



REF: GTL/CS-SE/2020-21/21

September 8, 2020

The Secretary BSE Limited Phiroze Jeejeebhoy Towers, 25 th Floor, Dalal Street, Fort, Mumbai 400 001.	The Secretary National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.
(BSE Code: 500160 NSE Symbol: GTL ISIN: INE043A01012)	

Dear Sir/s,

Sub: Annual Report for year ended March 31, 2020 along with Notice of 32nd Annual General Meeting

Pursuant to Regulation 34 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the 32nd Annual Report for the year ended March 31, 2020 along with the Notice of 32nd Annual General Meeting.

Thanking you,

Yours truly,
For GTL Limited

Deepak A. Keluskar
Company Secretary &
Compliance Officer

Milind Bapat
Chief Financial Officer

Encl. as above

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

32nd Annual Report 2019–20



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. D. S. Gunasingh
Mr. Navin J. Kripalani
Mr. Sunil S. Valavalkar
Mrs. Siddhi M. Thakur
Dr. Mahesh M. Borase
Mr. Badri Srinivasa Rao
Mr. Venkata Apparao Maradani

Independent Director – Chairman
Independent Director
Whole-time Director
Independent Director
Director
Director – Nominee of IDBI Bank (upto June 22, 2020)
Director – Nominee of IDBI Bank (w.e.f. June 22, 2020)

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Pratik Toprani (upto February 4, 2020)
Mr. Deepak A. Keluskar (w.e.f. June 22, 2020)

CHIEF FINANCIAL OFFICER

Mr. Milind V. Bapat

AUDITORS

M/s GDA & Associates, Chartered Accountants

BANKS / INSTITUTIONS (in India)

Bank of Baroda (includes Dena Bank / Vijaya Bank)
Bank of India
Canara Bank
Catholic Syrian Bank (represented by their ARC)
IDBI Bank Ltd.
Indian Bank

Indian Overseas Bank
Punjab National Bank (includes United Bank of India)
SIDBI
Standard Chartered Bank
UCO Bank
Union Bank of India (includes Andhra Bank)

NCD / ECB

Lead / Managed by Standard Chartered Bank

Registered Office:

GTL Limited

“Global Vision”, Electronic Sadan-II,
MIDC, TTC Industrial Area, Mahape,
Navi Mumbai – 400 710, Maharashtra, India.

Tel: +91 22 2761 2929 Extn: 2233–2234

Fax: +91 22 2768 9990

Email: gtlshares@gtllimited.com

Website: <http://www.gtllimited.com>

CIN : L40300MH1987PLC045657

Registrar & Share Transfer Agent:

Bigshare Services Pvt. Ltd.

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri East, Mumbai–400059, Maharashtra, India.

Tel: +91 22 6263 8200 Extn: 221–222

Fax: +91 22 6263 8299

Email: info@bigshareonline.com

Online form based investor correspondence link:

<http://www.bigshareonline.com/contact.aspx>

FINANCIAL SNAPSHOTS

CONTINUING AND DISCONTINUING BUSINESS OPERATIONS

Particulars	Consolidated				Standalone	
	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
	₹ Crore	₹ Crore	US\$ Mn	US\$ Mn	₹ Crore	₹ Crore
Total Income	227.71	238.74	31.74	33.88	227.71	238.74
Net Sales and Services	215.40	219.05	30.02	31.08	215.40	219.05
PBDIT and Exceptional items	(206.62)	(223.51)	(28.80)	(31.72)	(206.62)	(223.51)
Depreciation	4.52	4.54	0.63	0.64	4.52	4.54
Profit / (Loss) before exceptional items and tax	(230.52)	(244.72)	(32.13)	(34.73)	(230.52)	(244.72)
Profit / (Loss) after Exceptional items but before tax	(230.52)	(244.72)	(32.13)	(34.73)	(230.52)	(244.72)
Profit / (Loss) after tax	(230.52)	(244.77)	(32.13)	(34.73)	(230.52)	(244.77)
Share of Profit / (Loss) in Associates and Minority	N.A	N.A	N.A	N.A	N.A	N.A
Profit / (Loss) From Continuing Operations	(230.52)	(244.77)	(32.13)	(34.73)	(230.52)	(244.77)
Profit / (Loss) for the year from discontinued Operations before exceptional items	(85.28)	(170.37)	(11.89)	(24.17)	Nil	Nil
Exceptional item – Discontinued Operations	285.76	Nil	39.83	Nil	Nil	Nil
Profit / (Loss) for the year from discontinued Operations before Exceptional item	200.48	(170.37)	27.94	(24.17)	Nil	Nil
Other Comprehensive Income for the year	(0.34)	0.11	(0.05)	0.01	(0.34)	0.11
Profit / (Loss) after Other Comprehensive Income	(30.38)	(415.04)	(4.23)	(58.89)	(230.86)	(244.66)
Equity Capital	157.30	157.30	20.84	22.65	157.30	157.30
Reserves & Surplus	(7,655.07)	(7,559.79)	(1,014.25)	(1,088.57)	(6,944.91)	(6,714.05)
Net Worth	(7,497.77)	(7,402.49)	(993.41)	(1,065.95)	(6,787.61)	(6,556.75)
Net Fixed Assets	78.72	78.96	10.43	11.37	78.72	78.96
Total Assets	264.67	310.13	35.07	44.66	264.67	310.13

Conversion Rate for 1 US\$ into INR (Weighted Average)	FY 2019-20	FY 2018-19
Profit and Loss Account items	71.7461	70.4720
Balance Sheet items	75.4750	69.4470

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



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MANAGEMENT DISCUSSION & ANALYSIS

At the outset Members are requested to read the Management Discussion and Analysis along with other sections of the Annual Report for having a full understanding.

BUSINESS SNAPSHOT

GTL Limited (GTL), is a Network Services Company, offering services and solutions to address the Network Life Cycle requirements of Telecom Operators and Tower Companies.

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

Network Operations and Maintenance

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

- Remote monitoring of network assets and uptime
- Field level corrective and preventive maintenance of network assets
- Technical support and process management
- Vendor management and related logistics

Energy Management

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

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

- Technical audit for optimum power consumption
- Monitoring utilization of sources of energy and plugging leakage thereof
- Driving modernization with energy efficient equipment and
- Integrating non-traditional or alternate sources of energy with reduced CO2 footprint.

INDUSTRY STRUCTURE AND DEVELOPMENTS

- India is the world's second-largest telecommunications market. The telecom market can be split into three segments – wireless, wireline and internet services. The wireless market segment accounted for 98.25 per cent of the total subscriber base as of January 2020. Rural subscribers comprised of 43.69 per cent of the total telephone subscribers as of January 2020.
- India is also the second largest country in terms of internet subscribers. As of 2019, India held the world's highest data usage per smartphone, averaging 9.8 GB

per month. It is expected to double to 18 GB by 2024. App downloads in the country increased from 12.07 billion in 2017 to 19 billion in 2019 and is expected to reach 37.21 billion by 2022. Total wireless data usage in India grew 10.58 per cent y-o-y to 19,838,886 TB (terabytes) during Q2FY20. The contribution of 3G and 4G data usage in total volume of wireless data usage was about 5.72 per cent and 93.65 per cent, respectively, during Q2FY20. Share of 2G data usage remained 0.62 per cent during this quarter. India had over 500 million active internet users as of May 2020.

- Gross revenue of the telecom sector stood at ₹ 121,527 crore (US\$ 17.39 billion) in FY20 (till September 2019). Strong policy support from the Government has been crucial to the sector's development.
- Foreign Direct Investment (FDI) cap in the telecom sector has been increased to 100 per cent from 74 per cent. FDI inflow in the telecom sector totalled US\$ 37.27 billion during April 2000–March 2020.
- The Government of India, through its National Digital Communications Policy, foresee investment worth US\$ 100 billion in the telecommunications sector by 2022.

OPPORTUNITIES AND THREATS

Opportunities

Major Opportunities across segments in the telecom sector

(Source: KPMG, TRAI, Press Information Bureau, Govt of India)

Marketing Strategies adopted

The Telcos continue to use innovative marketing strategies to highlight their respective improved network performance. They differentiate themselves by providing different services to customers by partnering with the world best in terms of content and applications. Recently, many Telcos have already reduced number of plans and now offer a limited number of simple tariff plans along with marquee plans. This simplification helps the customers to choose the best deals for themselves, keeping competitive price in mind.

- Increasing mobile subscribers** – India's mobile subscriber base is expected to reach 1,420 Mn by 2024 from 1,200 Mn in 2018, with 80 % users with 4G connections. (Source: Ericsson Mobility Report, Nov 2018).
- Untapped rural markets** – In November 2019, rural wireless tele-density in India stood at 56.40 %
- Rising internet penetration** – Number of broadband subscribers stood at 687.62 Mn as of November 2019. The Indian government further announced that it would provide free Wi-fi to more than 1,000 gram panchayats.

- d. Development of telecom infrastructure** – TRAI has made several recommendations for the development of telecom infrastructure, including tax benefits and recognizing telecom infrastructure as “essential” infrastructure
- e. Growth in MVAS and cloud computing** – The global mobile value added services market size was valued at \$340 billion in 2018, and is expected to grow at a CAGR of 12.34% through the forecast period 2019 to 2025 (source INDUSTRYARC). IT industry lobby Nasscom estimates the size of the Indian cloud computing market to almost triple by 2022, growing at a compound annual pace of 30% to touch \$7.1 billion (source – www.techcircle.in) .
- f. An ASSOCHAM–KPMG joint finding notes that Network expansion in India is being driven through focus on data in urban areas and coverage expansion in semi–urban and rural areas. This development presents incremental technology opportunities to Tower Companies in India.**
- h. Recent Supreme Court decision** – which allowed the government’s plea to recover adjusted gross revenue of about Rs 92,000 crore from telcos, further adding to Telco’s stress.
- i. Limited spectrum availability** – less than 40% availability as compared to that of the European nations
- j. Low broadband penetration** – a matter of concern. It was reported by the Indian Government in its presentation on broadband at the last International Telecommunication Union (ITU) summit that broadband penetration in India stood at only 7%.
- k. Over the Top (OTT) applications** – such as WhatsApp, OLA etc does not need any permission or a pact with Telcos, thus hampering their revenues.

FUTURE OUTLOOK

5G is here, but 4G still has room for growth

(Source : GSMA Intelligence – The Mobile Economy Asia Pacific 2019)

Following a commercial launch of 5G in South Korea earlier in 2019, few more countries are expected to follow suit soon. Asian Telcos are expected to invest more than US\$ 570 Bn till 2025, of which a significant proportion (~US\$ 370 Bn) is expected to be spent on 5G deployments. Though more developed APAC markets would seek stupendous growth in 5G, rest of the region would see 5G opportunity more as long term, largely because of lot of relative headroom for 4G, higher price for 5G services, and also due to the fact that 4G would meet most needs currently, in majority of cases.

370 million new mobile subscribers to be added by 2025

(Source : GSMA Intelligence – The Mobile Economy Asia Pacific 2019)

At the end of 2018, 2.8 Bn people in Asia Pacific had subscribed to mobile services, accounting for about 67% of its population. Despite the fact, that Asia Pacific is home to some of the most penetrated markets in the world providing a minimal opportunity for further subscriber growth, nevertheless, it has been forecasted that by 2025, Asia Pacific region will account for more than half of new subscribers globally, representing approx 370 Mn new subscribers additionally connected, bringing the APAC region’s total to 3.1 Bn or roughly 72% of its then population.

These developments shall increase the tower infrastructure business for GTL’s customers and provide an opportunity for GTL to scale up its offerings in the long term.

In the short term, the decision of the Company’s Lenders and the developments in the Indian Telecom Industry will bear material impact on the business prospects of the Company and its survival / growth prospects.

SEGMENT WISE PERFORMANCE

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

Threats

Some of the important threats /issues and challenges facing the telecom sector are briefly enumerated as under:

- a. Declining average revenue per user (ARPU)** – Despite growing revenues, ARPU decline combined with falling profits and in some cases serious losses, prompted consolidation within the Indian telecom industry to boost revenues.
- b. Pressure on margins due to stiff competition** – Post entry of Reliance Jio, other telecom players felt the heat due to substantial drop in tariff rates both for voice and data.
- c. Increasing need to diversify offerings** – Similarly, more diversification in the form of expansion of core offerings for its customers, tapping new markets would be required as complacency would mean financial death for the bottom line.
- d. Lack of telecom infrastructure in semi–rural and rural areas** – Telcos have to incur huge initial fixed cost to enter semi–rural and rural areas.
- e. Rapid expansion of Internet of Things (IoT)** – The IoT though an exciting frontier for Telcos to explore as it allows so many devices to be connected to data networks thereby enabling Telcos to expand their offerings but their challenge would be to monetize by transforming their business models, overhaul of operational procedures and redo human resources training, besides ensuring reliability and privacy of data to customers.
- f. Right–of–Way (ROW)** – high cost for permitting laying of fiber
- g. Lack of fixed line penetration** – Only about 25% of towers in India are connected with fibre networks, whilst in most developed nations, it is more than 70 %. 5G Network requires towers to be connected to with very high–speed systems, which are not possible on the current infra systems.

DISCUSSION ON CONSOLIDATED FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Financial Analysis of the FY 2019–20 are as under:

For the purpose of financial analysis, the conversion rates for conversion of Indian Rupees into US Dollar and vice versa for the FY 2019–20 and FY 2018–19 are as under:

Particulars	FY 2019–20 (₹)	FY 2018–19 (₹)
Profit and Loss Account – 1 US\$ equals to INR	71.7461	70.4720
Balance Sheet – 1 US\$ equals to INR	75.4750	69.4470

Profit & Loss Account Items

Revenue

Revenue in FY 2019–20, stood at ₹215.40 Crores (US\$ 30.02 Mn.) as compared to ₹ ₹219.05 Crores (US\$ 31.08 Mn.) in FY 2018 – 19.

As GIL is the only customer for the Company and the Company has aligned its business plans with that of GIL to sustain business continuity, the Company's revenue goes along with that of GIL.

Cost of Purchases and Services Rendered

In the FY 2019–20, cost of purchases and services rendered stood at 71.07 Crores (US\$ 9.91 Mn.) as against ₹108.86 Crores (US\$ 15.45 Mn.) in FY 2018 – 19

Employee Benefits

In the FY 2019–20, employee benefit expenses stood at ₹73.16 Crores (US\$ 10.20 Mn.) as against ₹72.06 Crores (US\$ 10.23 Mn.) in FY2018 – 19.

Other Expenses

In the FY 2019–20, Other expenses including administration, travelling, conveyance, rent, consultancy, Provision for doubtful debts, impairment of investments, Provision for Guarantee Obligations and others stood at ₹290.10 Crores (US\$ 40.43 Mn.) as against ₹281.33 Crores (US\$ 39.92 Mn.) in FY 2018 – 19.

Finance Cost

In the FY 2019–20 Finance Cost stood at ₹19.38 Crores (US\$ 2.70 Mn.) as against ₹16.67 Crores (US\$ 2.37 Mn.) in FY 2018–19.

The Company has neither paid nor provided interest on its borrowing during the FY 2019–20 based on the revised negotiated settlement proposal. Had such interest been recognized, the Finance Cost for the year ended March 31, 2020 would have been more by Rs 484.07 Crores (US\$ 67.47 Mn)

Exceptional item:

Hon'ble Supreme Court of Bermuda vide its order dated March 13, 2020 has appointed Joint Liquidators and Committee of Inspection for liquidation of GTL International Limited (GTLI), 100% subsidiary of the Company. As a consequence, GTLI ceased to be subsidiary of the Company as the control over the Subsidiary is lost. The Group has accounted for "loss of control" in the said subsidiary in accordance with IND AS 110 "Consolidated Financial Statements" by derecognizing the assets and liabilities pertaining to the Subsidiary. Accordingly,

gain of ₹285.76 Crores (US\$ 39.83 Mn) arising on account of "loss of control" has been recorded and disclosed as an "Exceptional item" in the results. This has a significant one-time and non – Cash flow impact

Balance Sheet Items

Equity Share capital

As on March 31, 2019, the equity share capital was ₹157.30 Crores (US\$ 22.65 Mn). There is no change in GTL's Share Capital and as such as at March 31, 2020 the share capital remains at ₹157.30 Crores (US\$ 20.84 Mn) as under:

Particulars	No. of Equity Shares	₹ in Crores	US\$ in Mn.
Equity Share Capital as at March 31, 2019	157,296,781	157.30	22.65
Equity Share Capital as at March 31, 2020	157,296,781	157.30	20.84

Reserves and Surplus

Particulars	₹ in Crores	US\$ in Mn.
As at March 31, 2019	(7,559.79)	(1088.57)
Movement in Reserves & Surplus	(95.28)	(74.32)
As at March 31, 2020	(7,655.07)	(1,014.25)

Net Worth

Particulars	₹ in Crores	US\$ in Mn.
Equity Share Capital as at March 31, 2020	157.30	20.84
Reserves as at March 31, 2020	(7655.07)	(1,014.25)
Total Net Worth	(7,497.77)	(993.41)

Borrowings

Borrowings as on March 31, 2020 were ₹5,038.37 Crores (US\$ 667.55 Mn.) as against ₹4,996.75 Crores (US\$ 719.51 Mn.) as on March 31, 2019.

Net Fixed Assets

As on March 31, 2020, the net fixed assets were ₹ 78.72 Crores (US\$ 10.43 Mn) as against ₹78.96 Crores (US\$ 11.37 Mn) as on March 31, 2019.

Long Term Investments

Pending appropriation of the pledged shares invoked by the lenders, the said shares held by the Company are continued to be classified under 'Long Term Investments'. During the year the company fair valued its investment in GIL and accordingly, accounted the 'mark to market' loss amounting to ₹133.02 Crores (US \$ 18.54 Mn).

Particulars	As at March 31, 2020		As at March 31, 2019	
	₹ in Crores	US \$ in Mn	₹ in Crores	US \$ in Mn
GTL Infrastructure Limited	51.16	6.78	184.19	26.52
Total Investments	51.16	6.78	184.19	26.52

The receivables as on March 31, 2020 were ₹0.01 Crores (US\$ 0.001 Mn.) as against ₹0.01 Crores (US\$ 0.001Mn.) as on March 31, 2019

The Inventory as on March 31, 2020 was ₹ Nil (US\$ Nil Mn) as against ₹ Nil (US\$ Nil Mn) as on March 31, 2019.

Contingent Liabilities and Related Party Transactions with Associates

For details please refer to Note Nos. 41.C & 42.2 in the Consolidated Financial Statements.

Significant changes in key financial ratios

Particulars	UoM	FY 2019–20	FY 2018–19
Debtors Turnover	No. of Times	21,540	21,906
Inventory Turnover (Refer Note 1)	No. of Times	N.A.	N.A.
Interest Coverage Ratio (Refer Note 2)	No. of Times	N.A.	N.A.
Debt Equity Ratio (Refer Note 3)	No. of Times	–	–
Return on Net Worth (Refer Note 3)	%	–	–
Operating Profit Margin (%)			
Net Profit Margin (%)			
– Net Loss (before Exceptional items)	%	(146.77)	(1,111.69)
– Net Loss (After Exceptional items)	%	(14.10)	(1,111.69)
Current Ratio	No. of Times	0.01	0.01

Notes : (1) At the Financial year ended March 31, 2020 and March 31, 2019, inventory was NIL hence stated as N.A. (2) The Company has neither paid nor provided interest on its borrowings during the FY 2018–19 & 2019–20, hence stated as N.A. (3) In view of Negative Net worth, Debt / Equity Ratio and Return on Net Worth is not furnished above

Explanation for significant changes in ratios:

On account of intense competition, unsustainable level of debts and incurring of loss by almost all operators, there had been a spate of exit / consolidation in the Telecom Industry, leaving only 3 private players in the Industry as against 18 earlier. Aircel Group, the major customer of the Company [which was then an associate of GTL Infrastructure Ltd (GIL)], filed for bankruptcy in March 2018. These developments among other things, resulted in the Company relying upon only one customer viz. GIL. Thus the performance of the Company depends upon the performance of GIL.

RISKS AND CONCERNS

The key risks and concerns are as under:

Strategic Risk

While some of the Countries have launched 5G services, countries like India is in the process of rolling out 5G services. The launch of 5G services is likely to result in increased demand for telecom towers, micro sites, inbuilding solutions, fiber infrastructure etc. According to ICRA as reported in tele. net (April 20) "telecom tower industry has witnessed a net tenancy loss of around 100,000 tenancies with tenancy ratio declining to 1.37 times as on December 31, 2019, from 1.78 times as on March 31, 2017. This was primarily due to the financial pressures, impact of recent Adjusted Gross Revenue (AGR) verdict by the Supreme Court (SC), and exits of players following consolidation in the telecom market." Thus there is existing and future demand for telecom infrastructure. As per the orders of the SC, both Bharti Airtel and Vodafone Idea have

to pay huge amount towards AGR and other dues, that too immediately. Their request for making payment over a period of 15 years is awaiting the decision of the SC. The Industry is already under a debt of over ₹ 5 lakhs Crore on account of their paying high price during 2010 and 2015 spectrum auctions. Under these circumstances, though all the telecom operators are raising funds and are preparing for the 5G launch, the successful implementation of the 5G services in India by the operators *inter-alia* depends upon the support / decision they get from the Government / SC in the form of reasonable spectrum price and flexible payment terms for payment of their dues to DOT. The Company being a service provider its growth depends upon the ability of the operators to exploit the potential opportunities.

Operational Risk

On account of number of regional and national operators coming down from 18 to 3 private operators and the filing for Bankruptcy by Aircel Group in March 2018, the Company is relying only upon one customer viz. GIL. GIL's performance is getting affected by the huge debt burden, intense competition and continuous loss suffered by the operators. GIL is itself in discussion with its lenders for settlement of its dues. While the recent tariff hike in December 2019 gave a ray of hope for revival of the telecom sector, the decision of the SC in upholding the contention of DOT in the matter of AGR, has seriously affected two of the three operators viz Bharti Airtel and Vodafone Idea. As regards the settlement with the lenders, the Company is awaiting the outcome of the Inter Creditor Agreement and is in discussion with the lead bank. Thus the arrival of an early settlement with the lenders and the revival of the telecom sector are critical to the operations of the Company.

Legal & Compliance Risk

RBI vide its Circular dated February 12, 2018 withdrew the CDR and other Schemes and came out with the Resolution Framework under which the restructure proposal has to be completed within 180 days, failing which the accounts in which default exists were to be referred to NCLT. While the Company and the promoter had been engaging with the lenders on the OTS proposal, on March 28, 2019, the secured lenders had invoked 1,85,99,435 equity shares of the Company, pledged by the Promoter in their favour. However subsequently, the SC vide its order dated April 2, 2019 quashed the Circular dated February 12, 2018 of RBI on debt resolution. Thereafter the RBI issued a revised Circular on June 7, 2019, based on which the Company filed a revised OTS proposal. As stated elsewhere after considering the proposal, based on the revised Circular, the specified lenders executed the Inter Creditor Agreement (ICA) and appointed valuers (for evaluation of Enterprise & Arbitration Claim), Process Agent & Legal Counsel and also formed a Core Committee; and reviewed their response and also circulated the Draft Information Memorandum. In part fulfillment of the settlement process, in spite of its stressed circumstances, the Company has also deposited around ₹ 80 Crore towards upfront commitment amount for the above purpose. In the meanwhile one the lenders has filed application

before the NCLT and the same has not been admitted so far. On appeal the Hon'ble Supreme Court has passed status quo order. Thus the Company is awaiting the outcome of the ICA and is in discussion with the lead bank.

The Company has also entered into consent terms with some of the lenders and thus has got the cases filed by them disposed of.

Foreign Exchange and Commodity Price Risk

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the External Commercial Borrowings and except for the same, the Company is not exposed to foreign currency risk as the Company's business operations do not involve any significant transactions in foreign currency.

The Company is engaged in business of providing "Network Services" comprising mainly of Operation Maintenance and Energy Management (OME) and other Network Services. In OME the major component of cost are electricity and Fuel. The variation in the price of electricity and fuel is index based i.e. additionally charged to customer. With regards to other services the contracts are cost plus margin and therefore commodity price risk is mitigated

Members are requested to refer note no. 43 of Standalone Financial Statement under the head Financial Risk Management objectives and policies for further details in the matter.

Mitigation measures taken

The revenue and profit of the Company have come down drastically since FY 2018-19, as the present revenue streams of the OME business of the Company are only operation maintenance for telecom sites and management fees for energy management from GIL, on account of filing of Bankruptcy by Aircel Group in March 2018 and the number of regional and national operators coming down from 18 to 3 private operators. Thus for sustaining its business continuity, the Company is aligning its business plans with that of GIL. On account of the stiff competition, liquidity problem of the industry and the reduction in the scale of operations of the Company, the Company is carrying out cost optimization and network optimization activities. While reducing the manpower, has taken care to retain its trained manpower particularly in senior level. The Company has also taken other cost control measures including rationalizing its manpower. It also tries to maintain a flexible and nimble organization which can react to any exigency.

As stated above though the Company submitted a revised settlement proposal in terms of RBI Circular dated June 7, 2019, one of the lenders approached the NCLT, against which the Hon'ble Supreme Court passed status quo order. Simultaneously, it continued its efforts to arrive at a settlement with the lenders. The Company is now awaiting the outcome of the Inter Creditor Agreement executed by all but one lender and is in discussion with lead Bank.

In respect of matters where the lenders have filed recovery

suits in the Court, the Company wherever possible has filed consent terms (including in respect of ECB & NCD) and got the suits disposed of. The Company has also taken legal action for recovery of its dues from MSEDCL, GIL and others.

In respect of certain divestments, the Company has entered into agreements for sale, subject to final approval of lenders of the Company and the investee companies and other necessary approvals. Pending completion of these transactions, the said Non Current Investments in the investee companies are treated as "Assets Held for Sale" in terms of AS 105. One of these subsidiaries has also filed an application before the Court for liquidation, wherein the Court has appointed Joint Provisional Liquidators. The Audit Committee monitors the risk management plan and ensure its effectiveness.

Status of legal cases

As on March 31, 2020, there were 47 cases against the Company, pending in various Courts and other Dispute Redressal Forums.

- i) 8 out of 47 cases, the Company has been implicated as proforma defendant i.e. there are no monetary claims against the Company. In most of these cases, dispute concerns matters like loss of share certificate, title claim / ownership / transfer of the shares etc. The Company's implication in these matters is with a view to protect the interest of the lawful owners of the shares. Upon the final orders passed by the Court(s), the Company shall have to release the shares, which are presently under 'stop transfer', in this regard to the rightful claimants. There is no direct liability or adverse impact on the business of the Company on account of the said 8 cases.
- ii. Out of the balance 39 cases, 20 cases are from its earlier power business, 9 cases are from telecom related businesses and 1 case is in respect of non-allotment / non-refund of money in its IPO, which are handled by the Company's advocates, who have the necessary expertise on the subject. It is found that in most of the cases the claims are unsubstantiated and therefore the Company is resisting and defending these claims. (In the aforesaid 20 cases, 9 cases pertain to Labour Court matter wherein the employees filed for reinstatement on termination consequent to termination of Aurangabad Distribution Franchisee Agreement of the Company. These are being settled with affected employees. The contingent liability in respect of these 9 cases is ₹1.34 crores).
- iii. There are 5 cases in which the Company has invoked arbitration proceedings against MSEDCL and the contingent liability towards counter claims of MSEDCL is ₹ 462.81 crores. These cases against MSEDCL can be classified into two as under:
 - 1) DF Contract: The Company executed Distribution Franchise (DF) agreement with MSEDCL on February 23, 2011. Dispute arose between parties regarding determination of wheeling loss entitlement, extent of regulatory liability charges and purchase of

power from cheaper sources. When the matter was pending before the permanent Dispute Redressal Body, MSEDCL issued critical notice for event of default on November 10, 2014 and terminated the DF agreement and invoked SBLC of ₹ 151 crores. For recovery of its dues, the Company made reference on September 26, 2017 to the arbitration panel comprising of 3 retired judges of the Bombay High Court, namely justice V. C. Daga, Justice A. V. Nirgude and Justice A. M. Thipsay. On September 29, 2018 MSEDCL filed application for interim measure of protection, which was rejected by the Tribunal on April 17, 2019. Now the proceedings are at the advanced stage. Since December 12, 2019 on account of COVID-19 lockdown, non-availability of MSEDCL witness etc., the proceedings got stuck up, though the Company has requested for continuing the proceedings through video conferencing. The Tribunal vide its mail dated August 14, 2020 has requested for a consensus date from all parties.

- 2) EPC Contract: Based on tender issued in F.Y. 2009-10 for EPC project, the Company was awarded 4 EPC Contracts for installation and commissioning of power stations at various places. Dispute arose over withholding of large amount and not reducing Bank Guarantee amounts by MSEDCL. The sole arbitrator appointed by Hon'ble Bombay High Court through its interim order directed MSEDCL to pay around ₹ 50 crore to the Company. On appeal before the Hon'ble Bombay High Court, both parties agreed for re-adjudication. The matter is at the stage of framing of issues and marking documents. The last hearing was on June 23, 2020. MSEDCL has not agreed for early hearing due to COVID 19 and citing operational difficulties.
- iv. In 1 case, a bank has filed commercial suit against the Company in the Hon'ble Bombay High Court in respect of the Company's comfort letter issued in favour of one of its Wholly Owned Subsidiaries (WOS) towards WOS's credit facilities. The contingent liability in respect of which is ₹ 237.28 crores
- v. In 1 case a Lender Bank has filed insolvency application before the National Company Law Tribunal, Bombay Bench under section 7 of the IBC Code, which has not been admitted. On appeal, the Hon'ble Supreme Court has passed status quo order. The contingent liability in respect of which is ₹ 204.78 crores (Net of liability in the books as at March 31, 2020 of ₹ 329.98 crores, against the total claim of ₹ 534.76 crores)
- vi. In the 1 case, the Department of Telecom (DoT) has raised a frivolous demand of ₹ 1,509.50 crores based on Adjusted Gross Revenue for ISP license fee pertaining to the business carried out by the Company well before the year 2009 and the relevant ISP license was surrendered

to DoT in 2009 for which DoT had issued a no-dues certificate in November 2010. The Company is contesting this demand in an appropriate forum, *inter-alia* on ground that the department has issued a no-dues certificate as early as November 2010.

- vii) The Company has a claim against GTL Infrastructure Limited (GIL). Since 2010, the Company is providing energy management and field level management services to GIL and Chennai Network Infrastructure Limited (CNIL). CNIL was merged with GIL in December 2017. Consequent to the breach of contract by Aircel, CNIL breached its contract with Company. Both parties submitted their dispute as regards the Company's claim of ₹ 650 Crore for conciliation by retired Hon'ble Bombay High Court Judge Mr. Deshpande. The conciliator vide his order dated February 13, 2015, recorded the consent terms of the parties for execution of two agreements, namely Energy Management Agreement (EMA) and Operations and Maintenance Agreement (OMA) which were executed on March 31, 2015. In 2018, due to filing of Bankruptcy by Aircel and consolidation / exit of many operators, GIL requested the Company to suspend the EMA temporarily. The suspension agreement executed on March 8, 2018 expired in August 2019. On expiry of the said agreement and non-resolution of Company's Claim by GIL, parties invoked Arbitration. The Tribunal comprising of 3 retired Supreme Court Judges vide its interim order dated December 17, 2019 ordered GIL to pay ₹ 440 Crores. Against the said interim award, GIL filed an appeal before the Hon'ble Delhi High Court, which got dismissed on March 4, 2020. On account of the inability of GIL to honour its obligation and Company's only customer being GIL, both parties agreed for settlement subject to the consent of lenders of both. Based on Settlement, GIL handed over payment instruments to the Company towards settlement of all claims of the Company on GIL and also sale of OME. However, the lenders of GIL in their meeting held on April 23, 2020 refused to give their consent. Thereafter, as per the request of GIL, the Board, after careful examination of all facts, accepted GIL's request for returning of payment instruments. As the appeal of GIL has got dismissed and considering uncertainty over proposed settlement, the Company is pursuing execution application before Delhi High Court. The balance claim is still under consideration by Tribunal.

In the meanwhile, the Edelweiss Assets Reconstruction Company Limited (EARC), one of the lenders has filed a commercial suit before the Hon'ble Bombay High Court praying permanently restraining GIL from transferring, alienating and / are conveying any amount owed by GIL to the company under the interim award. The matter is pending before the Hon'ble Bombay High Court.

The EARC has also filed an appeal before Hon'ble Delhi High Court challenging the interim arbitral award dated December 17, 2019. After hearing the petition on July 20, 2020, the Court has reserved its judgement.

Further, the EARC has also filed an intervention application in the execution petition. As, any delay in recovery of claim from GIL may hamper settlement discussion with its lenders, the Company is taking all appropriate legal actions to defend the misdirected action of EARC in blocking the legitimate dues of the Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

HUMAN RESOURCES

Rewards and Recognition

Excellence at GTL is recognized through a Rewards and Recognition Process. During FY 2019–20, 106 associates have been recognized for their efforts through “Passion for Action” Program and Spot Awards.

Health, Safety & Environment (HSE)

HSE objectives form an integral part of the overall corporate strategy. GTL engages its human resources in a wide range of initiatives and programs to provide the employee appropriate protection at the workplace. The Company educates its employees on HSE issues through awareness programs. The Company also provides in-house medical facility.

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

People Strength

In line with the developments in Indian telecom industry and its own business requirements as mentioned elsewhere in this Report, the Company optimized its human resources strength to

1,631 associates (directly or indirectly) as on March 31, 2020 as against 1,732 associates in March 31, 2019.

The reduction in man power strength is due to exit / consolidation of several telecom operators, filing for insolvency before NCLT by Aircel Group a prime customer and other factors stated else where.

