-tax as at March 31, 2020, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in crores)#	Period to which the amount relates	Forum where the dispute is pending
Service Tax under Finance Act, 1994	Service tax demand including interest and penalty, as applicable	277.44	2007-08 to 2013-14	CESTAT-Mumbai
Service Tax under Finance Act, 1994	Service tax demand including interest and penalty, as applicable	0.10	2012-13 to 2014-15	Commissioner of Service Tax – Mumbai
		10.31	2014-15 to 2017-18	Commissioner CGST & Central Excise, Audit Raigad
		24.69	2008-09 to 2014-15	Commissioner Service tax, Mumbai-II
		0.35	2008-09 to 2011-12	Adjudicating Authority
		1.42	2015-16 to 2016-17	Addl. Commissioner of GST Belapur
		2.57	2004-05 to 2009-10	High Court

Net of amount paid under protest

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management. Also refer Note 1.5 to the financial statements and paragraph 5 of our main audit report.

xi. As the Company has not paid/provided for managerial remuneration during the year, the provisions of Clause 3(xi) of the Order are not applicable to the Company. Also refer paragraph 17 of our main audit report.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

Nitin Khatri
Partner
Membership No. 110282
UDIN: 20110282AAAABA1640

Place: Mumbai
Date: June 2, 2020

BALANCE SHEET AS AT MARCH 31, 2020

Rs. in crores

	Note No.	As At March 31, 2020	As At March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	677.57	675.17
Right of use Assets	4	213.44	-
Capital work-in-progress		39.18	26.31
Intangible assets	5	2.75	42.90
Other financial assets	6	11.12	3.56
Other non-current assets	7	174.53	264.82
Total non-current assets		1,118.59	1,012.76
Current assets			
Financial assets			
Investments	8	-	608.63
Trade receivables	9	121.72	89.32
Cash and cash equivalents	10	84.53	171.13
Other financial assets	11	82.15	76.93
Income tax assets (net)	12	78.77	54.40
Other current assets	13	228.45	106.42
		595.62	1,106.83
Assets classified as held for sale	14	-	2,411.01
Total current assets		595.62	3,517.84
Total Assets		1,714.21	4,530.60
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,954.93	1,954.93
Other equity	16	(19,434.09)	(16,774.76)
Total Equity		(17,479.16)	(14,819.83)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	6,138.44	5,708.33
Lease liabilities	39	153.77	-
Other non-current liabilities	18	19.20	20.49
Provisions	19	1.96	1.86
Total non-current liabilities		6,313.37	5,730.68
Current liabilities			
Financial liabilities			
Borrowings	20	4,338.14	6,931.10
Lease liabilities	39	39.87	-
Trade and other payables			
- Total outstanding dues of micro enterprises and small enterprises		3.61	1.63
- Total outstanding dues of creditors other than micro enterprises and small enterprises		293.49	207.03
Other financial liabilities	21	6,262.78	3,930.18
Other current liabilities	22	78.59	305.98
Provisions	23	1,863.52	55.12
		12,880.00	11,431.04
Liabilities directly associated with assets classified as held for sale	24	-	2,188.71
Total current liabilities		12,880.00	13,619.75
Total liabilities		19,193.37	19,350.43
Total Equity and liabilities		1,714.21	4,530.60

The accompanying notes form an integral part of these financial statements

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number - 012754N/N500016

Nitin Khatri
Partner
Membership Number: 110282

Place : Mumbai
Date : June 2, 2020

For and on behalf of the Board of Directors

Ankur Verma
(Director)
(DIN No. 07972892)

N. Srinath
(Director)
(DIN No. 00058133)

Kush S. Bhatnagar
(Chief Financial Officer)

Vrushali Dhamnaskar
(Asst. Company Secretary)

Place : Mumbai
Date : June 2, 2020

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Rs. in crores

	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	**25**	**1,077.74**	1,277.20
Other income	**26**	**10.60**	45.07
Total Income		**1,088.34**	1,322.27
Expenses			
Employee benefits expenses	**27**	**59.12**	64.79
Provision for contingencies	**43**	**-**	(405.62)
Operating and other expenses	**28**	**596.92**	960.70
Total expenses		**656.04**	619.87
Earning before Interest, Tax, Depreciation and Amortization (EBITDA)		**432.30**	702.40
Depreciation and amortisation expenses	**3,4 & 5**	**(194.98)**	(177.58)
Finance cost	**29**	**(1,545.07)**	(1,553.74)
Finance income	**30**	**5.76**	6.05
Profit on sale of current investments		**18.16**	24.16
Loss before exceptional items and tax		**(1,283.83)**	(998.71)
Exceptional items (net)	**31**	**(2,430.28)**	331.11
Loss before tax		**(3,714.11)**	(667.60)
Tax expense			
Current tax		**-**	-
Deferred tax		**-**	-
Loss after tax		**(3,714.11)**	(667.60)
Other comprehensive income/ (loss)			
Items that may be reclassified to profit and loss			
Effective portion of gains/(loss) on designated portion of hedging instruments in cash flow hedge		**0.91**	(1.61)
Items that will not be reclassified to profit and loss			
Remeasurements of defined benefit plans		**(0.26)**	0.56
Total other comprehensive income/ (loss)		**0.65**	(1.05)
Total comprehensive loss for the year		**(3,713.46)**	(668.65)
Loss per equity share (Face value of Rs. 10 each) (Refer note 41)			
Basic (In Rs.)		**(19.00)**	(3.41)
Diluted (In Rs.)		**(19.00)**	(3.41)

The accompanying notes form an integral part of these financial statements

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number - 012754N/N500016

Nitin Khatri
Partner
Membership Number: 110282

Place : Mumbai
Date : June 2, 2020

For and on behalf of the Board of Directors

Ankur Verma
(Director)
(DIN No. 07972892)

N. Srinath
(Director)
(DIN No. 00058133)

Kush S. Bhatnagar
(Chief Financial Officer)

Vrushali Dhamnaskar
(Asst. Company Secretary)

Place : Mumbai
Date : June 2, 2020

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2020 **Rs. in crores**

	Equity Share Capital	Other Equity				Total
		Equity component of compound financial instruments	Reserves & Surplus		Other Reserves	
			Securities premium	Retained earnings	Cash flow hedge reserves	
Balance as on April 1, 2019	**1,954.93**	**2,038.82**	**525.43**	**(19,337.40)**	**(1.61)**	**(14,819.83)**
Change in accounting policy (Refer note 2.12 and note 38)	-	-	-	(24.29)	-	(24.29)
Restated Balance as on April 1, 2019	**1,954.93**	**2,038.82**	**525.43**	**(19,361.69)**	**(1.61)**	**(14,844.12)**
Loss for the year	-	-	-	(3,714.11)	-	(3,714.11)
Effective portion of gains/(loss) on designated portion of hedging instruments in cash flow hedge	-	-	-	-	0.91	0.91
Remeasurements of defined benefit plans	-	-	-	(0.26)	-	(0.26)
Transactions with owners with their capacity as owners:						
Equity component of loan from Tata Teleservices Limited	-	76.77	-	-	-	76.77
0.1% inter-corporate deposits from Tata Teleservices Limited	-	1,035.33	-	-	-	1,035.33
Consideration to the shareholders pursuant to the scheme of demerger of CMB (Refer note 1.2 and note 31(b))	-	-	-	(33.68)	-	(33.68)
Balance as on March 31, 2020	**1,954.93**	**3,150.92**	**525.43**	**(23,109.74)**	**(0.70)**	**(17,479.16)**

FOR THE YEAR ENDED MARCH 31, 2019 **Rs. in crores**

	Equity Share Capital	Other Equity				Total
		Equity component of compound financial instruments	Reserves & Surplus		Other Reserves	
			Securities premium	Retained earnings	Cash flow hedge reserves	
Balance as on April 1, 2018	1,954.93	1,024.77	525.43	(18,664.28)	-	(15,159.15)
Change in accounting policy (Refer note 2.3)	-	-	-	(6.08)	-	(6.08)
Restated Balance as on April 1, 2018	**1,954.93**	**1,024.77**	**525.43**	**(18,670.36)**	**-**	**(15,165.23)**
Loss for the year	-	-	-	(667.60)	-	(667.60)
Effective portion of gains/(loss) on designated portion of hedging instruments in cash flow hedge	-	-	-	-	(1.61)	(1.61)
Remeasurements of defined benefit plans	-	-	-	0.56	-	0.56
Transactions with owners with their capacity as owners:						
0.1% redeemable preference shares to Tata Teleservices Limited	-	372.61	-	-	-	372.61
0.1% inter-corporate deposits from Tata Teleservices Limited	-	641.44	-	-	-	641.44
Balance as on March 31, 2019	**1,954.93**	**2,038.82**	**525.43**	**(19,337.40)**	**(1.61)**	**(14,819.83)**

The accompanying notes form an integral part of these financial statements

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number - 012754N/N500016

Nitin Khatri
Partner
Membership Number: 110282

For and on behalf of the Board of Directors

Ankur Verma
(Director)
(DIN No. 07972892)

N. Srinath
(Director)
(DIN No. 00058133)

Kush S. Bhatnagar
(Chief Financial Officer)

Vrushali Dhamnaskar
(Asst. Company Secretary)

Place : Mumbai
Date : June 2, 2020

Place : Mumbai
Date : June 2, 2020

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Rs. in crores

		Year ended March 31, 2020	Year ended March 31, 2019
A	**Cash flows from operating activities**		
	Loss before tax	**(3,714.11)**	(667.60)
	Adjustments for :		
	Depreciation and amortisation expenses	**194.98**	177.58
	Exceptional items (net)	**1,761.67**	(331.11)
	Gain on discontinuation of lease as per IND AS 116	**(4.63)**	-
	(Gain)/ loss on disposal of property, plant and equipment/ written off (net)	**(2.09)**	6.33
	(Gain)/ loss on financial assets mandatorily measured at FVTPL	**7.30**	(3.60)
	Profit on sale of current investments	**(18.16)**	(24.16)
	Foreign exchange loss (net)	**0.58**	5.36
	Finance income	**(5.76)**	(6.05)
	(Gain)/ loss on derivatives not designated in hedge accounting relationship	**(0.60)**	0.36
	Provision/ liability no longer required written back	**-**	(34.83)
	Bad debt written off	**0.03**	51.06
	Impairment loss/ (reversal) on financial assets	**(0.95)**	(51.36)
	Provision for contingencies	**-**	(405.62)
	Finance cost	**1,545.07**	1,553.74
		(236.67)	270.10
	Movement in working capital:		
	(Increase) / decrease in inventories	**-**	0.13
	(Increase) / decrease in trade receivables	**(24.20)**	103.16
	(Increase) / decrease in financial assets	**(7.25)**	22.18
	(Increase) / decrease in other assets	**35.14**	(518.63)
	Increase / (decrease) in trade payables	**(95.32)**	(575.51)
	Increase / (decrease) in financial liabilities	**(0.61)**	(11.96)
	Increase / (decrease) in other liabilities	**(8.62)**	(20.94)
	Increase / (decrease) in provisions	**2.18**	(1.08)
		(98.68)	(1,002.65)
	Cash (used in) operations	**(335.35)**	(732.55)
	Taxes paid (net of refunds)	**(24.37)**	(1.34)
	Cash (used in) operating activities	**(359.72)**	(733.89)
B	**Cash flow from investing activities**		
	Payments for property, plant and equipment (including capital advances)	**(109.91)**	(127.57)
	Proceeds from disposal of property, plant and equipment	**0.52**	0.82
	Finance income	**0.02**	6.05
	Payments for purchase of current investments	**(3,208.40)**	(5,620.34)
	Proceeds from sale of current investments	**3,827.89**	5,417.25
	Advance received pursuant to the scheme and related agreements (Refer note 1.2)	**-**	222.30
	Cash generated from/(used in) investing activities	**510.12**	(101.49)

		Year ended March 31, 2020	Year ended March 31, 2019
C	**Cash flow from financing activities**		
	Proceeds from borrowings	**28,882.08**	25,631.14
	Repayment of borrowings	**(28,462.21)**	(22,649.59)
	Payments of lease liabilities - principal	**(37.71)**	-
	Finance cost paid	**(619.16)**	(2,014.20)
	Cash generated from/(used in) financing activities	**(237.00)**	967.35
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(86.60)**	131.97
	Cash and cash equivalents at the beginning of the year	**171.13**	39.16
	Cash and cash equivalents at the end of the year (Refer note 10)	**84.53**	171.13
		(86.60)	131.97

Notes:

Non-cash investing and financing activities:
Pursuant to the scheme and related agreements entered between the Company and BAL, assets and liabilities pertaining to CMB undertaking have been transferred to BAL. (Refer note 1.2).

The accompanying notes form an integral part of these financial statements

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number - 012754N/N500016

Nitin Khatri
Partner
Membership Number: 110282

Place : Mumbai
Date : June 2, 2020

For and on behalf of the Board of Directors

Ankur Verma
(Director)
(DIN No. 07972892)

N. Srinath
(Director)
(DIN No. 00058133)

Kush S. Bhatnagar
(Chief Financial Officer)

Vrushali Dhamnaskar
(Asst. Company Secretary)

Place : Mumbai
Date : June 2, 2020

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Note 1:

1.1 Background

Tata Teleservices (Maharashtra) Limited ("the Company" or "TTML") part of the Tata Group, having its registered office at ""Voltas Premises, T B Kadam Marg, Chinchpokli, Mumbai - 400 033"", was incorporated on March 13, 1995. The Company is a licensed telecommunications services provider. The Company presently holds Unified Licenses with Access Service authorization for Mumbai and Maharashtra Licensed Service Area and Internet Services authorization for ISP Category 'A' – National service area. The Company is focused on providing various wireline voice, data and managed telecom services.

As at March 31, 2020, Tata Teleservices Limited, the holding company owned 48.30% of Company's equity shares and Tata Sons Private Limited, the ultimate holding company owned 19.58% of the Company's equity share capital. These financial statements have been approved by the Company's Board of Directors on June 2, 2020.

The equity shares of the Company are listed on BSE & NSE and the Commercial Papers are listed on NSE in India.

1.2 Demerger of Consumer Mobile Business

The Scheme of Arrangement amongst Tata Teleservices (Maharashtra) Limited ("TTML") and Bharti Airtel Limited ("BAL") and their respective shareholders and creditors ("Scheme") for transfer of the Consumer Mobile Business (CMB) of TTML to BAL was sanctioned by National Company Law Tribunal ("NCLT"), Mumbai by an order dated December 4, 2018 and NCLT, New Delhi by an order dated January 30, 2019, subject to receipt of Department of Telecommunications ("DoT") approval after receipt of which TTML was required to approach NCLT with fixed Appointed Date. DoT issued approval subject to certain conditions on April 10, 2019 to TTML and BAL, some of which were subsequently been stayed/ modified by Telecom Disputes Settlement and Appellate Tribunal (TDSAT) vide its interim orders dated April 22, May 2 and May 6, 2019. TDSAT pending final hearing of the petitions filed by BAL directed DoT to take on record the demerger subject to fulfilment of modified conditions and also allowed BAL to operationalize spectrum and to take consequential actions. TTML and BAL have reported compliance with such conditions to DoT vide letter dated May 22, 2019. NCLT, vide its order dated June 12, 2019 approved July 1, 2019 as the Appointed Date under the TTML Scheme. On June 24 and 25, 2019, BAL and TTML filed NCLT orders with the Registrar of Companies (RoC) Delhi and Mumbai respectively with the Appointed Date of July 1, 2019. BAL and TTML informed DoT vide letter dated June 26, 2019 of NCLT orders and filing of those with RoC Delhi and Mumbai and further informed that the merger of Consumer Mobile Business of TTML to BAL has been completed with an Appointed and Effective Date of July 1, 2019 and all statutory formalities towards operationalizing the demerger of the CMB of TTML and consequent merger/transfer of the said CMB of TTML into BAL have been completed with an Appointed and Effective Date of July 1, 2019. DoT appealed against TDSAT orders in Hon'ble Supreme Court which did not interfere in the interim orders and directed TDSAT to finally hear the matter by end of February 2020. Subsequently, on February 6, 2020, DoT subject to outcome of the pending BAL petition in TDSAT and any appeal against the judgement has taken the demerger on record.