QUALITY AND PROCESS

Process Excellence

GTL has continuously made efforts to make its process effective and efficient leading to a consistent output. Its Objective is to make the process – stable and delivery consistent and capable output to meet the SLA of our customer.

These include (but not limited to) continuous evaluation of the market and competition, internal policy assessments, being flexible with business strategies and goals (for course correction), building a culture of excellence and adoption of best practices. These practices have evolved into business models outlining how we should operate.

To maintain its high quality standards and excellence in processes, the Company certified for ISO 9001: 2015– Quality Management System (QMS), ISO 14001:2015 Environmental Management System (EMS), OHSAS 18001:2007 Occupational Health & Safety Assessment Series

By having a process excellence system in place, gaps in Operational areas have been identified and improved/rectified upon.

Operational Excellence

GTL's Operational Excellence is the coming together of the various units/teams within a business and executing the business strategy more consistently and reliably. It reflects the way how a person, process, unit, team, organisation excel at parameters such as Delivery, Cost, Manpower, Finance, Quality, etc. We have adopted an approach in which departmental and functional heads are empowered to recognize and respond to interruptions in the flow of delivering network uptime and the SLA to our customer.

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

Making a better world



Corporate Social Responsibility

In view of the negative net worth, revenue below the prescribed limit and loss suffered by the Company, it is not attracted by the provisions of Section 135 of the Companies Act, 2013. However, as a responsible Corporate Citizen, the Company fulfills its social responsibilities through employee volunteerism and non financial means, by supporting the causes adopted by Global Foundation, a public charitable trust.

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

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

The Social Impact of Global Foundation during the financial year 2019–20 is as under:

Global Foundation organized 77 medical camps benefitting over 10,000 people in rural areas. It also supported 60 families seeking financial aid to deal with their medical exigencies.

Global Foundation awarded 'Gyanjyot Scholarships' and financial aid to 1,300 students for completing their education.

Global Foundation's 'Gyan IT' initiative that helped in setting up computer labs in the previous years, continued to provide computer education to over 5,200 rural children.

196 visually impaired learnt to use computers over the years at the Advanced Computer Centre under Global Foundation's 'Netra' initiative. 25 visually impaired attended android workshop.

Eye Camp



Gyan IT



Android workshop for visually impaired



Support to flood affected





Work from home



Mandatory use of PPE

March, 2020 onwards after the COVID-19 pandemic was felt in India, Telecom was declared as an essential service and lockdowns were announced across the Country.

As an important and dependable services provider of Telecom Towers, the Company instantly realigned its operations to continue to deliver agreed service levels to the extent it was humanly possible, so that people living around the towers serviced by the Company were able to stay connected with each other while maintaining social distance.

Following key measures were taken –



EMPLOYEE WELLBEING

- Employees and their families are offered extended medical assistance and emotional & moral support during these testing times.
- Work From Home was implemented for all the employees performing desk jobs.
- Field Staff is offered guidance and support to use PPE and adhere to all the preventive measures and safety norms. A periodic Video Conferencing / Call is made to employees to assess their well being.
- Field Staff is also offered additional allowances to enable them to use own transport vs. public transport.

Global Foundation's services during COVID-19

Global Foundation has been carrying out several humanitarian initiatives to ease out the challenges of COVID-19 affected people.

- > 25,000 meals have been distributed to COVID-19 patients, health workers and support staff.
- > 2,000 snacks hampers and water bottles were distributed to migrants.
- > 2,000 monthly grocery kits were distributed to people in rural Maharashtra, chappal maker community and in West Bengal.
- > 750 Electric Kettles were donated to dedicated COVID-19 medical centres.

It has been observed that COVID-19 affects many members of a family together, thereby affecting them mentally, emotionally and financially. To ease out these challenges, Global Foundation and Company Human Resources department formed COVID-19 Support Groups across India with Positrons (volunteers) who are entrusted the responsibility of supporting their fellow colleagues and other members of the society to facilitate Testing, Ambulance and Hospitalization for the COVID-19 patients.



On duty Police



Travellers



Patient



Migrant workers

Global Foundation is carrying out Food Services and is providing preventive Medical equipments to Government Hospitals.



Monthly Food and Grocery Hampers for the rural poor families.

Your Directors present their Thirty Second Annual Report together with the Audited Financial Statements for the year ended March 31, 2020.

1. STATE OF THE COMPANY'S AFFAIRS

FINANCIAL HIGHLIGHTS

(₹ in Crore)

Particulars	FY 2019–20		FY 2018–19	
	Consolidated	Standalone	Consolidated	Standalone
Total Income	227.71	227.71	238.74	238.74
Profit / (Loss) before Depreciation, Interest and Financial Charges (Net), Exceptional items and Tax (PBDIT)	(206.62)	(206.62)	(223.51)	(223.51)
Profit / (Loss) before Depreciation, Exceptional and Tax (PBDT)	(226.00)	(226.00)	(240.18)	(240.18)
Less: Depreciation	4.52	4.52	4.54	4.54
Profit / (Loss) before Tax, exceptional item and extra-ordinary items	(230.52)	(230.52)	(244.72)	(244.72)
Exceptional items	Nil	Nil	Nil	Nil
Less: Provision for Taxation (incl. Short Provision for Income Tax and Deferred Tax)	Nil	Nil	(0.05)	(0.05)
Profit / (Loss) after Tax (PAT) before Extra-ordinary and Prior Period items	(230.52)	(230.52)	(244.77)	(244.77)
Add / (Less): Extra-ordinary item	Nil	Nil	Nil	Nil
Add: Minority Interest	N.A.	N.A.	N.A.	N.A.
Add: Share of Profits in Associates	N.A.	N.A.	N.A.	N.A.
Loss For The Year From Continuing Operations	(230.52)	(230.52)	(244.77)	(244.77)
Loss for the year from discontinued operations	(85.28)	Nil	(170.37)	Nil
Exceptional item – Discontinuing Operations	285.76	Nil	Nil	Nil
Other Comprehensive Income for the year	(0.34)	(0.34)	0.10	0.11
Total Comprehensive Income for the period (net of Tax)	(30.38)	(230.86)	(415.04)	(244.66)
Add: Balance brought forward from the last year	(8,761.68)	(8,443.71)	(8,346.64)	(8,199.05)
Profit / (Loss) available for Appropriation	(8,792.06)	(8,674.57)	(8,761.68)	(8,443.71)
Appropriations:				
Recommended Equity dividend	Nil	Nil	Nil	Nil
Dividend Distribution Tax	N.A.	N.A.	NA	NA
Amount transferred to			.	
– General Reserve	Nil	Nil	Nil	Nil
– Debenture Redemption Reserve	Nil	Nil	Nil	Nil
Balance Carried Forward	(8,792.06)	8,674.57)	(8,761.68)	(8,443.71)

2. RESULTS OF OPERATIONS

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

- Total Income is ₹227.71 Crores as against ₹238.74 Crores for the previous financial year.
- Profit / (Loss) (before Depreciation, Interest and Financial Charges (Net), Exceptional Items and Tax) (PBDIT) is ₹ (206.62) Crores as against ₹(223.51) Crores for the previous financial year.
- Profit/ (Loss) (before Depreciation, Exceptional Items and Tax (PBDT) is ₹(226.00) Crores as against ₹(240.18) Crores for the previous financial year.
- Profit / (Loss) after Tax (PAT) before extra-ordinary and prior period items is ₹ (230.52) Crores as against ₹(244.77) Crores for previous financial year.

3. CORPORATE DEBT RESTRUCTURING (CDR)

Post CDR Developments

In the last Annual Report for FY 2018–19, the Directors' Report summarized the developments since the Company's admission into Corporate Debt Restructuring (CDR) w.e.f July 1, 2011 as under:

- Impact of post CDR developments like cancellation of 122 Nos of 2G licenses by the Supreme Court (SC), Cancellation of 20,000 tenancies by Aircel Group, Suspension of fixed line expansion by BSNL & cancellation of MSEDCL Contract in November 2014;
- Regular payments made to lenders till May 2014;
- The proactive efforts of the Company to settle the lenders dues by means of an One Time Settlement (OTS) plan submitted to the lenders in September 2014, by monetization of its assets / business divisions / investments;
- The in principle approval of the lenders given on December 4, 2015 to the OTS monetization proposal, based on the valuation report dated July 17, 2015;
- The execution of business transfer agreement for its OME business with a potential buyer on September 30, 2015 and obtaining of approval of Competition Commission of India for the same for giving effect to the above monetization proposal;
- The intimation to the lenders on January 6, 2017, about the inability of the potential buyer to go ahead with OME business deal, on account of inordinate delay in giving the requisite approvals by the lenders;
- The various external audits such as special audit, concurrent audit, due diligence, business valuation exercise, stock audit, forensic audit etc. carried out and the delay caused by some of them in the settlement process, which were beyond control of management;
- The conclusion arrived at by the lenders on March 18, 2017 that there were no conclusive evidence of diversion of funds and hence the lenders could close the forensic audit and expedite the process of approval of settlement (based on the findings of the forensic audit report, clarifications received from the Company and further clarifications given by the Auditors);
- Non provision of interest from FY 2017–18 based on the settlement proposal agreed as above;
- Issue of Circular dated February 12, 2018 by RBI *inter alia* for
 - Withdrawal of the CDR and all other restructuring schemes by RBI
 - Referring all accounts in which default exists to the NCLT under the Insolvency and Bankruptcy Code, 2016, in case of failure to arrive at a restructure under the Revised Resolution Framework;
- Valuation of the Company going down on account of intense competition, unsustainable level of debts, incurring of loss by almost all operators and consequent merger / exit of telecom companies like Tata Tele, Rcom, Telenor, Sistema–Shyam etc, resulting in number of regional and national operators coming down from 18 to 3 private operators and filing of voluntary insolvency by Aircel Group;
- Considerable negative impact on the business of the Company on account of exit of Tata Teleservices Ltd & Aircel Group, the significant scaling down of operations by GTL Infrastructure Limited (GIL) and various other reasons stated above;
- While the Company and its management filed a settlement proposal to the lenders, based on the RBI Circular dated February 12, 2018, the lenders issued notices for recall of their loans & taking possession of secured assets, invoked the shares pledged by the Company and the Promoter and filed Application before the DRT. One of the lenders also filed an application before NCLT.

Current Status

- The SC vide its order dated April 2, 2019 held the RBI circular dated February 12, 2018 ultra vires;
- Thereafter RBI issued Circular dated June 7, 2019 on 'Prudential Framework for Resolution of Stressed Assets' as per which the lenders had to take a decision whether they need to go for resolution and execute ICA before July 6, 2019 or pursue NCLT;
- Based on the developments in the Industry and the Company and the Revised Circular issued by RBI, the Company presented a revised OTS proposal for settlement of the dues of the lenders;
- After due deliberation by the Lenders, based on the decision in the JLF meeting held on July 5 and 6, 2019, all but one bank executed the Inter Creditor Agreement (ICA), as per new circular of RBI dated June 7, 2019;

- Based on the discussion in the subsequent JLF meetings, the lenders appointed valuers (for evaluation of Enterprise & Arbitration Claim), Process Agent & Legal Counsel and also formed a Core Committee; and reviewed their response and also circulated the Draft Information Memorandum;
- In part fulfillment of the settlement process, in spite of its stressed circumstances, the Company has deposited around ₹ 80 Crore towards upfront commitment amount for the above purpose;
- One of the lenders has filed application before the NCLT and the same has not been admitted. On appeal the Hon'ble Supreme Court has passed an order for status quo. Thus the Company is awaiting the outcome of the ICA and is in discussion with the Lead Bank.

Impact on the Company

The following internal and external post CDR factors since the admission of the Company into CDR in 2011 have impacted the working of the Company; and the recent developments in the Industry have further affected its revenue, profit and valuation, drastically from FY 2018–19:

- Aircel Group was one of the largest customers of both GTL & GIL. Its filing for bankruptcy in February 2018 has resulted in loss of direct and indirect revenue for the Company. That coupled with loss of MSEDCL contracts impacted negatively
- The exorbitant spectrum prices paid by the operators in the auctions conducted by DOT in 2010 & 2015 took its toll on operators' balance sheets. Presently the debt of the operators is estimated over ₹ 5 lakhs Crore
- On account of incurring of loss by almost all operators and exit / consolidation of regional and national operators resulting in 3 private operators as against 18 a few years ago, the tenancy for GIL has come down due to the termination of overlapping tenancy by existing operators and tenancy by those who exit.
- Both BSNL and MTNL, the Government companies face huge funds crunch, which has resulted in reduction in tenancy and liquidity issue.
- On account of the aggressive entry of Reliance Jio and the consequent stiff competition the profit margin keeps going down.
- While the Industry is having difficulty to overcome its debt burden, it is under pressure for making further investments in spectrum and infrastructure for launching 5G services
- The problem of the debt ridden telecom industry got aggravated,
 - when the SC on October 24, 2019 upheld DoT's contention on AGR and ordered TSPs to make payment of all outstanding dues of License Fees and spectrum usage surcharge (including interest and penalties) to DoT within 3 months.
 - vide its order dated February 14, 2020, the SC denied any relief to the telecom operators and demanded payment of ₹ 147,000 Crore immediately (Economic Times English Edition E paper February 14, 2020).
 - in the hearing in July 2020, the SC ruled out any possibility of a reassessment or recalculation by telcos and reserved its order on the staggered payment timeline of 15 years sought by Airtel and Vodafone Idea for paying the outstanding dues (tele.net July 2020)

All these developments affecting GIL in turn affect the operations of the Company, as GIL is the only customer for the Company and the Company has aligned its business plans with that of GIL to sustain business continuity.

Under the above circumstances, the difficulties in implementing an Arbitration Award it has got against GIL and arriving at a settlement with GIL with the consent of the lenders, are affecting its own settlement with its lenders.

At the same time, in spite of these difficulties, for settling the dues of the lenders, whether through negotiated settlement process or through legal process, it is necessary for the Company to maintain and create value for its existing business viz. network services. Keeping this aspect in mind, the Company continues to implement cost optimization and network optimization measures. Similarly it has also taken legal action to recover its dues from Aircel Group, MSEDCL, GIL and others. It also continues its efforts with the lenders for an early settlement.

4. DEVELOPMENTS

Telecom Industry

As stated in the last year Report, since 2016, with the spate of exit / consolidation in the Telecom Industry, only 3 private operators viz Bharti Airtel, Vodafone idea and Reliance Jio are left in the fray, who among them hold around 90% of market share. The intense competition, incurring of loss by almost all operators and the debt burden, forced the operators to raise the tariff in December 2019. However the benefit of the price increases by telcos got more than offset by the AGR demand for both Bharti Airtel and Vodafone Idea. 'Bharti Airtel reported a consolidated net loss of ₹15,933 crore in the June quarter, its fifth in succession, mainly due to one-time expenses related to its AGR dues' (Economic Times E Paper dt July 30, 2020). 'Vodafone Idea hasn't made a profit since 2017 and ended last fiscal year with a record \$10 billion loss' (Economic Times, English Edition, E paper August 5, 2020). 'Vodafone Idea has the weakest balance sheet among the top telecom players. The telecom major, which reported a ₹25,460 crore loss for June quarter, is looking to restructure and raise money' (Economic Times E Paper dt August 10, 2020). MTNL loss widens to ₹6.23 billion, revenue dips 26.77 per cent in QE March 2020 (tele.net July 20)

At the same time the Industry has also witnessed the following positive developments:

- DoT in its annual report 2019–20 has highlighted that India is now the global leader in monthly data consumption. As per the DoT, the average consumption per subscriber per month has increased 146 times from 62 MB in 2014 to 9.06 GB in 2019. Furthermore, the cost of data has also reduced substantially, enabling affordable internet access for millions of citizens.(tele.net April 20)
- Surge in demand for data traffic in urban areas on account of the organizations doing business in new ways by working from home, holding virtual meetings / class rooms / video calls etc;
- Surge in data traffic in the tier 2 cities and rural area on account of the movement of the migrant population, requiring enhancement in the infrastructure in those areas as well.
- 5G technology trial in 2020 to be followed by spectrum auction and deployment.

Thus on the one hand the Industry is having difficulty to overcome its debt burden and AGR dues, on the other hand it is under pressure for making further investments in spectrum, tower, micro sites, fiberaisation, inbuilding solution, etc for meeting the increase in data usage and launching 5G services.

Challenges of the Telecom Sector

The following portion of The Business Line Report dated May 4, 2020 (Mumbai Edition) brings out the fact that the existing debt together with the AGR dues makes it difficult for the debt ridden telecom sector to come out of the woods:

“Looking ahead

The sector is still not of the woods. Over 10 telecom companies have shut down operations in the last few years. A debt of over ₹5 lakh crore and AGR dues of ₹1.3 lakh crore has to be paid. The future of BSNL and Vodafone Idea is still uncertain. Regulatory fees and spectrum pricing continues to be high. The growth in data consumption will have to translate into higher revenues for the operators. The average revenue per user is still hovering around ₹15–160 a month despite recent tariff hikes.”

Added to the above, the Indo China stressed border situation has also resulted in restriction in availing the services of Chinese Suppliers of equipment and services. As per media reports, several nations have declared that Huawei equipment poses a significant security risk and have blocked the use of its equipment in its 5G network. These include the US, Australia, Japan and Vietnam. The UK is reconsidering its decision to allow Huawei to participate in its 5G network (The Wire dt June 22, 2020). Restrictions are likely to be there in another Chinese company ZTE as well. The Indian government has already banned an additional 47 Chinese apps that were clones of the 59 apps banned earlier.

In the meanwhile various rating agencies, international organizations and other bodies have predicted contraction in Indian economy during FY 2020–21 and forecast growth in FY 2021–22.

Thus while the Telecom Sector is trying to launch 5G and overcome the debt burden, by resorting to various forms of financial engineering, it has got into a new challenge in the form of AGR demand.

5. GOING CONCERN

During the last few years, the Company has incurred cash losses, resulting in erosion of its entire net worth. The Company's current liabilities are higher than its current assets.

As stated above, in the meeting held on July 5 and 6, 2019, it was agreed by all but one bank to sign the Inter-Creditor Agreement, based on which almost all specified lenders have executed the Inter Creditor Agreement. The Company is awaiting the outcome of the Inter-creditor agreement and is in discussion with the Lead Bank. Even in such stressed circumstances, the Company and its management have taken all possible steps possible to continue with the process and deposited around ₹8,000 Lakhs for the said purpose. However, one the lenders has filed application before the NCLT, the same has not been admitted. On appeal Hon'ble Supreme Court passed order for status quo. On account of these developments, the Management is of the view that through negotiated settlement it would be in a position to settle the matter and continue its operations. Accordingly, it continues to prepare financial results on going concern basis.

6. INVESTMENTS

Pending appropriation of the pledged shares invoked by the lenders, the said shares held by the Company are continued to be classified under 'Long Term Investments'. During the current year, the company fair valued its investment in GTL Infrastructure Ltd and accordingly, accounted the 'mark to market' loss amounting to ₹133.02 Crores.

As regards investments in subsidiaries reference may be made to the contents under the head 'Subsidiaries'

7. DIVIDEND

Since your Company has posted losses and it is also not allowed to declare dividend without fulfillment of certain conditions, as per the MRA executed with the lenders on December 31, 2011 for restructure of its debts, your Directors express their inability to recommend any dividend on the paid up Equity and Preference Share Capital of the Company for the financial year ended March 31, 2020.

8. SHARE CAPITAL AND NON CONVERTIBLE DEBENTURES (NCDs):

(i) Equity:

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

The Company has only one class of equity share. Thus, the details required to be furnished for equity shares with differential rights and / or sweat equity shares and / or ESOS under the Companies (Share Capital and Debentures) Rules, 2014 are not furnished.

(ii) Preference:

As the Preference Shareholder did not exercise its right for conversion of the preference shares into equity within the stipulated time period, there will not be any impact on the Company's equity capital.

(iii) NCDs:

During the FY 2009-10, the Company had privately placed 14,000 Rated Rupee denominated Redeemable Unsecured NCDs of the face value of ₹10 Lakh each aggregating ₹1,400 Crore, which were listed under debt segment of BSE Limited. The NCDs got delisted for the reason 'Redemption'.

In the meanwhile, based on the consent terms filed by both parties before the Hon'ble Bombay High Court on March 19, 2018 and the order passed thereon, the winding petition got disposed of. The NCD holder has also signed the Inter-Creditor Agreement for settlement, subject to secured lenders approval.

9. FIXED DEPOSITS

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

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Dr. Mahesh M. Borase (DIN: 03330328) retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. The re-appointment of Dr. Mahesh M. Borase, on his retirement by rotation is forming part of the Ordinary Business in the Notice of ensuing Annual General Meeting. The background of the Dr. Mahesh M. Borase, Director proposed for re-appointment is given in the Corporate Governance Report, which forms part of this Report.

In terms of letter No LCG-SSCB.53/36/Nom.8 dated December 9, 2019 of IDBI Bank Limited Mr. Venkata Apparao Maradani (DIN:08755883), General Manager, has been appointed as Nominee Director in place of Mr. Badri Srinivasa Rao, Chief General Manager w.e.f. June 22, 2020.

On the resignation of Mr. Pratik Toprani as Company Secretary & Compliance Officer w.e.f. February 4, 2020, Mr. Deepak A. Keluskar has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f. June 22, 2020.

11. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

- (i) **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and percentage increase in remuneration of each Director, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Name	Ratio to median remuneration	% increase in remuneration in the financial year
Executive Directors		
Mr. Sunil S. Valavalkar	1:2.42	No Change
Non-executive Directors (Sitting Fees only) #		
Mr. D. S. Gunasingh	N.A.	N.A.
Mr. Navin J. Kripalani	N.A.	N.A.
Mrs. Siddhi M. Thakur	N.A.	N.A.
Mr. Badri Srinivasa Rao	N.A.	N.A.
Dr. Mahesh M. Borase	N.A.	N.A.
Chief Financial Officer		
Mr. Milind V. Bapat	–	36.84
Company Secretary		
Mr. Pratik Toprani*	^	No change

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

* Appointed as Company Secretary and Compliance officer w.e.f. May 1, 2019 and resigned w.e.f. February 4, 2020

^ Since remuneration is only for part of the year, the ratio of his remuneration to median remuneration is not comparable and hence not stated.

- (ii) **The percentage increase in the median remuneration of employees in the financial year:** 13%
- (iii) **Number of employees:** The number of employees of the Company and its Associates are 1,631.
- (iv) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** The average annual increase in salaries of employees is 14.9% and there is no change in managerial remuneration during the year.
- (v) **Affirmation that the remuneration is as per the remuneration policy of the Company:** The Company affirms that the remuneration is as per remuneration policy of the Company.

12. DIRECTORS RESPONSIBILITY STATEMENT:

In terms of the provisions of Section 134(3)(c) of the Act, the Board of Directors, to the best of their knowledge and ability, in respect of the year ended March 31, 2020, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures;
- they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they had prepared the annual accounts on a going concern basis;
- they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. DECLARATION BY INDEPENDENT DIRECTORS

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

14. POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION ETC.

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

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

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

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

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

16. MANAGEMENT DISCUSSION AND ANALYSIS

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

17. CORPORATE GOVERNANCE & VIGIL MECHANISM

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

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

18. RISKS

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

19. CORPORATE SOCIAL RESPONSIBILITY

In view of the negative net worth, revenue below the prescribed limit and loss suffered by the Company, it is not attracted by the provisions of Section 135 of the Act. However it is undertaking various projects through 'Global Foundation' a Public Charitable Trust.

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

20. AUDIT COMMITTEE

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

21. AUDITORS AND AUDITORS' REPORT

Auditors:

M/s GDA & Associates (FRN: 135780W), Chartered Accountants were appointed as Auditors at the Twenty Ninth (29th) Annual General Meeting (AGM) to hold office from conclusion of the said meeting till the conclusion of the Thirty Fourth (34th) AGM. In pursuance of the provisions of Section 139 of the Act, as amended, since the requirement for ratification of appointment of an Auditor at every annual general meeting has been dispensed with, the Company has not incorporated such resolution in the notice of AGM.

Cost Auditors:

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

Auditors' Report:

As regards the Auditors' qualified opinion and emphasis of matters, the Board has furnished required details / explanations in Note Nos. 25.2 & 33.1 and 6.2 & 46 of Notes to Standalone financial statements respectively.

Secretarial Auditors' Report:

The Secretarial Audit report and the Secretarial Compliance Report are given in **Annexure C** and **Annexure D** respectively. In the reports it is observed that due to non-receipt of Certificates from RTA, the Company could not file report under Regulation 74(5) of SEBI (Depositories & Participant) Regulations, 2018 for the quarter ended March 31, 2019. Necessary action is being taken for filing the same.

Compliance with Secretarial Standards:

The Company has complied with applicable Secretarial Standards as prescribed by the Institute of Company Secretaries of India.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

As regards Guarantees and Investments reference may be made to Note Nos. 39c and 6 of the Standalone Financial Statements. The Company has not given any loans to any person / entity except to its employees as at March 31, 2020.

23. PARTICULARS OF RELATED PARTY TRANSACTIONS

There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

For the reasons stated below, the statement pursuant to Section 134 (3) (h) of the Companies Act 2013 (Act) read with Rule 8(2) of the Companies (Accounts) Rules 2014 giving the particulars of contracts or arrangements with related parties referred to in section 188 (1) of the Act, is not enclosed as a part of this Report:

- a. The Company has not entered into any contracts or arrangements or transactions not at arm's length basis; and
- b. Pursuant to GTL Infrastructure Ltd (GIL) ceasing to be an Associate of the Company w.e.f. March 28, 2019, post invocation of pledge of shares of GIL held by it by CDR Lenders, the material contracts or arrangement or transactions at arm's length basis entered with GIL on April 1, 2015 ceased to be a related party transaction.

For full details of Related Party Disclosures reference may be made to note nos. 40.1, 40.2 and 40.3 of the Standalone Financial Statement.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website www.gtllimited.com. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

24. MATERIAL CHANGES AND COMMITMENTS

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

25. SUBSIDIARIES

On account of the various developments, it presently has only few subsidiaries, which are also in the process of closing down or exiting as under:

The domestic subsidiary viz. ADA Cellworks Wireless Engineering Pvt. Ltd. is ceased to be subsidiary of the Company with effect from March 28, 2019 post invocation by the CDR Lenders of the said company's shares pledged with them.

The assets and liabilities of International Global Tele systems Ltd, are continued to be treated as "Liabilities Held for Sale and discontinued operations" and loss incurred is shown under loss from discontinued operations in terms of Ind AS 105.

In the insolvency proceedings of GTL International Ltd (GTLI), the Hon'ble Supreme Court of Bermuda vide its order dated March 13, 2020 has appointed Joint Liquidators and Committee of Inspection for liquidation of GTLI. As a consequence, GTLI ceased to be subsidiary of the Company as the control over the Subsidiary is lost. The Group has accounted for "loss of control" in the said subsidiary in accordance with IND AS 110 "Consolidated Financial Statements" by derecognizing the assets and liabilities pertaining to the Subsidiary. Accordingly, gain of ₹285.76 Crores arising on account of "loss of control" has been recorded and disclosed as an "Exceptional item" in the results. This has a significant one-time and non – Cash flow impact on the earning per share of the discontinued operations as disclosed in the statement of consolidated financial results. Further the sale of assets of GTLI comprising of investment in some of the subsidiaries having already been completed on July 2, 2019, pursuant to an order of the Court, the downstream subsidiaries of GTLI have already ceased to be subsidiaries of the Company.

As required by the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statement of the subsidiaries and associate included in the Consolidated Financial Statement, is presented in **Annexure E** (Form No. AOC-1).

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

[Steps taken / actions initiated by the Company for and on behalf of its customer's viz. telecom tower company and in turn its customers i.e. Telecom operators]

a. Conservation of Energy:

The company provides Operations, Maintenance and Energy Management services and by virtue of the same, energy efficiency, conservation and its optimal utilization are of its key deliverables. As a result, The Company continues its focus and efforts towards implementing and operating various Energy related initiatives to fulfill its objectives.

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

- Regular Monitoring of field performance of physical infrastructure assets, consumption patterns, conducting periodic energy audits, implementing various optimization techniques and effective management of Energy Cycle to ensure good efficiency at best operating levels of the network.
- Thus the Company has been able to maintain the 'Diesel Free' status (as defined by TAIPA) on 2886 telecom sites as on March 31st 2020
- Continuous improvement in optimal planning and effective management of the diesel filling and consumption processes, tracking of the seasonal patterns and proactive mitigation of possible challenges continue on ongoing basis.
- Projects under trial / implementation for Electricity & Diesel conservation: The Company continues with the project undertaken in the earlier years

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

The Company has undertaken Technical assessment and Commercial Feasibility of Li-ion Battery technology to meet the challenges posed by lack of continuous electricity availability and / or restrictions on Diesel Generators usage at certain sites. The potential of Li-ion technology to be able to support as an alternative source of power and improve network availability is being evaluated by the Company.

iii) the capital investment on energy conservation equipment:

Due to lack of availability of Capex this investment is not undertaken.

b. Technology Absorption:

- i) the efforts made towards technology absorption: Refer a(iii) above.
- ii) the benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable.

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

- | | | |
|--|---|----------------|
| <ul style="list-style-type: none"> a. the details of technology imported: b. the year of import: c. whether the technology been fully absorbed: d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: | } | NOT APPLICABLE |
|--|---|----------------|

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

- a. Capital: ₹Nil
- b. Recurring: ₹Nil

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

During the year under review, the Company earned in terms of actual inflows foreign exchange of ₹ Nil and the foreign exchange outgo in terms of actual outflows / expenditure is ₹1.58 Crores.

27. INTERNAL FINANCIAL CONTROL SYSTEM:

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

28. HUMAN RESOURCES:

Our employees and associate base stood at 1,631 as on March 31, 2020 as against 1,732 as on March 31, 2019. For full details refer to the Human Resources write up in the MD&A Report, which forms part of the Annual Report.

29. EXTRACT OF ANNUAL RETURN AS ON MARCH 31, 2020

As per the requirements of Section 92(3) of the Act and the Rules framed thereunder, the extracts of Annual Return as on March 31, 2020 is annexed as **Annexure F** (Form No. MGT-9) to this report. The Company has placed a copy of the same on its website at www.gtllimited.com

30. NUMBER OF BOARD MEETINGS HELD DURING THE FY 2019-20

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

31. PROMOTER GROUP

The Promoter Group comprised of Mr. Manoj G. Tirodkar and Global Holding Corporation Pvt. Ltd. Consequent to the invocation of 1,85,99,435 pledged equity shares of the Company held by Mr. Tirodkar, by lenders on March 28, 2019, the Promoter Group Shareholding in the Company stands at 32.41% as on August 25, 2020.

32. PARTICULARS OF EMPLOYEES

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

33. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation and acknowledge with gratitude the support and cooperation extended by the clients, employees, vendors, bankers, financial institutions, investors, media and both the Central and State Governments and their Agencies, particularly during the Covid 19 lockdown period and look forward to their continued support.

Place: Mumbai
Date: August 25, 2020

On behalf of the Board of Directors,
D.S. Gunasingh
Chairman

**ANNEXURE A TO DIRECTORS' REPORT
AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE****To the Members of
GTL Limited**

1. This certificate is issued in accordance with the terms of our engagement with GTL Limited ('the Company').
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2020, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations").

MANAGEMENT'S RESPONSIBILITY

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

AUDITOR'S RESPONSIBILITY

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2020.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Mayuresh V. Zele
Partner
Membership No.: 150027
UDIN : 20150027AAAABB7693

Place : Mumbai
Date : August 25, 2020

ANNEXURE B TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2019–20

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

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

GTL acknowledges debts towards the society in which it operates and in order to discharge its responsibility, it undertakes, when permissible, various projects through 'Global Foundation', a Public Charitable Trust for the betterment of the society and in particular in the areas such as education, health, community service, medical assistance and rural education particularly in IT through 'Mobile Computer Lab' etc. On account of the financial constraints faced by the Company and also the loss suffered by it, during the FY 2019–20, it carried out and shall continue to carry out its social responsibilities by supporting the causes adopted by Global Foundation through employees volunteerism and non-financial means. For more particulars about the Company's CSR Policy, please visit its website http://www.gtllimited.com/ind/inv_cg.aspx.

2) The Composition of the CSR Committee:

The Company has constituted a Corporate Social Responsibility Committee of Directors comprising of Dr. Mahesh M. Borase – Chairman of the Committee, Mr. Sunil S. Valavalkar and Mrs. Siddhi M. Thakur.

3) Average net profit of the Company for last three financial years: Loss (₹1,034.32 Crores)**4) Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** Not Applicable in view of losses incurred by the Company.**5) Details of CSR spent during the financial year:**

- a. **Total amount to be spent for the financial year:** Not Applicable
- b. **Amount unspent, if any:** Not Applicable
- c. **Manner in which the amount spent during the financial year:** Not Applicable

6) In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: Not Applicable in view of losses incurred by the Company.**7) A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:** We hereby declare that implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Place: Mumbai
Date: August 25, 2020

Sunil S. Valavalkar
Whole-time Director

Dr. Mahesh M. Borase
*Chairman – Corporate Social
Responsibility Committee*

ANNEXURE C TO 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 Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
GTL Limited

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

Based on my verification of the Company's statutory registers, papers, minute books, forms and returns filed with the Registrar of Companies ('the ROC'), soft copy of the various records sent over mail as provided by the Company and other relevant records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, has prima facie complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the statutory registers, papers, minute books, forms and returns filed with the ROC and other relevant records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – applicable only to the extent of Foreign Direct Investments and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended 31st March, 2020:-

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) The management has identified and confirm the other laws as specifically applicable to the Company and the Company have proper system to comply with the provisions of the respective Acts, rules and Regulations;

I have also examined compliance with the applicable clauses of the following and I am of the opinion that the Company has prima facie complied with the applicable provisions:

- (a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.
- (b) The Listing agreements entered into by the Company with Stock Exchanges read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, I am of the opinion that the Company has prima facie complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except the following:

The Company could not file report under Regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018 for the quarter ended 31st March, 2019 due to non-receipt of Certificate from RTA. Further the Company has filed report for the quarter ended 30th June, 2019 and 30th September, 2019 jointly after receipt of the same from RTA.

I further report that:

1. As regards to the observation in our previous year's Secretarial Audit Report w.r.t. inadvertent non-filing of Form MGT-14 for filing of Board Resolution with Registrar of Companies, based on the order of the Ministry of Corporate Affairs (MCA) for condoning the delay in filing, the Board resolution has been filed by the Company in Form MGT-14 with Registrar of Companies and accordingly the said observation has been closed.
2. I have not examined the Financial Statements, Financial books and related financial Act like Income Tax, Sales Tax, Value Added Tax, Goods and Services Tax, ESIC, Provident Fund, Professional Tax, Foreign Currency Transactions, Related Party Transactions etc., For these matters, I rely on the report of statutory auditors for Financial Statement for the financial year ended 31st March, 2020.
3. The board of directors of the Company is duly constituted with proper balance of 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.
4. As per the information provided the company has prima facie given adequate notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.
5. As per the information provided by the Company and as per the minutes of the meetings, majority decisions of the Board were unanimous and no dissenting views were found as part of the minutes.
6. There are prima facie 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 subject to observations and qualifications, if any made by the Statutory Auditors in their report.
7. The management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/files required by the concerned authorities and internal control of the concerned department.
8. Debenture Redemption Reserve not created due to non-availability of profit.
9. During the FY 2009-10, the Company had privately placed 14,000 Rated Redeemable Unsecured Rupee NCDs of the face value of 10 Lakh each aggregating 1,400 Crores, which were listed under debt segment of BSE Limited. The NCDs got delisted for the reason 'Redemption'. In the meanwhile, based on the consent terms filed by both parties before the Hon'ble Bombay High Court on 19th March, 2018 and the order passed thereon, the winding petition got disposed of. The NCD holder has also signed the Inter-Creditor Agreement for settlement, subject to secured lenders approval.
10. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. However, unpaid dividend aggregating to ₹ 20,28,141 pertaining to the years 2000-01, 2001-02 and 2003-04 to 2009-10 has not been transferred to Investor Education and Protection Fund but is held in abeyance on account of pending legal cases.
11. During the period under review, the Company had filed Forms required to be filed within prescribed time and some with additional fees.
12. During the period under review, as per the information provided by the Company, prima facie there were no instances of transaction in the securities of the Company during the closure of window.
13. I further report that during the audit period, there were no instances of:
 - i. Public/ Rights/debentures/ sweat equity, etc,
 - ii. Issue of equity shares under Employee Stock Option Scheme;
 - iii. Redemption / Buy- back of securities;
 - iv. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013 which would have major bearing on the Company's affairs;
 - v. Merger / amalgamation / reconstruction etc.;
 - vi. Foreign Technical Collaborations.

I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of Company.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the Management has conducted the affairs of the company.
7. Due to COVID – 19 and continuous Lockdown, we were able to partially verify the information physically, therefore we rely on the information provided by the Company in electronic mode.

Place: Mumbai

Date: 25th August, 2020

Virendra G. Bhatt

ACS No.: 1157

COP No.: 124

UDIN: A001157B000611701

ANNEXURE D TO THE DIRECTORS' REPORT**SECRETARIAL COMPLIANCE REPORT OF GTL LIMITED FOR THE YEAR ENDED 31st MARCH, 2020****1. I, Virendra G. Bhatt, Practicing Company Secretary, have examined:**

- (a) all the documents and records made available to me and explanation provided by GTL Limited ("the listed entity") arising from the compliances of specific Regulations listed under Clause 2 of this report;
- (b) the filings or submissions made by the Listed Entity to the stock exchanges in connection with the above;
- (c) website of the listed entity; and
- (d) all other documents, filings or submission on the basis of which this certification is given,

for the financial year ended 31st March, 2020 ("Review Period") in respect of compliance with the provisions of:

- (a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – (Not applicable during the review period);
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 –(Not applicable during the review period);
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – (Not applicable during the review period);
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – (Not applicable during the review period);
- (g) Securities and Exchange Board of India (Issue and Listing of Non–Convertible and Redeemable Preference Shares) Regulations, 2013 – (Not applicable during the review period);
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (j) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – (Not applicable during the review period);

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

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

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Quarterly filing under Regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018	Partially Complied	During the review period, due to non–receipt of Certificate from RTA, the Company could not file report under Regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018 for the quarter ended 31 st March, 2019. Further the Company has filed report for the quarter ended 30 th June, 2019 and 30 th September, 2019 jointly after receipt of the same from RTA.

- (b) The listed entity has prima facie maintained proper records under the provisions of the above Regulations and circulars / guidelines issued thereunder insofar as it appears from my examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures Issued by SEBI through various circulars) under the aforesaid Acts / Regulations and circulars/ guidelines issued thereunder:

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

- (d) During the review period, as per the information provided by the Company, prima facie there were no instances of transactions by the Designated Person in the securities of the Company during the closure of trading window period.
- (e) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
-	N.A.	N.A.	N.A.	N.A.

- (f) The Listed entity has prima facie complied with points 6(A) and 6(B) as mentioned in SEBI Circular No.: CIR/CFD/CMD1/114/2019 dated 18th October, 2019 and that they have incorporated all the terms and conditions in the respective appointment letter/supplemental letter issued to the Statutory Auditors.
- (g) Due to COVID – 19 and continued lockdown, we are unable to verify the partial information physically, therefore we rely on the information provided by the Company in electronic mode.

Place: Mumbai
Date: 24th June, 2020

Virendra G. Bhatt
ACS No.: 1157
COP No.: 124

UDIN: A001157B000372541

ANNEXURE E TO THE DIRECTORS' REPORT
Form No. AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 of the Act read with rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures:

Part "A": Subsidiaries

(Amounts in ₹ Crore)

Sr. No.	Name of the Subsidiary Company	Date since when Subsidiary was Acquired	Reporting Currency	Reporting Period	Exchange Rate	Balance Sheet	Exchange Rate	Profit and Loss	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Taxation	Proposed Dividend / Interim	% of Shareholding
	Operating Companies																			
A	International Global Tele-Systems Ltd.	10-Jul-1995	USD	31-Dec	75.4750	71.7461	541.63	(1,509.89)	2.77	2.77	NIL	NIL	NIL	(54.05)	NIL	(54.05)	NIL			100%

1. Names of subsidiaries which are yet to commence operations: Not Applicable

2. Names of subsidiaries which have been liquidated or sold during the year:

Hon'ble Supreme Court of Bermuda vide its order dated March 13, 2020 has appointed Joint Liquidators and Committee of Inspection for liquidation of GTL International Limited (GTL), 100% subsidiary of the Company. As a consequence, GTL ceased to be subsidiary of the Company as the control over the Subsidiary is lost.

Part "B": Associates and Joint Ventures

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

Sr. No.	Name of Associates	Latest audited Balance Sheet date	Date on which the Associate was Associated or Acquired	Shares of Associates held by the Company on the year end		Net worth attributable to shareholding as per latest audited Balance Sheet (₹ in Crore)	Loss for the year including Share in other comprehensive income of associates		Description of How there is significant influence	Reason why the Associates is not Consolidated
				No.	Amount of Investment in Associates (₹ in Crore)		Considered in Consolidation (₹ in Crore)	Not Considered in Consolidation (₹ in Crore)		
1	Global Rural Netco Pvt. Ltd.*	31-Mar-19	04-Sep-2009	75,000,000	75.00	(616.66)	Nil (Refer Note B)	Nil	Note A	N.A.

*National Company Law Tribunal, Court III, Mumbai Bench vide its order dated March 4, 2020 has appointed liquidator for liquidation of Global Rural Netco Pvt. Ltd.

Note:

- There is significant influence due to percentage (%) holding in associate.
 - The Share in associate Global Rural Netco Pvt. Ltd. stands recognised to the extent of investment held in that associate.
- Names of associates or joint ventures which are yet to commence operations: Not Applicable
 - Names of associates or joint ventures which have been liquidated or sold during the year: Not Applicable

For and on behalf of the Board

Sunil S. Valavalkar

Whole-time Director

D. S. Gunasingh

Independent Director

Milind Bapat

Chief Financial Officer

Dr. Mahesh Borase

Director

Deepak A. Keluskar

Company Secretary

Place : Mumbai

Date : June 22, 2020

ANNEXURE F TO 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 & Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

Sr. No.	Particulars	Details
i	Corporate Identity Number (CIN)	L40300MH1987PLC045657
ii	Registration Date	December 23, 1987
iii	Name of the Company	GTL Limited
iv	Category / Sub-Category of the Company	Indian Non-Government Company limited by Shares
v	Address of the Registered office and contact details	'Global Vision', Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400710. Email: gtlshares@gtllimited.com Telephone No. 022- 27612929 Ext. No.: 2233-2234
vi	Whether listed company	Yes (Listed in BSE & NSE)
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059 Email: info@bigshareonline.com Tel: +91-22-62638200 Extn: 221-222 Fax: +91-22-626388299

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	CIN / GLN			
SUBSIDIARY – OPERATING COMPANIES				
1	International Global Tele-Systems Ltd. Regd. Office: 5 th Floor, Barkly Wharf, Le Caudan Waterfront, Port Louis, Mauritius CIN / GLN : N.A.	Subsidiary	100	2(87)(ii)
ASSOCIATE COMPANIES				
1	Global Rural Netco Limited* Regd. Off: Global Vision, ES-II, MIDC, TTC Indl. Area, Mahape, Navi Mumbai 400 710 MH. CIN / GLN : U64200MH2009PLC192365	Associate	42.86	2(6)

*National Company Law Tribunal, Court III, Mumbai Bench, vide its order dated March 4, 2020 has appointed liquidator for liquidation of Global Rural Netco Limited.

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

(i) Category-wise Shareholding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		01-Apr-19				31-Mar-20				
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	Promoters									
(1)	Indian									
(a)	Individual / HUF									
(b)	Central Govt.									
(c)	State Govt(s)									
(d)	Bodies Corp.	5,09,80,559	–	5,09,80,559	32.41	5,09,80,559	–	5,09,80,559	32.41	–
(e)	Banks / FI									
(f)	Any Other (Specify)									
	Sub-Total (A)(1)	5,09,80,559	–	5,09,80,559	32.41	5,09,80,559	–	5,09,80,559	32.41	–
(2)	Foreign									
(a)	NRIs – Individuals									
(b)	Other – Individuals									
(c)	Bodies Corp.									
(d)	Banks / FI									
(e)	Any Other (Specify)									
	Sub-Total (A)(2)									
A	Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	5,09,80,559	–	5,09,80,559	32.41	5,09,80,559	–	5,09,80,559	32.41	–
B	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds									
(b)	Banks / FI	3,58,08,500	500	3,58,09,000	22.77	3,25,72,147	500	3,25,72,647	20.71	–2.06
(c)	Central Govt.									
(d)	State Govt(s)									
(e)	Venture Capital Funds									
(f)	Insurance Companies	10,07,259	–	10,07,259	0.64	10,07,259	–	10,07,259	0.64	–
(g)	FIs	–	106	106	0.00	–	106	106	0.00	–
(h)	Foreign Venture Capital Funds									
(i)	Others – (Specify) – RPF	3,12,143	–	3,12,143	0.20	3,38,927	–	3,38,927	0.22	0.02
	Sub-Total (B)(1)	3,71,27,902	606	3,71,28,508	23.60	3,39,18,333	606	3,39,18,939	21.56	–2.04
(2)	Non-Institutions									
(a)	Bodies Corp.									
i)	Indian	2,34,72,724	8,411	2,34,81,135	14.93	2,23,50,779	8,411	2,23,59,190	14.21	–0.71
ii)	Overseas									
(b)	Individual Shareholders holding nominal share capital –									
i.	– Up to ₹ 1 lakh	2,75,82,172	2,00,948	2,77,83,120	17.66	2,76,48,658	1,98,533	2,78,47,191	17.70	0.04
ii.	– In excess of ₹1 lakh	1,49,01,525	–	1,49,01,525	9.47	1,82,16,352	–	1,82,16,352	11.58	2.11
(c)	Others (Specify)									
i.	Clearing Members	6,95,168	–	6,95,168	0.44	5,89,242	–	5,89,242	0.37	–0.07
ii.	Foreign National	1,933	–	1,933	0.00	1,933	–	1,933	0.00	–
iii.	Hindu Undivided Family	8,12,438	–	8,12,438	0.52	19,92,873	–	19,92,873	1.27	0.75
iv.	Investor Education & Protection Fund	3,00,398	–	3,00,398	0.19	3,00,378	–	3,00,378	0.19	–0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	01-Apr-19				31-Mar-20				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
v. Non-Resident Indians	10,18,447	–	10,18,447	0.65	10,04,297	–	10,04,297	0.64	–0.01
vi. Directors and their Relatives	1,11,923	–	1,11,923	0.07	3,850	–	3,850	0.00	–0.07
vii. Overseas Corporate Bodies	25,250	–	25,250	0.02	25,250	–	25,250	0.02	–
viii. Trusts	–	–	–	–	350	–	350	0.00	0.00
ix. Demat Suspense Account	56,377	–	56,377	0.04	56,377	–	56,377	0.04	–
Sub-Total (B)(2)	6,89,78,355	2,09,359	6,91,87,714	43.99	7,21,90,339	2,06,944	7,23,97,283	46.03	2.04
B Total Public Shareholding (B) = (B)(1) + (B)(2)	10,61,06,257	2,09,965	10,63,16,222	67.59	10,61,08,672	2,07,550	10,63,16,222	67.59	–
TOTAL (A) + (B)	15,70,86,816	2,09,965	15,72,96,781	100.00	15,70,89,231	2,07,550	15,72,96,781	100.00	–
C Shares held by Custodians for GDRs & ADRs	NA	NA	NA	NA	NA	NA	NA	NA	NA
GRAND TOTAL (A) + (B) + (C)	15,70,86,816	2,09,965	15,72,96,781	100.00	15,70,89,231	2,07,550	15,72,96,781	100.00	–

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Share holding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		01-Apr-19			31-Mar-20			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Manoj Gajanan Tirodkar [®]	0	0.00	0.00	0	0.00	0.00	–
2	Global Holding Corporation Private Limited	5,09,80,559	32.41	99.06	5,09,80,559	32.41	99.06	–
	TOTAL	5,09,80,559	32.41	99.06	5,09,80,559	32.41	99.06	–

[®]Lenders of GTL through security trustee IDBI Trusteeship Services Limited invoked 1,85,99,435 pledged shares on 28-Mar-2019.

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

Sr. No.	Name	Shareholding at the beginning of the year 01-Apr-19		Date	Increase / Decrease in Shareholding	Reason	Cumulative shareholding during / at the end of the year 31-Mar-20	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Manoj Gajanan Tirodkar	–	–	No change during the year			–	–
2	Global Holding Corporation Private Ltd	5,09,80,559	32.41				5,09,80,559	32.41
	TOTAL	5,09,80,559	32.41				5,09,80,559	32.41

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

Sr.	For each of Top 10 shareholders	Shareholding at the beginning of the year 01-Apr-2019		Beneficiary Position Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year 31-Mar-2020	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	IDBI TRUSTEESHIP SERVICES LTD	1,85,99,435	11.82%	No change during the year			1,85,99,435	11.82%
2	UNION BANK OF INDIA	27,69,496	1.76%	31-Mar-2020	47,87,185	Merger-Andhra Bank	75,56,681	4.80%
(I)	ANDHRA BANK	47,87,185	3.04%	31-Mar-2020	(47,87,185)	Merger-Union Bank of India	-	0.00%
3	BANK OF INDIA	60,99,512	3.88%	No change during the year			60,99,512	3.88%
4	PUNJAB NATIONAL BANK	39,56,419	2.52%	31-Mar-2020	11,59,359	Merger-United Bank of India	51,15,778	3.25%
5	BANK OF BARODA	16,84,550	1.07%	12-Apr-2019	1,75,000	Merger-Vijaya Bank	18,59,550	1.18%
				26-Apr-2019	27,41,555	Merger-Dena Bank	46,01,105	2.93%
(II)	DENA BANK	27,41,555	1.74%	26-Apr-2019	(27,41,555)	Merger-Bank of Baroda	-	0.00%
6	CANARA BANK-MUMBAI	32,98,150	2.10%	23-Aug-2019	(4,175)	Secondary Market	32,93,975	2.09%
(III)	IDBI BANK LIMITED	32,32,725	2.06%	05-Apr-2019	(2,11,545)		30,21,180	1.92%
				12-Apr-2019	(1,39,125)		28,82,055	1.83%
				19-Apr-2019	(93,118)		27,88,937	1.77%
				26-Apr-2019	(10,000)		27,78,937	1.77%
				31-May-2019	(1,30,514)		26,48,423	1.68%
				30-Sep-2019	(21,512)		26,26,911	1.67%
				04-Oct-2019	(70,288)		25,56,623	1.63%
				11-Oct-2019	(98,708)		24,57,915	1.56%
				18-Oct-2019	(4,94,292)		19,63,623	1.25%
				25-Oct-2019	(1,75,826)		17,87,797	1.14%
				01-Nov-2019	(2,84,895)		15,02,902	0.96%
				08-Nov-2019	(5,16,231)		9,86,671	0.63%
				15-Nov-2019	(97,082)		8,89,589	0.57%
				22-Nov-2019	(4,80,188)		4,09,401	0.26%
				29-Nov-2019	(4,09,401)		-	-
7	INDIAN OVERSEAS BANK	24,33,199	1.55%	No change during the year			24,33,199	1.55%
8	UCO BANK	18,54,519	1.18%	No change during the year			18,54,519	1.18%
9	SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA	16,49,828	1.05%	No change during the year			16,49,828	1.05%
10	INDIAN BANK	16,16,516	1.03%	No change during the year			16,16,516	1.03%

Note: Sr. (I), (II) & (III) above – ceased during the year.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 01-Apr-19		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during / at the end of the year 31-Mar-20	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Mr. D. S. Gunasingh, Independent Director	100	0.00		No change during the year		100	0.00
2	Mr. Milind V. Bapat, CFO (KMP)	15,100	0.01		No change during the year		15,100	0.01
3	Mr. Pratik Toprani, CS (KMP)*	0	0		No change during the year		0	0

* Ceased to be Company Secretary & KMP of the Company w.e.f. February 4, 2020

V. INDEBTEDNESS:

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

(₹ in Crore)

	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,765.84	2,230.91	NIL	4,996.75
ii) Interest due but not paid	793.71	680.60	NIL	1,474.31
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	3,559.55	2,911.51	NIL	6,471.06
Change in Indebtedness during the financial year				
Addition	NIL	77.15	NIL	77.15
Reduction	(14.82)	(5.68)	NIL	(20.50)
Net Change	(14.82)	71.46	NIL	56.65
Indebtedness at the end of the financial year				
i) Principal Amount	2,751.02	2,287.35	NIL	5,038.37
ii) Interest due but not paid	793.71	6.95.63	NIL	1,489.34
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	3,339.55	2,911.51	NIL	6,471.06

Note: Increase in Unsecured Loan and Interest due but not paid is on account of exchange variation.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A) Remuneration to Managing Director, Whole-time Directors (WTD) and / or Manager:

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount (₹)
		Mr. Sunil S. Valavalkar – WTD	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,55,561	13,55,561
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission		
	– as % of profit	Nil	Nil
	– others, specify.	Nil	Nil
5.	Others (PF Contribution)	89,629	89,629
	Total (A)	@ 14,45,190	14,45,190
	Ceiling as per the Act		1,20,00,000

@ The payment of managerial remuneration to the Whole-time Director is subject to approval of secured creditors and Central Government, if required, being sought.

B) Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount (₹)
		Mr. D. S. Gunasingh	Mr. Navin J. Kripalani	Mrs. Siddhi M. Thakur	
1.	Independent Directors				
	– Fee for attending board / committee meetings (₹)	16,20,000	12,75,000	16,95,000	45,90,000
	– Commission	Nil	Nil	Nil	Nil
	– Others, please specify	Nil	Nil	Nil	Nil
	Total (1) (₹)	16,20,000	12,75,000	16,95,000	45,90,000
2.	Other Non–Executive Directors				
	– Fee for attending board / committee meetings (₹)	1,00,000	9,95,000		10,95,000
	– Commission	Nil	Nil		Nil
	– Others, please specify	Nil	Nil		Nil
	Total (2) (₹)	1,00,000	9,95,000		10,95,000
	Total (B)=(1+2)				56,85,000
	Total Managerial Remuneration *				14,45,190\$
	Overall Ceiling as per the Act				1,20,00,000

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

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

\$ In the FY under review viz. FY 2019–20 remuneration paid to Mr. Sunil Valavalkar, WTD is within the overall ceiling.

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel (Amount in ₹)			
		CEO	CFO	Company Secretary*	Total
1.	Gross salary				
(a)	(a) Salary as per provisions contained in section 17(1) of the Income–tax Act, 1961		1,53,66,311	436,738	158,03,049
(b)	(b) (Value of perquisites u/s 17(2) of the Income–tax Act, 1961		Nil	Nil	Nil
(c)	(c) Profits in lieu of salary under section 17(3) of the Income–tax Act, 1961		Nil	Nil	Nil
2.	Stock Option	Not Applicable	Nil	Nil	Nil
3.	Sweat Equity		Nil	Nil	Nil
4.	Commission				
	– as % of profit		Nil	Nil	Nil
	– others, specify.		Nil	Nil	Nil
5.	Others (PF Contribution)		257,747	24,033	281,780
	Total		1,56,24,058	460,771	1,60,84,829

*Mr. Pratik Toprani –Company Secretary resigned from the post of Company Secretary w.e.f. 4th February, 2020.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties, punishments or compounding of offences under the Companies Act, 2013 during FY 2019–20.

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

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

- Ensure that quantity, quality and frequency of financial and managerial information which is shared with the Board, fully places the Board members in control of the Company's affairs.
- Ensure that the Board exercises its fiduciary responsibilities towards stakeholders thereby ensuring high accountability.
- Ensure that the extent to which the information is disclosed to present and potential investors is maximized.
- The decision-making is transparent and documented through the minutes of the meetings of the Board / Committees thereof.
- Maximizing long term value of the stakeholders and the Company and to protect interest of minority shareholders.
- Ensure that core values of the Company are protected.
- Ensure that the Company positions itself from time to time to be at par with any other company of world class operating practices.

2. BOARD OF DIRECTORS

NAME OF DIRECTOR	PD/ NPD *	ED/ NED/ ID/NID/ND*	Attendance in Board Meetings		Attendance in last AGM	Other Companies as on 31/03/2020				Directorship in other listed entity (Category of Directorship)
			Held	Attended		Board Directorship (incl. Chairmanship) **	Board Chairmanship **	Committee Membership (incl. Chairmanship) ***	Committee Chairmanship ***	
Mr. D. S. Gunasingh [DIN: 02081210]	NPD	NED/ID	5	5	Present	0	0	0	0	–
Mr. Navin J. Kripalani [DIN: 05159768]	NPD	NED/ID	5	5	Present	0	0	0	0	–
Mr. Sunil S. Valavalkar [DIN: 01799698]	NPD	ED/NID	5	5	Present	0	0	0	0	–
Mrs. Siddhi M. Thakur [DIN: 07142250]	NPD	NED/ID	5	5	Present	0	0	0	0	–
Mr. Badri Srinivasa Rao [DIN:02556029] (up to June 22, 2020)	NPD	NED/NID/ND##	5	1	Absent	0	0	0	0	–
Dr. Mahesh M. Borase [DIN:03330328]	NPD	NED/NID	5	5	Present	0	0	0	0	–
Mr. Venkata Apparao Maradani [DIN:08755883] (w.e.f. June 22, 2020)	NPD	NED/NID/ND##	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	–

Note: There is no inter-se relationship between the Board members.

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

** Excludes directorship in associations, private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013 Government Bodies

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

Mr. Venkata Apparao Maradani got appointed as Nominee of Director of IDBI Bank in place of Mr. Badri Srinivasa Rao w.e.f. June 22, 2020. Hence Mr. Badri Srinivasa Rao ceased to be Director w.e.f. June 22, 2020. Further, in terms of the Listing Regulations, Nominee Director(s) is / are treated as Non–Independent.

A. Details of Board Meetings held during the year:

Dates of Board Meeting	06-May-19	14-Aug-19	13-Nov-19	04-Feb-20	12-Mar-20
Board Strength	6	6	6	6	6
No. of Directors Present	5	5	6	5	5

Note: In terms of the Regulation 25(3) of the Listing Regulations and Schedule IV to the Companies Act, 2013, a meeting of Independent Directors was held on March 12, 2020 for transacting stipulated business.

B. Skill/ expertise/competencies of the Board of Directors:

In the context of its business and sector, for its effective functioning, the Company requires skills / expertise / competencies in the areas of Finance, Legal, Risk, Governance and Business Leadership.

The Board has identified the following skills / expertise / competencies for the effective functioning of the Company which are currently available with the Board:

Finance	Dr. Mahesh M. Borase, Mr. Venkata Apparao Maradani & Mr. D. S. Gunasingh
Legal & Governance	Mr. D. S. Gunasingh
Risk	Dr. Mahesh M. Borase & Mr. Venkata Apparao Maradani
Business Leadership	Mr. Sunil S. Valavalkar, Mr. Navin J. Kripalani & Dr. Mahesh M. Borase
Woman Director	Mrs. Siddhi M. Thakur

- C. In the opinion of the board, the independent directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

3. AUDIT COMMITTEE**A. Role / Terms of Reference:**

The role of the Audit Committee shall include the following:

- (i) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (iii) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
- (v) Any other terms of reference as may be included in the Companies Act, 2013 and the Listing Regulations including any amendments / re-enactments thereof from time to time.

B. Composition of Audit Committee and Attendance of Members:

Name of Director and position	Meetings / Attendance			
	06-May-19	14-Aug-19	13-Nov-19	04-Feb-20
Mr. D. S. Gunasingh, Chairman	Present	Present	Present	Present
Mr. Navin J. Kripalani, Member	Present	Present	Present	Present
Mrs. Siddhi M. Thakur, Member	Present	Present	Present	Present

4. NOMINATION & REMUNERATION COMMITTEE (NRC)**A. Role / Terms of Reference:**

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

- (iii) Devising a policy on diversity of Board of Directors;
- (iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- (v) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (vi) Providing information to the shareholders in case of appointment of New Director or re-appointment of a Director as stipulated in the Companies Act, 2013 and the Listing Regulations;
- (vii) Providing of General shareholder information in the Annual Report;
- (viii) Review of HR Policies / Initiatives & Senior Level Appointments;
- (ix) Administer and supervise Employees Stock Option Schemes including allotment of shares arising out of conversion of Employee Stock Option Scheme(s) or under any other employee compensation scheme;
- (x) Frame suitable Policies and systems for implementation, take appropriate decisions and monitor implementation of the following Regulations:
 - (a.) SEBI (Prohibition of Insider Trading) Regulations, 2015; and
 - (b.) SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
- (xi) Perform such other functions consistent with regulatory requirements.

B. Composition of NRC and Attendance of Members:

Name of Director and Position	Meetings/Attendance		
	06-May-19	14-Aug-19	04-Feb-20
Mr. Navin J. Kripalani, Chairman	Present	Present	Present
Mr. D. S. Gunasingh, Member	Present	Present	Present
Mrs. Siddhi M. Thakur, Member	Present	Present	Present

C. Performance Evaluation Criteria for Independent Directors:

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

D. Remuneration Policy:

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

I. Executive Directors:

- (i) Salary and commission not to exceed limits prescribed under the Companies Act, 2013.
- (ii) Remunerate from time to time depending upon the performance of the Company, Individual Directors performance and prevailing Industry norms.
- (iii) No sitting fees.
- (iv) No ESOPs for Promoter Directors.

II. Non-Executive Directors:

- (i) Eligible for commission based on time, efforts and output given by them.
- (ii) Sitting fees and commission not to exceed limits prescribed under the Companies Act, 2013.
- (iii) Eligible for ESOPs (other than Independent and Promoter Directors).

5. DETAILS OF REMUNERATION TO ALL THE DIRECTORS DURING THE YEAR ENDED MARCH 31, 2020

Name of Director	Salary (₹)	PF / Pension Fund (₹)	Perquisites (₹)	Commission (₹)	Performance linked bonus (along with Criteria) (₹)	Sitting fees (₹)	Total (₹)	Service Contract / Notice period/ Severance fees / Pension
a) Executive Directors								
i) Mr. Sunil S. Valavalkar Whole-time Director	13,55,561	89,629	–	@	@	NA	14,45,190	Liable to retire by rotation**
b) Non-Executive Directors								
i) Mr. D. S. Gunasingh Independent Director	–	–	–	@	–	16,20,000	16,20,000	#
ii) Mr. Navin J. Kripalani Independent Director	–	–	–	@	–	12,75,000	12,75,000	#
iii) Mrs. Siddhi M. Thakur Independent Director	–	–	–	@	–	16,95,000	16,95,000	#
iv) Mr. Badri Srinivasa Rao	–	–	–	@	–	@@1,00,000	1,00,000	
v) Dr. Mahesh M. Borase	–	–	–	@	–	9,95,000	9,95,000	Liable to retire by rotation

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

While Mrs. Siddhi M. Thakur was re-appointed as an Independent Director from April 1, 2018 up to March 31, 2023, Mr. D. S. Gunasingh & Mr. Navin J. Kripalani were re-appointed as Independent Directors for a second term of 5 (five) consecutive years from September 16, 2019 to September 15, 2024 and all three of them are not liable to retire by rotation.

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

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

Notes:

- Mr. D. S. Gunasingh held 100 equity shares in the Company as on March 31, 2020.
- Apart from the above, the Directors do not have any other pecuniary relationship or transactions with the Company.
- Currently the Company does not have any stock option plans / schemes.
- The details of familiarization programs imparted to independent directors are available on website link of the Company at http://www.gtllimited.com/ind/inv_cg.aspx

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

A. Composition of Committee:

Name of Director	Position
Mr. D. S. Gunasingh	Chairman
Mrs. Siddhi M. Thakur	Member
Dr. Mahesh M. Borase	Member

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

C. Name and Designation of compliance officer: On the resignation of Mr. Pratik Toprani, the Company Secretary and Compliance Officer (up to February 4, 2020), Mr. Deepak Keluskar has been appointed as the Company Secretary and Compliance Officer w.e.f June 22, 2020. During the intervening period Mr. Sunil S. Valavalkar, Whole-time Director acted as Compliance Officer.

D. Number of shareholders complaints received during 2019-20: One

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

F. Number of pending complaints: Nil

7. DETAILS OF GENERAL MEETINGS

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

Year	2016-17	2017-18	2018-19
Date	21-Sep-2017	27-Sep-2018	25-Sep-2019
Time	11:00 A.M.	11:00 A.M.	11:00 AM
Venue	Vishnudas Bhav Natyagraha, Sector 16-A, Vashi, Navi Mumbai 400703		Marathi Sahitya, Sanskriti & Kala Mandal, Sahitya Mandir Hall, Near Navi Mumbai Sports Association, Sector 6, Vashi, Navi Mumbai 400703
Details of Special Resolutions passed	NIL	<ul style="list-style-type: none"> a. Appointment of Mr. Sunil S. Valavalkar as a Whole-time Director of the Company b. Appointment of Mrs. Siddhi M. Thakur as Independent Director of the Company. c. Enter into and implement appropriate resolution plans and/or settlement proposals with the lenders 	<ul style="list-style-type: none"> a. Re-appointment of Mr. D. S. Gunasingh & Mr. Navin J. Kripalani as Independent Directors of the Company for a second term of five consecutive years b. Keeping the Register of Members and other registers / records of the Company maintained under Section 88 of the Act and copies of the Annual returns filed under Section 92 of the Act at the office of Registrar & Share Transfer Agent instead of Registered office of the Company.

B. Whether Special Resolutions were put through postal ballot last year, details of voting pattern: Yes, details as under:

Resolution under Section 180(1)(a) of the Companies Act, 2013, read with Rule 22(16)(i) of the Companies (Management and Administration) Rules, 2014, empowering the Company to sell, lease or otherwise dispose of the whole or substantially the whole of the Operations, Maintenance & Energy Management ("OME") Business.

The Company received 13 postal ballot forms and 145 E-Votes aggregating 158 ballots. After weeding out 2 forms on technical grounds, out of total valid 156 postal ballot forms (including E-Votes) for 6,19,55,952 equity votes, 135 ballots consisting of 5,59,11,698 equity votes representing 90.2443% of valid votes were in favor of the resolution. Accordingly, based on the report of the scrutinizer, the resolution was declared as passed as a special resolution with requisite majority on October 1, 2019.

C. Person who conducted the postal ballot exercise: Mr. Virendra G. Bhatt, Practicing Company Secretary

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

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

E. The Procedure for postal ballot:

As and when Special Resolutions are conducted, they shall be conducted as per the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions if any.