The Scheme became effective on July 1, 2019.

Pursuant to the Scheme and related agreements entered between the Company and BAL, assets and liabilities pertaining to CMB undertaking have been transferred to BAL.

As per Scheme:

- Equity Shareholders of the Company have received 1 BAL Equity share against 2014 shares held on the effective date.

- All (and not each) Redeemable Preference Shares (RPS) Holders of the Company have received 10 RPS of BAL of face value Rs. 100 each in proportion to their shareholding on the effective date.

Considering the significant operational and financial interdependencies of different business units, management continues to identify the Cash Generating Unit (CGU) at the Company level. Accordingly, the disclosure in relation to discontinued operations are not applicable.

Indemnification:

Pursuant to the Scheme and other related agreements executed between the Company and BAL, the Company has transferred certain assets and liabilities, including contingent liabilities, which are under indemnification. As agreed between the Company and BAL, all indemnified liabilities and obligations shall be deemed to have been

Notes forming part of the financial statements as at and for the year ended March 31, 2020

borne entirely by the Company and not by BAL, and any payment default in relation to such obligation by the Company shall be governed by the relevant agreements. In relations to assets, BAL shall promptly on receipt of any payments in relation to the indemnified assets (including any interest payments received thereof) from the third parties pay to the Company such amounts (net of any cost and taxes incurred in relation to such indemnified assets)."

1.3 Going concern

The accumulated losses of the Company as of March 31, 2020 have exceeded its paid-up capital and reserves. The Company has incurred net loss for the year ended March 31, 2020 and the Company's current liabilities exceeded its current assets as at that date. The Company has obtained a support letter from its Promoter indicating that the Promoter will take necessary actions to organize for any shortfall in liquidity during the period of 12 months from the balance sheet date. Based on the above, the Company is confident of its ability to meet the funds requirement and to continue its business as a going concern and accordingly, the financial statements have been prepared on that basis.

1.4 COVID-19 pandemic

Since telecommunication services were identified as an essential service (vide the Ministry of Home Affairs order No.40-3/2020 dated March 24, 2020), the Company has been providing services to its customers during the lock down period without any major disruptions. With most, if not all, of our customers across industries shifting to a work-from-home model, we have provided them with collaboration and remote working solutions to ensure their business continuity. However, since our voice and data connectivity solutions and the underlying physical circuits typically terminate at customer office locations, we have seen relatively low usage of voice and data on these circuits.

The Company has performed assessment and believes that there is no material impact of COVID-19 situation in these financial statements. The Company has also made a detailed assessment of its liquidity position for the next 12 months from the balance sheet date. Further, there is no material impact foreseen on revenue and operating cashflow of the Company. The Company will continue to monitor any material changes to future economic conditions.

The Company believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of these financial statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

1.5 During the month of March, 2020, the Company has received an anonymous letter alleging irregularities in procurement of some materials. The Company immediately appointed an external agency to conduct forensic investigation, which is in progress. Based on the current status of the ongoing investigation, robust procurement processes and robust internal control procedures, the Company believes that it is unlikely that there is a material misstatement in financial statements.

Note 2:
Significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015 (as amended)] and other relevant provisions of the Act.

These financial statements have been prepared on the historical cost basis, except for certain assets and liabilities which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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 financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest crores, except when otherwise indicated.

2.2 Significant accounting estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

The estimates and judgements used in the preparation of the said financial statements are continuously evaluated by the Company, and are based on historical experience and various other assumptions and factors (including expectations of future events), that may have a financial impact on the Company and that are believed to be reasonable under existing circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is 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 periods.

In the following areas the management of the Company has made critical judgements and estimates.

i. **Impairment assessment of Property, Plant and Equipment**
An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

Also, Judgement is involved in determining the CGU and impairment testing.

ii. **Useful lives of property, plant and equipment**
The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods."

iii. **Expected Credit Loss on Trade Receivable and unbilled revenue**
Trade receivables do not carry any interest and are stated at their nominal value as reduced by provision for impairment. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. Individual trade receivables are written off when management deems them not to be collectible (Refer note 9).

iv. **Contingent Liabilities and provisions**
The contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company. The Company evaluates the obligation through Probable, Possible or Remote model ('PPR'). In making the evaluation for PPR, the Company take into consideration the Industry perspective, legal and technical view, availability of documentation/ agreements, interpretation of the matter, independent opinion from professionals (specific matters) etc. which can vary based on subsequent events. The Company provides the liability in the books for probable cases, while possible cases are shown as Contingent Liability. The remote cases are not disclosed in the financial statement. Contingent assets are neither recognized nor disclosed in the financial statements.

v. **Defined benefit plans (gratuity benefits)**
The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer note 35).

vi. **Fair value measurement and valuation**
Some of Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and liabilities, the Company uses market – observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 2.16 and 36.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

vii. Going Concern

The Company prepares the financial statement on a Going Concern basis in view of financial support from promoter company and assuming the cash flows generation from the continuation of operations, outflow for capital expenditure and the repayment obligations of debt and interest for the next twelve months. In calculating the cash flow generation from the business, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of earnings, interest cost and capex outflow to reflect the risks involved. The Company also make certain assumptions regarding the continuation of credit from lenders.

viii. Provision for foreseeable loss on long term contracts

Provision for foreseeable losses on long term contracts is primarily on account of various contracts with IP vendors which became onerous due to closure of IP sites before the agreed lock in period. An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefit expected to be received under it.

ix. Classification and Measurement of Assets Held for Sale

The Company had entered into a Scheme of Arrangement for transfer of its Consumer Mobile Business (CMB) to BAL. Pending requisite approvals as at March 31, 2019, the Company had classified the assets and liabilities relating to CMB (disposal group) as 'held for sale' in accordance with Ind AS 105 – 'Non-Current Assets Held for Sale and discontinued operations' in the financial statements. The application of Ind AS 105 involves significant management judgements in respect of identification of assets and liabilities related to the disposal group and assessment/ re-assessment of fair value of assets and liabilities included in the disposal group as at reporting date.

x. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The application of Ind AS 116 requires company to make judgements and estimates that affect the measurement of right-of-use assets and liabilities. The Company uses significant judgement in assessing the lease term and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the relevant facts and circumstances. Estimates are required to determine the appropriate discount rate used to measure lease liabilities.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

2.3 Revenue

Effective April 1, 2018, the Company adopted Ind AS 115, 'Revenue from Contracts with Customers' basis the cumulative effect method applied retrospectively to the contracts that were not completed as of April 1, 2018 (being date of initial application). The effect on adoption of the said standard was insignificant on these financial statements.

Revenue is recognised upon transfer of control of promised products or services to customer at the consideration which the Company has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts and process waivers. Revenue is recognised as and when each distinct performance obligation is satisfied.

Service revenues

Service revenues mainly pertain to usage, subscription and activation charges for voice, data, messaging and value added services. It also includes revenue from interconnection / roaming charges for usage of the Company's network by other operators for voice, data, messaging and signalling services. The Company

Notes forming part of the financial statements as at and for the year ended March 31, 2020

recognises revenue from these services as they are provided. Usage charges are recognised based on actual usage. Subscription charges are recognised over the estimated customer relationship period or subscription pack validity period, whichever is lower. Revenues in excess of invoicing are classified as unbilled revenue which is grouped under other current financial assets whereas invoicing/collection in excess of revenue are classified as Unearned revenue which is grouped under other current and non-current liabilities.

Service revenue from activation and installation for certain customers, and associated acquisition costs are amortised over the period of agreement/ lock in period since the date of activation of service.

The Company has entered into certain multiple-element revenue arrangements which involve the delivery or performance of multiple products, services or rights to use assets. At the inception of the arrangement, all the deliverables therein are evaluated to determine whether they represent distinct performance obligations, and if so, they are accounted for separately. Total consideration related to the multiple element arrangements is allocated to each performance obligation based on their standalone selling prices.

Deferred contract costs are incremental costs of obtaining a contract which are recognized as contract assets and amortized over the term of the contract. However, such incremental costs are recognised as expense if the amortisation period of the asset that the entity would have otherwise recognised is one year or less.

For accounting policy of interconnect revenues, refer note 2.5

2.4 Foreign Currencies

Functional and Presentation Currency

Items included in the financial statements of the Company is measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The Company’s financial statements are presented in INR, which is also the Company’s functional and presentation currency.

Initial Measurement

Transactions in foreign currencies on initial recognition are recorded at the prevailing exchange rate between the Company’s functional currency and the foreign currency on the date of the transaction. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Subsequent Measurement

At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on restatement at each balance sheet date of the company’s monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in other comprehensive income or the statement of profit and loss is also recognised in other comprehensive income or the statement of profit and loss respectively).

2.5 Interconnect revenues and costs (Access charges)

The Telecom Regulatory Authority of India (TRAI) issued Interconnection Usage Charges Regulation 2003 (‘IUC regime’) effective May 1, 2003 and subsequently amended the same from time to time. Under the IUC regime, with the objective of sharing of call/Short Message Services (‘SMS’) revenues across different operators involved in origination, transit and termination of every call/SMS, the Company pays interconnection charges (prescribed as rate per minute of call time and per SMS) for all outgoing calls and SMS originating in its network to other operators. The Company receives certain interconnection charges from other operators for all calls and SMS terminating in its network.

Accordingly, interconnect revenues are recognized as those on calls/SMS originating in another telecom operator network and terminating in the Company’s network. Interconnect cost is recognized as charges incurred on termination of calls/SMS originating from the Company’s network and terminating on the network of other telecom operators. The interconnect revenue and costs are recognized in the financial statement on a gross basis and included in service revenue and

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Interconnection and other access costs in the statement of profit and loss, respectively.

2.6 Revenue sharing fee

Revenue sharing fee is expensed as License fees and Spectrum charges in the statement of profit and loss in the year in which the related revenue from providing Unified License services are recognized.

An additional revenue share towards spectrum charges is computed at the rate specified by the DoT (Department of Telecom) of the Adjusted Gross Revenue ('AGR'), as defined in the License Agreement, earned from the customers. These costs are expensed in the statement of profit and loss in the year in which the related revenues are recognized.

2.7 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax is based on the taxable profit for the year which may differ from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the current tax assets and current tax liabilities relate to income taxes levied by the same tax authority.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of any unused tax losses, to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

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

2.8 Property, Plant & Equipment

Land and buildings held for use in the supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fee and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Gains and losses arising from retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

The useful lives of the assets are based on technical estimates approved by the Management, and are lower than or same as the useful lives prescribed under schedule II to the Companies Act, 2013 in order to reflect the period over which depreciable assets are expected to be used by the Company.Estimated useful lives of the assets are as follows:

Particulars	Useful life (in years) as per Company
Plant and Machinery	
- Network Equipment	12
- Air-Conditioning Equipment	6
- Generators	6
- Electrical Equipments	4-6
Building	60
Furniture, Fixtures and Office Equipment	3
Vehicles	5

2.9 Intangible assets

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

License entry fee and Spectrum fees

The license entry fee/spectrum fees has been recognized as an intangible asset and is amortized on straight line basis over the remaining license period from the date when it is available for use in the respective circles/spectrum blocks. License entry fee/spectrum fees includes interest on funding of license entry fee/ spectrum fees and bank guarantee commission up to the date of spectrum available for use in the respective circles. Fees paid for migration to the Unified Licenses

Notes forming part of the financial statements as at and for the year ended March 31, 2020

is amortized over the remaining period of the license of 20 years for the respective circles from the date of migration payment of the license fees on straight line basis.

Fees paid for obtaining in-principle approval to use alternate technology under the existing Unified Licenses has been recognized as an intangible asset and is amortized from the date of approval over the balance remaining period of the Unified Licenses on straight line basis for the respective circles.

Computer software is amortised over 3 years.

Indefeasible Right to Use ('IRU') taken for optical fiber and ducts, by the Company are capitalized as intangible assets at the amounts paid for acquiring the right and are amortized on straight line basis, over the period of agreement or 18 years, whichever is lower.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

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 or loss when the asset is derecognised.

2.10 Impairment of tangible and intangible assets

Non-financial assets which are subject to depreciation or amortization are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. 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). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If the recoverable amount of an asset is estimated to be less than its carrying amount, an impairment loss is recognised by reducing the carrying amount of the asset to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.11 Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset, including interest attributable to the funding of license fees/spectrum fees up to the date the asset is available for use, are capitalised as a part of the cost of that 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.

2.12 Leases

Transition to Ind AS 116 Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019) (modified retrospective approach). Accordingly, the Company has not restated comparative information,

Notes forming part of the financial statements as at and for the year ended March 31, 2020

instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

Lease Policy followed by the Company til March 31, 2019 (Ind AS 17)

Company as a Lessee

Leases of assets under which the lessor effectively retains all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

IRU taken for dark fiber, duct and embedded electronics are treated as finance lease (purchase of intangible assets), where the IRU term substantially covers the estimated economic useful life of the asset and the routes are explicitly identified in the agreement. The cases where the estimated economic useful life does not significantly represent the life of the asset, the IRU is treated as operating lease provided the routes are explicitly identified.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

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

Lease Policy followed by the Company from April 1, 2019 (Ind AS 116)

Company as a Lessee

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

i) Right-of-use assets

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for short term leases which are less than 12 months and low value leases.

The right-of-use asset is initially measured at cost comprises the follwing -

a) the initial amount of the lease liability

b) any initial direct costs incurred less any lease incentives received

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 assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of-use assets are tested for impairment whenever there is any indication that theircarrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

ii) Lease liabilities

Le'se liabilities include the Net present value of the following lease payment:

Notes forming part of the financial statements as at and for the year ended March 31, 2020

a) Fixed payments, including in-substance fixed payments;

b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

c) Using the practical expedient maintenance charges are also included in the lease payments as it is not practical to separate maintenance cost from the lease rent. (In any agreement, where rent and maintenance are separately mentioned or identifiable, then such maintenance charges are not considered as a part of lease payments).

d) The excercise price of a purchas option if the company is reasonably certain to excercise that option, and

e) Payment of penalties for terminating the lease, if the company is reasonably certain to excercise that option.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, the lease payment are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for lease in the company, the lessee's incremental borrowing rate is used, being the rate that the indivially lessess would have to payt to borrow fund necessary to obtain an asset on similar value to the right-of-use asset in a similar economic evniorment with similar terms, security and condition.

Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments also include an extension, purchase and termination option payments, if the Company is reasonably certain to exercise such options.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After thecommencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amountof the right-of-use asset is reduced to zero and there is a further reduction in themeasurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised on a straight-line basis as an expense in Profit or loss over the lease term.

Company as a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting Ind AS 116.

In IRU granted for dark fiber, duct and embedded electronics are treated as finance lease (sale of intangible assets), where the IRU term substantially covers the estimated economic useful life of the asset and the routes are explicitly identified in the agreement. The cases where the IRU term does not significantly represent the estimated useful life of the asset, the IRU is treated as operating lease.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

2.13 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes all applicable overheads in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to make the sale.