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

Sr. No.	Date	Time	Venue	Purpose
1.	FY 2016–17	Not Applicable	Not Applicable	Not Applicable
2.	FY 2017–18	Not Applicable	Not Applicable	Not Applicable
3.	FY 2018–19	Not Applicable	Not Applicable	Not Applicable

8. MEANS OF COMMUNICATION**A. Quarterly Results:**

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

B. Publication of Quarterly Results:

The Quarterly Results were published in the Newspapers as under:

Newspapers	Date of publication of results for the Quarter ended			
	31–Mar–19	30–Jun–19	30–Sep–19	31–Dec–19
Free Press Journal	07–May–19	15–Aug–19	14–Nov–19	05–Feb–20
Navshakti	07–May–19	15–Aug–19	14–Nov–19	05–Feb–20

C. Website where displayed:

http://www.gtllimited.com/ind/Notice_to_Stock_Exchange.aspx

D. Whether it also displays official news releases:

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

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

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

9. GENERAL SHAREOWNER INFORMATION:

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

A. Date, time and venue of the 32nd Annual General Meeting:

Date: September 30, 2020

Time: 10.00 A.M. (IST)

Venue: The Company is conducting meeting through Video Conferencing (VC) / Other Audio–Visual Means (OAVM) pursuant to circular issued by Ministry of Corporate Affairs dated May 5, 2020. Accordingly the venue of 32nd AGM shall be deemed to be the Registered Office of the Company at “Global Vision”, Electronic Sadan No. II, M.I.D.C., T.T.C. Industrial Area, Mahape, Navi Mumbai–400 710. Maharashtra, India. For details please refer to the Notice of AGM.

B. Financial Year: April 1 – March 31**C. Dividend Payment Date:** Not Applicable as the Board has not recommended any dividend for FY 2019–20.**D. Listing on Stock Exchanges:**

BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai– 400001	National Stock Exchange of India Limited (NSE) Exchange Plaza, C–1, Block G, Bandra Kurla Complex, Bandra East, Mumbai – 400051
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Listing Fees for FY 2020–21 in respect of equity capital paid to both the Stock Exchanges.

E. Stock Exchange Codes:

Equity		Non-Convertible Debentures* (Listing on BSE only)**		
Stock Exchange / News Agency	Stock Code	Series	ISIN	BSE Code
BSE	500160	I	INE043A08017	946494
NSE	GTL	II	INE043A08025	946495
Reuters Code	GTL.BO & GTL.NS	III	INE043A08033	946496
Bloomberg ticker	GTS:IN	IV	INE043A08041	946521
Equity ISIN	INE043A01012	V	INE043A08058	946522
		VI	INE043A08066	946523

***Debenture Trustees: IDBI Trusteeship Services Ltd.**
Asian Building, Gr. Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001.
Tel.: 022-4080 7000; **Fax:** 022-6631 1776; **Email:** itsl@idbitrustee.com / response@idbitrustee.com

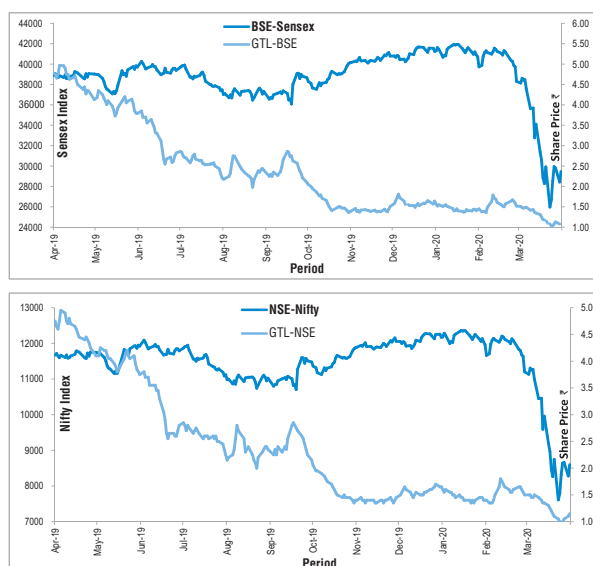
**Got delisted for the reason 'Redemption'

F. Stock Market Price Data:

Monthly high and low of closing quotations and volume of shares traded on BSE and NSE are given below:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (Nos.)	High (₹)	Low (₹)	Volume (Nos.)
Apr-2019	4.97	4.13	4,51,762	4.95	4.10	13,45,291
May-2019	4.35	3.73	3,84,768	4.25	3.75	8,66,982
Jun-2019	3.85	2.55	4,36,157	3.80	2.55	8,19,824
Jul-2019	2.86	2.21	2,14,383	2.85	2.25	6,93,358
Aug-2019	2.75	1.98	2,64,260	2.80	2.00	10,84,613
Sep-2019	2.86	2.10	2,58,299	2.85	2.15	4,53,450
Oct-2019	2.05	1.36	5,25,793	2.05	1.35	12,90,099
Nov-2019	1.51	1.37	5,98,937	1.45	1.35	23,13,861
Dec-2019	1.81	1.49	6,65,259	1.70	1.45	16,70,865
Jan-2020	1.57	1.37	6,83,023	1.60	1.35	14,80,809
Feb-2020	1.79	1.36	3,48,528	1.80	1.35	14,88,796
Mar-2020	1.51	1.03	2,60,590	1.50	0.95	13,82,527

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



**H. Registrar and Share Transfer Agent:
Bigshare Services Private Limited**

Unit: GTL Limited

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East),
Mumbai-400059 Maharashtra, India

Tel : +91-22-62638200 **Extn:** 221-222 **Fax:** + 91 22 62638299

Email : info@bigshareonline.com **Website:** www.bigshareonline.com

Online form based investor correspondence link: <http://www.bigshareonline.com/contact.aspx>

I. Share transfer system:

Pursuant to the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities in physical form are not being processed by RTA. In the case of transmission or transposition, the transfers are processed and approved by the RTA and reported for noting subsequently at the Stakeholders' Relationship Committee of the Company. Such transfers are generally processed within a period of 15 (fifteen) days from the date of receipt of the documents by the RTA.

As a part of compliance requirement, the Company also obtains from a Practicing Company Secretary a half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the compliance certificate with the Stock Exchanges where the shares of the Company are listed.

J. Distribution of shareholding as on March 31, 2020:

1) Distribution of shares according to size of holding:

No. of Shares	No. of Shareholders	% of Shareholders	Share amount (₹)	% to Total
Up to 500	57,702	82.31	7,58,03,360	4.82
501 – 1000	5,610	8.00	4,62,56,150	2.94
1001 – 2000	3,133	4.47	4,86,24,880	3.09
2001 – 3000	1,172	1.67	3,02,23,190	1.92
3001 – 4000	540	0.77	1,94,97,430	1.24
4001 – 5000	509	0.73	2,43,00,950	1.54
5001 – 10000	783	1.12	5,80,06,140	3.69
10001 & Above	653	0.93	1,27,02,55,710	80.76
TOTAL	70,102	100.00	1,57,29,67,810	100.00

2) Distribution of shares by categories of shareholders:

Sr. No.	Category	Nos. of Shares held	Voting Strength %
1	Promoter & Promoter Group	# 5,09,80,559	32.41
2	Public – Institutions		
a.	– Foreign Portfolio Investors / FII	3,39,033	0.22
b.	– Banks	3,25,72,647	20.71
c.	– Insurance Companies	10,07,259	0.64
	Public Institutions (Sub–Total)	3,39,18,939	21.56
3	Public – Non–Institutions		
a.	– Resident Individuals / HUF	4,80,56,416	30.55
b.	– Other – Bodies Corporate / Trusts (Domestic)	2,23,59,540	14.21
c.	– Other – Clearing Members	5,89,242	0.37
d.	– Other – Non–resident Indians	10,04,297	0.64
e.	– Other – Foreign National	1,933	0.00
f.	– Other – Overseas Corporate Bodies	25,250	0.02
g.	– Other – Directors/Relatives	3,850	0.00
h.	– Other – Unclaimed Suspense Account	56,377	0.04
i.	– Other – Investor Education & Protection Fund Authority	3,00,378	0.19
	Public Non–Institutions (Sub–Total)	7,23,97,283	46.03
	Total:	15,72,96,781	100.00

#Excluding 1,85,99,435 pledged equity shares held by Mr. Manoj G. Tirodkar, Promoter, invoked by Lenders on March 28, 2019

3) Top 10 Shareholders:

Sr. No.	Name(s) of Shareholders	Category	No. of Shares	% holding
01	Global Holding Corporation Private Limited (Promoter)	Domestic Company	5,09,80,559	32.41
02	IDBI Trusteeship Services Limited#	Corporate Bodies	1,85,99,435	11.82
03	Union Bank of India ^	Bank	75,56,681	4.80
04	Bank of India	Bank	60,99,512	3.88
05	Punjab National Bank *	Bank	51,15,778	3.25
06	Bank of Baroda®	Bank	46,01,105	2.93
07	Canara Bank	Bank	32,93,975	2.09
08	Indian Overseas Bank	Bank	24,33,199	1.55
09	UCO Bank	Bank	18,54,519	1.18
10	Small Industries Development Bank of India	Corporate Body	16,49,828	1.05

IDBI Trusteeship Services Limited is currently holding 1,85,99,435 pledged equity shares of Mr. Manoj G. Tirodkar, Promoter, invoked by Lenders on March 28, 2019

^ Andhra Bank merged with Union Bank of India as reflected in beneficiary position dated March 31, 2020

* United Bank of India merged with Punjab National Bank as reflected in beneficiary position dated March 31, 2020

@ Vijaya Bank and Dena Bank merged with Bank of Baroda as reflected in beneficiary position dated April 12, 2019 & April 26, 2019 respectively.

K. Dematerialisation of shares and liquidity:

Trading in equity shares of the Company on the Stock Exchanges is permitted only in dematerialised form as per notification issued by SEBI. The shares of the Company are available for trading under both the Depository Systems in India – NSDL & CDSL. 99.87% of the Company's shares are held in dematerialised form as on March 31, 2020, as in the previous year.

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

L. Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible instruments, conversion date and likely impact on equity:

Currently the Company does not have any outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible instruments and hence there will be no impact on equity.

M. Plant Locations:

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

N. Address for correspondence:**Registered Office**

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

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

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

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

O. Credit Ratings obtained by the Company

The Company does not have any credit rating.

10. OTHER DISCLOSURES**A. Disclosures on materially significant related party transactions of the Company that may have potential conflict with the interests of the Company at large:**

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

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

There was no such instance in the last three years.

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

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

D. Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company confirms that it has complied with all mandatory requirements prescribed in the Listing Regulations for the financial year 2019–20. The Company has obtained a certificate from Auditors certifying its compliance with the paragraph E of Schedule V to the Listing Regulations. This certificate is annexed to the Directors' Report for the FY 2019–20.

As regards adoption of non-mandatory requirements, the same is provided under serial No. 12 below

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

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

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

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

- G. A certificate has been received from a Practicing Company Secretary that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or such other statutory authorities.
- H. For the Financial year 2019–20, the total fees paid by the Company and its subsidiaries, on a consolidated basis to M/s. GDA & Associate, Statutory Auditors and all entities in the network firm / network entity of which the statutory auditors are part thereof for all the services provided by them is ₹ 0.37 Crores.
- I. **Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Details of number of complaints received, disposed and pending during the year 2019–20 pertaining to the Sexual Harassment of Women at Workplace are as under:

Number of complaints file during the financial year	NIL
Number of complaints disposed of during the financial year	NIL
Number of complaints pending as on end of the financial year	NIL

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

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

12. Discretionary Requirements

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

A. The Board:

Has a Non-Executive Chairman. He is provided with an office and the expenses incurred by him in the performance of his duties are reimbursed.

B. Shareholders Rights:

Financial Results for the half year / quarter ended September 30, 2019 were published in the Free Press Journal and Navshakti newspapers and were also displayed on the Company's website www.gtllimited.com and disseminated to the Stock Exchanges (i.e. BSE & NSE) wherein its equity shares are listed, hence separately not circulated to the shareholders.

C. Modified opinion(s) in Audit Report:

The modified opinion of the Auditor has arisen under the circumstances stated in Note No. 33.1 in the Standalone Financial Statements and the same has been dealt with appropriately in the Directors' Report/Notes to Accounts. Once the Company's efforts to arrive at a settlement with its lenders succeed, the Company will be in a position to move towards a regime of financial statements with unmodified audit opinion.

D. Separate posts of Chairman and CEO:

The posts of Chairman and CEO are separate.

E. Reporting of Internal Auditor:

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

13. Compliance with Corporate Governance Requirements

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

14. Legal Proceedings

For details of legal proceedings reference may be made to 'Status of legal cases' given under Management Discussion and Analysis Report.

15. Unpaid / Unclaimed Dividends

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

Further, shares in respect of such dividends which have not been claimed for a period of seven consecutive years are also liable to be transferred to the demat account of the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares. Accordingly, this requirement does not apply to the Unpaid Dividend of ₹ 0.20 Crores pertaining to the years 2000–01, 2001–02 and 2003–04 to 2009–10, which has not been transferred to IEPF, but held in abeyance on account of pending legal cases. The provisions relating to transfer of shares were made effective by the Ministry of Corporate Affairs, vide its Notification dated October 13, 2017 read with the circular dated October 16, 2017, wherein it was provided that where the period of seven consecutive years, as above, was completed or being completed during the period from September 7, 2016 to October 31, 2017, the due date for transfer of such shares was October 31, 2017 to be completed on or before November 30, 2017.

The Company has not declared / paid any dividend for FY 2010–11 and thereafter. As reported in the Annual Reports for FY 2017–18 and onwards, the Company had complied with the requirements and transferred unclaimed dividend of FY 2009–10 and related shares to the IEPF Authority. No further Unclaimed / Unpaid Dividend(s) are due for transfer to the IEPF as of date.

Pursuant to the provisions of IEPF (Uploading of information regarding unpaid & unclaimed amounts lying with companies) Rules, 2012, as of September 25, 2019 (date of last AGM), as there were no further unclaimed / unpaid dividends due for transfer to the IEPF, there were no further details to be uploaded on the website of the Company / Ministry of Corporate Affairs.

The members who have a claim on dividends / shares which are transferred to the IEPF by the Company may verify their claims, if any, on the website of the Company viz. www.gtllimited.com (under tabs “home” > “investors” > “investor information” > “Unpaid / Unclaimed Dividend”). Claims, if any, may be raised with the IEPF Authority by submitting an online application in the prescribed Form No. IEPF–5 available on the website www.iepf.gov.in and sending a duly signed physical copy of the same to the Company, along with the requisite documents enumerated in the said Form No. IEPF–5. No claims shall lie against the Company in respect of the dividends / shares so transferred.

16. Equity Shares in the Suspense Account:

In accordance with the requirements of Regulations 34(3) and Part F of Schedule V to the Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account:

Sr. No.	Particulars	No. of Shareholders	No. of Shares
(i)	Aggregate number of shareholders and the outstanding shares lying in the suspense account as on April 1, 2019	506	56,377
(ii)	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	0	0
(iii)	Number of shareholders to whom shares were transferred from suspense account during the year	0	0
(iv)	Aggregate number of shareholders and the outstanding shares lying in the suspense account as on March 31, 2020	506	56,377

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

DECLARATION BY THE WHOLE-TIME DIRECTOR

Pursuant to the provisions of Regulation 34(3) read with Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, it is hereby declared that all the Board Members and Senior Management Personnel of GTL Limited have affirmed compliance with the Code of Conduct for 'Directors and Senior Management' for the year ended March 31, 2020.

Date: August 25, 2020
Place: Mumbai

Sunil S. Valavalkar
Whole-time Director

INFORMATION ON DIRECTOR(S) RECOMMENDED FOR APPOINTMENT / RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING**Dr. Mahesh M. Borase,**

Dr. Mahesh M. Borase, aged 54 years, holds PhD in Management, Post Graduate Degree in Financial Management and Bachelors in Textile Technology. With a blend of academia and 33 years of professional experience across leading Corporates and Management Institutes like Raymond, Ashok Leyland Finance, Cholamandalam Group and Welingkars Institute of Management Development, he has also contributed as Senior Management Consultant. Dr. Mahesh M. Borase is also a specialist in Corporate Services for effecting Business Revival & Turnaround and Financial Planning. Leveraging his academic qualifications, teaching background and corporate experience, Dr. Borase has developed training modules for working professionals in financial management. He has conducted workshops for various companies like Tata Motors, L&T, ION Exchange and Banks like Central Bank of India and Bank of India for Learning and Development of staff. Dr. Mahesh M. Borase has authored several Articles, Research Papers and is a recipient of State and National level awards.

In GTL Limited, he is Non – Executive / Non–Independent Director. He is a Member of Stakeholder Relationship Committee. He does not hold any shares of the Company either through himself or through his relatives. There is no inter–se relationship between him and other Board Members / Promoters.

INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS

To,

The Members of GTL LIMITED

**Report on the audit of the Standalone Financial Statements
Qualified Opinion**

We have audited the accompanying standalone financial statements of **GTL Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, notes to the financial statements and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements") in which are included the Returns for the year ended on that date of the Company's branch located at Nepal.

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matters prescribed in the basis for qualified opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

As mentioned in Note No. 33.1 to the Statement, the Company has neither paid nor provided interest on its borrowings during the financial year. Had such interest been recognised, the finance cost and interest liability for the year ended March 31, 2020 would have been more by Rs. 484.08 Crores. Consequently, the reported Loss after Other Comprehensive Income by the Company for the year ended March 31, 2020 would have been Rs. 714.94 Crores. The Earnings per Share (EPS) would have been Negative Rs. 45.43.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 / independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our modified audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to the following notes to the accompanying financial statements

- a) Note no. 46 which inter-alia states that the Company has incurred cash losses, its Net worth has been fully eroded and the Company's current liabilities have exceeded its current assets as at March 31, 2020. The above conditions indicate the existence of the material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the Standalone financial statements of the Company have been prepared on going concern basis for the reasons stated in the said note.
- b) Note no. 6.2 which inter-alia states that, company had pledged certain investments in its subsidiary / associate / affiliate companies with the lenders towards the borrowings from them. During the previous year, lenders had invoked the pledge and transferred those investments of the company in the name of its trustees without appropriating the same against the borrowings. Pending appropriation of pledged shares as mentioned above, the said investments are continued to be classified under 'Long Term Investments'.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Subsidiaries Classified as Held for Sale</p> <p>The Company is in the process of entering into a sale agreement which results into loss of control of subsidiaries. The assets and liabilities of these subsidiaries are classified as 'held for sale'. The same is considered as key audit matter as it involves evaluation of conditions that is required to be satisfied for classification of assets held for sale, fair valuation of assets less cost of disposal and liabilities on such classification and consequential impairment, if any, and disclosure and presentation in the financial statements.</p> <p>(Refer note 18 to the Standalone financial statements)</p>	<p>We have carried out the following procedures in respect of these matters:</p> <ul style="list-style-type: none"> ➤ Obtained management representation for classifying the investments in subsidiaries as "Held for Sale" ➤ Read minutes of meetings of Board of Directors of the Company. ➤ Verified the impairment loss that is recognised on initial recognition and on subsequent measurement when carrying amount exceeds its fair value less costs of disposal. ➤ Obtained and relied on the financial statements of these subsidiaries as certified by the management. ➤ Verified the disclosure and presentation of financial statement in accordance with Ind AS – 105 'Non-current Assets held for sale and discontinued operations'

Sr. No.	Key Audit Matter	Auditor's Response
2.	<p>Evaluation of uncertain tax positions:</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p>	<p>Our procedures included the following:</p> <p>Obtained understanding of key uncertain tax positions;</p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2020 from the management;</p> <p>We along with our internal tax experts –</p> <ol style="list-style-type: none"> i. Discussed with management and evaluated the Management's underlying key assumptions in estimating the tax provision; ii. Assessed management's estimate of the possible outcome of the disputed cases; and iii. Considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. <p>Additionally, considered the effect of new information in respect of uncertain tax positions as at April 1, 2019 to evaluate whether any change was required to management's position on these uncertainties.</p>
3.	<p>Assessment of contingent liabilities and provisions related to Taxation, Litigations and claims:</p> <p>The assessment of the existence of the present legal or constructive obligation, analysis of the probability of the related payment and analysis of a reliable estimate, requires management's judgement to ensure appropriate accounting or disclosures.</p> <p>Due to the level of judgement relating to recognition, valuation and presentation of provisions and contingent liabilities, this is considered to be a key audit matter.</p> <p>(Refer note 39 to the Standalone financial statements)</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ➤ As part of our audit procedures we have assessed Management's processes to identify new possible obligations and changes in existing obligations for compliance with company policy and Ind AS 37 requirements. ➤ We have analysed significant changes from prior periods and obtain a detailed understanding of these items and assumptions applied. ➤ We have obtained relevant status details and Management representations on the major outstanding litigations. ➤ As part of our audit procedures we have reviewed minutes of board meetings (including the Audit Committee). ➤ We have held regular discussions with Management and internal legal department. ➤ We challenged the assumptions and critical judgements made by management which impacted their estimate of the provisions required, considering judgements previously made by the authorities in the relevant jurisdictions or any relevant opinions given by the Company's advisors and assessing whether there was an indication of management bias. ➤ We discussed the status in respect of significant provisions with the Company's internal tax and legal team. <p>We performed retrospective review of management judgements relating to accounting estimate included in the financial statement of prior year and compared with the outcome.</p>

Other matters

- a) We did not audit the financial statements / information of Nepal branch included in the Standalone financial statements of the company, whose financial statements / financial information reflect total assets of Rs. 0.70 Crores (net assets of Rs. 0.05 Crores) as at March 31, 2020 and total revenues of Rs. Nil for the year ended on that date. The financial statements / information of this branch are unaudited. According to the information and explanations given to us by the Management, there are no transactions at the said branch and these financial statements / information are not material to the Company.
- b) As at March 31, 2020, balance Confirmations, with respect to Bank Loan (including interest accrued), Bank Guarantee, Bank Current Account and Fixed Deposits aggregating to Rs. 3,638.67 Crores, have not been received.

- c) The Statement includes results for the quarter ended March 31, 2020 and March 31, 2019 being balancing figures between audited figures in respect of full financial year and published unaudited year to date figures up to the third quarter of the current financial year i.e. December 31, 2019 and December 31, 2018 which were subjected to limited review by us.

Our opinion is not modified in respect of above matter.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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

- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
- II. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The reports on the accounts of the branch offices of the Company have not been audited under Section 143(8) of the Act by branch auditor and have been appropriately dealt with by us in preparing this report. (Refer Point (a) of Other Matter paragraph above)
 - d) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - e) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.
- f) On the basis of the written representations received from the directors 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.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 read with Notification No G.S.R 307(E) dated 30.03.2017, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note No. 39.C.1 to the Standalone Financial Statements.
 - ii. The Company does not have any long – term contracts including derivative contracts for which there are any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. However, unpaid dividend of Rs. 0.20 Crore pertaining to the years 2000–01, 2001–02 and 2003–04 to 2009–10 has not been transferred to Investor Education and Protection Fund but is held in abeyance on account of pending legal cases.
- III. As required by the Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

For GDA & Associates Chartered Accountants

Firm Registration Number: 135780W

Mayuresh V. Zele Partner

Membership No: 150027
UDIN : 20150027AAAAA02603

Place : Mumbai
Date : June 22, 2020

ANNEXURE – “A” TO THE INDEPENDENT AUDITOR’S REPORT ON STANDALONE FINANCIAL STATEMENTS OF GTL LIMITED

(Referred to in paragraph I under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of GTL Limited on the Standalone Financial Statements for the year ended March 31, 2020)

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
- b) As explained to us, the Company has a phased program of physical verification of the property, plant and equipment, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets.
- During the year the Company, in accordance with the said program, has physically verified certain property, plant and equipment. No material discrepancies were noticed on such physical verification.
- c) According to the information and explanations given to us and based on the records produced, the title deeds of the immovable properties held by the Company are in the name of the Company. The title deeds of the immovable properties held by the Company are verified from the photo copies of such title deeds as the originals thereof have been deposited with the lenders for securing the borrowings of the Company and confirmation for the same has been obtained from IDBI Trusteeship Services Limited.
- ii. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of sub clauses (a), (b), (c) of clause (iii) of the order are not applicable to the company.

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of investments made, and guarantees and securities given. According to the information and explanations given to us, the Company has neither provided any security nor given any loans.
- v. In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, are not applicable and hence not commented upon.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the cost records to be maintained under sub-Section (1) of Section 148 of the Act in respect of business activities carried on by the Company. Therefore, the provisions of clause (vi) of the Order are not applicable to the Company.
- vii. a) According to the information and explanations given to us and according to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and any other statutory dues, wherever applicable.
- On the basis of examination of the relevant records and according to the information and explanations given to us, except for Sales Tax dues of Rs. 5.68 Crores & GST dues of 0.05 Crores, no undisputed amounts payable in respect of aforesaid dues were outstanding as at March 31, 2020 for a period of more than 6 months from the date they became payable.
- b) According to the information and explanations given to us, there were no dues in respect of Income Tax, Duty of Excise, Duty of Customs, Sales Tax, Service Tax, Goods and Service Tax and Value Added Tax which have not been deposited on account of any dispute except the following:

(Rs. in Crores)

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which amount relates (Financial Year)	Gross Amount involved	Amount Paid under protest	Amount Unpaid
Central Sales Tax Act, 1956 and respective states Sales Tax	Sales Tax, Entry Tax, Trade Tax, Penalty, Interest	Commissioner (Appeals), Joint Commissioner, Additional Commissioner, Deputy Commissioner	1992–1993, 1995–1997, 2005–2015	106.79	3.62	103.17
		Appellate Tribunals and Revision Boards	1995–1996, 2002–2003, 2005–2011	6.99	1.29	5.70
Total (A)				113.78	4.91	108.87

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which amount relates (Financial Year)	Gross Amount involved	Amount Paid under protest	Amount Unpaid
Finance Act, 1994 (Service Tax)	Service Tax, Interest, Penalty	Commissioner (Appeals)	2013–2014, 2015–2017	18.35	0.97	17.38
Total (B)				18.35	0.97	17.38
Grand Total (A+B)				132.13	5.88	126.25

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

a) Nature of Dues : Term Loan

(Grouped and disclosed under the heading “Secured: Payable to CDR lenders” of note no. 25 “Other Financial Liabilities” to the Standalone Financial Statements)

(Rs. in Crores)

Name of the Lender	Amount of Default	Period of Default			
		Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years
Andhra Bank	216.50	26.63	26.63	47.94	115.29
Bank of Baroda	72.97	9.37	9.37	16.87	37.36
Bank of India	272.21	33.20	33.20	59.75	146.06
Canara Bank	150.23	18.32	18.32	32.98	80.61
Catholic Syrian Bank	35.83	4.50	4.50	8.10	18.72
Dena Bank	124.23	15.25	15.25	27.46	66.26
IDBI Bank	105.27	18.46	18.46	33.22	35.13
Indian Bank	74.42	9.12	9.12	16.41	39.77
Indian Overseas Bank	110.50	13.54	13.54	24.37	59.06
Punjab National Bank	172.81	22.51	22.51	40.51	87.28
State Bank of Hyderabad	9.72	2.26	2.26	4.06	1.14
Standard Chartered Bank	16.25	1.81	1.81	3.25	9.39
Small Industrial Development Bank of India	74.93	9.18	9.18	16.52	40.05
UCO Bank	84.61	10.32	10.32	18.57	45.40
Union Bank of India	120.20	15.41	15.41	27.74	61.65
United Bank of India	52.65	6.45	6.45	11.61	28.14
Vijaya Bank	121.16	14.77	14.77	26.59	65.03
Total	1814.47	231.09	231.09	415.96	936.33

b) Nature of Dues : Funded Interest Term Loan

(Grouped and disclosed under the heading “Secured: Payable to CDR lenders” of note no. 25 “Other Financial Liabilities” to the Standalone Financial Statements)

(Rs. in Crores)

Name of the Lender	Amount of Default	Period of Default
Andhra Bank	39.39	More than 3 Years
Bank of Baroda	10.03	More than 3 Years
Bank of India	42.13	More than 3 Years
Canara Bank.	26.81	More than 3 Years
Catholic Syrian Bank	6.37	More than 3 Years
Dena Bank	21.81	More than 3 Years

Name of the Lender	Amount of Default	Period of Default
IDBI Bank	20.80	More than 3 Years
Indian Bank	10.87	More than 3 Years
Indian Overseas Bank	17.66	More than 3 Years
Punjab National Bank	31.80	More than 3 Years
State Bank of Hyderabad	2.68	More than 3 Years
Standard Chartered Bank	2.57	More than 3 Years
Small Industrial Development Bank of India	10.22	More than 3 Years
UCO Bank	11.88	More than 3 Years
Union Bank of India	16.13	More than 3 Years
United Bank of India	9.94	More than 3 Years
Vijaya Bank	21.31	More than 3 Years
Total	302.41	

c) Nature of Dues: Liability for Bank Guarantee Invocation

(Grouped and disclosed under the heading "Secured: Payable to CDR lenders" of note no. 25 "Other Financial Liabilities" to the Standalone Financial Statements)

(Rs. in Crores)

Name of the Lender	Amount of Default	Period of Default
Andhra Bank	7.27	More than 3 Years
Dena Bank	16.88	More than 3 Years
IDBI Bank	2.65	More than 3 Years
Punjab National Bank	58.04	More than 3 Years
UCO Bank	6.17	More than 3 Years
Union Bank of India	20.13	More than 3 Years
Total	111.13	

d) Nature of Dues: External Commercial Borrowings

(Disclosed under the heading "Unsecured: Payable to External Commercial Borrowings (ECB) Lenders" of Note No. 25 "Other Financial Liabilities" to the Standalone Financial Statements)

(Rs. in Crores)

Name of the Lender	Amount of Default	Period of Default
Al Salam Bank, Bahrain BSC	37.95	More than 8 years
Ami life Insurance PCC Limited	57.70	More than 8 years
Bank of Baroda – London	239.84	More than 8 years
Bank of India – London	97.55	More than 8 years
Pegasus CP One Ltd.	86.72	More than 8 years
Indian Bank – Colombo	37.95	More than 8 years
Indian Bank – Singapore	37.95	More than 8 years
Indian Overseas Bank – Hong Kong	75.90	More than 8 years
Punjab National Bank – London	50.49	More than 8 years
Syndicate Bank– London	75.73	More than 8 years
Total	797.77	
Less : Deposits / Security Margin	(100.58)	
Total	697.20	

e) Nature of Dues: Non-Convertible Debentures

As regards dues of Rs. 1,590.16 crores disclosed under "Payable to holder of Rated Redeemable Unsecured Rupee Non-Convertible Debentures" in Note No. 25 "Other Financial Liabilities".

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

We further invite attention to Note No 25.3 to the Standalone Financial Statements for the same.

- ix. According to the information and explanations given to us and on the basis of examination of records, the Company has neither obtained new term loans nor raised any money by way of initial public offer or further public offer of shares and/or debt instruments during the year. Therefore, the provisions of clause (ix) of the Order are not applicable to the Company.
- x. Based on our audit procedures performed for the purpose of reporting the true and fair view of the Standalone Financial Statements and on the basis of information and explanations given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of records of the Company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the provisions of clause (xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of records of the Company, the transactions entered with related parties are in compliance with provisions of section 177 and 188 of the Act, where applicable and the details of such transactions are disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of records of the Company, the Company during the year has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, the provisions of clause (xiv) of the Order are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us and based on our examination of records of the Company, the Company during the year has not entered into any non cash transactions with directors or persons connected with the directors covered under the provisions of section 192 of the Act and accordingly the provisions of clause (xv) of the Order are not applicable to the Company.
- xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For GDA & Associates
Chartered Accountants**

Firm Registration Number: 135780W

**Mayuresh V. Zele
Partner**

Membership No: 150027
UDIN : 20150027AAAAA02603

Place : Mumbai
Date : June 22,2020

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON STANDALONE FINANCIAL STATEMENTS OF GTL LIMITED

(Referred to in paragraph II (g) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the members of GTL Limited on the Standalone Financial Statements for the year ended March 31, 2020)

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

We have audited the internal financial controls over financial reporting of **GTL Limited** (“the Company”) as of March 31, 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient

and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 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 issued by the ICAI.

For GDA & Associates Chartered Accountants

Firm Registration Number: 135780W

Mayuresh V. Zele Partner

Membership No: 150027

UDIN : 20150027AAAAA02603

Place : Mumbai

Date : June 22,2020

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results (Standalone)

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]**

₹ Lakhs

I. Sr. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total Income	22,771.34	22,771.34
2.	Total Expenditure	45,822.97	94,230.78
3.	Net Profit / (Loss)	(23,086.37)	(71,494.18)
4.	Earnings Per Share	(14.66)	(45.43)
5.	Total Assets	26,467.21	26,467.21
6.	Total Liabilities	705,228.54	753,636.35
7.	Net Worth	(678,761.33)	(727,169.14)
8.	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

As mentioned in Note No. 10 to the Statement, the Company has neither paid nor provided interest on its borrowings during the financial year. Had such interest been recognised, the finance cost and interest liability for the year ended March 31, 2020 would have been more by Rs. 48,407.81 Lakhs.

Consequently, the reported Loss after Other Comprehensive Income by the Company for the year ended March 31, 2020 would have been Rs. 71,494.18 Lakhs. The Earnings per Share (EPS) would have been Negative Rs. 45.43.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: Third time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

The Company has neither paid nor provided interest on its borrowings during the financial year in view of details explained in the Note 10 of SEBI results (Standalone).

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

(i) Management's estimation on the impact of audit qualification:

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

(iii) Auditors' Comments on (i) or (ii) above:

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

Mayuresh V. Zele
Partner
M.No. 150027
Mumbai, June 22, 2020

For and on behalf of the Board
Sunil Valavalkar
Whole-time Director

D.S. Gunasingh
Chairman of Audit Committee

Milind Bapat
Chief Financial Officer

Standalone Balance Sheet as at March 31, 2020

₹ Crores

Particulars	Notes	As at	
		31 March 2020	31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	3	74.98	75.13
Capital work-in-progress	3	NIL	NIL
Investment properties	4	3.01	3.08
Intangible assets	5	0.73	0.75
Financial assets			
Investments	6	51.16	184.19
Loans	7	0.71	0.97
Other	8	NIL	NIL
Deferred tax assets (net)		NIL	NIL
Other non-current assets	9	NIL	NIL
		130.59	264.12
Current assets			
Inventories	10	NIL	NIL
Financial assets			
Investments		NIL	NIL
Trade receivables	11	0.01	0.01
Cash and cash equivalents	12	3.79	4.67
Bank balance other than included in Cash and cash equivalents above	13	83.70	3.03
Loans	14	0.79	0.07
Other	15	8.62	6.86
Current Tax Assets (Net)	16	22.87	18.01
Other current assets	17	14.30	13.36
Assets held for Sale and Discontinued Operations	18	NIL	NIL
		134.08	46.01
		264.67	310.13
Total Assets			
Equity and liabilities			
Equity			
Equity Share Capital	19	157.30	157.30
Other Equity	20	(6,944.91)	(6,714.05)
Total Equity		(6,787.61)	(6,556.75)
Non-current liabilities:			
Financial liabilities			
Borrowings	21	174.33	156.87
Other financial liabilities	22	2.34	NIL
Provisions	23	1.28	0.45
		177.95	157.32
Current liabilities:			
Financial liabilities			
Trade payables	24		
– Total outstanding dues to micro & small enterprises		1.30	1.30
– Total outstanding dues to other than micro & small enterprises		68.03	56.59
Other financial liabilities	25	6,787.86	6,639.97
Other current liabilities	26	17.10	11.65
Provisions	27	0.04	0.05
		6,874.33	6,709.56
Total liabilities		7,052.28	6,866.88
Total equity and liabilities		264.67	310.13
The accompanying notes form an integral part of the standalone financial Statement	37		

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

Mayuresh V. Zele
Partner
M.No. 150027
Mumbai, June 22, 2020

For and on behalf of the Board

Sunil S. Valavalkar
Whole-time Director

D. S. Gunasingh
Director

Milind Bapat
Chief Financial Officer

Dr. Mahesh Borase
Director

Deepak Keluskar
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2020

₹ Crores (unless otherwise stated)

Particulars	Notes	Year ended 31 March, 2020	Year ended 31 March, 2019
Continuing operations			
Revenue from operations	28	215.40	219.05
Other income	29	12.31	19.69
TOTAL INCOME		227.71	238.74
EXPENSES			
Cost of Purchases / Services rendered	30	71.07	108.86
Changes in inventories of finished goods, stock-in-trade and work-in-progress	31	NIL	NIL
Employee benefits expenses	32	73.16	72.06
Finance costs	33	19.38	16.67
Depreciation and amortisation expenses	34	4.52	4.54
Other expenses	35	290.10	281.33
TOTAL EXPENSES		458.23	483.46
Loss before exceptional items and tax from continuing operations		(230.52)	(244.72)
Exceptional items		NIL	NIL
Loss before tax from continuing operations		(230.52)	(244.72)
Tax expenses			
Current tax		NIL	NIL
Adjustment of tax relating to earlier periods		NIL	0.05
Loss For The Year From Continuing Operations		(230.52)	(244.77)
Discontinued operations:			
Loss before tax for the year from discontinued operations		NIL	NIL
Tax expenses of discontinued operations		NIL	NIL
Loss for the year from discontinued operations		NIL	NIL
Loss for the year		(230.52)	(244.77)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		(0.34)	0.11
(ii) Income tax relating to items that will not be reclassified to profit or loss		NIL	NIL
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		(0.34)	0.11
B (i) Items that will be reclassified to profit or loss		NIL	NIL
(ii) Income tax relating to items that will be reclassified to profit or loss		NIL	NIL
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		NIL	NIL
Other comprehensive income for the year, net of tax		(0.34)	0.11
Total Comprehensive Income for the period, net of tax		(230.86)	(244.66)
Earnings per share (in ₹)	36		
Continuing operations			
Basic		(14.66)	(15.57)
Diluted		(14.66)	(15.57)
Discontinued operations			
Basic		NIL	NIL
Diluted		NIL	NIL
Continuing and discontinued operations			
Basic		(14.66)	(15.57)
Diluted		(14.66)	(15.57)
The accompanying notes form an integral part of the Standalone financial Statement.	37		

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

Mayuresh V. Zele
Partner
M.No. 150027
Mumbai, June 22, 2020

For and on behalf of the Board

Sunil S. Valavalkar
Whole-time Director

D. S. Gunasingh
Director

Dr. Mahesh Borase
Director

Milind Bapat
Chief Financial Officer

Deepak Keluskar
Company Secretary

Statement of Changes in Equity for the year ended March 31, 2020
a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid (Refer Note 19.3)	No of shares	₹ Crores
At 31 March 2019	157,296,781	157.30
At 31 March 2020	157,296,781	157.30

b. Other Equity:

₹ Crores

Particulars	Equity component of compound financial instrument	Reserves & Surplus						Items of OCI FVTOCI reserve	Total
		Capital Reserve (Refer Note 49)	Capital Redemption Reserve	Securities premium account	Debenture Redemption Reserve	General reserve	Balance in Statement of Profit and Loss		
For the year ended March 31, 2020									
As at 31st March 2019	570.92	–	8.63	448.18	191.16	510.76	(8,443.71)	NIL	(6,714.05)
Net loss for the period	NIL	NIL	NIL	NIL	NIL	NIL	(230.52)	NIL	(230.52)
Other comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	(0.34)	NIL	(0.34)
Total comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	(230.86)	NIL	(230.86)
Transfer from debenture redemption reserve / general reserve	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
As at 31 March 2020	570.92	–	8.63	448.18	191.16	510.76	(8,674.57)	NIL	(6,944.91)
For the year ended 31 March 2019									
As at 31st March 2018	570.92	–	8.63	448.18	191.16	510.76	(8,199.05)	NIL	(6,469.40)
Net loss for the period	NIL	NIL	NIL	NIL	NIL	NIL	(244.77)	NIL	(244.77)
Other comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	0.11	NIL	0.11
Total comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	(244.66)	NIL	(244.66)
Transfer from debenture redemption reserve / general reserve	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
As at 31 March 2019	570.92	–	8.63	448.18	191.16	510.76	(8,443.71)	NIL	(6,714.05)

Notes:

Capital Reserve: This reserve represents fraction coupons amount on conversion of FCCB into equity shares

Capital Redemption Reserve: This reserve is created u/s 69 of the Companies Act, 2013 by transferring an amount equal to the nominal value of shares bought back by the Company. The same is permitted to be used for issuing fully paid bonus shares.

Securities Premium Account: Premium collected on issue of securities is accumulated as part of securities premium. Utilisation of such premium is restricted by the Companies Act, 2013.

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

General Reserve: General Reserve forms part of the retained earnings and is permitted to be distributed to shareholders as dividend.

Balance in Statement of Profit and Loss: This represents profits remaining after all appropriations. This is free reserve and can be used for distribution as dividend.

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

Mayuresh V. Zele
Partner
M.No. 150027
Mumbai, June 22, 2020

For and on behalf of the Board

Sunil S. Valavalkar
Whole-time Director

D. S. Gunasingh
Director

Milind Bapat
Chief Financial Officer

Dr. Mahesh Borase
Director

Deepak Keluskar
Company Secretary

Standalone Cash Flow Statement for the year ended March 31, 2020

₹ Crores

Particulars	31 March 2020	31 March 2019
Operating activities		
Profit / (Loss)before tax from continuing operations	(230.86)	(244.61)
Profit/(loss) before tax from discontinued operations	NIL	NIL
Profit / (Loss) before tax	(230.86)	(244.61)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment	4.52	4.54
Gain on disposal of property, plant and equipment	(0.26)	(0.00)
Finance income (including fair value change in financial instruments)	(0.94)	(0.51)
Finance costs (including fair value change in financial instruments)	19.05	16.67
Unrealised Exchange (Gain)/Loss	77.16	71.40
Provision for doubtful Trade Receivables	0.67	1.19
Provision for doubtful short term loans and advances	NIL	30.64
Provision for impairment of investments	133.02	152.81
Liabilities / provisions no longer required written back	(8.88)	(14.93)
Interest on right to use leased assets	0.33	NIL
Exceptional items	NIL	NIL
Working capital adjustments:		
Increase /(decrease) in provision for gratuity & compensated absences	0.81	(0.20)
(Increase)/decrease in trade receivables	NIL	3.50
(Increase)/decrease in other current and non current assets	(1.47)	(4.12)
(Increase)/decrease in long term and short term loans and advances	(2.18)	(4.91)
Increase /(decrease) in trade payables, other current and non current liabilities and provisions	116.32	80.07
	107.28	91.54
Income tax paid (including TDS) (net)	(4.85)	(0.41)
Net cash flows from operating activities	102.43	91.13

₹ Crores

Particulars	31 March 2020	31 March 2019
Investing activities		
Proceeds from sale of property, plant and equipment	0.36	0.00
Purchase of property, plant and equipment (including CWIP)	(1.08)	(0.14)
Interest received (finance income)	0.76	0.53
Net cash flows from / (used in) investing activities	0.04	0.39
Financing activities		
Interest / Financial Charges paid	(0.72)	(0.71)
Repayment of long term borrowings	(20.50)	(102.79)
Fixed deposits with banks held as margin money	(80.67)	1.46
Interest payment on lease payments	(0.33)	NIL
Principal payment on lease payments	(1.13)	NIL
Net cash flows from / (used in) financing activities	(103.35)	(102.04)
Net increase / (decrease) in cash and cash equivalents	(0.88)	(10.52)
Cash and cash equivalents at the beginning of the year	4.67	15.19
Cash and cash equivalents at the end (refer Note no. 12)	3.79	4.67

- (i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS – 7 'Statement of Cash Flow.
- (ii) Figures in brackets indicate outflows.
- (iii) Previous year's figures have been regrouped/rearranged/recast wherever necessary to make them comparable with those of current year.

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

For and on behalf of the Board

Sunil S. Valavalkar
Whole-time Director

Mayuresh V. Zele
Partner
M.No. 150027
Mumbai, June 22, 2020

D. S. Gunasingh
Director

Dr. Mahesh Borase
Director

Milind Bapat
Chief Financial Officer

Deepak Keluskar
Company Secretary

NOTES TO FINANCIAL STATEMENTS

A. CORPORATE INFORMATION

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

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

The financial statements were authorised for issue in accordance with a resolution passed in the meeting of the Board of Directors held on June 22, 2020.

B. SIGNIFICANT ACCOUNTING POLICIES

B1. Basis for preparation of Financial Statements:

Compliance with Ind AS :

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

The financial statements have been prepared on a historical cost basis, except:

- (a) certain financial assets and liabilities
- (b) defined benefit plans

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 37 on critical accounting estimates, assumptions and judgements).

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

B.2 Summary of Significant Accounting Policies

1. Current versus non-current classification:

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

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

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

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

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

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

2. Fair value measurement:

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

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

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

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

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

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

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

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

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

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

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

- Disclosures for valuation methods, significant estimates and assumptions (note 37)
- Quantitative disclosures of fair value measurement hierarchy (note 42)
- Investment in unquoted equity shares (note 6)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 41)

3. Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the proceeds are being received. Revenue is measured based on the transaction price which is the fair value of the consideration received or receivable, stated net of discounts, returns and taxes. Transaction price is recognised based on the price specified in the contract. Accumulated experience is used to estimate and provide for the discounts / right of return, using the expected value method.

The specific revenue recognition policies are as under:

- a. Revenue from contracts with customers:
 - i. Revenue from Turnkey Contracts, which are either Fixed Price or Cost Plus contracts, is recognized when company satisfies performance obligation by transferring promised services to the customer. The Company uses significant judgments while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.
 - ii. Revenue from sale of products is recognized when performance obligations are satisfied. Performance obligations are satisfied when the customer obtains control of the products.
 - iii. Revenue from services is recognized when company satisfies the performance obligation by transferring promised services to the customers.

Contract assets are recognized when there is an excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables when there is an unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned revenue ("Contract Liability") is recognized when there is billing in excess of revenue.
- b. Dividend income is recognized when the right to receive dividend is established.
- c. Income such as interest, rent is recognized as per contractually agreed terms on time proportion basis.

4. Property, plant and equipment:

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

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

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

recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss.

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

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

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

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

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

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

5. Investment properties:

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

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

The Company, based on assessment made by technical expert and management estimate, depreciates the building over estimated useful life of 58 years which is different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes

that this estimated useful life is realistic and reflects fair approximation of the period over which the asset is likely to be used.

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

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

6. Intangible assets:

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

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

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

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

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

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

7. Inventories:

- Inventories including Work-in-process and stores and spares are valued at the lower of cost and net realizable value.
- Inventory of Consumables is valued at cost
- Cost of inventories is generally ascertained on first in first out basis.

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

business, less estimated costs of completion and the estimated costs necessary to make the sale.

8. Impairment of Non–Financial Assets

At each balance sheet, the Company assesses whether there is any indication that any property, plant and equipment and intangible asset may be impaired and if any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre–tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of profit and loss. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

9. Foreign currencies:

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

Transactions and balances

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

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

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

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

10. Employee Benefits:

Short Term Employee Benefits

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

Post–Employment Benefits

Defined Contribution Plan

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

Defined Benefit Plan

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

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

11. 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.

A. Financial assets

(i) Initial recognition and measurement

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

(ii) Subsequent measurement

(a) Financial Assets carried at amortised cost (AC)

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

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

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

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

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

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

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

(iii) Equity investments

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

The Company doesn't have any equity investments which are fair value through Other Comprehensive Income (FVTOCI)

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

(iv) Derecognition

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

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

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

(v) Impairment of financial assets

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

Financial assets at amortised cost

Financial assets measured at fair value through Profit or Loss Account

The Company follows simplified approach for recognition of impairment loss allowance. The application of

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

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

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

B. Financial liabilities

(i) Initial recognition and measurement

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

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

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

(ii) Subsequent measurement

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

(a) Financial liabilities at fair value through profit or loss

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

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

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

(b) Loans and borrowings

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

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

(c) Financial guarantee contracts

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

(iii) 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.

(iv) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) contract that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar

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

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

(v) Reclassification of financial assets

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

C. 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.

12. Provision for Current and Deferred Tax:

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

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

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

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

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

- c. **Credit of MAT** is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a

credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

13. Provisions, Contingent Liabilities and Contingent Assets :

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

14. Borrowing Cost:

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

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

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

15. Leases:

Company as a lessee:

The Company has adopted Ind AS 116 on leases beginning April 1, 2019, using the modified retrospective

approach. The standard has been applied to the lease contracts as at April 1, 2019. Accordingly, the Company has not restated the comparative information.

The Company's lease asset classes primarily consist of leases for Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor :

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of

ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

16. Convertible preference shares

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

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

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

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

17. Cash and Cash equivalents :

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

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

18. Earnings per share

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

19. Non-current assets held for sale / discontinued operations / Liabilities directly associated with assets classified as held for sale:

The Company classifies non-current assets as held for sale/ discontinued operations if their carrying amounts will be recovered principally through a sale rather than through

continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

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

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

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less

costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

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

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

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

Or

- Is a subsidiary acquired exclusively with a view to resale
- Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

20. Segment reporting: The Company is engaged only in the business of providing “Network Services” and as such there are no separate reportable segments.

21. Recent Accounting Developments :

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

3. PROPERTY, PLANT AND EQUIPMENT

₹ Crores

Particulars	Leasehold Buildings	Right to use – Leased assets	Plant & machinery	Furniture & fixtures	Office equipments	Computers	Networking Assets	Test and Repair Equipments	Vehicles	Total of Property, plant and equipment	Capital work in progress
Cost											
At 31 March 2018	77.96	111.22	4.10	3.38	1.18	37.29	5.81	1.26	242.20	NIL	NIL
Additions	NIL	NIL	NIL	NIL	NIL	0.11	NIL	NIL	0.11	NIL	NIL
Disposals	NIL	NIL	NIL	NIL	NIL	(0.01)	NIL	NIL	(0.01)	NIL	NIL
At 31 Mar 2019	77.96	NIL	111.22	4.10	3.38	1.18	37.39	5.81	1.26	242.30	NIL
Additions	NIL	3.47	NIL	0.73	0.09	0.01	0.01	NIL	0.29	4.60	NIL
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	(0.23)	NIL	(0.10)	(0.33)	NIL
At 31 Mar 2020	77.96	3.47	111.22	4.83	3.47	1.19	37.17	5.81	1.45	246.57	NIL
Depreciation and impairment											
At 31 March 2018	5.36	110.87	2.31	1.81	0.78	36.49	4.57	0.51	162.70	NIL	NIL
Depreciation charge for the year	1.80	0.18	0.14	0.20	0.38	0.49	1.02	0.26	4.47	NIL	NIL
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
At 31 Mar 2019	7.16	NIL	111.05	2.45	2.01	1.16	36.98	5.59	0.77	167.17	NIL
Depreciation charge for the year	1.78	1.27	0.15	0.65	0.13	0.01	0.16	0.03	0.24	4.42	NIL
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	–	NIL
At 31 Mar 2020	8.94	1.27	111.20	3.10	2.14	1.17	37.14	5.62	1.01	171.59	NIL
Net Book Value											
At 31 Mar 2020	69.02	2.20	0.02	1.73	1.33	0.02	0.03	0.19	0.44	74.98	NIL
At 31 Mar 2019	70.81	NIL	0.16	1.66	1.37	0.09	0.35	0.21	0.48	75.13	NIL

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

3.2 For lien and charge on the above assets refer note no 25.1

3.3 In accordance with the Indian Accounting Standard (Ind AS 36) on “Impairment of Assets” the Management is required to carry out an exercise of identifying assets that may have been impaired. However, in the opinion of the management, the fixed assets of the company mainly comprise of leasehold land and buildings and not cash generating units as stated in the said accounting standard and there is no impairment of any of the fixed assets.

4. INVESTMENT PROPERTY

₹ Crores

Particulars	Freehold land	Leasehold land	Total
Cost			
Opening Balance At 1 April 2018	0.23	3.05	3.28
Additions	NIL	NIL	NIL
Disposals	NIL	NIL	NIL
Opening Balance At 31 March 2019	0.23	3.05	3.28
Additions	NIL	NIL	NIL
Disposals	NIL	NIL	NIL
Closing Balance At 31 March 2020	0.23	3.05	3.28
Depreciation and impairment			
Opening Balance At 1 April 2018	NIL	0.16	0.16
Depreciation charge for the year	NIL	0.04	0.04
Disposals	NIL	NIL	NIL
Opening Balance At 31 March 2019	NIL	0.20	0.20
Depreciation charge for the year	NIL	0.07	0.07
Disposals	NIL	NIL	NIL
Closing Balance At 31 March 2020	NIL	0.27	0.27
Net Block			
At 31 March 2020	0.23	2.78	3.01
At 31 March 2019	0.23	2.85	3.08

4.1 Information regarding income and expenditure of Investment property

₹ Crores

Particulars	31 March 2020	31 March 2019
Rental income derived from investment properties	NIL	NIL
Direct operating expenses (including repairs and maintenance) generating rental income	NIL	NIL
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(0.14)	(0.12)
Loss arising from investment properties before depreciation and indirect expenses	(0.14)	(0.12)
Less – Depreciation	(0.07)	(0.04)
Loss arising from investment properties before indirect expenses	(0.21)	(0.16)

4.2 For lien and charge on the above assets refer note no 25.1

4.3 Reconciliation of fair value:

Particulars	Amount
Fair value as at 31 March 2018	42.53
Fair value difference	NIL
Purchases	NIL
Fair value as at 31 March 2019	42.53
Fair value difference	NIL
Purchases	NIL
Fair value as at 31 March 2020	42.53

Estimation of Fair Value

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

4.3.2 The fair value of the Company's investment properties as at 31st March, 2017 was arrived at on the basis of a valuation carried out by independent registered valuers not related to the Company. The Company has adopted policy of revaluing investment property generally every three years unless there are any significant changes in the circumstances requiring earlier revaluation. Accordingly, the Company has continued with the same valuation for the year ended 31st March, 2019.

5. INTANGIBLE ASSETS

₹ Crores

Particulars	31 March 2020		31 March 2019	
	Numbers	₹ Crores	Numbers	₹ Crores
Deemed Cost				
At 1 April 2018		1.18		1.18
Additions		NIL		NIL
Disposals		NIL		NIL
At 31 Mar 2019		1.18		1.18
Additions		0.01		0.01
Disposals		NIL		NIL
At 31 Mar 2020		1.19		1.19
Amortisation and impairment				
At 31 March 2018		0.40		0.40
Amortisation		0.03		0.03
Disposals		NIL		NIL
At 31 Mar 2019		0.43		0.43
Amortisation		0.03		0.03
Disposals		NIL		NIL
At 31 Mar 2020		0.46		0.46
Net Book Value				
At 31 Mar 2020		0.73		0.73
At 31 Mar 2019		0.75		0.75

5.1 For lien and charge on the above assets refer note no 25.1

6. INVESTMENTS (NON CURRENT)

Particulars	31 March 2020		31 March 2019	
	Numbers	₹ Crores	Numbers	₹ Crores
Investments – Trade (fully paid)				
Quoted				
Equity Shares				
GTL Infrastructure Limited	2,046,505,865	2,229.03	2,046,505,865	2,229.03
(Face Value of ₹10/- each) (Refer Note 6.2 and 6.3)				
Less : Provision for impairment loss		(2,177.87)		(2,044.84)
Total of Quoted Investments in Equity Shares – Trade		51.16		184.19
Unquoted				
Equity Shares of :				
Associates				
Global Rural Netco Ltd.	75,000,000	75.00	75,000,000	75.00
(Face Value of ₹10/- each)				
Less : Provision for Impairment loss		(75.00)		(75.00)
		NIL		NIL

Particulars	31 March 2020		31 March 2019	
	Numbers	₹ Crores	Numbers	₹ Crores
Others				
Ada Cellworks Wireless Engineering Pvt. Ltd. (Face Value of ₹10/- each) (refer note 6.2)	90,000	13.46	90,000	13.46
Less : Provision for Impairment loss		(13.46)		(13.46)
		<u>NIL</u>		<u>NIL</u>
European Projects and Aviation Ltd. (Face Value of ₹ 10/- each) (refer note 6.2)	12,350,000	NIL	12,350,000	NIL
Total of Un-quoted Investments in Equity Shares – Trade		<u>NIL</u>		<u>NIL</u>
Investments in:				
Preference Shares of				
Associates				
6% Cumulative Redeemable Preference Shares of Global Rural Netco Ltd.	20,000,000	200.00	20,000,000	200.00
Less : Provision for Impairment loss		(200.00)		(200.00)
Sub Total of Preference share of Associates		<u>NIL</u>		<u>NIL</u>
Others				
0.1% Cumulative Preference Shares of Global Proserv Ltd (Face Value of ₹ 100/- each) (refer note 6.2)	13,000,000	100.24	13,000,000	100.24
Less : Provision for Impairment loss		(100.24)		(100.24)
		<u>NIL</u>		<u>NIL</u>
0.1% 12 Years Redeemable Preference Shares of European Projects and Aviation Limited (Face Value of ₹ 10/- each) (refer note 6.2)	13,000,000	15.04	13,000,000	15.04
0.02% 13 Years Redeemable Preference Shares of European Projects and Aviation Limited (Face Value of ₹ 10/- each)	50,250,000	19.11	50,250,000	19.11
0.1% 13 Years Redeemable Preference Shares of European Projects and Aviation Limited (Face Value of ₹10/- each)	44,246,900	77.50	44,246,900	77.50
Total		<u>111.65</u>		<u>111.65</u>
Less : Provision for Impairment loss		(111.65)		(111.65)
Total of Un-quoted Investments in Preference Shares– Others		<u>NIL</u>		<u>NIL</u>
Total of Un-quoted Investments in Preference Shares		<u>NIL</u>		<u>NIL</u>

Particulars	31 March 2020		31 March 2019	
	Numbers	₹ Crores	Numbers	₹ Crores
Trade				
Debenture of :				
Associates				
11% Fully Convertible Debenture Series – A Global Rural Netco Ltd. (Face Value of ₹ 100/- each)	15,000,000	150.00	15,000,000	150.00
Less : Provision for Impairment loss		(150.00)		(150.00)
Total of Un-quoted Investments in Debentures – Trade		<u>NIL</u>		<u>NIL</u>
Total of Un-quoted Investments – Trade		<u>NIL</u>		<u>NIL</u>
Total Investments		<u>51.16</u>		<u>184.19</u>
Aggregate amount of quoted investments		2,229.03		2,229.03
Aggregate market value of quoted investments		51.16		184.19
Aggregate Amount of unquoted investments		927.00		1042.55
Aggregate amount of impairment in value of investments		3,220.42		3,087.39
<p>6.1 The Company has measured all its investments, except its investments in subsidiaries and associates, at fair value and the gain / loss on fair valuation has been accounted through Profit and Loss Account. Investments in subsidiaries and associates are measured at historical cost less impairment.</p> <p>6.2 Pending appropriation of the pledged shares invoked by the lenders, the said shares held by the Company are continued to be classified under 'Long Term Investments'.</p> <p>6.3 During the current year, the company fair valued its investment in GTL Infrastructure Ltd and accordingly, accounted the 'mark to market' loss amounting to ₹133.02 Crores.</p>				

7. LOANS (NON CURRENT)

₹ Crores

Particulars	31 March 2020	31 March 2019
Unsecured, Considered good		
Security Deposits		
Deposits with body corporates and others	6.46	6.72
Deposits with government authorities	0.53	0.53
Less : Provision for doubtful deposits	(6.28)	(6.28)
Total	<u>0.71</u>	<u>0.97</u>

8. OTHERS (NON-CURRENT)

₹ Crores

Particulars	31 March 2020	31 March 2019
Unsecured, considered doubtful		
Advance to suppliers	(759.05)	759.05
Allowance for credit losses	(759.05)	(759.05)
	<u>NIL</u>	<u>NIL</u>
Other advances	(192.79)	192.79
Allowances for credit losses	(192.79)	(192.79)
	<u>NIL</u>	<u>NIL</u>
Total	<u>NIL</u>	<u>NIL</u>

9. OTHER NON-CURRENT ASSETS

₹ Crores

Particulars	31 March 2020	31 March 2019
Capital advances	0.07	0.07
Less: Allowance for credit losses	(0.07)	(0.07)
Total	NIL	NIL

10. INVENTORIES

₹ Crores

Particulars	31 March 2020	31 March 2019
Stock-in-trade held for trading	NIL	NIL
Consumables	NIL	NIL
Total	NIL	NIL

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

11. TRADE RECEIVABLES

₹ Crores

Particulars	31 March 2020	31 March 2019
Trade receivables Unsecured, Considered good	0.01	0.01
Doubtful	277.50	277.50
Less : Allowance for doubtful debts	(277.50)	(277.50)
Total	0.01	0.01
Trade receivables (Net of allowance for credit losses)		
Subsidiaries	NIL	NIL
Associates	NIL	NIL
Others	0.01	0.01
Total	0.01	0.01

12. CASH AND CASH EQUIVALENTS

₹ Crores

Particulars	31 March 2020	31 March 2019
Balances with banks In current accounts	2.57	4.63
Cheques, drafts on hand	1.20	NIL
Cash on hand	0.02	0.04
	3.79	4.67

13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ Crores

Particulars	31 March 2020	31 March 2019
Margin money with banks against guarantees*	2.84	2.83
Earmarked Bank Balance	80.66	NIL
Earmarked bank balances towards unclaimed dividend	0.20	0.20
	83.70	3.03

* Includes ₹0.35 crores (₹0.32 crores as at March 31, 2019) having maturity after 12 months.

14. LOANS (CURRENT)

₹ Crores

Particulars	31 March 2020	31 March 2019
Unsecured		
Loan to Employees	0.04	0.01
Deposits with body corporates and others		
considered good	0.75	0.06
considered doubtful	0.99	0.99
Less : Allowance for credit losses on deposits	(0.99)	(0.99)
	0.75	0.06
Total	0.79	0.07

15. OTHERS (CURRENT)

₹ Crores

Particulars	31 March 2020	31 March 2019
Advance to Suppliers	191.00	191.00
Interest receivable (Refer note 15.1)	45.91	45.91
Interest receivable on term deposit	0.32	0.14
Other Advances	9.39	9.11
Receivable towards reimbursible of cost / expenses	11.96	11.88
Unbilled Revenue	5.58	4.12
Total	264.16	262.16
Allowance for credit losses		
Advance to Suppliers	(191.00)	(191.00)
Interest receivable	(45.91)	(45.91)
Other Advances	(6.80)	(7.62)
Receivable towards reimbursible of cost / expenses	(11.83)	(10.77)
	(255.54)	(255.30)
Total	8.62	6.86

15.1 Includes ₹ 26.54 Crore as at March 31, 2020, (₹26.54 Crore as at March 31, 2019), receivable from a related party.

16. CURRENT TAX ASSETS (NET)

₹ Crores

Particulars	31 March 2020	31 March 2019
Advance Income Tax & Tax deducted at source (Net of provision)	22.87	18.01
Total	22.87	18.01

17. OTHER CURRENT ASSETS

₹ Crores

Particulars	31 March 2020	31 March 2019
Prepaid Expenses	0.51	0.56
Input Tax Recoverable	12.04	12.64
Advance to Suppliers	7.44	5.89
Less: Allowance for credit losses	(5.73)	(5.73)
	1.71	0.16
Advances to employees	0.10	0.06
Less: Allowance for credit losses	(0.06)	(0.06)
	0.04	NIL
Total	14.30	13.36

18. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

₹ Crores

Particulars	31 March 2020	31 March 2019
Assets held for Sale (Refer note 18.1)		
Unquoted Equity Shares of Subsidiaries		
International Global Tele–Systems Ltd. (Face Value of US \$ 1/– each)	9.59	9.59
GTL International Ltd (Face Value of US \$ 1/– each)	11.96	11.96
Investments (at fair value) in Preference Shares of Subsidiaries		
3.5% Preference Shares of GTL International Ltd. (Face Value of US\$ 1/– each)	37.52	33.80
3.5% Preference Shares of International Global Tele–Systems Ltd. (Face Value of US\$ 1/– each)	517.85	466.51
	576.92	521.86
Discontinued Operations		
Claims receivables – Distribution Franchisee (net) (Refer note 18.2)	43.83	43.83
Total	620.75	565.69
Less:		
Provision for Impairment losses – Investments in subsidiaries	(576.92)	(521.86)
Allowance for credit losses on claims receivables – Distribution Franchisee	(43.83)	(43.83)
	(620.75)	(565.69)
Total	NIL	NIL

18.1 In respect of certain divestment, the Company has entered into agreements for sale which is subject to final approval of lenders of the Company and the investee companies and other necessary regulatory approvals. Pending completion of these transactions, the assets and liabilities of investee companies are treated as “Assets Held for Sale and discontinued operations “ in terms of Ind AS 105. In respect of one of those subsidiaries, the Court has appointed Joint Liquidators and Committee of inspection. As regards other subsidiary viz International Global Tele–systems, the matter is subjudice.

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

19. SHARE CAPITAL

Authorised Share Capital

Particulars	Equity shares		Preference shares	
	Nos	₹ Crores	Nos	₹ Crores
At 31 March 2019	290,000,000	290.00	810,000,000	810.00
Increase / (decrease) during the year	NIL	NIL	NIL	NIL
At 31 March 2020	290,000,000	290.00	810,000,000	810.00

19.1 Terms/ rights attached to equity shares

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

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

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

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

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

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

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

Other than as permitted under applicable laws, GIL will not have a right to vote at the Company's General Meetings.

In the event of winding-up of the Company, the OCPS holder/s will be entitled to receive in proportion to the number of shares held at the time of commencement of winding-up, any of the remaining assets of the Company, if any, after distribution to all secured creditors and their right to receive monies out of the remaining assets of the Company shall be reckoned *pari-passu* with other unsecured creditors, however, in priority to the equity shareholders.

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

19.3 Issued equity capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	No.	₹ Crores
At 31 March 2019	157,296,781	157.30
Changes during the year	NIL	NIL
At 31 March 2020	157,296,781	157.30

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

Name of the shareholder	As at 31 March 2020		As at 31 March 2019	
	No. in Crores	% holding in the class	No. in Crores	% holding in the class
Equity Shares				
Global Holding Corporation Private Limited (One of the Promoters and the Company's associate)	5.10	32.41	5.10	32.41
IDBI Trusteeship Services Limited *	1.86	11.82	1.86	11.82
Mr. Manoj G. Tirodkar*	NIL	NIL	NIL	NIL
Preference Shares				
GTL Infrastructure Limited	65.00	100.00	65.00	100.00

*During the year ended March 31, 2019, shares pledged by the promoter in favour of CDR lenders of the Company through security trustee IDBI Trusteeship Services Limited were invoked. The Company is currently seeking legal advice to pursue appropriate action in this regard.

20. OTHER EQUITY**Other Equity includes:**

₹ Crores

Particulars	31 March 2020	31 March 2019
Equity component of compound financial instrument	570.92	570.92
Capital Reserve (Refer Note 49)	–	–
Capital Redemption Reserve	8.63	8.63
Securities Premium Account	448.18	448.18
Debenture Redemption Reserve	191.16	191.16
General Reserve	510.76	510.76
Balance in Statement of Profit and Loss		
Opening balance	(8,443.71)	(8,199.05)
Total comprehensive income	(230.86)	(244.66)
Closing balance	(8,674.57)	(8,443.71)
	(6,944.91)	(6,714.05)

Capital Reserve: This reserve represents the fractional coupon amounts upon conversion of FCCB into equity shares.

Capital Redemption Reserve: This reserve is created under Section 69 of the Companies Act, 2013 by transferring an amount equal to the nominal value of shares bought back by the Company. This is permitted to be used for issuing fully paid bonus shares.