2.14 Provisions and contingent liabilities

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. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Asset Retirement Obligation (“ARO”) is provided for arrangements where the Company has a binding obligation to restore the said location/premises at the end of the period in a condition similar to inception of the arrangement. The restoration and decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.15 Employee benefits

2.15.1 Post Employment benefits

The Company has schemes of retirement benefits for provident fund and gratuity:-

1) Provident fund with respect to employees covered with the Government administered fund is a defined contribution scheme. The contributions to the government administered fund are charged to the statement of profit and loss for the year when the contributions are due for the year as and when employee renders services.

2) Gratuity liability as per the Gratuity Act, 1972 and The Payment of Gratuity (Amendment) Act, 2010, is defined benefit plan and is provided for on the basis of an actuarial valuation made at the end of each year as per the Projected Unit Credit Method. The contribution towards gratuity is made to Life Insurance Corporation of India (‘LIC’).

   “Re-measurements, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding charge or credit to other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

   Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

   - Service costs comprising current service costs; and
   - Net interest expense or income

   Actuarial gains/losses are immediately taken to the statement of Other Comprehensive Income and are not deferred.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

2.15.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.

2.15.3 Compensated absences

Liability for compensated absences is in accordance with the rules of the Company. Short term compensated absences are provided based on estimates. Long term compensated absences are provided based on actuarial valuation obtained at the end of each year as per the Projected Unit Credit Method.

2.16 Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the Company.

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

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

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

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

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

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

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

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

Notes forming part of the financial statements as at and for the year ended March 31, 2020

2.17 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

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss ('FVTPL), transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed in profit or loss.

Subsequent measurement
For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognised in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

Where assets are measured at fair value, gains and losses are either recognised in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income). A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

Business model test
The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

Cash flow characteristics test
The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments, other than investments in subsidiaries, associates and joint ventures, are measured at fair value in the balance sheet, with changes in the value recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present changes in the values in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss. Once the selection is made, there will be no recycling of the amount from other comprehensive income to statement of profit and loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all

Notes forming part of the financial statements as at and for the year ended March 31, 2020

of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets
The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI)

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-month 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
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

ii) Financial liabilities

Initial recognition and measurement
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.

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

- Financial liabilities at amortised cost
- 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 statement of profit and loss.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Redeemable preference shares

The redeemable preference shares issued by the Company is a compound financial instrument and is classified separately as financial liability and equity in accordance with the substance of the contractual arragement and the definitions of a financial liability and an equity instrument. At the date of issue, fair value of the liability component is estimated using the prevailing market interest rate of a similar non-compound instrument. This amount is recognised as liability on an amortised cost basis using the effective interest rate method until extinguished at the instrument's maturity date. The difference between the fair value of the liability component at the date of issue and the issue price is recognised as the other equity.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (Effective Interest Rate) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

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

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,unless it is in the nature of equity contribution by parent.

iii) 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. The legally enforceable right must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

iv) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and presented as a separate component of equity which is later reclassified to statement of profit and loss when the hedge item affects profit or loss.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characterstics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit or loss (FVTPL).

v) Hedge accounting

The Company designates its derivatives as hedging instruments, as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the 'Other income' line item.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Amounts previously recognized in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recgonised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

2.18 Segment Reporting

The Company's chief operating decision makers look at the financials of the Company as a whole without segregating into any components for the purpose of allocating resources and assessing performance. Accordingly, the Company has not identified any operating segments to be reported.

2.19 Trade Receivables

Trade Receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

2.20 Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized at their fair value and subsequently measured at amortised cost using the effective interest method.

2.21 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (including cash credit) as they are considered an integral part of the Company's cash management.

2.22 Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.23 Earnings/ (Loss) per share

Basic earnings/ (loss) per share is calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.24 Current vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

When an asset meets any of the following criteria it is treated as current:

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

All other assets are classified as non-current.

When a liability meets any of the following criteria it is treated as current:

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

Notes forming part of the financial statements as at and for the year ended March 31, 2020

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 and cash equivalents. The Company has identified twelve months as its operating cycle.

2.25 Measurement of Earnings/Loss Before Interest, Tax, Depreciation and Amortization (EBITDA/LBITDA)

The Company has elected to present earnings before finance cost, tax, exceptional items and depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations.

2.26 Exceptional Items

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the Company for the year, the company makes a disclosure of the nature and amount of such items separately under the head “exceptional items.’’

2.27 Non-current assets (or disposal group) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probably. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefit, financial assets and contractual right under insurance contract which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increase in fair value less costs to sell of an asset (or disposal group), but not in excess of the cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of a noncurrent asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

2.28 New and amended standards adopted by the Company

The company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2019:

1. Ind AS 116, Leases
2. Amendment to Ind AS 12 Income Taxes
3. Amendment to Ind AS 19 Employee Benefits
4. Amendment to Ind AS 23 Borrowing Costs
5. Amendment to Ind AS 109 Financial Instruments

The company had to change its accounting policies as a result of adopting Ind AS 116. This is disclosed in Note 38. The other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.29 Standards issued but not yet effective

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Note 3 :

Property, plant and equipment

Rs. in crores

PARTICULARS	GROSS BLOCK					DEPRECIATION / AMORTISATION						NET BLOCK
	As at April 1, 2019	Additions	Deletions	Assets held for sale (Incl. Other Adjustments) (Refer note 1.2)	As at March 31, 2020	As at April 1, 2019	For the year	Impairment loss recognised in statement of profit and loss	Deletions	Assets held for sale (Incl. Other Adjustments) (Refer note 1.2)	As at March 31, 2020	As at March 31, 2020
Freehold Land	0.17	-	-	-	0.17	-	-	-	-	-	-	0.17
Buildings	16.63	-	-	-	16.63	3.44	0.27	-	-	-	3.71	12.92
Plant and Machinery	3,269.44	136.51	10.71	0.59	3,395.83	2,607.63	134.83	(0.99)	10.71	0.59	2,731.35	664.48
Furniture, Fixtures and Office Equipment	84.45	-	0.70	-	83.75	84.45	-	-	0.70	-	83.75	-
Vehicles	0.20	-	-	-	0.20	0.20	-	-	-	-	0.20	-
Total	**3,370.89**	**136.51**	**11.41**	**0.59**	**3,496.58**	**2,695.72**	**135.10**	**(0.99)**	**11.41**	**0.59**	**2,819.01**	**677.57**

Rs. in crores

PARTICULARS	GROSS BLOCK					DEPRECIATION / AMORTISATION						NET BLOCK
	As at April 1, 2018	Additions	Deletions	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2019	As at April 1, 2018	For the year	Impairment loss recognised in statement of profit and loss	Deletions	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 201	As at March 31, 2019
Freehold Land	0.17	-	-	-	0.17	-	-	-	-	-	-	0.17
Office premises	6.86	-	-	(6.86)	-	2.48	-	3.51	-	(5.99)	-	-
Buildings	17.10	-	-	(0.47)	16.63	3.22	0.23	0.46	-	(0.47)	3.44	13.19
Plant and Machinery	3,428.13	106.65	16.12	(249.22)	3,269.44	2,652.91	166.35	54.86	16.12	(250.37)	2,607.63	661.81
Furniture, Fixtures and Office Equipment	112.27	0.01	22.49	(5.34)	84.45	112.27	0.01	-	22.49	(5.34)	84.45	-
Vehicles	0.20	-	-	-	0.20	0.20	-	-	-	-	0.20	-
Total	**3,564.73**	**106.66**	**38.61**	**(261.89)**	**3,370.89**	**2,771.08**	**166.59**	**58.83**	**38.61**	**(262.17)**	**2,695.72**	**675.17**

1. Refer note 17 for information on property, plant and equipment and intangible assets pledged as security by the Company.
2. Refer note 32 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Note 4 :

Right of Use Assets (ROU)

Rs. in crores

PARTICULARS	GROSS BLOCK					DEPRECIATION / AMORTISATION				NET BLOCK
	As at April 1, 2019	IND AS 116 Impact As at April 1, 2019	Additions	Deletions	As at March 31, 2020	As at April 1, 2019	For the year	Deletions	As at March 31, 2020	As at March 31, 2020
Building	-	9.61	-	-	9.61	-	3.10	-	3.10	6.51
Network Sites	-	168.40	65.59	27.89	206.10	-	47.41	2.77	44.64	161.46
Indefeasible Rights of Use ('IRU')*	155.67	-	11.28	-	166.95	112.80	8.68	-	121.48	45.47
Total	**155.67**	**178.01**	**76.87**	**27.89**	**382.66**	**112.80**	**59.19**	**2.77**	**169.22**	**213.44**

*As per IND AS 116, 'IRU' which was previously considered under Intangibles is now considered as a part of ROU assets (Refer note 39).

Note 5 :

Intangible assets (other than internally generated)

Rs. in crores

PARTICULARS	GROSS BLOCK					AMORTISATION						NET BLOCK
	As at April 1, 2019	Additions	Deletions	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2020	As at April 1, 2019	For the year	Impairment loss recognised in statement of profit and loss	Deletions	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2020	As at March 31, 2020
Licenses and spectrum	-	-	-	(5.00)	5.00	-	0.62	(3.31)	-	(5.00)	2.31	2.69
Computer Software	29.54	0.10	-	-	29.64	29.51	0.07	-	-	-	29.58	0.06
	29.54	**0.10**	**-**	**(5.00)**	**34.64**	**29.51**	**0.69**	**(3.31)**	**-**	**(5.00)**	**31.89**	**2.75**

PARTICULARS	GROSS BLOCK					AMORTISATION						NET BLOCK
	As at April 1, 2018	Additions	Deletions	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2019	As at April 1, 2018	For the year	Impairment loss recognised in statement of profit and loss	Deletions	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2019	As at March 31, 2019
Indefeasible Rights of Use ('IRU')	155.06	0.61	-	-	155.67	101.93	10.87	-	-	-	112.80	42.87
Computer Software	40.86	0.01	0.01	11.32	29.54	40.72	0.12	-	0.01	11.32	29.51	0.03
Total	**195.92**	**0.62**	**0.01**	**11.32**	**185.21**	**142.65**	**10.99**	**-**	**0.01**	**11.32**	**142.31**	**42.90**

1. Refer note 17 for information on property, plant and equipment and intangible assets pledged as security by the Company.
2. The opening balance of gross block and accumulated depreciation of intangible assets as at April 1, 2019 has been restated due to change in accounting policy. As per IND AS 116, 'IRU' which was previously considered under Intangibles is now considered as a part of ROU assets (Refer note 39).
3. Capital Work-In-Progress primarily comprises of Capital inventory and Assets under construction.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Note 6 :		
Other financial assets		
Premises and other deposits (at amortized cost)		
Considered good – secured	**-**	-
Considered good – unsecured	**10.84**	3.20
Having significant increase in credit risk	**-**	-
Credit impaired	**9.67**	10.75
Less: Loss allowance	**9.67**	10.75
	10.84	3.20
Others		
Bank deposits with more than 12 months maturity	**0.28**	0.36
	11.12	3.56

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Note 7 :		
Other non-current assets		
Capital advances	**0.86**	0.14
Prepaid expenses	**14.47**	18.75
Balance with government authorities	**20.79**	226.30
Amount paid under dispute * (net of provision for contingencies Rs.3.17 crores) (March 31, 2019 Rs. Nil)	**138.41**	19.63
	174.53	264.82

* includes amounts paid towards indemnification (Refer note 1.2)

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Note 8 :		
Current Investments		
Investments in mutual fund (Quoted) (measured at FVTPL)	**-**	608.63
	-	608.63

Mutual Fund Name	**Units**		**Fair value**	
	As at March 31, 2020	As at March 31, 2019	**As at March 31, 2020**	As at March 31, 2019
ICICI Prudential Liquid - Growth	-	39,62,900	**-**	109.54
Tata Liquid Fund Direct Plan - Growth	-	12,80,915	**-**	377.16
HDFC Liquid Fund	-	3,31,479	**-**	121.93
	-	55,75,293	**-**	608.63

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Note 9 :		
Trade Receivables		
Considered good - secured	**-**	-
Considered good - unsecured	**135.26**	117.80
Having significant increase in credit risk	**-**	-
Credit impaired	**20.30**	31.94
Less: Loss allowance	**33.84**	50.54
Less: Assets classified as held for sale	**-**	9.88
	121.72	89.32

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 18 to 90 days.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Ageing of receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Not due	**20.44**	52.33
0-90 days past due	**61.88**	55.79
91-180 days past due	**26.70**	10.21
> 180 days	**46.54**	31.41
Total	**155.56**	149.74

Ageing of expected credit loss allowance

Particulars	As at March 31, 2020	As at March 31, 2019
Not due	**-**	-
0-90 days past due	**4.00**	14.29
91-180 days past due	**3.12**	7.84
> 180 days	**26.72**	28.41
Total	**33.84**	50.54

Movement in expected credit loss allowance

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	**50.54**	111.21
Transfer to BAL (Refer note 1.2)	**(15.75)**	-
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	**(0.95)**	(60.67)
Balance at end of the year	**33.84**	50.54

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Note 10 :		
Cash and cash equivalents		
Cash in hand	**-**	-
Cheques on hand	**0.01**	0.19
Balance with banks in		
- Current accounts	**8.92**	167.74
- Cash credit accounts	**75.60**	3.20
	84.53	171.13

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Note 11 :		
Other financial assets		
Premises and other deposits (at amortized cost)		
Considered good - secured	**-**	-
Considered good - unsecured	**2.96**	3.74
Having significant increase in credit risk	**-**	-
Credit impaired	**0.60**	0.77
Less: Loss allowance	**0.60**	0.77
	2.96	3.74
Others		
Unsecured, considered good		
Unbilled revenue	**72.44**	73.19
Derivative not designated in hedge accounting relationship		
Foreign exchange forward contracts	**0.36**	-
Insurance claim receivables	**0.19**	-
Other receivables from third party	**6.20**	-
	79.19	73.19
	82.15	76.93
Note 12 :		
Income tax assets (net)		
Tax deducted at source	**78.77**	54.40
	78.77	54.40
Note 13 :		
Other current assets		
Advances to employees	**0.05**	0.02
Balance with government authorities	**211.43**	93.32
Prepaid expenses	**14.70**	11.86
Advances to suppliers		
Unsecured, considered good	**2.27**	1.22
Unsecured and considered doubtful	**1.41**	3.62
Less: Allowance for doubtful advances	**1.41**	3.62
	2.27	1.22
	228.45	106.42

Notes forming part of the financial statements as at and for the year ended March 31, 2020

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Note 14 :		
Assets classified as held for sale (Refer note 1.2 and note 2.27)		
Property, plant and equipment	-	141.66
Capital work-in-progress	-	1.56
Intangible assets	-	1,383.92
Other non-current assets	-	509.45
Trade receivables	-	9.88
Loans and other financial assets	-	7.71
Other current assets	-	356.83
Total assets classified as held for sale	-	2,411.01

	As At March 31, 2020		As At March 31, 2019	
	Numbers	**Rs. in crores**	Numbers	Rs. in crores
Note 15 :				
Equity Share Capital				
a) Authorised, issued, subscribed and paid up share capital				
Authorised				
Equity shares of Rs. 10/- each with voting rights	**2,50,00,00,000**	**2,500.00**	2,50,00,00,000	2,500.00
Preference shares of Rs. 100/- each	**2,35,00,00,000**	**23,500.00**	2,35,00,00,000	23,500.00
Unclassified Shares of Rs. 100/- each	**50,00,00,000**	**5,000.00**	50,00,00,000	5,000.00
	5,35,00,00,000	**31,000.00**	5,35,00,00,000	31,000.00
Issued, subscribed and paid up				
Equity shares of Rs. 10/- each fully paid-up with voting rights	**1,95,49,27,727**	**1,954.93**	1,95,49,27,727	1,954.93
	1,95,49,27,727	**1,954.93**	1,95,49,27,727	1,954.93
b) Reconciliation of the number of equity shares outstanding:				
Equity shares outstanding at the beginning of the year	**1,95,49,27,727**	**1,954.93**	1,95,49,27,727	1,954.93
Issued during the year	**-**	**-**	-	-
Decrease during the year	**-**	**-**	-	-
Equity shares outstanding at the end of the year	**1,95,49,27,727**	**1,954.93**	1,95,49,27,727	1,954.93

c) Terms/rights attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 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 remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

d) Equity shares held by the ultimate holding company/ holding company and its subsidiaries and associates:

Name of the Shareholder	Relationship	As At March 31, 2020	As At March 31, 2019
Tata Sons Private Limited	Ultimate Holding company (w.e.f. October 31, 2017)	**38,27,59,467**	38,27,59,467
Tata Teleservices Limited	Holding company (w.e.f. October 17, 2018)	**94,41,74,817**	94,41,74,817
The Tata Power Company Limited	Associate of ultimate holding company	**12,67,20,193**	12,67,20,193
Panatone Finvest Limited	Subsidiary of ultimate holding company	**17,850**	17,850
Total		**1,45,36,72,327**	1,45,36,72,327

e) Details of equity shares held in the Company by each shareholder holding more than 5% shares

Name of the Shareholder	As At March 31, 2020		As At March 31, 2019	
	No of shares held	% of holding	No of shares held	% of holding
Tata Teleservices Limited	**94,41,74,817**	**48.30**	94,41,74,817	48.30
Tata Sons Private Limited	**38,27,59,467**	**19.58**	38,27,59,467	19.58
The Tata Power Company Limited	**12,67,20,193**	**6.48**	12,67,20,193	6.48

f) Reconciliation of the number of 0.1% non cumulative redeemable preference shares outstanding (Compound Financial Instrument):

	As At March 31, 2020		As at March 31, 2019	
	Numbers	Rs. in crores	Numbers	Rs. in crores
Preference shares outstanding at the beginning of the year	**20,18,00,000**	**2,018.00**	20,18,00,000	2,018.00
Issued during the year	**-**	**-**	-	-
Decrease during the year	**-**	**-**	-	-
Preference shares outstanding at the end of the year	**20,18,00,000**	**2,018.00**	20,18,00,000	2,018.00

On October 18, 2016, the Company had issued non cumulative redeemable preference shares (RPS) for a tenure of 23 months to Tata Teleservices Limited (TTSL) on private placement with dividend of 0.1% per annum. On September 18, 2018, the Company extended the term of RPS for a further period of 24 months with an option to the Company to redeem at such earlier date as may be decided by the Board of Directors or Finance Committee of the Company. Pursuant to Section 47(2) of the Companies Act, 2013, with effect from October 17, 2018, TTSL is entitled to additional voting rights of 26.26% in respect of the RPS, as a result of which the Company became a subsidiary of TTSL. In the event of liquidation, the Preference Shareholders will carry a preferential right over the holder of equity shares for payment of dividend and for payment of capital, in proportion to their shareholding.

g) The Company during the preceeding 5 years:

i. has not allotted shares pursuant to contracts without payment received in cash.
ii. has issued bonus shares as on August 10, 2013.
iii. has not bought back any shares.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Note 16 :		
Other equity		
(a) Securities premium	**525.43**	525.43
(b) Cash flow hedge reserve	**(0.70)**	(1.61)
(c) Retained earnings	**(23,109.74)**	(19,337.40)
(d) Equity component of compound financial instruments	**3,150.92**	2,038.82
	(19,434.09)	(16,774.76)
(a) Securities premium		
Balance at beginning of the year	**525.43**	525.43
Balance at end of the year	**525.43**	525.43

(Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013)

(b) Cash flow hedge reserve		
Balance at beginning of the year	**(1.61)**	-
Gain/ (loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges		
Interest rate swaps	**0.91**	(1.61)
Balance at end of the year	**(0.70)**	(1.61)

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
(c) Retained earnings		
Balance at beginning of the year	**(19,337.40)**	(18,664.28)
Add: Cumulative effect on opening retained earnings on adoption of Ind AS 115	**-**	(6.08)
Add: Cumulative effect on opening retained earnings on adoption of Ind AS 116	**(24.29)**	-
Add: Loss for the year	**(3,714.11)**	(667.60)
Add: Other comprehensive income/ (loss) arising from measurement of defined benefit obligation net of income tax	**(0.26)**	0.56
Add: Consideration to the shareholders towards demerger of CMB	**(33.68)**	-
Balance at end of the year	**(23,109.74)**	(19,337.40)
(d) Equity component of compound financial instruments		
Balance at beginning of the year	**2,038.82**	1,024.77
Loan from Tata Teleservices Limited	**76.77**	-
0.1% redeemable preference shares to Tata Teleservices Limited	**-**	372.61
0.1% Inter-Corporate deposits from Tata Teleservices Limited	**1,035.33**	641.44
Balance at end of the year	**3,150.92**	2,038.82

The equity portion of compound financial instruments, is on account of dividend/interest percentage being lower than effective market rate and is recorded in Retained earnings.

Inter-corporate deposits of Rs. 558.83 crores forming part of equity component pertain to extension for a further period of 2 years from the original date of maturity during the year and all other terms are the same as agreed at the time of issue.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Note 17 :		
Financial Liabilities: Non-current Borrowings		
Secured - at amortised cost		
Term Loans - from banks (Gross)	**1,184.78**	739.92
Less: Current maturities of long term debt	**740.38**	-
	444.40	739.92
Unsecured - at amortised cost		
(a) Deferred payment liabilities for spectrum	**-**	1,119.36
Add: Interest accrued but not due on deferred payment liabilities	**-**	109.48
Less: Current maturities of long term debt	**-**	442.78
	-	786.06
(b) Liability component of inter-corporate deposits	**9,253.99**	6,693.92
Less: Current maturities of long term debt	**3,559.95**	3,463.00
	5,694.04	3,230.92
(c) Liability component of redeemable preference shares	**1,924.46**	1,737.49
Less: Current maturities of long term debt	**1,924.46**	-
	-	1,737.49
Less: Liabilities directly associated with assets classified as held for sale	**-**	786.06
	6,138.44	5,708.33

Notes :

Undrawn borrowing facilities:

As at March 31, 2020, the company has undrawn committed borrowing facilities of Rs. 403 crores (March 31, 2019 – Rs. 322.28 crores).

Compliance with Loan Covenant:

As at March 31, 2020, the company has met financial covenant requirement as per the respective borrowing arrangement with the lenders.

Non-current - borrowings - secured

(a) Term Loans from banks

As on March 31, 2020

i) Medium Term Loans outstanding from Indusind Bank and ICICI Bank are secured by way of first pari-passu charge on the fixed (under immovable property, only a Turbhe property is offered) and current assets of the Company's enterprise, fixed wireline and broad band division excluding intangible assets and current and future investments in associate and subsidiary company and Joint ventures of the Company.

ii) Terms of repayment :-

- Loan from bank is repayable in 2 years in single instalment from the date of drawdown
- The maturity date of loan from Indusind bank is March 27, 2021 and from ICICI Bank is April 8, 2021

iii) Interest rate :-

- Interest on the IndusInd Bank loan is on floating basis based on overnight MIBOR+an agreed spread, this floating rate has been hedged with IRS at a fixed rate.
- Interest on the ICICI Bank Loan is on MCLR-1Yr + 0.8%

The Company has availed the moratorium of three months granted by Reserve Bank of India (vide circular DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020) on payment of all term loan instalments falling due between March 1, 2020 and May 31, 2020.

Refer note 3 and 5 for carrying amount of property, plant and equipment and intangible assets pledged as security by the Company.

As on March 31, 2019

i) First Pari Passu Charge on all the fixed and current assets of the Company's enterprise, fixed wireline and broad band division excluding intangible assets and current and future investments in associate and subsidiary company and Joint Ventures of the Company.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

ii) Terms of repayment :-

- Loan from bank is repayable in 2 years in single instalment from the date of drawdown

iii) Interest rate :-

- Interest on the loan is on floating basis based on overnight MIBOR+an agreed spread, this floating rate has been hedged with IRS at a fixed rate

Non-current - borrowings - unsecured

(a) Deferred payment liabilities for spectrum (DPL)

As on March 31, 2020

- DPL for spectrum as a part of Consumer Mobile Business has been transferred to BAL as at July 1, 2019.

As on March 31, 2019

i) Terms of repayment :-

- DPL for spectrum acquired in March 2015 is repayable in 16 annual installments starting from April 2018 out of which 10 installments falling due during April 2021 to April 2030 has been prepaid in April 2018.
- DPL for spectrum acquired in October 2016 is prepaid fully in October 2018.

ii) Interest rate :-

- Interest rate for DPL is 10.00% p.a.

(b) Inter-corporate deposit (ICD)

As on March 31, 2020

i) During the year, ICDs of Rs. 3,700 crores (liability component of Rs. 3,209.59 crores as at March 31, 2020) were extended for a further period of 2 years from the original date of maturity and all other terms are the same as agreed at the time of issue.

ii) Terms of repayment :-

- ICDs are fully repayable after 2 years from the date of receipt except where specifically extended

iii) Interest rate :-

- Interest rate for ICD is 0.1% p.a.

iv) As the interest rate of ICD is lower than market rate, it has been considered as compound financial instrument and has been separated into equity component and liability component as per Ind AS 32. Interest on liability component of ICD has been recognised by applying effective interest rate (EIR) of 9.5%.

As on March 31, 2019

i) Terms of repayment :-

- ICDs are fully repayable after 2 years from the date of receipt

ii) Interest rate :-

- Interest rate for ICD is 0.1% p.a.

iii) As the interest rate of ICD is lower than market rate, it has been considered as compound financial instrument and has been separated into equity component and liability component as per Ind AS 32. Interest on liability component of ICD has been recognised by applying effective interest rate (EIR) of 9.5%.

(c) Liability component of redeemable preference shares

On October 18, 2016, the Company had issued non cumulative redeemable preference shares (RPS) for a tenure of 23 months to Tata Teleservices Limited (TTSL) on private placement with dividend of 0.1% per annum. On September 18, 2018, the Company extended the term of RPS for a further period of 24 months with an option to the Company to redeem at such earlier date as may be decided by the Board of Directors or Finance Committee of the Company. The equity portion of these redeemable preference shares, on account of dividend percentage being lower than effective market rate, is recorded in other equity.

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Note 18 :		
Other non-current liablities		
Unearned income	**19.20**	20.49
	19.20	20.49
Note 19 :		
Non-current provisions		
Provision for asset retirement obligation (site restoration cost)	**1.96**	1.86
	1.96	1.86

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Note 20 :
Financial liabilities:
Current borrowings

(a) Secured - at amortised cost		
From Banks		
Vendor financing	**7.60**	11.83
	7.60	11.83
(b) Unsecured - at amortised cost		
From Banks		
Short-term loans	**640.00**	1,925.00
Commercial papers	**3,683.76**	5,689.93
From Others		
Liability component of loan from Tata Teleservices Limited	**6.78**	-
	4,330.54	7,614.93
Less: Liabilities directly associated with assets classified as held for sale	**-**	695.66
	4,338.14	6,931.10

Notes :
Current - borrowings - secured
Vendor financing

As on March 31, 2020
- Supplier's Credit is interest free

As on March 31, 2019
- Supplier's Credit is interest free

Current - borrowings - unsecured
Short-term loans - commercial papers (CP)
As on March 31, 2020
i) **Terms of repayment :-**
- Commercial papers are repayable within 10 to 90 days from the date of issue

ii) **Interest rate :-**
- Interest rate for commercial papers is in the range of 7.10% to 8.95% p.a.

As on March 31, 2019
i) **Terms of repayment :-**
- Commercial papers are repayable within 26 to 90 days from the date of issue

ii) **Interest rate :-**
- Interest rate for commercial papers is in the range of 8.50% to 8.95% p.a.

Short-term loans - Term loan from bank
As on March 31, 2020
i) **Terms of repayment :-**
- Loan from bank is repayable at the end of 1 year from the date of draw down.
- The maturity date of loan from Standard Chartered Bank is February 17, 2021

ii) **Interest rate :-**
- For Initial 3 months - 3 month Treasury bill + 2.45% and Post 3 months rate - 1 month SBI MCLR + 0.5%

The Company has availed the moratorium of two months granted by Reserve Bank of India (vide circular 04.048/2019-20 dated March 27, 2020) on payment of all term loan instalments falling due between April 1, 2020 and May 31, 2020.

As on March 31, 2019
i) **Terms of repayment :-**
- Loan from bank is repayable after 6 months from the date of drawdown

ii) **Interest rate :-**
- Interest rate for loan is 9.10% p.a.

Short-Term Loans - Term Loan from others

As at March 31, 2020
i) **Terms of repayment :-**
- Loan taken from TTSL is repayable by June 30, 2020

ii) **Interest rate :-**
- Interest rate for loan is 0.01% p.a.

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Note 21 :		
Other current financial liabilities		
Derivatives designated in hedge accounting relationships		
Interest rate swaps	**0.70**	1.61
Derivatives not designated in hedge accounting relationships		
Foreign exchange forward contracts	**-**	0.24
Total financial derivatives liabilities	**0.70**	1.85

Notes forming part of the financial statements as at and for the year ended March 31, 2020

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Current maturities of long term debt (Refer note 17)	**6,224.79**	3,905.78
Interest accrued but not due	**17.42**	7.68
Security deposits from customers	**7.53**	4.69
Payables on purchase of fixed assets	**11.95**	10.18
Other payables to third party	**0.39**	-
	6,262.78	3,930.18

Note 22 :

Other current liabilities

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Unearned income	**46.02**	43.83
Advance from customers	**19.61**	22.08
Advance received pursuant to the scheme and related agreements (Refer note 1.2)	**-**	222.30
Statutory liabilities	**12.96**	17.77
	78.59	305.98

Note 23 :

Provisions

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Provision for contingencies * (net of amounts paid Rs. 833.03 crores) (March 31, 2019 Rs. 71.69 crores) (Refer note 43)	**1,809.27**	21.31
Provision for employee benefits:		
(i) For compensated absences (Refer note 35)	**2.07**	1.94
(ii) For gratuity (Refer note 35)	**2.61**	1.81
Provision for foreseeable losses on long term contracts (Refer note 2.2 (viii) and 44)	**47.34**	30.06
Other provisions*(Refer note 45)	**2.23**	-
	1,863.52	55.12

* includes provision towards indemnification (Refer note 1.2)

Note 24 :

Liabilities directly associated with assets classified as held for sale

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
Liabilities of Consumer Mobile Business classified as held for sale (Refer note 1.2, note 2.27 and note 14)		
Non current financial liabilities - borrowings	**-**	786.06
Current financial liabilities - borrowings	**-**	695.66
Current financial liabilities - trade payables	**-**	174.73
Other current financial liabilities	**-**	3.32
Other current liabilities	**-**	10.66
Short term provisions	**-**	518.28
Total liabilities directly associated with assets classified as held for sale	**-**	2,188.71

Note 25 :

Revenue from operations

	Year ended March 31, 2020 Rs. in crores	Year ended March 31, 2019 Rs. in crores
Telecommunication services		
Service revenue	**1,052.43**	1,245.41
Sale of traded goods	**0.19**	0.99
	1,052.62	1,246.40
Other operating income		
Income from rendering of services	**18.46**	19.87
Infrastructure sharing	**6.66**	10.93
	25.12	30.80
	1,077.74	1,277.20

Disaggregation of Revenue

The Company is licensed to provide basic and cellular telecommunication services under Unified License. Further, the Company provide telecommunication services only in the Indian domestic market. Disaggregated Revenue details are as follows:

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Revenue from operations	Year ended March 31, 2020	Year ended March 31, 2019
	Rs. in crores	Rs. in crores
Revenue from subscribers	**1,023.08**	1,185.57
Revenue from operators #	**27.22**	54.58
Other revenue *	**26.97**	36.52
Total Revenue as per Financial Statement	**1,077.27**	1,276.67

* Other Revenue excludes IRU Lease deferment of INR 0.47 crores which is covered under Ind AS 116 (March 31, 2019 - 0.53 crores)

Revenue from operators comprises of revenue from Interconnect Usages and Roaming charges (including Intra circle Roaming)

Contracts Assets and Liabilities

A contract asset is recorded when revenue is recognized in advance of the right to bill and receive consideration (i.e., additional services must be performed or a performance obligation must be satisfied in order to bill and receive consideration). The contract asset will decrease as services are billed. When consideration is received in advance of the delivery of services, a contract liability is recorded. Reductions in the contract liability will be recorded as we satisfy the performance obligations.