Securities Premium Account: Premium collected on issue of securities is accumulated as part of securities premium. Utilisation of such premium is restricted by the Companies Act, 2013.

Debenture Redemption Reserve: In view of losses incurred, no Debenture Redemption Reserve is created since the financial year ended March 31, 2012.

General Reserve: General Reserve forms part of the retained earnings and is permitted to be distributed to shareholders as dividend.

Balance in Statement of Profit and Loss: This represents profits remaining after all appropriations. This is a free reserve and can be used for distribution as dividend.

21. BORROWINGS

₹ Crores

Particulars	31 March 2020	31 March 2019
Non-current borrowings		
Non-current interest bearing loans and borrowings:		
Unsecured loans		
Liability component of compound financial instrument		
0.01% Non-Participating Optionally Convertible Cumulative Preference Shares (OCPS) of ₹10/- each fully paid – up	174.33	156.87
Total unsecured loans	174.33	156.87

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

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

22. OTHER FINANCIAL LIABILITIES

₹ Crores

Particulars	31 March 2020	31 March 2019
Obligation to make lease payments	2.34	NIL
	2.34	NIL

Refer Note No. 39 A

23. PROVISIONS

₹ Crores

Particulars	31 March 2020	31 March 2019
Provision for Employee Benefits		
Gratuity	NIL	NIL
Leave Encashment	1.28	0.45
Total	1.28	0.45

24. TRADE PAYABLES

₹ Crores

Particulars	31 March 2020	31 March 2019
Total outstanding dues to micro and small enterprises (Refer Note 24.3)	1.30	1.30
Total outstanding dues to other than micro and small enterprises	68.03	56.59
Total outstanding dues to related parties (refer note 24.1)	NIL	NIL
Total	69.33	57.89

24.1. Details of total outstanding to related parties

₹ Crores

Particulars	31 March 2020	31 March 2019
Subsidiaries	NIL	NIL
Associates	NIL	NIL
Total	NIL	NIL

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

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

Particulars	31 March 2020	31 March 2019
Principal amount remaining unpaid	1.30	1.30
Interest due thereon	4.24	3.37
The amount of interest paid in terms of section 16, along with the amounts of the payment made beyond the appointed day during accounting year	NIL	NIL
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of accounting year	4.24	3.37
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	1.52	1.28

25. OTHER FINANCIAL LIABILITIES

₹ Crores

Particulars	31 March 2020	31 March 2019
Secured		
Payable to CDR lenders (Refer Note 25.1 and 25.2)	2,751.02	2,765.84
Unsecured		
Payable to External Commercial Borrowings (ECB) lenders (Refer Note 25.3)	697.20	635.75
Payable to Holders of Rated Redeemable Unsecured Rupee Non-Convertible Debentures (NCD)	1,590.16	1,595.16
Interest accrued and due on borrowings (Refer Note 25.3)	1,489.33	1,474.31
Interest accrued and due on Others	4.24	3.37
Liability towards guarantee obligation	39.82	NIL
Unpaid dividend	0.20	0.20
Capex Creditors	0.25	0.43
Accrued expenses	183.51	143.85
Security Deposit Received	2.25	2.25
Salary and Employee benefits payable	24.50	10.30
Expense Creditors	4.60	7.73
Others	0.78	0.78
Total	6,787.86	6,639.97

25.1 Nature of security:

I) Security created in favor of CDR Lenders :

- a) A first charge and mortgage on all immovable properties, present and future;
- b) A first charge by way of hypothecation over all movable assets, present and future;
- c) A first charge on the Trust and Retention Account and other reserves and any other bank accounts wherever maintained, present & future;
- d) A first charge, by way of assignment or creation of charge, over:
 - i. all the right, title, interest, benefits, claims and demands whatsoever in the Project Documents duly acknowledged and consented to by the relevant counter-parties to such Project Documents, all as amended, varied or supplemented from time to time;
 - ii. all the rights, title, interest, benefits, claims and demands, whatsoever, in the Clearances\
 - iii. all the right title, interest, benefits, claims and demands, whatsoever, in any letter of credit, guarantee, performance bond provided by any party to the Project Documents;
 - iv. all the rights, title, interest, benefits, claims and demands, whatsoever, in Insurance Contracts / proceeds under Insurance Contracts;
- e) Pledge of all investments of the Company, except investment in Global Rural Netco Ltd (GRNL) which will be pledged on fulfillment of financial covenant agreed with the lenders of GRNL;
- f) Mr. Manoj G. Tirodkar, one of the promoters of the Company, has extended a personal guarantee. The guarantee is limited to an amount of ₹ 394.28 Crores; and
- g) Mr. Manoj G. Tirodkar and Global Holding Corporation Private Limited (GHC), promoters of the Company, have executed Sponsor Support Agreement to meet any shortfall or expected shortfall in the cash flows towards the debt servicing obligations of the Company. As far as Mr. Manoj Tirodkar is concerned any liability arising from this Sponsor Support Agreement along with any other Agreement including Personal Guarantee shall be always capped at ₹ 394.28 crore
- h) The pledge referred in (e) above has been invoked by the Lenders on 28th March, 2019.

- II) Security offered to CDR Lender's pending creation of charge:
- The Company's one of the promoters namely GHC along with its step down subsidiaries has to extend corporate guarantee; and
 - GHC has to pledge its holding in the Company that is currently pledged by GHC in favor of its lenders, as and when released, either in full or part.
- III) Prior to the restructuring of the Company's debts under CDR Mechanism, the Company created security on certain specified tangible assets of the Company in favour of Andhra Bank, Punjab National Bank, Union Bank of India, Vijaya Bank, IDBI Bank Limited, State Bank of Hyderabad, Bank of Baroda, UCO Bank, Indian Overseas Bank, Indian Bank, Canara Bank and Dena Bank for their respective credit facilities other than term loans, aggregating in ₹1,572 Crore. In terms of CDR Documents *inter-alia* Master Restructuring Agreement, the earlier charges are not satisfied by the Company after creation of new security as stated in I above.

25.2. The Company is awaiting for outcome of the Inter-creditor agreement and is in discussion with the Lead Bank. Even in such stressed circumstances, the Company and its management have taken all possible steps possible to continue with the process and deposited around ₹ 8,000 Lakhs for the said purpose. However, one the lenders has filed application before the NCLT, the same has not been admitted so far.

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

- Overdue Interest of ₹ 502.79 Crores relating to the period March 2014 to March 2017 on amounts due to holders of Rated Redeemable Unsecured Rupee Non-convertible Debentures;
- Overdue Interest of ₹ 192.83 Crores relating to the period for December 12, 2011 to March 31, 2017 on External Commercial Borrowings; the variation in the interest accrued amount as at March 2020 is on account of exchange fluctuation
- Overdue Interest of ₹ 727.80 Crores relating to the period June 2014 to March 2017 on Secured Term Loan;
- Overdue interest of ₹22.64 Crores relating to the period June 2014 to March 2017 on Secured Funded Interest Term Loan;
- Overdue interest of ₹ 23.00 Crores relating to the period September 2014 to March 2017 on Cash Credit facility;
- Overdue interest of ₹20.27 Crores relating to the period November 2014 to March 2017 on Dues towards BG Invocation.

26. OTHER CURRENT LIABILITIES

₹ Crores

Particulars	31 March 2020	31 March 2019
Advance from customers	2.01	2.15
Unearned Revenue	NIL	0.07
Withholding and other taxes payable	9.42	8.17
Others	5.67	1.26
Total	17.10	11.65

27. PROVISIONS

₹ Crores

Particulars	31 March 2020	31 March 2019
Provision for Employee Benefits		
Gratuity	NIL	0.03
Leave Encashment	0.04	0.02
Total	0.04	0.05

28. REVENUE FROM OPERATIONS

₹ Crores

Particulars	31 March 2020	31 March 2019
Sale of Services		
Telecom Network Services	166.16	100.61
Energy Management and Operation Maintenance	48.96	118.06
Other Operating Revenues	0.28	0.38
Total	215.40	219.05

28.1 In a dispute between the Company and GTL Infrastructure Limited (GIL), the Arbitration Tribunal vide its interim order dated December 17, 2019 has directed GIL to pay an amount of ₹44,000 Lakhs in stipulated timeline. The parties had initiated a settlement process, however, it could not be completed due to non-receipt of consents from lenders. Further GIL lenders have challenged the award and related execution proceedings. Hence the Company has not recognized income against the said claim.

28.2 Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenues), while invoicing in excess of revenues are classified as contract liabilities (referred to as unearned revenues). Details of the same are as under:

Particulars	31 March 2020	31 March 2019
Contract Assets	5.58	4.12
Contract Liabilities	NIL	0.07

29. OTHER INCOME

₹ Crores

Particulars	31 March 2020	31 March 2019
Interest income		
Bank Deposits	0.64	0.22
Others	0.30	0.30
Profit on sale of Fixed Assets (Net)	0.26	NIL
Other non-operating income		
Excess provisions no longer required	8.88	14.93
Others	2.23	4.24
Total	12.31	19.69

30. COST OF PURCHASES / SERVICES RENDERED

₹ Crores

Particulars	31 March 2020	31 March 2019
Cost of Services rendered		
Electricity and Diesel cost for Energy Management	42.25	62.62
Sub-Contractor Charges	28.48	45.50
Vehicle Hire Charges	0.34	0.74
Total	71.07	108.86

31. CHANGES IN INVENTORIES OF STOCK-IN-TRADE

₹ Crores

Particulars	31 March 2020	31 March 2019
Consumables	NIL	NIL
Total	NIL	NIL

32. EMPLOYEE BENEFITS EXPENSES

₹ Crores

Particulars	31 March 2020	31 March 2019
Salaries, wages and bonus	66.92	39.25
Contribution to provident and other funds	4.70	2.24
Staff welfare expense	0.10	0.34
Outsourced wages and Manpower Cost	1.44	30.23
Total	73.16	72.06

33. FINANCE COSTS

₹ Crores

Particulars	31 March 2020	31 March 2019
Interest		
– On fixed period loan	NIL	NIL
– On OCPS	17.46	15.67
– Interest On Right To Use Lease Assets	0.33	NIL
Others		
Other Borrowing costs	1.59	1.00
Total	19.38	16.67

33.1 The Company has neither paid nor provided interest on its borrowing during the financial year in view of the foregoing as explained in Note no.25.2. Had such interest been recognized the finance cost would have been more by ₹484.08 Crore.

34. DEPRECIATION AND AMORTIZATION EXPENSE

₹ Crores

Particulars	31 March 2020	31 March 2019
Depreciation of tangible assets (note 3)	4.42	4.47
Depreciation on Investment Properties (note 4)	0.07	0.04
Amortization of intangible assets (note 5)	0.03	0.03
Total	4.52	4.54

35. OTHER EXPENSES

₹ Crores

Particulars	31 March 2020	31 March 2019
Communication Expenses	0.12	0.61
Advertisement Expenses	0.02	0.01
Business Promotion Expenses	0.23	0.12
Rates & Taxes	1.60	0.63
Rent	1.64	2.19
Electricity Charges	1.14	1.22
Insurance	1.09	1.09
Legal and Professional Fees	23.13	15.99
Travelling & Conveyance Expenses	1.36	1.07
Director's Sitting Fees	0.57	0.46
Auditor's Remuneration (refer note 35.1)	0.37	0.25
Repairs & Maintenance – Buildings	0.03	NIL
Repairs & Maintenance – Others	0.28	0.32
Allowance for credit losses – Trade Receivables	0.68	1.20
Allowance for credit losses– Other Receivables	NIL	30.64
Loss on foreign currency transactions (Net)	77.16	71.40
Provision for impairment of investment	133.02	152.81
Provision against Guarantee Obligation	45.05	NIL
Other Expenses	2.61	1.33
Total	290.10	281.33

35.1 Payments to the auditor:

Particulars	31 March 2020	31 March 2019
As auditor		
Audit fee	0.25	0.25
Tax audit fee	0.03	NIL
GST Audit Fees	0.09	NIL
In other capacity:		
Other services (certification fees)	NIL	NIL
Reimbursement of expenses	0.00	0.00
Total	0.37	0.25

36. EARNINGS PER SHARE (EPS)

₹ Crores

Particulars	31 March 2020	31 March 2019
Loss after tax :		
Continuing operations	(230.52)	(244.77)
Add :		
Dividend payable on cumulative Preference Shares	(0.07)	(0.07)
Tax on cumulative Preference Dividend payable	(0.01)	(0.01)
Loss attributable to equity holders of continuing operations for basic earnings	(230.60)	(244.85)
Loss attributable to equity holders of discontinued operations for basic earnings	NIL	NIL
Loss attributable to equity holders total operations for basic earnings	(230.60)	(244.85)
Weighted average number of Equity shares for basic EPS	157,296,781	157,296,781
Weighted average earnings per share (basic and diluted) (continuing operations)	(14.66)	(15.57)
Weighted average earnings per share (basic and diluted) (discontinued operations)	NIL	NIL
Weighted average earnings per share (basic and diluted) (total operations)	(14.66)	(15.57)

36.1 There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

36.2 There were no potentially dilutive equity shares which would have been outstanding as at the year end.

37 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's Standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Standalone financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may

change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The Management believes that the judgments and estimates used in preparation of financial statement are prudent and reasonable.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 41 for further disclosures.

Allowances for credit loss on Trade Receivable , Advance to supplier and other receivable

The Provision for allowances for credit loss for Trade Receivable, Advance to supplier and other receivable are based on assumptions about the risk of defaults and expected credit loss. The Company uses judgment in making these assumption and selecting the inputs to the calculation of provision for allowance based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Provisions for impairment loss on Investment

Provisions for impairment loss on Investment is based on evaluation of financial position of investee companies to meet their obligations for honouring their commitments towards the investment held by the Company.

38 . GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

₹ Crores

a) Defined Contribution Plan

Particulars	31 March 2020	31 March 2019
Employer's Contribution to Provident fund	1.44	1.00
Employer's Contribution to Pension fund	1.70	0.40
Total	3.14	1.40

The Company makes contribution towards provident fund and superannuation fund which are in nature of defined contribution post employee benefit plan. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. amount recognised as an expense in the statement of Profit and Loss – included in note 32 – “Contribution to provident and other funds” ₹3.14 crores (previous year ₹1.40 crores) is given in table above

b) Defined Benefit Plan

The employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust maintained with Life Insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences is recognized in same manner as gratuity.

Based on actuarial valuation obtained as at the Balance Sheet date the following table sets out the details of Defined Benefit obligation.

1. Movement in obligation– Gratuity

₹ Crores

Particulars	31 March 2020	31 March 2019
Defined Benefit Obligation at beginning of the period	3.84	5.00
Current service cost	0.29	0.42
Interest cost	0.30	0.39
Benefits paid	(1.12)	(1.79)
Actuarial changes arising from changes in financial assumptions	0.23	0.00
Experience adjustments	0.07	(0.18)
Defined Benefit Obligation at end of the period	3.61	3.84

2. Movement in Plan Assets – Gratuity

₹ Crores

Particulars	31 March 2020	31 March 2019
Fair value of plan assets at beginning of year	3.81	4.99
Expected return on plan assets	0.30	0.39
Employer contributions	1.27	0.30
Benefits paid	(1.12)	(1.79)
Actuarial gain / (loss)	(0.04)	(0.07)
Fair value of plan assets at end of year	4.22	3.81
Present value of obligation	3.61	3.84
Net funded status of plan	0.59	(0.03)
Actual return on plan assets	0.04	0.07

The components of the gratuity cost are as follows:

3. Recognised in profit and loss

₹ Crores

Particulars	31 March 2020	31 March 2019
Current Service cost	0.29	0.42
Interest cost	0.00	0.00
Total	0.29	0.42
Actual return on plan assets	0.04	0.07

4. Recognised in Other Comprehensive Income

₹ Crores

Particulars	31 March 2020	31 March 2019
Remeasurement – Actuarial loss/(gain)	0.30	(0.18)
Return on plan assets, excluding Interest Income	0.04	0.07
Total	0.34	(0.11)

5. The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Weighted average actuarial assumptions	31 March 2020	31 March 2019
Attrition rate	2.00%	2.00%
Discount Rate	6.87%	7.77%
Expected Rate of increase in salary	5.50%	5.50%
Expected Rate of Return on Plan Assets	6.87%	7.77%
Mortality rate	IALM 2006–08 Ultimate	IALM 2006–08 Ultimate
Expected Average remaining working lives of employees	13 Years	14 Years

6. Sensitivity analysis:

Particulars	Changes in Assumption	Effect on gratuity obligation
For the year ended March 31, 2019		
Discount rate	+1%	(0.26)
	-1%	0.30
Salary Growth rate	+1%	0.23
	-1%	(0.21)
Withdrawal Rate	+1%	0.06
	-1%	(0.06)
For the year ended March 31, 2020		
Discount rate	+1%	(0.25)
	-1%	0.29
Salary Growth rate	+1%	0.23
	-1%	(0.21)
Withdrawal Rate	+1%	0.04
	-1%	(0.04)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

7. History of experience adjustments is as follows:

Particulars	31 March 2020	31 March 2019
Plan Liabilities – (loss)/gain	(0.30)	0.18
Plan Assets – (loss)/gain	0.04	(0.07)

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	₹ Crores
01 Apr 2020 to 31 Mar 2021	0.43
01 Apr 2021 to 31 Mar 2022	0.16
01 Apr 2022 to 31 Mar 2023	0.15
01 Apr 2023 to 31 Mar 2024	0.35
01 Apr 2024 to 31 Mar 2025	0.32
01 Apr 2025 Onwards	1.88

As at 31st March, 2020, the weighted average duration of the projected benefit obligation is 10 years (previous year: 10 years)

8. Statement of Employee benefit provision

₹ Crores

Particulars	31 March 2020	31 March 2019
Gratuity	NIL	0.03
Leave Encashment	1.32	0.47
Total	1.32	0.50

39. COMMITMENTS, CONTINGENCIES AND PROVISIONS**A. Leases**

- The Company has adopted Ind AS 116 on leases beginning April 1, 2019, using the modified retrospective approach. The standard has been applied to the lease contracts as at April 1, 2019. Accordingly, the Company has not restated the comparative information.
- As on the transition date, Company has recognized the lease liability at present value of the lease payments discounted at relevant incremental borrowing rate. The right to use asset has been measured at the same value as that of the lease liability. This has resulted in recognising a right-of-use asset of Rs 3.47 crores and a corresponding lease liability of ₹ 3.47 crores.
- In the statement of profit and loss for the current year, lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share. The weighted average incremental borrowing rate of 11% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.
- The Company has also elected not to apply the requirements of Ind AS 116 to Short term lease and leases for which underlying asset is of low value. The Company incurred Rs. 1.63 crores for the year ended March 31, 2020 towards expenses relating to short-term leases.
- The total cash outflow for leases is ₹ 3.08 crores for the year ended 31st March, 2020, including cash outflow of short-term leases. Interest on lease liabilities is ₹0.33 crores for the year.
- The Company's leases mainly comprise of buildings premises.

Company as a Lessor-

The Company leases out its properties for which:

- The lease income recognised in the Statement of Profit and Loss is ₹2.15 Crores (Previous year ₹2.63 Crores).
- Future minimum lease rentals:

₹ Crores

Particulars	31 March 2020	31 March 2019
Receivable in less than one year	2.08	2.15
Receivable in one to two years	1.39	2.08
Receivable in two to three years	NIL	1.39

B. Commitments

- Estimated amount of contracts remaining to be executed on capital account and not provided for:

₹ Crores

Particulars	31 March 2020	31 March 2019
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) (Cash out flow is expected on execution of such contracts on progressive basis.)	NIL	NIL

C. Contingent liabilities

₹ Crores

Particulars	31 March 2020	31 March 2019
i) Claims against the Company not acknowledged as debts (refer note 39.C.1)	2,528.36	2,320.79
ii) Guarantees given by Banks on behalf of the Company	7.67	10.99
iii) Performance Guarantees issued by the Company	5.00	5.00
iv) Corporate Guarantees given by the Company for loans taken by subsidiaries / others	NIL	174.98
v) Disputed Sales tax liabilities for which appeals are pending (Amount deposited ₹ 4.92 Crores (FY 18 –19 ₹ 4.86 Crore)	113.76	110.82
vi) Disputed Service Tax liabilities for which appeals are pending (Amount deposited / adjusted ₹ 0.97 Crores (FY 18–19 ₹0.97 crore)	18.35	18.35
vii) Disputed Income Tax liability for which appeals are pending (Amount deposited / adjusted ₹ NIL (FY 18–19 – ₹ NIL)	NIL	74.91
viii) Dividend on 0.01% Non–Participative Optionally Convertible Cumulative Preference Share	0.49	0.42

Future cash outflows in respect of v,vi and vii matters are determinable only on receipt of judgments or decisions pending at various forums.

The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required in respect of above liability.

C.1 Claims against the Company not acknowledged as debts

As on March 31, 2020, there were 47 cases against the Company, pending in various Courts and other Dispute Redressal Forums.

- i) In 8 out of 47 cases, the Company has been implicated as proforma defendant i.e. there are no monetary claims against the Company. In most of these cases, dispute concerns matters like loss of share certificate, title claim / ownership / transfer of the shares etc. The Company's implication in these matters is with a view to protect the interest of the lawful owners of the shares. Upon the final orders passed by the Court(s), the Company shall have to release the shares, which are presently under 'stop transfer', in this regard to the rightful claimants. There is no direct liability or adverse impact on the business of the Company on account of the said 8 cases.
- ii. Out of the balance 39 cases, 20 cases are from its earlier power business, 9 cases are from telecom related businesses and 1 case is in respect of non–allotment / non–refund of money in its IPO, which are handled by the Company's advocates, who have the necessary expertise on the subject. It is found that in most of the cases the claims are unsubstantiated and therefore the Company is resisting and defending these claims. (In the aforesaid 20 cases, 9 cases pertain to Labour Court matter wherein the employees filed for reinstatement on termination consequent to termination of Aurangabad Distribution Franchisee Agreement of the Company. These are being settled with affected employees). The contingent liability in respect of these 9 cases is ₹1.34 crores
- iii. There are 5 cases in which the Company has invoked arbitration proceedings against MSEDCL and the contingent liability towards counter claims of MSEDCL is ₹462.81 crores
- iv. In 1 case, a bank has filed commercial suit against the Company in the Hon'ble Bombay High Court in respect of the Company's comfort letter issued in favour of one of its Wholly Owned Subsidiaries (WOS) towards WOS's credit facilities. The contingent liability in respect of which is ₹237.28 crores
- v. In 1 case a Lender Bank has filed insolvency petition before the National Company Law Tribunal, Bombay Bench under section 7 of the IBC Code. The contingent liability in respect of which is ₹204.78 crores (Net of liability in the books as at March 31, 2020 of ₹ 329.98 crores, against the total claim of ₹534.76 crores)
- vi. In the balance 1 case, the Department of Telecom (DoT) has raised a frivolous demand of ₹1,509.50 crores based on Adjusted Gross Revenue for ISP license fee pertaining to the business carried out by the Company well before the year 2009 and the relevant ISP license was surrendered to DoT in 2009 for which DoT had issued a no–dues certificate in November 2010. The Company is contesting this demand in an appropriate forum.

vii) Claim of ₹ 179.00 Crores from Global Holding Corporation, an associate of the Company towards loss occurred to the associate on account of invocation by lender of share investment held by the associate in the Company which was offered as pledge for the credit facility availed by the Company.

viii) One of the lenders has debited amount of ₹34.58 crore to Current Account which is disputed by the Company. The contingent liability in respect of 49 cases is ₹2,528.36 Crore.

D. Movement in provisions

Disclosure as required by Ind AS Provisions, Contingent Liabilities and Contingent Assets

₹ Crores

Particulars	31 March 2020	31 March 2019
Compensated Absences at beginning of the period	0.47	0.69
Addition	1.03	(0.01)
Benefits paid	(0.18)	(0.21)
Compensated Absences at end of the period	1.32	0.47

40.1 Related Parties

A Subsidiaries

- International Global Tele–Systems Limited
- GTL International Limited (refer Note No.40.1. 1)

B Associates

- Global Rural Netco Pvt.Limited (refer Note No.40.1.2)
- Global Holding Corporation Private Limited

D Key Managerial Personnel

- Mr. Sunil S. Valavalkar – Whole Time Director
- Mr. Milind Bapat, Chief Financial Officer
- Mr. Pratik Toprani, Company Secretary (upto February 04, 2020)
- Mr. Deepak Keluskar, Company Secretary (from June 22, 2020)
- Independent Directors

40.1.1. Hon'ble Supreme Court of Bermuda vide its order dated March 13,2020 has appointed Joint Liquidators and Committee of Inspection for liquidation of GTL International Limited (GTIL), 100% subsidiary of the Company. As a consequence, GTIL ceased to be subsidiary of the Company as the control over the Subsidiary is lost.

40.1.2 The National Law Tribunal, Court III, Mumbai Bench vide its order dt.March 04,2020 has appointed liquidator for liquidation of Global Rural Netco Pvt.Ltd. ,an Associate of the Company

40.1.3 The lenders of the Company invoked the pledge on shares held by the Company of GTL Infrastructure Limited, an associate of the Company and ADA Cell Wireless Engineering Pvt.Limited (ADA) , a 100% Subsidiary of the Company. In view of this, GTL Infrastructure Limited and ADA Cell Wireless Engineering Pvt.Limited are not related parties.

40.2 Related Party Disclosures – Transactions With Related Party

₹ Crores

Sr. No.	Party Name	Year	Closing Balance as on 31-Mar-2020							
			Deposit Received	Receivable towards Bank claim paid by the Company	Receivables (Gross)	Receivables towards Reimbursable cost / expense (GROSS)	Advance received / Accrued Receivables	Accrued Expenses	Payables (incl. Advance received)	
1	Subsidiaries									
1a	International Global Tele Systems Limited	31-Mar-20	NIL	221.43	NIL	5.56	NIL	NIL	NIL	NIL
		31-Mar-19	NIL	221.43	NIL	5.01	NIL	NIL	NIL	NIL
1.b	GTL International Limited (Refer Note 40.1.1)	31-Mar-20	NIL	55.67	18.11	(0.03)	NIL	NIL	NIL	NIL
		31-Mar-19	NIL	55.67	16.29	(0.02)	NIL	NIL	NIL	NIL
2	Associates									
2a	Global Rural Netco Pvt. Ltd. (Refer Note 40.1.2)	31-Mar-20	NIL	NIL	5.12	2.04	26.54	NIL	NIL	NIL
		31-Mar-19	NIL	NIL	5.12	2.04	26.54	NIL	NIL	NIL
2b	Global Holding Corporation Private Limited	31-Mar-20	NIL	NIL	NIL	0.26	NIL	NIL	NIL	NIL
		31-Mar-19	NIL	NIL	NIL	0.26	NIL	NIL	NIL	NIL

40.2.1 The above amounts with respect to advances & debtors are before making allowances for credit loss.

40.2.2 Claim from Global Holding Corporation Pvt.Ltd. of ₹179 Crores which is not acknowledged as debt is considered in “Contingent liability” and hence not shown in the above Statement.

40.2.3 The details of GTL Infrastructure Limited and Ada Cell Works Wireless Engineering Pvt.Ltd. Is not provided (Refer Note 40.1.3)

40.2.4 Terms and conditions of transactions with related parties

The credit period towards sale to related parties are in line with other external customers. The outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided to or received from any related party with respect to receivables or payables. The Company has provided impairment loss against amount due from related parties in the earlier years and the impairment provision as at March 31, 2020 is ₹260.69 Crores (31 March 2019: ₹ 310.52 Crores). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

40.3 Related Party Disclosures – Transactions With Related Party

₹ Crores

Sr. No.	Party Name	Year	Transaction during the year April 2019 to March 2020										
			Sales & Services	Reimbursement Expenses from	Reimbursement Expenses to	Interest Income	Rent received	Advance Received	Advance Repaid	Purchase of Property, plant and equipment	Sale of Property, plant and equipment	Short Term Employee benefits	Post Employee benefits
1	Subsidiaries												
1.a	International Global Tele Systems Limited	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
		31-Mar-19	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
1.b	GTL International Limited (Refer Note 40.1.1)	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
		31-Mar-19	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2	Associates												
2.a	Global Rural Netco Pvt. Ltd. (Refer Note 40.1.2)	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NA	NA
		31-Mar-19	NIL	0.01	NIL	NIL	0.02	NIL	NIL	NIL	NIL	NA	NA
2.b	Global Holding Corporation Private Limited	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
		31-Mar-19	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Sr. No.	Party Name	Year	Transaction during the year April 2019 to March 2020											
			Sales & Services	Reimbursement Expenses from	Reimbursement Expenses to	Interest Income	Rent received	Advance Received	Advance Repaid	Purchase of Property, plant and equipment	Sale of Property, plant and equipment	Short Term Employee benefits	Post Employee benefits	
3	Key Managerial Personnel													
3a	Mr. Sunil S. Valavalkar	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.14	0.01
		31-Mar-19	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.14	0.01
3b	Mr. Milind Bapat	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1.54	0.03
		31-Mar-19	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1.12	0.02
3c	Mr. Pratik Toprani	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.04	NIL
		31-Mar-19	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3.d.	Mr. Deepak Keluskar	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
		31-Mar-19	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3.e.	For sitting fee paid to Independent Director's (Refer Directors' Report)													

- 40.3.1** The sales to and purchases from related parties are made on terms equivalent to those that prevail for arm 's length transactions.
- 40.3.2** The amounts disclosed in the table related to key management personnel are the amounts recognised as an expense during the reporting period.
- 40.3.3** Mr. Pratik Toprani, Company Secretary, joined the services from 1st May, 2019.and resigned from the services on February 04, 2020. Mr.Deepak Keluskar,the Company Secretary, joined the services from June 22, 2020
- 40.3.4** Provision for contribution to Gratuity fund and Leave encashment on retirement which are made based on actuarial valuation on an overall Company basis are not included in remuneration details of key managerial personnel.

41. FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments

₹ Crores

	Carrying value		Fair value	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Financial assets				
FVTPL financial investments				
Investment in Preference Shares – Others				
European Projects and Aviation Ltd	NIL	NIL	111.65	111.65
Global Proserv Ltd	NIL	NIL	100.24	100.24
Investment in Equity Shares – Others				
European Projects and Aviation Ltd	NIL	NIL	NIL	NIL
GTL Infrastructure Ltd. (Refer Note 6.2)	51.16	184.19	51.16	184.19
Total of financial assets at fair value	51.16	184.19	263.05	396.08
Financial assets designated at amortised cost				
Non-current assets (refer note 41.1)				
Loans	0.71	0.97	0.71	0.97
Other	NIL	NIL	NIL	NIL
Current assets (refer note 41.1)				
Trade receivables	0.01	0.01	0.01	0.01
Cash and cash equivalents	3.79	4.67	3.79	4.67
Bank balance other than included in Cash and cash equivalents above	83.70	3.03	83.70	3.03

	Carrying value		Fair value	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Loans	0.79	0.07	0.79	0.07
Other	8.62	6.86	8.62	6.86
Total of financial assets at amortised cost	97.62	15.61	97.62	15.61
Total of financial assets	148.78	199.80	360.67	411.69
Financial liabilities designated at amortised cost				
Borrowings				
Fixed rate borrowings	6,527.71	6,471.05	6,527.71	6,471.05
0.01% Non-Participating Optionally Convertible Cumulative Preference Shares (OCPS) (refer note 41.2)	174.33	156.87	174.33	156.87
Trade payables (refer note 41.1)	69.33	57.89	69.33	57.89
Other Financial Liabilities (refer note 41.1)	260.15	168.92	260.15	168.92
Total of financial liabilities	7,031.52	6,854.73	7,031.52	6,854.73

41.1 The management assessed that trade receivables cash and bank balances, loans, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

41.2 The fair values of the Company's fixed interest-bearing borrowings is determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2020 was assessed to be insignificant as borrowings are fixed interest bearing.

42. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at :

₹ Crores

Particulars	Fair value measurement using					
	March 31, 2020			March 31, 2019		
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
	(Level 1)	(Level 2)	(Level 3)	(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:						
FVTPL financial investments (Note 41):						
Investment in Preference Shares – Others						
European Projects and Aviation Ltd		NIL			NIL	
Global Proserv Ltd		NIL			NIL	
Investment in Equity Shares – Others						
European Projects and Aviation Ltd			NIL			NIL
GTL Infrastructure Ltd. (Refer Note 6.2)	51.16			184.19		
Assets for which fair values are disclosed :						
Investment properties (Refer note 4.3)						
Office properties		42.53			42.53	

Quantitative disclosures fair value measurement hierarchy for liabilities as at :

Liabilities for which fair values are disclosed (Note 40):						
Borrowings (Note 41):						
Fixed Interest bearing Loans		6,527.71			6,471.05	
Convertible preference shares		174.33			156.87	

43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finance for the Company's operations. The Company's principal financial assets includes investments, trade and other receivables, supplier advance and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Risk Management Group (RMG), Investment committee and Resource committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Group, Investment committee and Resource committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Audit Committee of the Board and the Board of Directors review and monitor risk management and mitigation plans. The financial risks are summarised below.

43.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings and deposits. As the revenues from the Company's network service business is dependent on the sustainability of telecom sector, Company believes that Macro – economic factor, including the growth of Indian economy as well as political and economic environment, have a significant direct impact on the Company's business, results of operations and financial position.

43.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of financial instrument will fluctuate because of changes in market interest rates. The significant part of financial instrument which can be considered in case of the Company as subject to interest rate risk are borrowings. However the Company's borrowings carry fixed interest rate and therefore the Company is not exposed to significant interest rate risk.

43.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the External Commercial Borrowings and except for the the same, the Company is not exposed to foreign currency risk as the Company's business operations do not involve any significant transactions in foreign currency.

Foreign currency sensitivity

The impact on the Company's loss before tax on account of variation in exchange rates can be on account of fluctuation in USD as the Company's External Commercial borrowings liability is USD denominated liability. The following table demonstrates the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. 1% increase or decrease in USD rate will have the following impact on loss before tax :

₹ Crore

Particulars	2019–2020		2018–19	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD Denominated monetary liabilities	7.98	(7.98)	7.36	(7.36)

43.4 Equity price risk

The Company's equity investment in one of its associates is listed and all other investments are in unlisted entities. All the investments of the Company are trade and strategic investments and therefore are not considered to be exposed or susceptible to market risk.

43.5 Commodity price risk

The Company is engaged in business of providing "Network Services" comprising mainly of Operation maintenance and energy management (OME) and other network services. In OME the major component of cost are electricity and Fuel. The variation in the price of electricity and fuel is index based i.e. additionally charged to customer. With regards to other services the contracts are cost plus margin and therefore commodity price risk is mitigated

43.6 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and other financial assets.

Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and defined in accordance with customer assessment. Outstanding customer receivables are regularly monitored.

The Company follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances. Individual trade receivables are written off when management deems them not to be collectible. The Company does not hold any collateral as security against these trade receivables. The contractually agreed terms effectively manage the concentration risk. The details of the same are as under:

Ageing (in no. of days past due)	As at 31 March, 2020				As at 31 March, 2019			
	Gross carrying amount	Expected credit loss rate	Credit loss	Net carrying amount	Gross carrying amount	Expected credit loss rate	Credit loss	Net carrying amount
0 – 90 days past due	1.33	100%	1.33	NIL	1.33	100%	1.33	NIL
91 – 180 days past due	1.11	100%	1.11	NIL	1.11	100%	1.11	NIL
181 – 270 days past due	0.00	100%	0.00	NIL	0.00	100%	0.00	NIL
More than 270 days past due	275.07	100%	275.06	0.01	275.07	100%	275.06	0.01
Total	277.51		277.50	0.01	277.51		277.50	0.01

Financial Assets and bank deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which its balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2020 and 31 March 2019 is the carrying amounts as appearing in Note 12,13,14 and 15.

43.7 Liquidity risk

Liquidity risk is that the Company will not be able to settle or meet its obligation on time or at reasonable price. Company's principal sources of liquidity are cash flows generated from its operations.

The Company continues to take various measures such as cost optimisation, improving operating efficiency to increase Company's operating results and cash flows. Further the Company has made a proposal for a negotiated settlement of debts which has been agreed in principle by all set of lenders. The management is of the view that upon the implementation of the Company's negotiated settlement proposal, the Company would be in a position to meet its liabilities and continue its operations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ Crores

Particulars	March 31, 2020					March 31, 2019				
	On demand	Less than 1 year	More than 1 Year less than 5 years	More than 5 years	Total	On demand	Less than 1 year	More than 1 Year less than 5 years	More than 5 years	Total
Year ended 31/3/2020										
Convertible preference shares	NIL	NIL	NIL	650.00	650.00	NIL	NIL	NIL	650.00	650.00
Other financial liabilities	6,787.86	NIL	NIL	NIL	6,787.86	6,639.97	NIL	NIL	NIL	6,639.97
Total outstanding dues to micro & small enterprises	1.30	NIL	NIL	NIL	1.30	1.30	NIL	NIL	NIL	1.30
Total outstanding dues to other than micro & small enterprises	68.03	NIL	NIL	NIL	68.03	56.59	NIL	NIL	NIL	56.59
Total	6,857.19	NIL	NIL	650.00	7,507.19	6,697.86	NIL	NIL	650.00	7,347.86

44. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, Securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard continuity of the business operations.

In view of slow down in telecom industry in last few years, the Company's business received a set back which resulted in incurrance of huge losses and adversely impacting the capital of the Company. The Company therefore for effective capital management has submitted a revised negotiated proposal for settlement of debts and/or upon restructure through NCLT and / or the proposed revised circular of RBI as the case may be, it would be in a position to settle the matter and consequently there will be a substantial improvement in capital structure of the Company.

Calculation of Capital Gearing ratio

₹ Crores

Particulars	31 March 2020	31 March 2019
Equity Capital	157.30	157.30
Reserves	(7,715.62)	(7,484.76)
	(7,558.32)	(7,327.46)
Borrowings*	5,038.38	4,996.74
Liability component of compound financial instrument	174.33	156.87
	5,212.71	5,153.61
Capital Gearing ratio	(1.45)	(1.42)
Capital Gearing ratio %	(145.00)	(142.18)

*Fixed cost bearing funds have been included in calculation of the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

45. DEFERRED TAX

Deferred tax liabilities / (Assets) of the following

₹ Crores

Particulars	31 March 2020	31 March 2019
Relating to		
Property, Plant and Equipment	(13.72)	(18.65)
Right to use –Lease Assets	0.69	NIL
Other Intangible Assets	(0.23)	(0.39)
Financial Asset – Others	(41.50)	(47.68)
Disallowance Under Section 43B of the Income Tax Act, 1961		
Provision for doubtful debts	(0.21)	(9.93)
Unabsorbed Depreciation	(156.73)	(150.79)
Total	(211.70)	(227.44)

45.1 The Company has a Deferred Tax Asset of ₹ 211.70 Crore as on March 31, 2020 (₹ 227.44 Crore as on March 31, 2019). The same has not been recognised in the financial statement in the absence of probable taxable profits against which the same can be utilised.

45.2 Amount and expiry date of unused tax losses which are not considered in deferred tax assets disclosed below

Assessment Year (AY)	Unused tax Loss	Carried Forward Till AY
2012–13	103.37	2020–21
2013–14	87.81	2021–22
2014–15	408.80	2022–23
2015–16	194.04	2023–24
2016–17	141.28	2024–25
2017–18	9.17	2025–26
2018–19	NIL	2026–27
2019–20	34.06	2027–28
2020–21	55.65	2028–29
Total	1,034.18	

From last few years the Company is incurring losses and doesn't expect sufficient future taxable income in the near future against which the unused business losses can be utilised and therefore the Company has not considered the same for working of unrecognised DTA disclosed above .

46. GOING CONCERN

During the last few years, the Company has incurred cash losses, resulting in erosion of its entire net worth. The Company's current liabilities are higher than its current assets. On account of the above developments, the Management is of the view that either through negotiated settlement would be in a position to settle the matter and continue its operations. Accordingly, it continues to prepare above results on going concern basis.

47. The Ministry of Home Affairs notified telecommunication services including telecom infrastructure services among the essential services, which continued to operate during lock down declared since March 25, on account of COVID-19. The COVID-19 crisis has impacted ability of technicians to visit the tower sites for upkeep and maintenance of tower and Diesel filling. Against this background, and keeping in mind the health and safety of employees/customers/vendors, the Company has for the moment taking maximum precaution to protect its network and maintain uptime. Thus, though the Company is trying its best to keep the customer focus / network uptime humming, the exact impact of the crisis on the operations cannot be determined at this juncture.

a) Details of Loans or Advances in the nature of loans given to wholly owned Subsidiaries and step-down Subsidiaries.

₹ Crores

Name of the Company	Relationship	Outstanding As at March 31,		Maximum balance during the year	
		2020	2019	2020	2019
International Global Tele-Systems Limited	100% subsidiary of GTL Limited	221.43	221.43	221.43	221.43

* Refer note no. 40.2

Note :

a) The Company has made full provision for impairment against the said advances.

b) None of the subsidiaries to whom advances are given per se, have investment in the shares of the Company.

49. DETAILS OF ROUNDED OFF AMOUNTS

The financial statements are presented in ₹in Crores. Those items which are required to be disclosed and which were not presented in the financial statement due to rounding off to the nearest ₹in Crore are as follows

₹ Crores

Description	As at	
	31-Mar-20	31-Mar-19
Reserves and Surplus – Capital Reserve	7,725	7,725
Interest cost (Refer note 38.b.3)	26,298	11,371
Sale of fixed assets	N.A.	49,844
Auditors remuneration – reimbursement of expenses (Note 35.1)	40,802	13,067
Actuarial changes arising from changes in financial assumptions (Note 38.b.1)	N.A.	27,668

50. The previous year figures, wherever necessary, have been regrouped/rearranged/recast to make them comparable with those of the current year.

51. Figures in brackets relate to the previous year unless otherwise stated.

As per our report of even date

For **M/s. GDA and Associates**

Chartered Accountants

FRN No.135780W

For and on behalf of the Board

Sunil S. Valavalkar

Whole-time Director

Mayuresh V. Zele

Partner

M.No. 150027

Mumbai, June 22, 2020

D. S. Gunasingh

Director

Milind Bapat
Chief Financial Officer

Dr. Mahesh Borase

Director

Deepak Kuleskar
Company Secretary

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

**To,
The Members of GTL LIMITED
Report on the audit of the Consolidated Financial Statements**

Qualified Opinion

We have audited the accompanying consolidated financial statements of **GTL Limited** ("the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matters prescribed in the basis for qualified opinion paragraph below the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, their consolidated loss and their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

As mentioned in Note No. 34.1 to the Statement, the Company has neither paid nor provided interest on its borrowings during the financial year. Had such interest been recognised, the finance cost and interest liability for the year ended March 31, 2020 would have been more by Rs. 484.08 Crores. Consequently, the reported Loss after Other Comprehensive Income by the Company for the year ended March 31, 2020 would have been Rs. 514.46 Crores. The Earnings per Share (EPS) would have been Negative Rs. 32.69.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated

Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical / independence requirements that are relevant to our audit of Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our modified audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to the following notes to the accompanying consolidated financial statements

- a) Note no. 48 which inter-alia states that the Company has incurred cash losses, its Net worth has been fully eroded and the Company's current liabilities have exceeded its current assets as at March 31, 2020. The above conditions indicate the existence of the material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the consolidated financial statements of the Company have been prepared on going concern basis for the reasons stated in the said note.
- b) Note no. 6.2 which inter-alia states that, company had pledged certain investments in its subsidiary / associate / affiliate companies with the lenders towards the borrowings from them. During the previous year, lenders had invoked the pledge and transferred those investments of the company in the name of its trustees without appropriating the same against the borrowings. Pending appropriation of pledged shares as mentioned above, the said investments are continued to be classified under 'Long Term Investments'.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Subsidiaries Classified as Held for Sale</p> <p>The Company is in the process of entering into a sale agreement which results into loss of control of subsidiaries. The assets and liabilities of these subsidiaries are classified as 'held for sale'. The same is considered as key audit matter as it involves evaluation of conditions that is required to be satisfied for classification of assets held for sale, fair valuation of assets less cost of disposal and liabilities on such classification and consequential impairment, if any, and disclosure and presentation in the financial statements. (Refer note 28 to the Consolidated Financial Statements)</p>	<p>We have carried out the following procedures in respect of these matters:</p> <ul style="list-style-type: none"> ➤ Obtained management representation for classifying the investments in subsidiaries as "Held for Sale" ➤ Read minutes of meetings of Board of Directors of the Company. ➤ Verified the impairment loss that is recognised on initial recognition and on subsequent measurement when carrying amount exceeds its fair value less costs of disposal. ➤ Obtained and relied on the financial statements of these subsidiaries as certified by the management. ➤ Verified the disclosure and presentation of financial statement in accordance with Ind AS – 105 'Non-current Assets held for sale and discontinued operations'

Sr. No.	Key Audit Matter	Auditor's Response
2.	<p>Loss of Control in Wholly owned Subsidiary – GTL International Limited:</p> <p>During the year, Company has lost control over its subsidiary – GTL International Ltd post appointment of Liquidator by the Supreme Court of Bermuda. (Refer note 37 to the Consolidated Financial Statements)</p>	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> ➤ Obtained and read the Court Order along with the other relevant documents. ➤ Assessed management's position on loss of control which is supported by external legal opinions obtained by the Holding Company in this regard. ➤ Assessed the objectivity, independence and competence of the external legal expert involved in the process. ➤ Assessed the measurement and recognition of loss of control on the consolidated financial statements in line with Ind AS 110 and Ind AS 28.
3.	<p>Evaluation of uncertain tax positions:</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p>	<p>Our procedures included the following:</p> <p>Obtained understanding of key uncertain tax positions; Obtained details of completed tax assessments and demands for the year ended March 31, 2020 from the management; We along with our internal tax experts –</p> <ol style="list-style-type: none"> i. Discussed with management and evaluated the Management's underlying key assumptions in estimating the tax provision; ii. Assessed management's estimate of the possible outcome of the disputed cases; and iii. Considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. <p>Additionally, considered the effect of new information in respect of uncertain tax positions as at April 1, 2019 to evaluate whether any change was required to management's position on these uncertainties.</p>
4.	<p>Assessment of contingent liabilities and provisions related to Taxation, Litigations and claims:</p> <p>The assessment of the existence of the present legal or constructive obligation, analysis of the probability of the related payment and analysis of a reliable estimate, requires management's judgement to ensure appropriate accounting or disclosures. Due to the level of judgement relating to recognition, valuation and presentation of provisions and contingent liabilities, this is considered to be a key audit matter. (Refer note 41 to the Consolidated Financial Statements)</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ➤ As part of our audit procedures we have assessed Management's processes to identify new possible obligations and changes in existing obligations for compliance with company policy and Ind AS 37 requirements. ➤ We have analysed significant changes from prior periods and obtain a detailed understanding of these items and assumptions applied. ➤ We have obtained relevant status details and Management representations on the major outstanding litigations. ➤ As part of our audit procedures we have reviewed minutes of board meetings (including the Audit Committee). ➤ We have held regular discussions with Management and internal legal department. ➤ We challenged the assumptions and critical judgements made by management which impacted their estimate of the provisions required, considering judgements previously made by the authorities in the relevant jurisdictions or any relevant opinions given by the Company's advisors and assessing whether there was an indication of management bias. ➤ We discussed the status in respect of significant provisions with the Company's internal tax and legal team. <p>We performed retrospective review of management judgements relating to accounting estimate included in the financial statement of prior year and compared with the outcome.</p>

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, compare with the financial statements of the subsidiary audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from its financial statements audited by the other auditors.

When we read other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, including comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by the

other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Other matters

- a) We did not audit the financial statements / information of Nepal branch of Holding Company included in the consolidated financial statements of the group, whose financial statements / financial information reflect total assets of Rs. 0.70 Crores (net assets of Rs. 0.05 Crores) as at March 31, 2020 and total revenues of Rs. Nil for the year ended on that date. The financial statements / information of this branch are unaudited. According to the information and explanations given to us by the Management, there are no transactions at the said branch and these financial statements / information are not material to the Company.
- b) As at March 31, 2020, balance Confirmations, with respect to Bank Loan (including interest accrued), Bank Guarantee, Bank Current Account and Fixed Deposits aggregating to Rs. 3,638.67 Crores, have not been received.
- c)
 - i. The consolidated financial statements include the annual financial results of its Subsidiary Company International Global Telesystems Ltd.
 - ii. We did not audit the financial statements of the subsidiary company namely International Global Telesystems Ltd classified as "held for sale", included in the consolidated financial statements whose financial statements reflect total liabilities (Net) of Rs. 710.16 Crores as at March 31, 2020, total revenue of Rs. Nil, total net loss after tax of Rs. 54.05 Crores, total comprehensive loss of Rs. 54.05 Crores for the year ended on that date, disclosed under "Discontinued operations" for the year ended on that date. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditors.
- d) The Statement includes results for the quarter ended March 31, 2020 and March 31, 2019 being balancing figures between audited figures in respect of full financial year and published unaudited year to date figures up to the third quarter of the current financial year i.e. December 31, 2019 and December 31, 2018 which were subjected to limited review by us.

Our opinion is not modified in respect of above matters.

Report on Other Legal and Regulatory Requirements

- i. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor of separate financial statements and on the other financial information of such subsidiaries, as noted in the other matter paragraph in the auditor's report, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.
 - c) The reports on the accounts of the branch offices of the Company have not been audited under Section 143(8) of the Act by branch auditor and have been appropriately dealt with by us in preparing this report. (Refer Point (a) of Other Matter paragraph above)
 - d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash

Flow Statement and the consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- e) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.
- f) On the basis of the written representations received from the directors of the Holding Company 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.
- g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company and its subsidiaries, incorporated in India, refer to our separate Report in “Annexure A” to this report;
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 read with Notification No G.S.R 307(E) dated 30.03.2017, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 41.C.1 to the consolidated financial statements.
 - ii. According to the information and explanations given to us, the Group does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India. Unpaid dividend of the Holding Company of Rs. 0.20 crores pertaining to the years 2000–01, 2001–02 and 2003–04 to 2009–10 which has not been transferred to the Investor Education and Protection Fund but is held in abeyance on account of pending legal cases.
- II. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Holding Company, and its subsidiaries, incorporated in India to their directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

**For GDA & Associates
Chartered Accountants**

Firm Registration Number: 135780W

**Mayuresh V. Zele
Partner**

Membership No: 150027
UDIN : 20150027AAAAAP5485

Place : Mumbai
Date : June 22, 2020

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF GTL LIMITED

(Referred to in paragraph I (g) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date to the members of GTL Limited on the Consolidated Financial Statements for the year ended March 31, 2020)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of GTL Limited (hereinafter referred to as the “Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

**For GDA & Associates
Chartered Accountants**

Firm Registration Number: 135780W

**Mayuresh V. Zele
Partner**

Membership No: 150027

UDIN : 20150027AAAAAP5485

Place : Mumbai

Date : June 22, 2020

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results (Consolidated)

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]**

₹ Lakhs

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total Income	22,771.34	22,771.34
	2.	Total Expenditure	45,822.97	94,230.78
	3.	Net Profit / (Loss)	(3038.19)	(51,446.00)
	4.	Earnings Per Share	(1.91)	(32.69)
	5.	Total Assets	26,467.21	26,467.21
	6.	Total Liabilities	776,244.55	824,652.36
	7.	Net Worth	(749,777.34)	(798,185.15)
	8.	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

As mentioned in Note No. 11 to the Statement, the Company has neither paid nor provided interest on its borrowings during the financial year. Had such interest been recognised, the finance cost and interest liability for the year ended March 31, 2020 would have been more by Rs. 48,407.81 Lakhs.

Consequently, the reported Loss after Other Comprehensive Income by the Company for the year ended March 31, 2020 would have been Rs. 51,446 Lakhs. The Earnings per Share (EPS) would have been Negative Rs. 32.69.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: Third time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

The Company has neither paid nor provided interest on its borrowings during the financial year in view of details explained in the Note 11 of SEBI results (Consolidated).

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

(i) Management's estimation on the impact of audit qualification:

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

(iii) Auditors' Comments on (i) or (ii) above:

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

Mayuresh V. Zele
Partner

M.No. 150027
Mumbai, June 22, 2020

For and on behalf of the Board
Sunil Valavalkar
Whole-time Director

D.S. Gunasingh
Chairman of Audit Committee

Milind Bapat
Chief Financial Officer

Consolidated Balance Sheet as at March 31, 2020

₹ Crores

Particulars	Notes	As at	
		31 March 2020	31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	3	74.98	75.13
Capital work-in-progress	3	NIL	NIL
Investment properties	4	3.01	3.08
Intangible assets	5	0.73	0.75
Financial assets			
Investments	6	51.16	184.19
Loans	7	0.71	0.97
Other	8	NIL	NIL
Deferred tax assets (net)		NIL	NIL
Other non-current assets	9	NIL	NIL
		130.59	264.12
Current assets			
Inventories	10	NIL	NIL
Financial assets			
Investments		NIL	NIL
Trade receivables	11	0.01	0.01
Cash and cash equivalents	12	3.79	4.67
Bank balance other than included in Cash and cash equivalents above	13	83.70	3.03
Loans	14	0.79	0.07
Other	15	8.62	6.86
Current Tax Assets (Net)	16	22.87	18.01
Other current assets	17	14.30	13.36
Assets held for Sale and Discontinued Operations	18	NIL	NIL
		134.08	46.01
		264.67	310.13
Total Assets			
Equity and liabilities			
Equity			
Equity Share Capital	19	157.30	157.30
Other Equity	20	(7,655.07)	(7,559.79)
Total Equity		(7,497.77)	(7,402.49)
Non-current liabilities:			
Financial liabilities			
(i) Borrowings	21	174.33	156.87
(ii) Other financial liabilities	22	2.34	NIL
Provisions	23	1.28	0.45
		177.95	157.32
Current liabilities:			
Financial liabilities			
Trade payables	24		
– Total outstanding dues to micro & small enterprises		1.30	1.30
– Total outstanding dues to other than micro & small enterprises		68.03	56.59
Other financial liabilities	25	6,787.86	6,639.97
Other current liabilities	26	17.10	11.65
Provisions	27	0.04	0.05
Liabilities directly associated with the assets classified as held for sale	28	710.16	845.74
		7,584.49	7,555.30
		7,762.44	7,712.62
		264.67	310.13
Total liabilities			
Total equity and liabilities			
The accompanying notes form an integral part of the consolidated financial Statement	39		

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

Mayuresh V. Zele
Partner
M.No. 150027
Mumbai, June 22, 2020

For and on behalf of the Board

Sunil S. Valavalkar
Whole-time Director

D. S. Gunasingh
Director

Milind Bapat
Chief Financial Officer

Dr. Mahesh Borase
Director

Deepak Keluskar
Company Secretary

Statement of Consolidated Profit and Loss for the year ended March 31, 2020

₹Crores (unless other wise stated)

Particulars	Notes	Year ended 31 March, 2020	Year ended 31 March, 2019
Continuing operations			
Revenue from operations	29	215.40	219.05
Other income	30	12.31	19.69
TOTAL INCOME		227.71	238.74
EXPENSES			
Cost of Purchases / Services rendered	31	71.07	108.86
Changes in inventories of finished goods, stock-in-trade and work-in-progress	32	NIL	NIL
Employee benefits expenses	33	73.16	72.06
Finance costs	34	19.38	16.67
Depreciation and amortisation expenses	35	4.52	4.54
Other expenses	36	290.10	281.33
TOTAL EXPENSES		458.23	483.46
Loss before exceptional items and tax from continuing operations		(230.52)	(244.72)
Exceptional items		NIL	NIL
Loss before tax from continuing operations		(230.52)	(244.72)
Tax expenses			
Current tax		NIL	NIL
Adjustment of tax relating to earlier periods		NIL	0.05
Deferred tax credit/(charge)		NIL	NIL
Loss after tax from continuing operations		(230.52)	(244.77)
Discontinued operations:	37		
Loss before tax for the year from discontinued operations		(84.77)	(168.12)
Tax expenses of discontinued operations		0.51	2.25
Loss for the year from discontinued operations		(85.28)	(170.37)
Exceptional items :			
De-recognition of Assets and Liabilities of subsidiary on account of loss of control		285.76	NIL
Profit/(Loss) after tax and exceptional items – discontinued operations		200.48	(170.37)
Loss for the year		(30.04)	(415.14)
Other Comprehensive Income			
A			
(i) Items that will not be reclassified to profit or loss		(0.34)	0.10
(ii) Income tax relating to items that will not be reclassified to profit or loss		NIL	NIL
Sub Total		(0.34)	0.10
Share in other comprehensive income of associates		NIL	NIL
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		(0.34)	0.10
B			
(i) Items that will be reclassified to profit or loss		NIL	NIL
(ii) Income tax relating to items that will be reclassified to profit or loss		NIL	NIL
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		NIL	NIL
Other comprehensive income for the year, net of tax		(0.34)	0.10
Total Comprehensive Income for the period, net of tax		(30.38)	(415.04)
Earnings per share (in ₹)	38		
Continuing operations			
Basic		(14.66)	(15.56)
Diluted		(14.66)	(15.56)
Discontinued operations			
Basic		12.75	(10.83)
Diluted		12.75	(10.83)
Continuing and discontinued operations			
Basic		(1.91)	(26.39)
Diluted		(1.91)	(26.39)
The accompanying notes form an integral part of the consolidated financial Statement	39		

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

Mayuresh V. Zele
Partner
M.No. 150027
Mumbai, June 22, 2020

For and on behalf of the Board

Sunil S. Valavalkar
Whole-time Director

D. S. Gunasingh
Director

Dr. Mahesh Borase
Director

Milind Bapat
Chief Financial Officer

Deepak Keluskar
Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2020
a. Equity Share Capital:

Equity shares of INR 10 each issued, subscribed and fully paid (Refer Note 19.3)	No of shares	₹ Crores
At 31 March 2019	157,296,781	157.30
At 31 March 2020	157,296,781	157.30

b. Other Equity:

₹ Crores

Particulars	Equity component of compound financial instrument	Reserves & Surplus								Items of OCI FVTOCI reserve	Total
		Capital Reserve	Capital Redemption Reserve	Securities premium account	Debenture Redemption Reserve	General Reserve	Translation Reserve	Reserves on Consolidation	Balance in Statement of Profit and Loss		
For the year ended March 31, 2020											
As at 31st March 2019	570.92	12.84	8.63	448.18	191.16	510.76	(35.72)	(504.88)	(8,761.68)	NIL	(7,559.79)
Net loss for the period	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	(30.04)	NIL	(30.04)
Addition / Reduction during the year	NIL	(12.84)	NIL	NIL	NIL	NIL	(19.30)	(32.76)	NIL	NIL	(64.90)
Other comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	(0.34)	NIL	(0.34)
Total comprehensive income	NIL	(12.84)	NIL	NIL	NIL	NIL	(19.30)	(32.76)	(30.38)	NIL	(95.28)
Transfer from debenture redemption reserve / general reserve	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
As at 31 March 2020	570.92	-	8.63	448.18	191.16	510.76	(55.02)	(537.64)	(8,792.06)	NIL	(7,655.07)
For the year ended 31 March 2019											
As at 1st April 2018	570.92	12.84	8.63	448.18	191.16	510.76	23.58	10.83	(8,346.64)	NIL	(6,569.74)
Net loss for the period	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	(415.14)	NIL	(415.14)
Addition / Reduction during the year	NIL	NIL	NIL	NIL	NIL	NIL	(59.30)	(515.71)			(575.01)
Other comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.10	NIL	0.10
Total comprehensive income	NIL	NIL	NIL	NIL	NIL	NIL	(59.30)	(515.71)	(415.04)	NIL	(990.05)
Transfer from debenture redemption reserve / general reserve	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
As at 31 March 2019	570.92	12.84	8.63	448.18	191.16	510.76	(35.72)	(504.88)	(8,761.68)	NIL	(7,559.79)

Notes:

Capital Reserve: This reserve represents fraction coupons amount on conversion of FCCB into equity shares.

Capital Redemption Reserve: This reserve is created u/s 69 of the Companies Act, 2013 by transferring an amount equal to the nominal value of shares bought back by the Company. The same is permitted to be used for issuing fully paid bonus shares.

Securities Premium Account: Premium collected on issue of securities is accumulated as part of securities premium. Utilisation of such premium is restricted by the Companies Act, 2013.

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

General Reserve: General Reserve forms part of the retained earnings and is permitted to be distributed to shareholders as dividend.

Balance in Statement of Profit and Loss: This represents profits remaining after all appropriations. This is free reserve and can be used for distribution as dividend.

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

For and on behalf of the Board

Sunil S. Valavalkar
Whole-time Director

Mayuresh V. Zele
Partner
M.No. 150027
Mumbai, June 22, 2020

D. S. Gunasingh
Director

Dr. Mahesh Borase
Director

Milind Bapat
Chief Financial Officer

Deepak Keluskar
Company Secretary

Consolidated Statement of Cash Flows for the year ended March 31, 2020

₹ Crores

Particulars	31 March 2020	31 March 2019
Operating activities		
Profit / (loss) before tax from continuing operations	(230.86)	(244.62)
Profit/(loss) before tax from discontinued operations	200.99	(168.12)
Profit / (Loss) before tax	(29.87)	(412.74)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment (Continuing operation)	4.51	4.54
Depreciation and impairment of property, plant and equipment (Discontinuing operation)	NIL	1.18
Gain on disposal of property, plant and equipment	(0.26)	(0.00)
Finance income (including fair value change in financial instruments)	(0.94)	(0.89)
Finance costs (including fair value change in financial instruments) (continuing operations)	19.05	16.67
Finance costs (including fair value change in financial instruments) (discontinued operations)	64.97	68.02
Unrealised Exchange (Gain)/Loss	77.16	70.33
Allowance for credit losses – Trade Receivables (Continuing operations)	0.67	1.19
Allowance for credit losses– Other Receivables (Continuing operations)	NIL	30.64
Allowance for credit losses– Other Receivables (Discontinuing operations)	NIL	116.17
Provision for impairment of investments	133.02	152.81
Liabilities / provisions no longer required written back	(8.88)	(14.93)
Interest on right to use leased assets	0.33	NIL
Exceptional Items :		
De–recognition of assets and liabilities of subsidiary on account of loss of control	(285.76)	NIL
Working capital adjustments:		
Increase /(decrease) in provision for gratuity & Compensated absences	0.81	(0.20)
(Increase)/decrease in trade receivables	NIL	37.24
(Increase)/decrease in inventories	NIL	8.59
(Increase)/decrease in other current and non current assets	(1.47)	(46.44)
(Increase)/decrease in long term and short term loans and advances	(2.18)	(12.54)
Increase /(decrease) in trade payables, other current and non current liabilities and provisions	116.32	80.07
Increase /(decrease) in trade payables, other current and non current liabilities and provisions – discontinued operations	NIL	(7.39)
	87.48	92.31
Income tax paid (including TDS) (net)	(4.85)	0.03
Net cash flows from operating activities	82.63	92.34

₹ Crores

Particulars	31 March 2020	31 March 2019
Investing activities		
Proceeds from sale of property, plant and equipment	0.36	0.00
Purchase of property, plant and equipment (including CWIP)	(1.08)	(7.18)
Interest received (finance income)	0.76	0.90
Net cash flows from / (used in) investing activities	0.04	(6.28)
Financing activities		
Interest paid	(0.72)	(3.06)
Repayment of long term borrowings	(20.50)	(106.27)
Fixed deposits with banks held as margin money	(80.67)	4.44
Principal repayment of lease payments	(0.33)	NIL
Interest repayment of lease payments	(1.13)	NIL
Net cash flows from / (used in) financing activities	(103.35)	(104.89)
Adjustment on account of Consolidation / Translation	7.13	8.56
Net increase / (decrease) in cash and cash equivalents	(13.55)	(10.27)
Cash and cash equivalents at the beginning of the year (Continuing Operations)	4.67	15.38
Cash and cash equivalents at the beginning of the year (Discontinued operations)	12.67	12.23
Cash and cash equivalents at the beginning of the year	17.34	27.61
Cash and cash equivalents at the end (Continuing Operations)	3.79	4.67
Cash and cash equivalents at the end (Discontinuing operation)	NIL	12.67
Cash and cash equivalents at the end (Refer Note no.12)	3.79	17.34

- (i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS – 7 'Statement of Cash Flow.
- (ii) Figures in brackets indicate outflows.
- (iii) Previous year's figures have been regrouped/rearranged/recast wherever necessary to make them comparable with those of current year.

As per our report of even date

For M/s. **GDA and Associates**

Chartered Accountants

FRN No.135780W

Mayuresh V. Zele

Partner

M.No. 150027

Mumbai, June 22, 2020

For and on behalf of the Board

Sunil S.Valavalkar

Whole-time Director

D. S. Gunasingh

Director

Milind Bapat
Chief Financial Officer

Dr. Mahesh Borase

Director

Deepak Keluskar
Company Secretary

NOTES TO FINANCIAL STATEMENTS

1. Basis of principles of consolidation and significant accounting policies:

1.1 Basis for preparation of Financial Statements:

Compliance with Ind AS :

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

For all periods up to and including the year ended 31 March 2016, the Consolidated financial statements were prepared in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The first Ind AS compliant consolidated financial statements were for the year ended March 31, 2017 with restated comparative figures for the year ended March 31, 2016 and as on April 1, 2015 in compliance with Ind AS.

Historical Cost Convention:

The Consolidated financial statements have been prepared on a historical cost basis, except –:

- (a) certain financial assets and liabilities and
- (b) defined benefit plans

Which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

The preparation of the consolidated financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no. 39 on critical accounting estimates, assumptions and judgments).

Functional and presentation currency:

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The Consolidated financial statements are presented in Indian ` , which is the functional currency of the Parent Company and all values are rounded to the nearest crores (` 10,000,000), except when otherwise indicated.

1.2 Principles of Consolidation:

The financial statement relates to GTL Limited (hereinafter referred to as "Parent Company"), its subsidiary companies

(including step down subsidiaries) (hereinafter together referred to as "The Group") – comprising of Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Statement of Consolidated Cash Flows together with the consolidated notes have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting standards) (Amendment) Rules, 2016.

1 The financial statements of the Parent Company and its subsidiary companies (including step down subsidiaries) are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Ind- AS 110 "Consolidated Financial Statements".

A Subsidiary is an entity controlled by the Parent. The Parent controls an entity when it is exposed to or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the Consolidated Financial Statements from the date on which control commences as per Ind AS until the date on which control ceases.

2 In case of foreign subsidiaries, being non-integral foreign operations, revenue items are converted at weighted average rate for the financial year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized as the "Translation Reserve" and the same is grouped under "Reserves and Surplus".

3 The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.

4 The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

5 Share of Minority Interest in net profit / loss of the consolidated subsidiaries for the year is identified and adjusted against the profit / loss of the group in order to arrive at the net profit / loss attributable to shareholders of the Company.

- 6 Share of Minority Interest in net assets of the consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- 7 Investment in Associate Companies is accounted under the equity method as per Ind-AS 28 "Investment in Associates and Joint Ventures"
- 8 As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Parent Company's separate financial statements.
- 9 Assets and liabilities of disposal groups that are available for immediate sale and where the sale is highly probable of being completed within one year from the date of classification are considered and classified as assets held for sale and liabilities associated with assets held for sale. Non-current assets and disposal groups held for sale are measured at the lower of carrying amount and fair value less costs to sell.