Rs. in crores

Contracts Assets and Liabilities	As at March 31, 2020	As at March 31, 2019
Contract Assets		
Unbilled revenue (Refer note 11)	**72.44**	73.19*
Contract Liabilities		
Unearned income (Refer note 18 and 22)	**65.22**	74.98*

* These amounts include assets and liabilities held for sale (Refer note 14 and 24)

Rs. in crores

Revenue recognised in relation to contract liabilities	Year ended March 31, 2020	Year ended March 31, 2019
Revenue recognised during the year that was included in the contract liability balance at the beginning of the year		
Revenue recognised that was included in the contract liability balance at the beginning of the period	**43.36**	102.66*

* This includes impact of transitioning to Ind AS 115

Rs. in crores

Performance obligations in respect of long term contracts	As at March 31, 2020	As at March 31, 2019
Aggregate amount of transaction value allocated to long term contracts that are partially or fully pending to be fulfilled as at reporting date	**24.89**	29.60

The Company expects that around 40% of the performance obligations pending in respect of these long term contracts will be recognised as revenue during the next reporting period with balance in future reporting periods thereafter.

Discount is offered to subscribers based on the tariff opted by the subscribers. No discount is offered other than plan. Accordingly, discount is part of the contract price. Revenue is recognised net of Discount and which is as per the contract price.

Deferred customer contract acquisition costs

Costs to acquire customer contracts are generally deferred and amortized over the estimated economic life of the contracts, subject to an assessment of the recoverability of such costs. For contracts with an estimated amortization period of less than one year, acquisition costs are expensed immediately. The closing balance of assets recognised from the costs incurred in respect of long term contracts amounts to Rs. 20.35 crores as at March 31, 2020 (Rs. 18.78 crores as at March 2019). During the year, in respect of such long term contracts, the company recognised Rs. 9.08 crores as acquisition cost in the Statement of Profit and Loss.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note 26 :		
Other income		
Provision/Liability no longer required written back	-	34.83
Miscellaneous income	**3.28**	6.64
	3.28	41.47
Other gains		
Gain on financial assets mandatorily measured at FVTPL	-	3.60
Gain on disposal of property, plant and equipment/ written off (Net)	**2.09**	-
Gain on discontinuation of lease as per IND AS 116 (Refer note 39)	**4.63**	-
Gain on derivatives not designated in hedge accounting relationship	**0.60**	-
	7.32	3.60
	10.60	45.07
Note 27 :		
Employee benefits expenses		
Salaries and bonus	**53.54**	58.09
Contribution to provident and other funds	**1.95**	2.36
Contribution to gratuity fund (Refer note 35)	**0.56**	0.91
Staff welfare	**3.07**	3.43
	59.12	64.79
Note 28 :		
Operating and other expenses		
Rent		
Network	-	189.76
Others	**0.78**	1.65
	0.78	191.41
Interconnection and other access costs	**157.24**	285.52
License fees and spectrum charges	**73.79**	89.63

Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Other Operating expenses		
Power	**46.60**	74.07
Repairs and maintenance		
- plant and machinery	**106.83**	84.39
- building	**1.83**	1.78
- others	**4.14**	4.06
Leaseline and bandwidth charges	**38.30**	35.08
Telecalling charges	**15.33**	22.28
Port charges	**5.82**	4.52
Customer acquisition costs	**13.69**	18.73
Information technology solutions	**25.33**	27.24
Managed service charges	**3.72**	10.79
Annual maintenance charges	**10.67**	11.09
Cost of goods sold	**2.11**	5.41
	274.37	299.44
Other expenses		
Commission, incentives and content cost	**39.51**	41.13
Travel and conveyance	**3.33**	3.82
Bad debt written off	**0.03**	51.06
Impairment loss/ (reversal) on financial assets	**(0.95)**	(51.36)
Insurance	**1.29**	0.57
Legal and professional fees	**15.29**	15.54
Advertisement and business promotion expenses	**18.71**	11.15
Rates and taxes	**2.27**	0.92
Miscellaneous expenses	**3.51**	9.82
	82.99	82.65

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Other losses		
Loss on financial assets mandatorily measured at FVTPL	**7.30**	-
Loss on derivatives not designated in hedge accounting relationship	**-**	0.36
Loss on property, plant and equipment sold / written off (net)	**-**	6.33
Foreign exchange loss (net)	**0.45**	5.36
	596.92	960.70

Note 29 :

Finance cost

	As at March 31, 2020	As at March 31, 2019
Interest expense:		
On Term loans	**486.44**	555.15
On Liability component of Compound Financial Instruments	**1,001.71**	745.01
On Cash credit accounts	**-**	0.59
On Deferred payment liabilities	**20.33**	223.64
On Unwinding of asset retirement obligation	**0.10**	0.15
On Others	**0.13**	9.41
On Lease liabilities as per IND AS 116 (Refer note 39)	**20.67**	-
Expenses for loan arrangement, bill discounting and bank charges	**15.69**	19.79
	1,545.07	1,553.74

Note 30 :

Finance Income

	As at March 31, 2020	As at March 31, 2019
Interest on income tax refund	**-**	3.85
Unwinding impact as per IND AS 109 on security deposits at amortised cost	**5.74**	2.17
Interest income on term deposits with banks	**0.02**	0.03
	5.76	6.05

Note 31 :

Exceptional items (net)

	Year ended March 31, 2020 Rs. in crores	Year ended March 31, 2019 Rs. in crores
Impairment reversal of CMB assets (Refer note (a) below)	**(184.47)**	(529.35)
Restructuring cost	**46.79**	198.24
Loss on disposal of CMB (Refer note (b) below)	**91.27**	-
Additional provision for LF/ SUC (Refer note (c) below)	**2,467.35**	-
Settlement of cases opted under LDRS (Refer note (d) below)	**1.40**	-
Provision for disputed service tax demands	**7.05**	
Interest on GST liability towards LF/ SUC payment to DoT	**0.89**	-
	2,430.28	(331.11)

(a) As at June 30, 2019, the Company had reviewed the recoverable amount of its CMB assets based on fair value less costs to sell and recorded Rs. 184.47 crores as partial reversal of impairment recorded during the previous year ended March 31, 2018 and disclosed the same as an exceptional item for the year ended March 31, 2020 (Rs. 529.35 crores for the year ended March 31, 2019).

(b) As on the Effective date of the Scheme (July 1, 2019), the Company has charged to profit and loss Rs. 91.27 crores in compliance with Ind AS provisions on account of the following:

i. Pursuant to the loan agreement dated June 29, 2019 executed between TTML and Tata Teleservices Limited ('TTSL'), TTML has borrowed Rs. 825 crores from TTSL as per terms and conditions mentioned in the said agreement and measured the loan at its fair value and classified it between debt amounting to Rs. 748.23 crores and equity amounting to Rs. 76.77 crores. As at June 30, 2019, the carrying value of the debt component of the loan was Rs. 749.41 crores at amortised cost using the EIR (Effective Interest Rate) method. On July 1, 2019, pursuant to the Scheme of arrangement, out of the said loan of face value Rs. 825 crores, face value of loan amounting to Rs. 818.06 crores (amortised

Notes forming part of the financial statements as at and for the year ended March 31, 2020

cost Rs. 743.11 crores) has been transferred on the same terms to BAL and the differential amount of Rs. 74.95 crores (being adjustment arising out of Rs. 76.77 crores recognised as equity on initial recognition), has been disclosed as an exceptional item for the year ended March 31, 2020.

ii. Equity shares of BAL received by the shareholders of TTML pursuant to the Scheme of demerger of CMB has been recognised as distribution made by TTML to its Shareholders and has been measured at Rs.33.68 crores, being the fair value of BAL shares as on July 1, 2019, the Effective date of the Scheme, as against the fair value of BAL shares considered as per the Scheme (Rs.50 crores) and the differential amount of Rs.16.32 crores being fair value adjustment of the consideration to the Shareholders has been disclosed as an exceptional item for the year ended March 31, 2020.

(c) The Hon'ble Supreme Court ('SC') pronounced its Judgement on October 24, 2019 ('Judgement'), dismissing the appeals of operators and allowing Department of Telecommunication's ('DoT') appeal in respect of the definition of Gross Revenue ('GR') and Adjusted Gross Revenue ('AGR') as defined in the License Agreement.

Over the years, the Company received multiple provisional assessment orders for the same period from DoT towards License Fees ('LF'), calculated as a percentage of AGR. These were based on DoT's assessments and also after audits conducted by CAG or Special Auditors appointed by DoT. CAG audit has been completed upto financial year 2016-17, though some reports are yet to be submitted and Special Audit has been completed upto financial year 2010-11. DoT has appointed a Special Auditor in July 2019 to carry out Special Audit from financial year 2011- 12 till financial year 2017-18.

As assessment is an exercise decentralized at Circles, the assessment is done at the circles level for different years. Based on the assessment at Circles, demand is issued by DoT centrally, which also stands issued for different years for different circles. DoT has issued guidelines/clarifications on February 3, 2020 for re-verification of deduction claims in respect of disallowances made during the assessment at Circles.

During the quarter ended September 30, 2019, the Company made additional provision of Rs. 1,919 crores as an initial estimate towards LF & Spectrum Usage Charges (SUC), including interest, penalty and interest on penalty, as applicable, on account of the judgement and disclosed the same as an exceptional item. This provision excluded demands based on disallowances that are allowable on production of necessary documents regarding interconnect and roaming charges. It also excluded certain discrepancies identified by the Company in the said LF and SUC demands raised by DoT on specific matters of fact, for which written representations have been made to the DoT in the past.

DoT vide letter dated November 13, 2019 directed all the telecom licensees to undertake self-assessment and make payment of LF and other dues within three months in accordance with the Judgment. The Company and other operators filed review petitions in SC challenging imposition of penalty and interest thereon. These petitions were dismissed. The Company and other operators have filed modification applications in the SC seeking modification of Supplementary Order dated October 24, 2019 to allow the Company and DoT to conduct the exercise for ascertaining and payment of the amounts due under the Judgment. These applications were mentioned for listing before the SC on January 21, 2020 and the SC had ordered listing of these applications before the bench which gave the Judgment. On February 14, 2020, the SC passed an order and listed the applications of the operators for March 17, 2020, which took place on March 18, 2020.

DoT raised a consolidated demand in Dec 2019 for Rs. 2,555.58 crores towards LF, SUC, interest, penalty and interest on penalty. The demand also includes additions on account of CCA disallowances and discrepancies which are yet to be rectified by DoT.

Based on self-assessment, the Company made a payment of Rs. 489.39 crores on February 17, 2020. The Company in good faith and by way of abundant caution, had also made additional ad-hoc payment of Rs. 150 crores on March 2, 2020 to cover reconciliation and verification differences with DoT, if any. A modification petition has been filed by DoT in the SC on March 16, 2020 with respect to giving 20 year period for recovery of LF dues and to cease the interest after a particular date. As on date, the matter is still not heard. On March 18, 2020, SC held that no exercise of self-assessment/ re-assessment of the dues which were placed before the SC is permitted and the said dues need to be deposited,

Notes forming part of the financial statements as at and for the year ended March 31, 2020

as ordered in the judgement. However, the prayer of DoT to allow it to recover the dues over 20 year period is pending and the Court has indicated that it would consider such prayer of DoT to recover the dues over a longer period on the next date.

Further, during the quarter ended March 31, 2020, the Company has evaluated the AGR obligations and reassessed the estimates as a result of more information or experience gained to reflect the current best estimate. In evaluating the estimate, the Company has taken into consideration the industry perspective and legal opinion on certain legal issues from Senior Counsel. During the quarter ended March 31, 2020, the Company has made net additional provision of Rs.548.35 crores towards LF, SUC, Interest, Penalty and Interest on Penalty as applicable, and the same has been disclosed as an exceptional item. Accordingly, the provisions pertaining to AGR matter as on March 31, 2020 stand at Rs. 2,423.37 crores and disclosed as provision for contingencies. The amount was provisioned in compliance with the accounting standards, strictly without prejudice to the Company's legal rights, claims, remedies and contentions available under law. The Company does not admit, acknowledge or confirm any liability towards the same and the fact that some amount is being provisioned does not affect or dilute the Company's defense against the enforcement of the said LF and SUC demands by DoT in any way. Also Refer note 32(b).

(d) Settlement towards cases opted by the company under Legacy dispute resolution scheme (LDRS) is Rs. 1.40 crores has been disclosed as an exceptional item for the year ended March 31, 2020.

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
32 Commitments and contingencies		
I) Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Tangible assets	**61.25**	22.27

	As at March 31, 2020 Rs. in crores	As at March 31, 2019 Rs. in crores
II) Contingent Liabilities:		
i) Claims against the Company not acknowledged as debt		
Telecom regulatory matters*	**575.01**	1,230.93
Others	**257.66**	256.42

* includes contingent liabilities towards indemnification (Refer note 1.2)

Notes:

a) Bharat Sanchar Nigam Limited (BSNL) issued demand notices to pay Access Deficit Charge (ADC) aggregating Rs. 166.90 crores, including interest, for the period November 14, 2004 upto February 28, 2006. The demands stated that 'Fixed Wireless' services provided by the Company under the brand name 'WALKY' had mobility features and should be treated as mobile services for the purpose of Interconnect Usage Charges Regulations and ADC was payable on such calls. The Company filed a petition before the Hon'ble Telecom Dispute Settlement Appellate Tribunal (TDSAT) in this regard. TDSAT disallowed the Company's petition and held that ADC was payable on such calls. The Company filed an appeal before the Hon'ble Supreme Court, which confirmed that ADC was payable on fixed wireless service vide order dated April 30, 2008. As there were claims and counter-claims between the Company and BSNL, the senior counsel of BSNL offered and Hon'ble Supreme Court directed that quantification of amounts payable to each other be made by Hon'ble TDSAT.

The Company thereafter, filed a petition in TDSAT to determine / reconcile amounts payable to each other and TDSAT vide its order dated August 12, 2008 held that BSNL and the Company should exchange relevant information and reconcile the differences. On April 15, 2010, TDSAT confirmed BSNL demands for period up to August 25, 2005 and gave BSNL liberty to lodge its claim for a further period up to February 28, 2006. The Company's appeal before SC against the aforesaid TDSAT order dated April 15, 2010 was admitted by the SC vide its order dated July 23, 2010 but stay was not granted. Supreme Court had asked for details / break up of demands which have been filed. Based on the legal advice available with the Company, the penalty clause

Notes forming part of the financial statements as at and for the year ended March 31, 2020

invoked by BSNL does not apply and the Company is entitled to seek refund of Rs. 50.73 crores, the excess ADC amount paid to BSNL along with interest.

Out of the aforesaid Rs. 166.90 crores, the Company has till date provided for amounts aggregating Rs. 111.61 crores. The balance amounts aggregating Rs. 55.30 crores have been disclosed as Contingent Liability.

The matter was last listed before the Hon'ble Supreme Court on March 30, 2017 and thereafter got adjourned. This shall come up for hearing in due course.

Payments made under dispute till date aggregates Rs. 111.61 crores in relation to the above.
There are similar claims raised by other operators of Rs. 3.29 crores, provision of Rs. 2.68 Crores has been made and Rs. 0.61 Crores has been disclosed as Contingent Liability.

b) As disclosed in Note 31(c) on AGR matter under exceptional items, the Company has evaluated the obligation through Probable, Possible and Remote (PPR) model and reassessed the estimates as a result of more information or experience gained and independent opinion on certain legal issues from senior legal counsel, to reflect the current best estimate, the Company has considered Penalty and Interest on penalty on SUC amounting to Rs. 243.23 crores, as contingent liability.

c) A demand for Rs. 290.17 crores for start up spectrum beyond 2.5MHz, being a one time spectrum charges claimed for the period from January 1, 2013 till the date of expiry of the license, was received from the DoT. The Company has filed a writ petition in the Bombay High Court against the demand and obtained a stay order. The Company has undertaken (written to DoT conveying its intent) to surrender 1.25 MHz of CDMA spectrum after retaining 1.25 MHz of spectrum over and above start up spectrum of 2.5 MHz in Mumbai and to surrender the spectrum beyond 2.5 MHz in Maharashtra. Pursuant thereto, the Company has paid under protest all four installments aggregating Rs. 119.58 crores for spectrum retained and also completed the surrender of spectrum in Mumbai and Maharashtra under protest. The DoT filed a Reply. The Company has to file a Rejoinder and an application for modification of the prayer clause in view of payments being made by the Company. The matter has been tagged with similar writs filed by other operators for Hearing and was last listed on February 04, 2020, where Bharti Airtel Limited sought deferment. The matter was due to taken up on March 17, 2020 but in view of the outbreak of COVID-19, the matter has been adjourned. Based on legal advice, the Company has considered the said demand as remote in nature.

d) DoT has issued instruction to TERM Cell in each Licensed Service Area to conduct monthly audit to check compliance levels of subscriber verification norms. DoT has also issued circulars to impose penalty for non-compliances to its instructions observed during the monthly audits. Total penalty raised to the Company on account of subscriber verification norms is Rs. 268.84 crores till March 31, 2020. Some of these penalties have been challenged by the Company in various High Courts and TDSAT. Based on legal opinion that the circulars are contrary to Section 20A of the Indian Telegraph Act, 1885, as the circulars prescribe penalties in excess of those prescribed under the Telegraph Act, the Company has disclosed the said demands as contingent liability.

Out of the aforesaid amount of Rs. 268.84 crores, the Company has till date provided for amounts aggregating Rs. 3.69 crores. The balance amounts aggregating Rs. 265.15 crores have been disclosed as Contingent Liability.

		As at March 31, 2020	As at March 31, 2019
		Rs. in crores	Rs. in crores
ii)	Disputed service tax demands	**319.78**	291.34
iii)	Disputed local body tax demands	**3.88**	0.13

iv) With regards to disputes and claims referred to above against the Company, appropriate competent professional advice is available with the Company based on which, favorable outcomes are anticipated and no liability is expected to accrue to the Company.

v) The Company has evaluated the impact of the Supreme Court (SC) judgement dated February 28, 2019 in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees'

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the Company believes that the aforesaid judgement does not have material impact on the Company. The Company will continue to monitor and evaluate its position based on future events and developments.

vi) (a) **Rental expenses relating to operating leases recognised in the Statement of Profit and Loss:**

	April 1, 2018 to March 31, 2019 Rs. in crores
Network sites and others	191.41

(b) **Future Minimum Lease payments under Non-cancellable operating lease:**

	As at March 31, 2019 Rs. in crores
Due not later than one year	55.06
Due later than one year and not later than five years	199.22
Due later than five years	51.76

The agreements are executed for a period ranging from 6 months to 15 years with a renewable clause and in many cases also provide for termination at will by either party giving a prior notice period ranging between 30 to 180 days. Escalation ranges from 2% - 3% per annum depending upon the terms of the agreement with each vendor.

33 Payments to auditors (excluding GST)

	April 1, 2019 to March 31, 2020 Rs. in crores	April 1, 2018 to March 31, 2019 Rs. in crores
i) For audit fees	**0.30**	0.37
ii) For other services	**0.86**	0.73
iii) For reimbursement of expenses	**0.10**	0.11
	1.26	1.21

34 The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

	April 1, 2019 to March 31, 2020 Rs. in crores	April 1, 2018 to March 31, 2019 Rs. in crores
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**3.46**	1.60
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**0.15**	0.03
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year end	**-**	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	**-**	-
(vii) Further interest remaining due and payable for earlier years	**-**	-
	3.61	1.63

Notes forming part of the financial statements as at and for the year ended March 31, 2020

35 The disclosure as required under Ind AS 19 regarding the Employee benefits is as follows:

Employee benefit plans

Defined contribution plans

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 1.95 crores for the year ended March 31, 2020 (Rs. 2.29 crores for the year ended March 31, 2019) for Provident Fund contributions, Rs. NIL for the year ended March 31, 2020 (Rs. 0.06 crore for the year ended March 31, 2019) for Superannuation Fund contributions and Rs. NIL for the year ended March 31, 2020 (Rs. 0.01 crore for the year ended March 31, 2019) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plans

The Company offers the gratuity under employee benefit schemes to its employees

Rs. in crores

Particulars	**Year ended March 31, 2020**	Year ended March 31, 2019
Components of employer's expense		
Current service cost	**0.43**	0.72
Interest cost	**0.31**	0.46
Expected return on plan assets	**(0.18)**	(0.27)
Total expense recognised in employee benefit expenses	**0.56**	0.91
Remeasurement on the defined benefit liability - Actuarial gain/ (loss)	**0.26**	(0.56)
Total loss/ (income) recognised in other comprehensive income	**0.26**	(0.56)
Total expense recognised in the Statement of Profit and Loss	**0.82**	0.35

The current service cost, interest cost and expected return on plan assets for the year are included in the 'Employee benefits expenses' line item in the statement of profit and loss. The remeasurement on the defined benefit liability is included in other comprehensive income.

Actual contribution and benefit payments for the year

Rs. in crores

Particulars	**Year ended March 31, 2020**	Year ended March 31, 2019
Actual benefit payments	**0.81**	2.41
Actual contributions	**-**	0.50

Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	**5.67**	7.38
Current service cost	**0.43**	0.72
Interest cost	**0.31**	0.46
Transfers	**(0.69)**	-
Actuarial (losses)/ gain	**0.22**	(0.48)
Benefits paid	**(0.81)**	(2.41)
Present value of DBO at the end of the year	**5.13**	5.67
Change in fair value of plan assets during the year		
Plan assets at beginning of the year	**3.19**	4.75
Expected return on plan assets	**0.18**	0.27
Actual contributions by the Company	**-**	0.50
Actuarial (losses)/ gain	**(0.04)**	0.08
Benefits paid	**(0.81)**	(2.41)
Plan assets at the end of the year	**2.52**	3.19
Actual return on plan assets	**0.14**	0.35

Rs. in crores

Particulars	**Year ended March 31, 2020**	Year ended March 31, 2019
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	**5.13**	5.67
Fair value of plan assets	**2.52**	3.19

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Rs. in crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Funded status [Surplus/ (Deficit)]	**(2.61)**	(2.48)
Net liability recognised in the Balance Sheet*	**(2.61)**	(2.48)

* Out of net gratuity liability of Rs. 2.48 crores as on March 31, 2019, net gratuity liability of Rs.0.67 crores has been classified as liabilities directly associated with assets classified as held for sale.

Composition of the plan assets is as follows:

Others (LIC managed funds)	**2.52**	3.19
Actuarial assumptions		
Expected return on plan assets	**5.50%**	6.70%
Discount rate	**5.50%**	6.70%
Salary escalation	**6.00%**	6.00%
Attrition	**28.00%**	35.00%

Mortality tables	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)
Retirement age	**60 years**	60 years
Estimate of amount of contribution in the immediate next year	**1.39**	1.99

The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Experience adjustments

Rs. in crores

Gratuity	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
Present value of DBO	**5.13**	5.67	7.38	8.44	7.55
Fair value of plan assets	**2.52**	3.19	4.75	5.47	4.24
Funded status [Surplus/ (Deficit)]	**(2.61)**	(2.48)	(2.63)	(2.97)	(3.31)
Experience (gain)/ loss adjustments on plan liabilities	**0.03**	(0.34)	(0.56)	0.27	0.18
Experience gain/ (loss) adjustments on plan assets	**(0.04)**	0.08	0.54	0.27	0.21

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Rs in crores

Particulars	Change in assumptions	Year ended March 31, 2020	Year ended March 31, 2019
Projected Benefit Obligation on current assumptions		**5.13**	5.67
Delta effect of change in Rate of discounting	+1%	**(0.15)**	(0.13)
	-1%	**0.16**	0.12
Delta effect of change in Rate of salary increase	+1%	**0.13**	0.12
	-1%	**(0.12)**	(0.13)
Delta effect of change in Rate of employee turnover	+1%	**(0.01)**	(0.01)
	-1%	**0.01**	-

Notes forming part of the financial statements as at and for the year ended March 31, 2020

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The following payments are expected contributions to the defined benefit plan in future years:

	March 31, 2020	March 31, 2019
Within the next 12 months	**1.39**	1.99
Between 1 to 2 years	**1.23**	1.57
Between 3 to 5 years	**2.64**	2.89
Between 6 to 10 years	**2.21**	1.64

b) Compensated absences

The compensated absences cover the Company`s liability for earned leave.

Total compensated absences provision as on March 31, 2020 is Rs. 2.07 crores (Rs. 2.35 crores as on March 31, 2019, out of which, Rs. 0.41 crores as on March 31, 2019 has been classified as liabilities directly associated with assets classified as held for sale) which is presented as short-term provision, since the Company does not have an unconditional right to defer settlement for any of these obligations. Provision for compensated absences has been made on the basis of actuarial valuation carried out as at the balance sheet date .

36 Financial Instruments

The significant accounting policies, including the criteria for recoginition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets, financial liability and equity instrument are disclosed in note 2.17 to the financial statements.

(i) Financial Assets & Liabilities (Including Assets & Liabilities associated with Assets held for Sale)

Rs. in crores

	Fair value as at		**Carrying value as at**	
	March 31, 2020	March 31, 2019	**March 31, 2020**	March 31, 2019
Financial Assets				
(a) Measured at Fair Value through Profit or Loss (FVTPL)				
Mandatorily measured:				
(i) Investments in mutual funds	**-**	608.63	**-**	608.63
(ii) Derivative financial assets not designated in hedge accounting relationship	**0.36**	-	**0.36**	-
(b) Amortised Cost				
Trade receivables	**121.72**	117.80	**121.72**	117.80
Cash and cash equivalents	**84.53**	171.13	**84.53**	171.13
Loans and other financial assets	**92.91**	88.20	**92.91**	88.20
	299.52	985.76	**299.52**	985.76

Notes forming part of the financial statements as at and for the year ended March 31, 2020

	Fair value as at		Carrying value as at	
	March 31, 2020	March 31, 2019	**March 31, 2020**	March 31, 2019
Financial Liabilities				
(a) Measured at Fair Value through Profit or Loss (FVTPL)				
Derivative financial liabilities not designated in hedge accounting relationship	**-**	0.24	**-**	0.24
Derivative financial liabilities designated in hedge accounting relationship	**0.70**	1.61	**0.70**	1.61
(b) Amortised Cost				
Borrowings	**10,476.58**	14,121.15	**10,476.58**	14,121.15
Lease liabilities	**193.64**	-	**193.64**	-
Trade payables	**297.10**	383.39	**297.10**	383.39
Other current financial liabilities	**6,262.08**	3,931.65	**6,262.08**	3,931.65
	17,230.10	18,438.04	**17,230.10**	18,438.04

The carrying amounts of trade receivables, trade payables, capital creditors, short-term borrowings and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Fair value hierarchy

The fair value heirarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels.

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

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

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required)

		March 31, 2020	March 31, 2019
Financial Assets FVTPL			
(i) Investments in mutual funds	Level 1	**-**	608.63
(ii) Derivative financial assets not designated in hedge accounting relationship	Level 2	**0.36**	-
		0.36	608.63
Financial Liabilities			
(a) Measured at Fair Value through Profit or Loss (FVTPL)			
Derivative financial liabilities not designated in hedge accounting relationship	Level 2	**-**	0.24
(b) Derivative financial liabilities designated in hedge accounting relationship	Level 2	**0.70**	1.61
		0.70	1.85

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are disclosed are classified as Level 3. If one or more of the significant inputs is not based on observable market data, the respective assets and liabilities are considered under Level 3.

At the end of the reporting year, there are no significant concentrations of credit risk for financial assets and financial liabilities designated at FVTPL. The carrying amount reflected above represents the company's maximum exposure to credit risk of such financial assets and liabilites.

The fair values of the financial assets and financial liabilities included in the level 2 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

36 Financial Instruments

(ii) Capital management

The Company manages it's capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in notes 17, 20 and note 21 offset by cash and bank balances and current investments) and total equity of the Company.

The Company is subject to externally imposed capital requirements for its borrowings which is being montiored on regular intervals.

Gearing ratio

The gearing ratio at the end of the reporting year was as follows;

Rs. in crores

Particulars	As at March 31, 2020	As at March 31, 2019
Debt *	**16,718.79**	18,034.61
Equity share capital	**1,954.93**	1,954.93
Other equity	**(19,434.09)**	(16,774.76)
Total Equity	**(17,479.16)**	(14,819.83)
Debt to equity ratio	**(0.96)**	(1.22)

*Debt is defined as non-current and current borrowings (excluding lease liabilities, derivatives and financial guarantee contracts) including current maturities of long term debt and Interest accrued but not due.

As at March 31, 2020, the company has met financial covenant requirement as per the respective borrowing arrangement with the lenders.

(iii) Financial risk management objectives

Inherent to the nature of the Company's business are a variety of financial risks, namely liquidity risk, market risk and credit risk. Developing policies and processes to assess, monitor, manage and address these risks is the responsibility of the Company's Management. The management oversees this risk management framework in the Company and intervenes as necessary to ensure there exists an appropriate level of safeguards against the key risks. Updates on compliance, exceptions and mitigating action are placed before the Audit Committee periodically.

The Company's management works closely to ensure there are appropriate policies and procedures governing the operations of the Company with a view to providing assurance that there is visibility into financial risks and that the business is being run in conformity with the stated risk objectives. Periodic reviews with concerned stakeholders provides an insight into risks to the business associated with currency movements, credit risks, etc. and necessary deliberations are undertaken to ensure there is an appropriate response to the developments.

The risk management objective of the Company is to hedge risk of change in the foreign currency exchange rates associated with it's direct transactions denominated in foreign currency. Since most of the transactions of the Company are denominated in its functional currency (INR), any foreign exchange fluctuation affects the profitability of the Company and its financial position. Hedging provides stability to the financial performance by estimating the amount of future cash flows and reducing volatility.

The Company follows a consistent policy of mitigating foreign exchange risk by entering into appropriate hedging instruments as considered from time to time. The Company is having a defined risk management policy for exposure in foreign currencies. The Company does not enter into a foreign exchange transaction for speculative purposes

(iv) Market Risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into a variety of derivative financial instruments to manage its

Notes forming part of the financial statements as at and for the year ended March 31, 2020

exposure to foreign currency risk and interest rate risk, including:

- Forward foreign exchange contracts to hedge the exchange rate risk arising on the buyer's credit and foreign currency trade payables.
- Interest rate swaps to mitigate risk of rising interest rate

There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

Market risk exposures are measured using sensitivity analysis.

(iv) (a) Foreign Currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters using forward foreign exchange contracts.

The Company is having risk management policy which provides the guidelines for managing the currency risk exposure. Accordingly, the Company has obtained forward contracts to cover upto 100% of its underlying liabilities due within next one year. For balance underlying liabilities the Company has obtained forward contracts to cover from 0-50%.

Hedging Activities:

The Company uses foreign exchange forward contracts, Interest rate swap to manage some of its exposures. The foreign exchange forward contract is not designated as cash flow hedges and entered into periods consistent with foreign currency exposure of the underlying transactions.

The outstanding derivative contracts of the Company in foreign currency at the end of reporting period:

Particulars	**Notional amount (USD in Mns)**		**Fair value Asset/ (Liability) (Cr)**	
	As at March 31, 2020	As at March 31, 2019	**As at March 31, 2020**	As at March 31, 2019
Forwards contracts	**1.35**	1.71	**0.36**	(0.24)
Total	**1.35**	1.71	**0.36**	(0.24)

The carrying amounts of the Company's foreign currency denominated monetary liabilities at the end of the reporting year.

Currency (In Mns)	**Liabilities as at**	
	As at March 31, 2020	As at March 31, 2019
USD	**1.35**	2.23
EURO	**-**	(0.05)

The outstanding derivative contracts of the Company in foreign currency at the end of the reporting year.

Currency (USD in Mns)	**Liabilities as at**	
	As at March 31, 2020	As at March 31, 2019
Forward contracts	**1.35**	1.71

The foreign currency exposure that are not hedged by derivative instruments:

Currency (USD in Mns)	**Liabilities as at**	
	As at March 31, 2020	As at March 31, 2019
Trade and other payables	**-**	0.52

Currency (EURO in Mns)	**Liabilities as at**	
	As at March 31, 2020	As at March 31, 2019
Trade and other payables	**-**	(0.05)

(iv) (a) (i) Foreign Currency sensitivity analysis

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. 5% is the sensitivity rate which represents management's assessment of

Notes forming part of the financial statements as at and for the year ended March 31, 2020

the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items that are not hedged by derivative instruments and adjusts their translation at the year end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans and vendors. A positive number below indicates increase in profit or equity where the INR strengthens by 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity.

Particulars	Currency USD impact (Rs. in crores)	
	As at March 31, 2020	As at March 31, 2019
Profit / (loss)	**0.51**	0.77

Particulars	Currency EUR impact (Rs. in crores)	
	As at March 31, 2020	As at March 31, 2019
Profit / (loss)	**-**	(0.02)

(iv) (a) (ii) Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The floating interest rate risk on borrowings is managed by the Company by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with the interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. The Company's exposures to interest rate on financial asset and financial liabilities are detailed in the liquidity risk management section of this note.

As at March 31, 2020, the Company has variable rate borrowings of Rs. 1,824.79 crores (Rs. 739.92 crores as at March 31, 2019), out of which net exposure to interest rate risk is Rs. 1,084.40 crores (Rs.NIL as at March 31, 2019) after considering the effect of derivative instruments.

The sensitivity analysis below have been determined based on floating rate rupee borrowings that are not hedged by derivative instruments , the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting year was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 50 basis points higher/lower and all other variables were held constant, the Company's profit/other comprehensive income for the year ended March 31, 2020 would decrease by Rs. 80.12 crores and increase by Rs. 90.22 crores (Rs. NIL as at March 31, 2019).

(iv) (a) (iii) Interest rate swap contract

Using interest rate swap, the Company agrees to exchange floating interest rate to fixed interest rate in INR on agreed notional principal amounts. Such contracts enable the company to mitigate the interest rate risk on borrowings. Such contracts are settled on a quarterly, semi-annual and annual basis. Details of the swap are listed below;

	Average contracted fixed interest rate		Notional principal amount (INR in crores)		Fair value assets (liabilities) (INR in crores)	
	As at March 31, 2020	As at March 31, 2019	**As at March 31, 2020**	As at March 31, 2019	**As at March 31, 2020**	As at March 31, 2019
Term Loan from banks	**9.35%**	9.35%	**742.50**	742.50	**(0.70)**	(1.61)

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument. There was no recognised ineffectiveness during the year ended March 31, 2020

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Cash Flow Hedge Reserve	Amount (Rs. In Crores)
As at 31.03.2018	-
(+) Change in fair value of Interest rate swpas	(1.61)
As at 31.03.2019	(1.61)
(-) Change in fair value of Interest rate swpas	0.91
As at 31.03.2020	(0.70)

(v) Credit risk management

Financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, security deposits with counter-parties, loans to third parties. Individual risk limits are set for each counterparty based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company.

The Company's maximum exposure to credit risk as at March 31, 2020 and March 31, 2019 is the carrying value of each class of financial assets as disclosed in the standalone financial statements.

Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Trade receivables of the Company consist of a large number of customers, spread across diverse industries and geographical areas and hence the Company has minimal concentration of credit risk of its customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix and forward looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amounts as illustrated in Note 9.

(vi) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management, which has established an appropriate liquidity risk management framework for the management of the company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The note below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

As at March 31, 2020, the company has undrawn committed borrowing facilities of Rs. 403 crores (March 31, 2019 – Rs. 322.28 crores) towards working capital limits expiring within a year and renewable at discretion of the banks.

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2020;

Rs in crores

Particulars	Carrying amount	Upto 1 year	1-2 year	2-5 year	5+ year	Total contracted cash flows
Financial Liabilities						
Non-Derivative Liabilities:						
Non-Current borrowings (including interest accrued but not due)	6,138.44	-	6,936.01	-	-	6,936.01
Lease liabilities	193.64	56.56	59.74	117.81	-	234.11
Current borrowings	4,338.14	4,426.89	-	-	-	4,426.89
Trade payables	297.10	297.10	-	-	-	297.10
Other financial liabilities	6,262.08	6,512.20	-	-	-	6,512.20
Total Non-Derivative Liabilities	**17,229.40**	**11,292.75**	**6,995.75**	**117.81**	**-**	**18,406.31**
Derivative Liabilities:						
Interest rate Swaps	0.70	0.70				0.70
Total Derivative Liabilities	**0.70**	**0.70**	**-**	**-**	**-**	**0.70**

The table below provides details regarding the contractual maturities of financial liabilities (including liabilities associated with assets held for sale) as at March 31, 2019;

Rs in crores

Particulars	Carrying amount	Upto 1 year	1-2 year	2-5 year	5+ year	Total contracted cash flows
Financial Liabilities						
Non-Derivative Liabilities:						
Non-Current Borrowings (including interest accrued but not due)	6,494.39	-	6,915.94	-	1,328.34	8,244.28
Current Borrowings	7,626.76	7,729.08	-	-	-	7,729.08
Trade payables	383.39	383.39	-	-	-	383.39
Other financial liabilities	3,931.65	4,238.95	-	-	-	4,238.95
Total Non-Derivative Liabilities	**18,436.19**	**12,351.42**	**6,915.94**	**-**	**1,328.34**	**20,595.70**
Derivative Liabilities:						
Interest rate swaps	1.61	1.61	-	-	-	1.61
Foreign exchange forward contracts	0.24	0.24	-	-	-	0.24
Total Derivative Liabilities	**1.85**	**1.85**	**-**	**-**	**-**	**1.85**

Excessive risk concentration

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions. Further, the Group's policies and procedures include specific guidelines to whereby maximum bank wise limits are set up to which the Group can hedge with each of the banks.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Note 37

Related party disclosure (in terms of Ind AS - 24)

i) Details of all related parties and their relationships

A Ultimate Holding Company

Tata Sons Private Limited

B Holding Company

Tata Teleservices Limited (w.e.f. October 17, 2018)

C Entities Having Significant Influence

Tata Teleservices Limited (upto October 16, 2018)

D Investing Party of Ultimate Holding Company

Sir Dorabji Tata Trust
Sir Ratan Tata Trust

E Subsidiaries, associate and joint venture companies of holding company and ultimate holding company with whom the Company had transactions:

Fellow Subsidiaries

Automotive Stampings and Assemblies Limited
C-Edge Technologies Limited
Tata AIG General Insurance Company Limited
Maha Online Limited
MMP Mobi Vallet Payment Systems Limited
Tata Capital Financial Services Limited
Tata Capital Housing Finance Limited
Tata Communications (America) Inc.(w.e.f. May 28, 2018)
Tata Communications Collaboration Services Private Limited(w.e.f. May 28, 2018)
Tata Communications Payment Solutions Limited(w.e.f. May 28, 2018)
Tata Communications Services (Bermuda) (w.e.f. May 28, 2018)
Tata Communications Transformation Services Limited (w.e.f. May 28, 2018)
Tata Securities Limited
Tata Toyo Radiator Limited
TTL Mobile Private Limited (Formerly known as Virgin Mobile India Pvt Limited)
Infiniti Retail Limited
Taj Air Limited
Tata Advanced Systems Limited
Tata Asset Management Limited
Tata Autocomp Systems Limited
Tata Capital Limited
Tata Communication Limited
Tata Consultancy Services Limited
Tata Consulting Engineers Limited
Tata Housing Development Company Limited
Tata International Limited
Tata Investment Corporation Limited
Tata Petrodyne Limited (upto January 20, 2020)
Tata Realty and Infrastructure Limited
Tata Sia Airlines Limited
Tata Trustee Company Limited
Tata Consulting Engineers Limited
Tce Consulting Engineers Limited
Tata Autocomp Hendrickson Suspensions Private Limited
Tata Value Homes Limited
TRIL Urban Transport Private Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Associate Of Fellow Subsidiary
Tata Projects Limited
STT Global Data Centers India Private Limited (Formerly known as Tata Communications Data Centers Pvt Limited) (w.e.f. May 28, 2018)

Associate Of Holding / Ultimate Holding Company
ATC Telecom Infrastructure Private Limited (Formerly Known As Viom Networks Limited)
(ATC Infrastructure Services Private Limited has been amalgated w.e.f. September 27, 2019)
Tata Coffee Limited
TMF Holdings Limited (formerly Tata Motors Finance Limited)
Tata Motors Insurance Broking and Advisory Services Limited
Tata Power Trading Company Limited
Tata Steel International India Limited
Tatanet Services Limited
Conneqt Business Solutions Limited (formerly Tata Business Support Services Limited)
Tata Chemicals Limited
Tata Elxsi Limited
Tata Consumer Products Limited (formerly Tata Global Beverages Limited)
Tata Motors Limited
Tata Steel Limited
The Indian Hotels Company Limited
The Tata Power Company Limited
Titan Company Limited
Trent Limited
Voltas Limited
Tata Technologies Limited
Roots Corporation Limited
Nelco Limited
Tata Steel Downstream Products Limited (formerly Tata Steel Processing and Distribution Limited)

Joint venture of fellow subsidiary
Sector 113 Gatevida Developers Private Limited (Formerly Known as Lemon Tree Land & Developers Private Limited)
Smart Value Homes (New Project) LLP
Tata AutoComp GY Batteries Private Limited (Formerly known as Tata Autocomp GY Batteries Limited)
Tata Ficosa Automotive Systems Private Limited (Formerly known as Tata Ficosa Automotive Systems Limited)
Tata International Wolverine Brands Limited
Tata International DLT Private Limited

Joint Venture of Ultimate Holding Company
Tata AIA Life Insurance Company Limited
Tata Unistore Limited (formerly Tata Industrial Services Limited) (Upto March 27, 2019)
Tata Industries Limited(w.e.f. March 27, 2019)
Tata Sky Limited
Tata Smartfoodz Limited (Formerly Known As Smartfoodz Limited)
Tata Sky Broadband Private Limited

F Post employment benefit plans of Company
Tata Teleservices (Maharashtra) Gratuity Fund
Tata Teleservices (Maharashtra) Superannuation Fund

G Key Management Personnel
Mr. N. Srinath - Managing Director (upto March 31, 2020) / Non-Executive Director (w.e.f. April 1, 2020)
Mr. D. T. Joseph - Independent, Non-Executive Director (upto September 21, 2019)
Ms. Hiroo Mirchandani - Independent, Non-Executive Director
Mr. Govind Sankaranarayanan - Non-Independent, Non-Executive Director (upto September 27, 2018)
Mr. Ankur Verma - Non-Independent, Non-Executive Director (w.e.f September 29, 2018)
Dr. Narendra Damodar Jadhav - Independent, Non-Executive Director
Mr. Kumar Ramanathan - Independent, Non-Executive Director (w.e.f. September 24, 2019)
Mr. Thambiah Elango - Non-Independent, Non-Executive Director
Mr. Kush S. Bhatnagar - Chief Financial Officer

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Related party disclosure (in terms of Ind AS - 24)

ii) Details of transactions with related parties for the year ended March 31, 2020

Rs in crores

	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Joint Venture Of Fellow Subsidiary	Associate Of Holding / Ultimate Holding Company	Associate Of Fellow Subsidiary	Joint Venture Of Ultimate Holding Company	Investing Party of Ultimate Holding Company	Key Management Personnel	Total
1) Expenses :										
- Customer service and call centre cost	-	-	10.44	-	(0.12)	-	-	-	-	10.32
- Advertisement and business promotion expenses	-	-	-	-	-	-	0.04	-	-	0.04
- Network operation cost	0.01	(2.26)	129.67	-	119.91	-	-	-	-	247.33
- Administrative and other expenses	-	(4.13)	1.54	-	0.18	-	0.14	-	-	(2.27)
- Rent	-	0.89	0.16	-	-	-	-	-	-	1.05
- Interconnect and other access costs	-	32.13	21.58	-	-	-	-	-	-	53.71
- Intercircle roaming expenses	-	-	-	-	-	-	-	-	-	-
- Directors sitting fees	-	-	-	-	-	-	-	-	0.26	0.26
- Managerial remuneration	-	-	-	-	-	-	-	-	1.19	1.19
- Interest expense on liability component of Compound Financial Instruments:										
Redeemable preference shares	-	186.97	-	-	-	-	-	-	-	186.97
inter corporate deposits	-	814.74	-	-	-	-	-	-	-	814.74
Loan received	-	1.66	-	-	-	-	-	-	-	1.66
2) Income :										
- Rent income	-	(5.62)	(1.36)	-	-	-	-	-	-	(6.98)
- Service revenue	(0.05)	(18.42)	(109.31)	(0.08)	(9.99)	(0.07)	(3.60)	(0.08)	-	(141.60)
- Other income	-	(0.86)	(4.68)	-	-	-	-	-	-	(5.54)
3) Other Transactions										
- Reimbursement of expenses paid	-	50.73	0.13	-	-	-	-	-	-	50.86
- Reimbursement of expenses received	-	(24.27)	-	-	-	-	-	-	-	(24.27)
- Sale of fixed assets	-	-	-	-	(0.15)	-	-	-	-	(0.15)
- Purchase of fixed asset	-	0.80	0.01	-	1.83	-	-	-	-	2.64
4) Loans										
- Inter corporate deposits received	-	(2,790.15)	-	-	-	-	-	-	-	(2,790.15)
- Loan received*	-	(825.00)	-	-	-	-	-	-	-	(825.00)
5) Outstanding as at :										
Borrowings	-	(11,185.23)	-	-	-	-	-	-	-	(11,185.23)
Trade receivables	-	57.54	24.12	0.01	0.80	-	0.13	-	-	82.60
Trade payables	-	(22.10)	(66.72)	-	(63.87)	-	-	-	-	(152.69)

In the table above, Income receipts and liabilities are shown in brackets.

* On July 1, 2019, pursuant to the Scheme of demerger of CMB, out of the loan of face value Rs. 825 crores, face value of loan amounting to Rs.818.06 crores (amortised cost Rs. 743.11 crores) has been transferred on the same terms to Bharti Airtel Limited (BAL).

TATA

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Related party disclosure (in terms of Ind AS - 24)
iii) Details of transactions with related parties for the year ended March 31, 2019

Rs in crores

	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Joint Venture Of Fellow Subsidiary	Associate Of Holding / Ultimate Holding Company	Associate Of Fellow Subsidiary	Joint Venture Of Ultimate Holding Company	Key Management Personnel	Total
1) Expenses :									
- Customer service and call centre cost	-	0.02	91.55	-	0.45	-	-	-	92.02
- Network operation cost	-	8.76	53.32	-	413.31	-	-	-	475.39
- Administrative and other expenses	-	(1.40)	7.82	-	(1.06)	-	0.11	-	5.47
- Rent	0.01	5.59	0.28	-	-	-	-	-	5.88
- Interconnect and other access costs	-	58.30	13.51	-	-	-	(0.01)	-	71.80
- Intercircle roaming expenses	-	0.26	-	-	-	-	-	-	0.26
- Directors sitting fees	-	-	-	-	-	-	-	0.19	0.19
- Managerial remuneration	-	-	-	-	-	-	-	0.99	0.99
- Interest expense on liability component of Compound Financial Instruments:									
Redeemable preference shares	-	187.87	-	-	-	-	-	-	187.87
inter corporate deposits	-	557.14	-	-	-	-	-	-	557.14
2) Income :									
- Rent income	-	(15.69)	-	-	-	-	-	-	(15.69)
- Service revenue	(0.26)	(21.10)	(79.08)	(0.93)	(11.65)	(0.04)	(3.55)	-	(116.61)
- Other income	-	-	(27.78)	-	(0.01)	-	-	-	(27.79)
3) Other Transactions									
- Reimbursement of expenses paid	-	49.24	-	-	-	-	-	-	49.24
- Reimbursement of expenses received	-	(28.99)	3.48	-	-	-	-	-	(25.51)
- Sale of fixed assets	-	(0.11)	-	-	-	-	-	-	(0.11)
- Purchase of fixed asset	-	1.06	0.04	-	0.04	-	-	-	1.14
4) Loans									
- Inter corporate deposits received	-	(3,644.00)	-	-	-	-	-	-	(3,644.00)
5) Outstanding as at :									
Borrowings	-	(8,431.41)	-	-	-	-	-	-	(8,431.41)
Trade receivables	0.01	32.40	29.38	(0.01)	1.56	-	0.43	-	63.77
Trade payables	-	(15.32)	(59.84)	-	(49.17)	-	0.02	-	(124.31)

In the table above, Income receipts and liabilities are shown in brackets.

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Transactions with Key management personnel

Rs in crores

	March 31, 2020	March 31, 2019
Short term employee benefits	**1.16**	0.96
Post-employment benefits	**0.03**	0.03
Directors sitting fee	**0.26**	0.19
Total	**1.45**	1.18

As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole rather than each of the individual employees, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

38 Change in Accounting Policy

(i) Impact on Financial Statements - Lessee Accounting

As indicated in note 2.12 of the accounting policy, the Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019) (modified retrospective approach). The reclassification and the adjustment arising from thenew leasing rules are therefore recognised in opening balance sheet on April 1, 2019. The new Accounting policies are disclosed in Note 2.12.

The Company has lease contracts for Network Sites and Buildings. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Refer to Note 2.12 Leases for the accounting policy prior to April 1, 2019.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

On adoption of IND AS 116, The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases under IND AS 17, except for short-term leases and leases of low-value assets. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

(ii) Practical Expedients applied

The Company also applied the following practical expedients:

a) Applying a single discount rate to a portfolio of leases with reasonably similar characteristics

b) Accounting for operating leases with a remaining lease term of less than 12 months as at April 1, 2019 as short-term leases

c) Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

d) Excluding leases for which the underlying asset is of low value.

e) Not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Company also elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at April 1, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and appendix C to Ind AS 17

(iii) Measurement of Lease Liabilites Reconciliation:

Rs. in crores

Off-Balance sheet lease obligations as of March 31, 2019	**306.04**
Effect from discounting at the incremental borrowing rate as at April 1, 2019	50.97
Discounted using the lessee incremental borrowing rate at the date of initial application	**255.07**
Less: Short term leases not recognised as a liability	53.50
Less: Variable rent	8.04
Lease liabilities as at April 1, 2019	**193.53**
Non-lease components (if any) (net of discount)	-
Lease liabilities due to initial application of Ind AS 116 as at April 1, 2019	**193.53**

The lease liabilities were discounted using the incremental borrowing rate of the Company as at April 1, 2019. The weighted average discount rate used for recognition of lease liabilities was 9.5%

Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Ind AS 17). The requirements of Ind AS 116 were applied to these leases from April 1, 2019. The carrying value of this asset was reclassified in ROU.

(iv) Measurment of ROU assets

The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised.

(v) The change in accounting policy affected the following items in the balance sheet on April 1, 2019

	Increase/ (Decrease) by Rs. in crores
Assets	
Right of use assets	333.69
Intangible asset	(155.67)
Other financial assets (Prepayments)	(8.78)
Total assets	**169.24**
Liabilities	
Other financial liabilities	193.53
Total liabilities	**193.53**
Total adjustment on equity	
Retained earnings	**(24.29)**

The Net impact on retained earning on April 1, 2019 was decrease of Rs. 24.29 crores

The company has reclassified IRU of Rs. 155.67 crores and Security deposits of Rs. 8.78 crores to ROU assets as on April 1, 2019

The impact of change in accounting policy on account of adoption of Ind AS 116 is as follows :

Particulars	Rs. in crores
Decrease in Intangible assets by	(155.67)
Decrease in Financial assets (Security Deposit) by	(8.78)
Increase in Lease liability by	(193.53)
Increase in ROU assets (due to Ind AS 116 calculation) by	169.24
Increase in ROU assets (due to reclassification of Security Deposit and Intangible assets) by	164.45
The Net impact on retained earning decrease by	(24.29)

39 Leases

A Background of leasing activity:

The Company has lease contracts for various Network Sites, buildings and dark fibre (IRU) also. Company is using Network Sites for transmission and for in door network coverage purpose. The properties taken on lease are used as offices. The average lease period for the sites is 4 years with an average escalation of 3-5% per annum. The average lease period for properties is 2-3 years with an average escalation of 3-5%. Generally the company is restricted to sublet the sites taken on lease.

B Set out below are the carrying amounts of lease liabilities

Rs. In crores

As at April 1, 2019	**193.53**
Additions	65.47
Deletion	(28.18)
Accretion of interest	20.67
Payments	(58.38)
Modification adjustment	0.53
As at March 31, 2020	**193.64**
Current	39.87
Non-current	153.77
Increase in Cash inflow from operating activities	58.38
Decrease in Cash inflow from financing activities on account of lease payments *	(58.38)

* Lease liability principal repayment as per Cash flow + Interest expense on lease liability 116

Refer note 36 for Maturity Analysis of Lease liabilities

C Total cash outflow

The company has a total cash flows for leases of Rs. 152.67 crores in 2019-20, out of which the amount paid against interest component is Rs. 20.67 crores and against principal is Rs. 37.71 crores for the sites considered for ROU and Lease Liability calculation, the balance payment is made for short term leases and variable rent.

D Amount recognised in Statement of Profit and Loss for year ended 2019-20

Particulars	Rs. In crores
Increase in finance cost by	20.67
Increase in depreciation by	50.51
Gain on discontinuation of lease included in other income	4.63

Notes forming part of the financial statements as at and for the year ended March 31, 2020

E Variable Lease Payments

Rs. In crores

Future cash outflows not reflected in the measurement of lease liabilities	1 year or less	1 to 5 years	Over 5 years	Total
Future variable lease payments	3.31	10.95	-	14.26

The average escalation rate of 5% is used to calculate the future variable payments

Additional information pertaining to variable lease payments for 2019-20

The company has lease contracts for Network sites where a part of the total rent is variable.The additional rent paid during the year is Rs. 3.14 crores.

F Additional information on short term and low value leases

Company had a leases of a building, MSC sites and CMB sites which are short term i.e. lease term of less then 1 year. These leases were short term lease and the company elected not to recognise right to use assets and lease liabilities for these leases. The lease payment of such leases are directly debited to Statement of Profit and Loss.

G Additional information on extension and termination option

Under IND AS 116, lease term is defined as non-cancellable period together with any renewal option or termination option with lessee if it is reasonably certain to exercise the option. Both these options with the Company are only considered for the purpose of determination of lease term and the options with lessor is ignored. Most of the lease contracts have an option of extension and termination on mutual concession. The company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. Generally, the company assesses at lease commencement whether it is reasonably certain to exercise the options. The Company assesses the probability of options basis the review of the network design and the technology and business plans.

40 Segment Reporting

The Company is engaged in providing telecommunication services under Unified License. These, in the context of Ind AS 108 on “Segment reporting”, are considered to constitute a single reportable segment. Further, the Company provide telecommunication services only in the Indian domestic market and accordingly secondary segment reporting disclosure are not required.

41 Loss per equity share	**April 1, 2019 to March 31, 2020**	April 1, 2018 to March 31, 2019
i) Loss after tax (Rs. in crores)	**(3,714.11)**	(667.60)
ii) Weighted average number of shares outstanding	**1,95,49,27,727**	1,95,49,27,727
iii) Nominal value of equity shares (Rs.)	**10.00**	10.00
iv) Basic and Diluted Earnings per Share (Rs.)	**(19.00)**	(3.41)

42 No provision for current income tax is required to be made as, on the basis of the Company’s computations, there is no taxable income. The Company also carries forward accumulated losses resulting into tax loss carry forward situation. Since, it is not probable that the company will generate future taxable profits; no deferred tax asset has been recognized on unused tax losses. Accordingly, the Company has restricted recognition of deferred tax asset to the extent of deferred tax liability.

Given that uncertainty over future taxable profits available for set off against unabsorbed depreciation and unabsorbed business losses, the Company has not recognised deferred tax assets of Rs. 3,119.15 crores (March 31, 2019: Rs. 2,753.00 crores) in respect of unabsorbed depreciation and business losses amounting to Rs. 8,927.17 crores (March 31, 2019: Rs. 7,954.35 crores) in aggregate which can be carried forward against future taxable income. Tax losses carry forward for which no deferred tax assets were recorded amounted to:

Rs. in crores

	For the year ended March 31, 2020	For the year ended March 31, 2019
Expiring within 1 year	**-**	-
Expiring within 1 to 5 years	**229.68**	-
Expiring within 5 to 8 years	**2,580.58**	2,004.76
Expiring without limitation	**6,116.91**	5,949.59
	8,927.17	7,954.35

The tax rate for March 2020 was 34.94% (March 2019: 34.61%).

Notes forming part of the financial statements as at and for the year ended March 31, 2020

43 The following table sets forth the movement in the provision for contingencies:

Rs. in crores

Description	As At March 31, 2019	**Provision made/ (reversed) during the year**	**Payments adjusted against provision**	**As At March 31, 2020**
Provision for contingencies	**21.31**	**2,474.40**	**(686.44)**	**1,809.27**
	426.93	*(405.62)*	-	*21.31*

a. Figures pertaining to the previous period have been disclosed in italics.

b. Provision for contingencies is primarily towards the outstanding claims / litigations against the Company. The Company has evaluated the obligations through Probable, Possible and Remote (PPR) model and reassessed the estimates as a result of more information or experience gained and to reflect the current best estimate, the Company has reversed during the year ended March 31, 2019 provision of Rs. 418.88 crores made in earlier years towards certain regulatory matters. In making the evaluation for PPR, the Company has taken into consideration the Industry perspective, legal and technical view, availability of documentation/ agreements, recent court judgements, interpretation of the matter, independent opinion from professionals (specific matters) etc.

c. Also Refer note 31(c).

44 The following table sets forth the movement in the Provision for foreseeable losses on long term contracts:

Rs. in crores

Description	As At March 31, 2019	**Provision during the year**	**Transfer to BAL (Refer note 1.2)**	**Actualisation/ (Reversal)**	**As At March 31, 2020**
Provision for foreseeable losses on long term contracts	**199.11**	**26.35**	**(135.16)**	**(42.96)**	**47.34**
	261.60	*184.99*	-	*(247.48)*	*199.11**

* Out of provision for foreseeable losses on long term contracts liability of Rs. 199.11 crores, provision of Rs. 169.05 crores has been classified as liabilities directly associated with assets classified as held for sale.

Figures pertaining to the previous period have been disclosed in italics.

45 The following table sets forth the movement in Other Provisions:

Rs. in crores

Description	As At March 31, 2019	**Provision towards indemnification (Refer note 1.2)**	**As At March 31, 2020**
Other provisions	-	**2.23**	**2.23**

46 Net debt reconciliation

Rs. in crores

Borrowings	**As at March 31, 2020**	As at March 31, 2019
Current borrowings	**4,338.14**	7,626.76
Non-current borrowings (including current maturities of long term debt and liabilities directly associated with assets classified as held for sale)	**12,363.23**	10,400.17
Interest accrued but not due	**17.42**	7.68
Total Borrowings	**16,718.79**	18,034.61
Cash and cash equivalents	**84.53**	171.13
Current investments (mutual funds)	**-**	608.63
	84.53	779.76
Total Net debt	**16,634.26**	17,254.85

Notes forming part of the financial statements as at and for the year ended March 31, 2020

Rs. in crores

	Cash and cash equivalents	Current investments (mutual funds)	Total Borrowings	Total Net Debt
Net debt as at April 1, 2018	**39.16**	**377.79**	**16,522.21**	**16,105.26**
Cash flows	131.97	227.25	2,981.55	2,622.33
Interest expense	-	-	1,559.10	1,559.10
Interest paid	-	-	(2,014.20)	(2,014.20)
Other non-cash movements				
- Fair value adjustments	-	3.59	-	(3.59)
- Adjustments for equity component of compound financial instruments	-	-	(1,014.05)	(1,014.05)
Net debt as at March 31, 2019	**171.13**	**608.63**	**18,034.61**	**17,254.85**
Cash flows	(86.60)	(601.33)	419.87	1,107.80
Interest expense	-	-	1,524.40	1,524.40
Interest paid	-	-	(598.49)	(598.49)
Other non-cash movements				
- Fair value adjustments	-	(7.30)	-	7.30
- Adjustments for equity component of compound financial instruments	-	-	(1,112.10)	(1,112.10)
- Transfer to BAL (Refer note 1.2)	-	-	(1,549.50)	(1,549.50)
Net debt as at March 31, 2020	**84.53**	**-**	**16,718.79**	**16,634.26**

Signatures to Notes 1 to 46

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number - 012754N/N500016

For and on behalf of the Board of Directors

Nitin Khatri
Partner
Membership Number: 110282

Ankur Verma
(Director)
(DIN No. 07972892)

N. Srinath
(Director)
(DIN No. 00058133)

Kush S. Bhatnagar
(Chief Financial Officer)

Vrushali Dhamnaskar
(Asst. Company Secretary)

Place : Mumbai
Date : June 2, 2020

Place : Mumbai
Date : June 2, 2020

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