2 Summary of Significant Accounting Policies–

1. Current versus non-current classification :

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

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

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

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

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

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

2. **Segment reporting:** The Company is engaged only in the business of providing "Network Services" and as such there are no separate reportable segments.

3. **Fair value measurement:**

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

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

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

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

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

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

- Level 1 — Quoted / Published NAV (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

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

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

- Disclosures for valuation methods, significant estimates and assumptions (note 42)
- Quantitative disclosures of fair value measurement hierarchy (note 43)
- Investment in unquoted equity shares (note 6)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 44)

4. Revenue recognition :

Revenue is recognised when the Group satisfies the performance obligation by transferring the promised services to the customers. Services are considered as performed when the customer obtains control, whereby the customer gets the ability to direct the use of such services and substantially obtains all benefits from services. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue is measured based on the transaction price which is the fair value of the consideration received or receivable, stated net of discounts, returns and taxes. Transaction price is recognised based on the price specified in the contract. Accumulated experience is used to estimate and provide for the discounts / right of return, using the expected value method.

The specific revenue recognition policies are as under:

- Revenue from contracts with customers:
 - Revenue from Turnkey Contracts, which are either Fixed Price or Cost Plus contracts, is recognized – when Group satisfies performance obligation by transferring promised services to the customer. The Group uses significant judgments while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.
 - Revenue from sale of products is recognized when performance obligations are satisfied. Performance obligations are satisfied when the customer obtains control of the products.
 - Revenue from services is recognized when Group satisfies the performance obligation by transferring promised services to the customers.

Contract assets are recognized when there is an excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables when there is an unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned revenue (“Contract Liability”) is recognized when there is billing in excess of revenue.
- Dividend income is recognized when the right to receive dividend is established.
- Income such as interest, rent is recognized as per contractually agreed terms on time proportion basis.

5. Property, plant and equipment :

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

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

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

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

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

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

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

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

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

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

6. Investment properties:

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

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

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

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

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

7. Intangible assets:

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

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

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

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

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

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

8. Inventories:

- a. Inventories including Work-in-process and stores and spares are valued at the lower of cost and net realizable value.
- b. Inventory of Consumables is valued at cost
- c. Cost of inventories is generally ascertained on first in first out basis.

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

9. Impairment of Non-Financial Assets

At each balance sheet, the Group assesses whether there is any indication that any property, plant and equipment and intangible asset may be impaired and if any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Consolidated Statement of profit and loss. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

10. Foreign currencies:

The Consolidated financial statements are presented in ₹ which is also its functional currency of the Parent Company.

Transactions and balances

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

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

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

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

11. Employee Benefits:

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the specified contributions are paid to a separate entity. The specified monthly contributions are paid towards Provident Fund, Pension Scheme or any other applicable funds. The contributions are recognised as an expense in the Consolidated Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plan

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

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

12. Financial instruments:

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

Financial Assets carried at amortised cost (AC)

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

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

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

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

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

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

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

Equity investments

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

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

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Consolidated balance sheet) when:

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

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

Impairment of financial assets

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

Financial assets at amortised cost

Financial assets measured at fair value through Profit or Loss Account

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

The Group uses historical cost experience to determine the impairment loss allowance on the portfolio of trade receivables. At every reporting date, the historically

observed default rates are updated and changes in the forward looking estimates are analysed.

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

Financial liabilities

Initial recognition and measurement

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

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

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

A. Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria

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

Loans and borrowings

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

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

Financial guarantee contracts

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

Derecognition

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

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) contract that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded

derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

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

Reclassification of financial assets

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated balance

sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

13. Provision for Current and Deferred Tax:

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

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

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

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

The deferred tax assets and deferred tax liabilities are offset and presented net if the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

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

14. Provisions, Contingent Liabilities and Contingent Assets :

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

15. Borrowing Cost:

- a. Borrowing costs, less any income on the temporary investment out of those borrowings, that are directly attributable to acquisition of an asset that necessarily takes a substantial period of time to

get ready for its intended use are capitalized as a part of the cost of that asset.

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

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

16. Leases:

Group as a lessee:

The Group has adopted Ind AS 116 on leases beginning April 1, 2019, using the modified retrospective approach. The standard has been applied to the lease contracts as at April 1, 2019. Accordingly, the Group has not restated the comparative information.

The Group's lease asset classes primarily consist of leases for Buildings. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated

depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Group as a lessor :

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

17. Convertible preference shares

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

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

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

Transaction costs are apportioned between the liability and equity components of the convertible preference

shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

18. Cash and Cash equivalents :

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

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

19. Earnings per share

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

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

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

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

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),

- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

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

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

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

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

Or

- Is a subsidiary acquired exclusively with a view to resale

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

21. Recent Indian Accounting Standard (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

3. PROPERTY, PLANT AND EQUIPMENT

₹ Crores

Particulars	Leasehold Buildings	Right to use – Leased assets	Plant & machinery	Furniture & fixtures	Office equipments	Computers	Networking Assets	Test and Repair Equipments	Vehicles	Total of Property, plant and equipment	Capital work in progress
Cost											
At 31 March 2018	77.96	111.22	4.10	3.38	1.18	37.29	5.81	1.26	242.20	NIL	NIL
Additions	NIL	NIL	NIL	NIL	NIL	0.11	NIL	NIL	0.11	NIL	NIL
Disposals	NIL	NIL	NIL	NIL	NIL	(0.01)	NIL	NIL	(0.01)	NIL	NIL
At 31 Mar 2019	77.96	NIL	111.22	4.10	3.38	1.18	37.39	5.81	1.26	242.30	NIL
Additions	NIL	3.47	NIL	0.73	0.09	0.01	0.01	NIL	0.29	4.60	NIL
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	(0.23)	NIL	(0.10)	(0.33)	NIL
At 31 Mar 2020	77.96	3.47	111.22	4.83	3.47	1.19	37.17	5.81	1.45	246.57	NIL
Depreciation and impairment											
At 31 March 2018	5.36	110.87	2.31	1.81	0.78	36.49	4.57	0.51	162.70	NIL	NIL
Depreciation charge for the year	1.80	0.18	0.14	0.20	0.38	0.49	1.02	0.26	4.47	NIL	NIL
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
At 31 Mar 2019	7.16	NIL	111.05	2.45	2.01	1.16	36.98	5.59	0.77	167.17	NIL
Depreciation charge for the year	1.78	1.27	0.15	0.65	0.13	0.01	0.16	0.03	0.24	4.42	NIL
Disposals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	–	NIL
At 31 Mar 2020	8.94	1.27	111.20	3.10	2.14	1.17	37.14	5.62	1.01	171.59	NIL
Net Book Value											
At 31 Mar 2020	69.02	2.20	0.02	1.73	1.33	0.02	0.03	0.19	0.44	74.98	NIL
At 31 Mar 2019	70.81	NIL	0.16	1.66	1.37	0.09	0.35	0.21	0.48	75.13	NIL

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

3.2 For lien and charge on the above assets refer note no 23.1

3.3 In accordance with the Indian Accounting Standard (Ind AS 36) on “Impairment of Assets” the Management is required to carry out an exercise of identifying assets that may have been impaired. However, in the opinion of the management, the fixed assets of the company mainly comprise of leasehold land and buildings and not cash generating units as stated in the said accounting standard and there is no impairment of any of the fixed assets.

4. INVESTMENT PROPERTY

₹ Crores

Particulars	Freehold land	Leasehold land	Total
Cost			
Opening Balance At 1 April 2018	0.23	3.05	3.28
Additions	NIL	NIL	NIL
Disposals	NIL	NIL	NIL
Opening Balance At 31 March 2019	0.23	3.05	3.28
Additions	NIL	NIL	NIL
Disposals	NIL	NIL	NIL
Closing Balance At 31 March 2020	0.23	3.05	3.28
Depreciation and impairment			
Opening Balance At 1 April 2018	NIL	0.16	0.16
Depreciation charge for the year	NIL	0.04	0.04
Disposals	NIL	NIL	NIL
Opening Balance At 31 March 2019	NIL	0.20	0.20
Depreciation charge for the year	NIL	0.07	0.07
Disposals	NIL	NIL	NIL
Closing Balance At 31 March 2020	NIL	0.27	0.27
Net Block			
At 31 March 2020	0.23	2.78	3.01
At 31 March 2019	0.23	2.85	3.08

4.1 Information regarding income and expenditure of Investment property

₹ Crores

Particulars	31 March 2020	31 March 2019
Rental income derived from investment properties	NIL	NIL
Direct operating expenses (including repairs and maintenance) generating rental income	NIL	NIL
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(0.14)	(0.12)
Loss arising from investment properties before depreciation and indirect expenses	(0.14)	(0.12)
Less – Depreciation	(0.07)	(0.04)
Loss arising from investment properties before indirect expenses	(0.21)	(0.16)

4.2 For lien and charge on the above assets refer note no 25.1

4.3 Reconciliation of fair value:

Particulars	Amount
Fair value as at 31 March 2018	42.53
Fair value difference	NIL
Purchases	NIL
Fair value as at 31 March 2019	42.53
Fair value difference	NIL
Purchases	NIL
Fair value as at 31 March 2020	42.53

Estimation of Fair Value

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

4.3.2 The fair value of the Company's investment properties as at 31st March, 2017 was arrived at on the basis of a valuation carried out by independent registered valuers not related to the Company. The Company has adopted policy of revaluing investment property generally every three years unless there are any significant changes in the circumstances requiring earlier revaluation. Accordingly, the Company has continued with the same valuation for the year ended 31st March, 2019.

5. INTANGIBLE ASSETS

₹ Crores

Particulars	Networking Software	Other than Networking Software	Total
Deemed Cost			
At 1 April 2018	1.18	NIL	1.18
Additions	NIL	NIL	NIL
Disposals	NIL	NIL	NIL
At 31 Mar 2019	1.18	NIL	1.18
Additions	0.01	NIL	0.01
Disposals	NIL	NIL	NIL
At 31 Mar 2020	1.19	NIL	1.19
Amortization and impairment			
At 31 March 2018	0.40	NIL	0.40
Amortisation	0.03	NIL	0.03
Disposals	NIL	NIL	NIL
At 31 Mar 2019	0.43	NIL	0.43
Amortisation	0.03	NIL	0.03
Disposals	NIL	NIL	NIL
At 31 Mar 2020	0.46	NIL	0.46
Net Book Value			
At 31 Mar 2020	0.73	NIL	0.73
At 31 Mar 2019	0.75	NIL	0.75

5.1 For lien and charge on the above assets refer note no 25.1

6. INVESTMENTS (NON CURRENT)

Particulars	31 March 2020		31 March 2019	
	Numbers	₹ Crores	Numbers	₹ Crores
Investments – Trade (fully paid)				
Quoted				
Equity Shares				
GTL Infrastructure Limited	2,046,505,865	2,229.03	2,046,505,865	2,229.03
(Face Value of ₹10/- each) (Refer Note 6.2 and 6.3)				
Less : Provision for impairment loss		(2,177.87)		(2,044.84)
Total of Quoted Investments in Equity Shares – Trade		51.16		184.19
Unquoted				
Equity Shares of :				
Associates				
Global Rural Netco Ltd.	75,000,000	75.00	75,000,000	75.00
(Face Value of ₹10/- each)				
Less : Provision for Impairment loss		(75.00)		(75.00)
		NIL		NIL

Particulars	31 March 2020		31 March 2019	
	Numbers	₹ Crores	Numbers	₹ Crores
Others				
Ada Cellworks Wireless Engineering Pvt. Ltd. (Face Value of ₹10/- each) (refer note 6.2)	90,000	NIL	90,000	NIL
European Projects and Aviation Ltd. (Face Value of ₹ 10/- each) (refer note 6.2)	12,350,000	NIL	12,350,000	NIL
		NIL		NIL
Total of Un-quoted Investments in Equity Shares – Trade		NIL		NIL
Investments in:				
Preference Shares of				
Associates				
6% Cumulative Redeemable Preference Shares of Global Rural Netco Ltd.	20,000,000	200.00	20,000,000	200.00
Less : Provision for Impairment loss		(200.00)		(200.00)
Sub Total of Preference share of Associates		NIL		NIL
Others				
0.1% Cumulative Preference Shares of Global Proserv Ltd (Face Value of ₹ 100/- each) (refer note 6.2)	13,000,000	100.24	13,000,000	100.24
Less : Provision for Impairment loss		(100.24)		(100.24)
		NIL		NIL
0.1% 12 Years Redeemable Preference Shares of European Projects and Aviation Limited (Face Value of ₹ 10/- each) (refer note 6.2)	13,000,000	15.04	13,000,000	15.04
0.02% 13 Years Redeemable Preference Shares of European Projects and Aviation Limited (Face Value of ₹ 10/- each)	50,250,000	19.11	50,250,000	19.11
0.1% 13 Years Redeemable Preference Shares of European Projects and Aviation Limited (Face Value of ₹10/- each)	44,246,900	77.50	44,246,900	77.50
Total		111.65		111.65
Less : Provision for Impairment loss		(111.65)		(111.65)
Total of Un-quoted Investments in Preference Shares – Others		NIL		NIL
Total of Un-quoted Investments in Preference Shares		NIL		NIL

Particulars	31 March 2020		31 March 2019	
	Numbers	₹ Crores	Numbers	₹ Crores
Trade				
Debenture of :				
Associates				
11% Fully Convertible Debenture Series – A Global Rural Netco Ltd. (Face Value of ₹ 100/- each)	15,000,000	150.00	15,000,000	150.00
Less : Provision for Impairment loss		(150.00)		(150.00)
Total of Un-quoted Investments in Debentures – Trade		NIL		NIL
Total of Un-quoted Investments – Trade		NIL		NIL
Total Investments		51.16		184.19
Aggregate amount of quoted investments		2,229.03		2,229.03
Aggregate market value of quoted investments		51.16		184.19
Aggregate Amount of unquoted investments		913.55		913.55
Aggregate amount of impairment in value of investments		2,739.76		2,606.73

- 6.1 The Group has measured all its investments at fair value and the gain / loss on fair valuation has been accounted through Profit and Loss Account.
- 6.2 Pending appropriation of the pledged shares invoked by the lenders, the said shares held by the Parent Company are continued to be classified under 'Long Term Investments'.
- 6.3 During the current year, the Parent company fair valued its investment in GTL Infrastructure Ltd and accordingly, accounted the 'mark to market' loss amounting to ₹133.02 Crores.
- 6.4 The share in associates is accounted under Equity method as per (Ind AS – 28) "Accounting for Investment in Associates and Joint Ventures" in Consolidated Financial Statements based on audited / unaudited accounts of associates as available.

7. LOANS (NON CURRENT)

₹ Crores

Particulars	31 March 2020	31 March 2019
Unsecured, Considered good		
Security Deposits		
Deposits with body corporates and others	6.46	6.72
Deposits with government authorities	0.53	0.53
Less : Provision for doubtful deposits	(6.28)	(6.28)
Total	0.71	0.97

8. OTHERS (NON-CURRENT)

₹ Crores

Particulars	31 March 2020	31 March 2019
Unsecured, considered doubtful		
Advance to suppliers	(759.05)	759.05
Allowance for credit losses	(759.05)	(759.05)
	NIL	NIL
Other advances	(192.79)	192.79
Allowances for credit losses	(192.79)	(192.79)
	NIL	NIL
Total	NIL	NIL

9. OTHER NON-CURRENT ASSETS

₹ Crores

Particulars	31 March 2020	31 March 2019
Capital advances	0.07	0.07
Less: Allowance for credit losses	(0.07)	(0.07)
Total	NIL	NIL

10. INVENTORIES

₹ Crores

Particulars	31 March 2020	31 March 2019
Stock-in-trade held for trading	NIL	NIL
Consumables	NIL	NIL
Total	NIL	NIL

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

11. TRADE RECEIVABLES

₹ Crores

Particulars	31 March 2020	31 March 2019
Trade receivables Unsecured, Considered good	0.01	0.01
Doubtful	277.50	277.50
Less : Allowance for doubtful debts	(277.50)	(277.50)
Total	0.01	0.01
Trade receivables (Net of allowance for credit losses)		
Subsidiaries	NIL	NIL
Associates	NIL	NIL
Others	0.01	0.01
Total	0.01	0.01

12. CASH AND CASH EQUIVALENTS

₹ Crores

Particulars	31 March 2020	31 March 2019
Balances with banks In current accounts	2.57	4.63
Cheques, drafts on hand	1.20	NIL
Cash on hand	0.02	0.04
	3.79	4.67

13. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ Crores

Particulars	31 March 2020	31 March 2019
Margin money with banks against guarantees*	2.84	2.83
Earmarked Bank Balance	80.66	NIL
Earmarked bank balances towards unclaimed dividend	0.20	0.20
	83.70	3.03

* Includes ₹0.35 crores (as at March 31.2019 ₹0.32 crores) having maturity after 12 months

14. LOANS (CURRENT)

₹ Crores

Particulars	31 March 2020	31 March 2019
Unsecured		
Loan to Employees	0.04	0.01
Deposits with body corporates and others		
considered good	0.75	0.06
considered doubtful	0.99	0.99
Less : Allowance for credit losses on deposits	(0.99)	(0.99)
	0.75	0.06
Total	0.79	0.07

15. OTHERS (CURRENT)

₹ Crores

Particulars	31 March 2020	31 March 2019
Advance to Suppliers	191.00	191.00
Interest receivable (Refer note 15.1)	45.91	45.91
Interest receivable on term deposit	0.32	0.14
Other Advances	9.39	9.11
Receivable towards reimbursible of cost / expenses	11.96	11.88
Unbilled Revenue	5.58	4.12
Total	264.16	262.16
Allowance for credit losses		
Advance to Suppliers	(191.00)	(191.00)
Interest receivable	(45.91)	(45.91)
Other Advances	(6.80)	(7.62)
Receivable towards reimbursible of cost / expenses	(11.83)	(10.77)
	(255.54)	(255.30)
Total	8.62	6.86

15.1 Includes ₹ 26.54 Crore as at March 31, 2020, (₹26.54 Crore as at March 31, 2019), receivable from a related party.

16. CURRENT TAX ASSETS (NET)

₹ Crores

Particulars	31 March 2020	31 March 2019
Advance Income Tax & Tax deducted at source (Net of provision)	22.87	18.01
Total	22.87	18.01

17. OTHER CURRENT ASSETS

₹ Crores

Particulars	31 March 2020	31 March 2019
Prepaid Expenses	0.51	0.56
Input Tax Recoverable	12.04	12.64
Advance to Suppliers	7.44	5.89
Less: Allowance for credit losses	(5.73)	(5.73)
	1.71	0.16
Advances to employees	0.10	0.06
Less: Allowance for credit losses	(0.06)	(0.06)
	0.04	NIL
Total	14.30	13.36

18. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

₹ Crores

Particulars	31 March 2020	31 March 2019
Discontinued Operations		
Claims receivables – Distribution Franchise (net) (Refer note 18.1)	43.83	43.83
Allowance for credit losses on claims receivables – DF	(43.83)	(43.83)
Total	NIL	NIL

18.1 During the financial year 2014–15, the Distribution Franchisee (DF) agreement between the Parent Company and MSEDCL got terminated. With regards to the Distribution Franchisee activity, the reconciliation and settlement of several claims of the Parent Company and MSEDCL are under process. The liabilities of the Power Distribution Franchisee of ₹ 210.76 Crores is adjustable against receivable of ₹ 254.59 crores from them and accordingly have been presented net. The Parent Company has tested the amount receivable from MSEDCL for expected credit loss and accordingly ₹ 43.83 crores has been provided for during the financial year 2016–17.

19. SHARE CAPITAL**Authorised Share Capital**

Particulars	Equity shares		Preference shares	
	Nos	₹ Crores	Nos	₹ Crores
At 31 March 2019	290,000,000	290.00	810,000,000	810.00
Increase / (decrease) during the year	NIL	NIL	NIL	NIL
At 31 March 2020	290,000,000	290.00	810,000,000	810.00

19.1 Terms/ rights attached to equity shares

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

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

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

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

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

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

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

Other than as permitted under applicable laws, GIL will not have a right to vote at the Parent Company's General Meetings.

In the event of winding-up of the Parent Company, the OCPS holder/s will be entitled to receive in proportion to the number of shares held at the time of commencement of winding-up, any of the remaining assets of the Parent

Company, if any, after distribution to all secured creditors and their right to receive monies out of the remaining assets of the Parent Company shall be reckoned *pari-passu* with other unsecured creditors, however, in priority to the equity shareholders. The OCPS holder/s shall have such rights as per the provisions of Companies Act, 2013, read together with Memorandum of Association of the Parent Company.

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

19.3 Issued equity capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	No.	₹ Crores
At 31 March 2019	157,296,781	157.30
Changes during the year	NIL	NIL
At 31 March 2020	157,296,781	157.30

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

Name of the shareholder	As at 31 March 2020		As at 31 March 2019	
	No. in Crores	% holding in the class	No. in Crores	% holding in the class
Equity Shares				
Global Holding Corporation Private Limited (One of the Promoters and the Company's associate)	5.10	32.41	5.10	32.41
IDBI Trusteeship Services Limited *	1.86	11.82	1.86	11.82
Mr. Manoj G. Tirodkar*	NIL	NIL	NIL	NIL
Preference Shares				
GTL Infrastructure Limited	65.00	100.00	65.00	100.00

* During the year ended March 31, 2019, shares pledged by the Promoter in favour of CDR lenders of the Parent Company through security trustee IDBI Trusteeship Services Limited were invoked. The Company is currently seeking legal advice to pursue appropriate action in this regard.

20. OTHER EQUITY
Other Equity includes:

₹ Crores

Particulars	31 March 2020	31 March 2019
Equity component of compound financial instrument	570.92	570.92
Capital Reserve (Refer Note 51)	–	12.84
Capital Redemption Reserve	8.63	8.63
Securities Premium Account	448.18	448.18
Debenture Redemption Reserve	191.16	191.16
General Reserve	510.76	510.76
Translation Reserve		
Opening balance	(35.72)	23.58
Movement during the year	(19.30)	(59.30)
Closing balance	(55.02)	(35.72)
Reserves on consolidation		
Opening balance	(504.88)	10.83
Movement during the year	(32.76)	(515.71)
Closing balance	(537.64)	(504.88)
Balance in Statement of Profit and Loss		
Opening balance	(8,761.68)	(8,346.64)
Total comprehensive income	(30.38)	(415.04)
Closing balance	(8,792.06)	(8,761.68)
	(7,655.07)	(7,559.79)

Capital Reserve: This reserve represents the fractional coupon amounts upon conversion of FCCB into equity shares.

Capital Redemption Reserve: This reserve is created under Section 69 of the Companies Act, 2013 by transferring an amount equal to the nominal value of shares bought back by the Company. This is permitted to be used for issuing fully paid bonus shares.

Securities Premium Account: Premium collected on issue of securities is accumulated as part of securities premium. Utilisation of such premium is restricted by the Companies Act, 2013.

Debenture Redemption Reserve: In view of losses incurred, no Debenture Redemption Reserve is created since the financial year ended March 31, 2012.

General Reserve: General Reserve forms part of the retained earnings and is permitted to be distributed to shareholders as dividend.

Translation Reserve: This reserve represents differences on account of foreign exchange rates arising on the translation of financial statements of foreign subsidiaries

Balance in Statement of Profit and Loss: This represents profits remaining after all appropriations. This is a free reserve and can be used for distribution as dividend.

21. BORROWINGS

₹ Crores

Particulars	31 March 2020	31 March 2019
Non-current borrowings		
Non-current interest bearing loans and borrowings:		
Unsecured loans		
Liability component of compound financial instrument		
Shares (OCPS) of ₹10/- each fully paid – up	174.33	156.87
Total unsecured loans	174.33	156.87

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

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

22. OTHER FINANCIAL LIABILITIES

₹ Crores

Particulars	31 March 2020	31 March 2019
Obligation to make lease payments	2.34	NIL
	2.34	NIL

Refer Note No. 41. A

23. PROVISIONS

₹ Crores

Particulars	31 March 2020	31 March 2019
Provision for Employee Benefits		
Gratuity	NIL	NIL
Leave Encashment	1.28	0.45
Total	1.28	0.45

24. TRADE PAYABLES

₹ Crores

Particulars	31 March 2020	31 March 2019
Total outstanding dues to micro and small enterprises (Refer Note 24.3)	1.30	1.30
Total outstanding dues to other than micro and small enterprises	68.03	56.59
Total outstanding dues to related parties (refer note 24.1)	NIL	NIL
Total	69.33	57.89

24.1. Details of total outstanding to related parties

₹ Crores

Particulars	31 March 2020	31 March 2019
Associates	NIL	NIL
Total	NIL	NIL

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

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

Particulars	31 March 2020	31 March 2019
Principal amount remaining unpaid	1.30	1.30
Interest due thereon	4.24	3.37
The amount of interest paid in terms of section 16, along with the amounts of the payment made beyond the appointed day during accounting year	NIL	NIL
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of accounting year	4.24	3.37
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	1.52	1.28

25. OTHER FINANCIAL LIABILITIES

₹ Crores

Particulars	31 March 2020	31 March 2019
Secured		
Payable to CDR lenders (Refer Note 25.1 and 25.2)	2,751.02	2,765.84
Unsecured		
Payable to External Commercial Borrowings (ECB) lenders (Refer Note 25.3)	697.20	635.75
Payable to Holders of Rated Redeemable Unsecured Rupee Non-Convertible Debentures (NCD) (Refer Note 25.3)	1,590.16	1,595.16
Interest accrued and due on borrowings (Refer Note 25.3)	1,489.33	1,474.31
Interest accrued and due on Others	4.24	3.37
Liability towards guarantee obligation	39.82	NIL
Unpaid dividend	0.20	0.20
Capex Creditors	0.25	0.43
Accrued expenses	183.51	143.84
Security Deposit Received	2.25	2.25
Salary and Employee benefits payable	24.50	10.30
Expense Creditors	4.60	7.73
Others	0.78	0.78
Total	6,787.86	6,639.97

25.1 Nature of security:

- I) Security created in favor of CDR Lenders :
 - a) A first charge and mortgage on all immovable properties, present and future;
 - b) A first charge by way of hypothecation over all movable assets, present and future;
 - c) A first charge on the Trust and Retention Account and other reserves and any other bank accounts wherever maintained, present & future;
 - d) A first charge, by way of assignment or creation of charge, over:
 - i. all the right, title, interest, benefits, claims and demands whatsoever in the Project Documents duly acknowledged and consented to by the relevant counter–parties to such Project Documents, all as amended, varied or supplemented from time to time;
 - ii. all the rights, title, interest, benefits, claims and demands, whatsoever, in the Clearances
 - iii. all the right title, interest, benefits, claims and demands, whatsoever, in any letter of credit, guarantee, performance bond provided by any party to the Project Documents;
 - iv. all the rights, title, interest, benefits, claims and demands, whatsoever, in Insurance Contracts / proceeds under Insurance Contracts;
 - e) Pledge of all investments of the Parent Company, except investment in Global Rural Netco Ltd (GRNL) which will be pledged on fulfillment of financial covenant agreed with the lenders of GRNL;
 - f) Mr. Manoj G. Tirodkar, one of the promoters of the Company, has extended a personal guarantee. The guarantee is limited to an amount of ₹ 394.28 Crores;
 - g) Mr. Manoj G. Tirodkar and Global Holding Corporation Private Limited (GHC), promoters of the Company, have executed sponsor support agreement to meet any shortfall or expected shortfall in the cash flows towards the debt servicing obligations of the Company. As far as Mr. Manoj Tirodkar is concerned any liability arising from this Sponser Support Agreement along with any other Agreement including Personal Guarantee shall be always capped at ₹ 394.28 crore and
 - h) The pledge referred in (e) above has been invoked by the Lenders on 28th March, 2019.
- II) Security offered to CDR Lender's pending creation of charge:
 - a) The Parent Company's one of the promoters namely GHC along with its step down subsidiaries has to extend corporate guarantee; and
 - b) GHC has to pledge its holding in the Parent Company that is currently pledged by GHC in favor of its lenders, as and when released, either in full or part.
- III) Prior to the restructuring of the Parent Company's debts under CDR Mechanism, the Parent Company created security on certain specified tangible assets of the Company in favour of Andhra Bank, Punjab National Bank, Union Bank of India, Vijaya Bank, IDBI Bank Limited, State Bank of Hyderabad, Bank of Baroda, UCO Bank, Indian Overseas Bank, Indian Bank, Canara Bank and Dena Bank for their respective credit facilities other than term loans, aggregating ₹ 1,572 Crore. In terms of CDR Documents *inter–alia* Master Restructuring Agreement, the earlier charges are not satisfied by the Parent Company after creation of new security as stated in I above.

25.2. The Parent Company is awaiting for outcome of the Inter–creditor agreement and is in discussion with the Lead Bank. Even in such stressed circumstances, the Parent Company and its management have taken all possible steps to continue with the process and deposited around ₹ 8,000 Lakhs for the said purpose. However, one the lenders has filed application before the NCLT, the same has not been admitted so far.

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

- a) Overdue Interest of ₹ 502.79 Crores relating to the period March 14 to March 17 on amounts due to holders of Rated Redeemable Unsecured Rupee Non–convertible Debentures;
- b) Overdue Interest of ₹ 192.83 rores relating to the period for December 12, 2011 to March 31, 2017 on External Commercial Borrowings; the variation in the interest accrued amount as at March 2020 is on account of exchange fluctuation
- c) Overdue Interest of ₹ 727.80 Crores relating to the period June 2014 to March 2017 on Secured Term Loan;
- d) Overdue interest of ₹22.64 Crores relating to the period June 2014 to March 2017 on Secured Funded Interest Term Loan;
- e) Overdue interest of ₹ 23.00 Crores September 2014 to March 2017 on Cash Credit facility;
- f) Overdue interest of ₹20.27 Crores November 2014 to March 2017 on Dues towards BG Invocation.

26. OTHER CURRENT LIABILITIES

₹ Crores

Particulars	31 March 2020	31 March 2019
Advance from customers	2.01	2.15
Unearned Revenue	NIL	0.07
Withholding and other taxes payable	9.42	8.17
Others	5.67	1.26
Total	17.10	11.65

27. PROVISIONS

₹ Crores

Particulars	31 March 2020	31 March 2019
Provision for Employee Benefits		
Gratuity	NIL	0.03
Leave Encashment	0.04	0.02
Total	0.04	0.05

28. LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS CLASSIFIED AS HELD FOR SALE

₹ Crores

Particulars	31 March 2020	31 March 2019
Liabilities	712.93	990.70
Less : Assets	(2.77)	(144.96)
Total	710.16	845.74

29. REVENUE FROM OPERATIONS

₹ Crores

Particulars	31 March 2020	31 March 2019
Sale of Services		
Telecom Network Services	166.16	100.61
Energy Management and Operation Maintenance	48.96	118.06
Other Operating Revenues	0.28	0.38
Total	215.40	219.05

29.1 In a dispute between the Company and GTL Infrastructure Limited (GIL), the Arbitration Tribunal vide its interim order dated December 17, 2019 has directed GIL to pay an amount of ₹44,000 Lakhs in stipulated timeline. The parties had initiated a settlement process, however, it could not be completed due to non-receipt of consents from lenders. Further GIL lenders have challenged the award and related execution proceedings. Hence the Company has not recognized income against the said claim.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenues), while invoicing in excess of revenues are classified as contract liabilities (referred to as unearned revenues). Details of the same are as under:

Particulars	31 March 2020	31 March 2019
Contract Assets	5.58	4.12
Contract Liabilities	NIL	0.07

30. OTHER INCOME

₹ Crores

Particulars	31 March 2020	31 March 2019
Interest income		
Bank Deposits	0.64	0.22
Others	0.30	0.30
Profit on sale of Fixed Assets (Net)	0.26	NIL
Other non-operating income		
Excess provisions no longer required	8.88	14.93
Others	2.23	4.24
Total	12.31	19.69

31. COST OF PURCHASES / SERVICES RENDERED

₹ Crores

Particulars	31 March 2020	31 March 2019
Cost of Services rendered		
Electricity and Diesel cost for Energy Management	42.25	62.62
Sub-Contractor Charges	28.48	45.50
Vehicle Hire Charges	0.34	0.74
Total	71.07	108.86

32. CHANGES IN INVENTORIES OF STOCK-IN-TRADE

₹ Crores

Particulars	31 March 2020	31 March 2019
Consumables	NIL	NIL
Total	NIL	NIL

33. EMPLOYEE BENEFITS EXPENSES

₹ Crores

Particulars	31 March 2020	31 March 2019
Salaries, wages and bonus	66.92	39.25
Contribution to provident and other funds	4.70	2.24
Staff welfare expense	0.10	0.34
Outsourced wages and Manpower Cost	1.44	30.23
Total	73.16	72.06

34. FINANCE COSTS

₹ Crores

Particulars	31 March 2020	31 March 2019
Interest		
– On fixed period loan	NIL	NIL
– On OCPS	17.46	15.67
– Interest On Right To Use Lease Assets	0.33	NIL
Others		
Other Borrowing costs	1.59	1.00
Total	19.38	16.67

34.1 The Company has neither paid nor provided interest on its borrowing during the financial year in view of the foregoing as explained in Note no.25.2. Had such interest been recognized the finance cost would have been more by 484.08 crore.

35. DEPRECIATION AND AMORTIZATION EXPENSE

₹ Crores

Particulars	31 March 2020	31 March 2019
Depreciation of tangible assets (note 3)	4.42	4.47
Depreciation on Investment Properties (note 4)	0.07	0.04
Amortization of intangible assets (note 5)	0.03	0.03
Total	4.52	4.54

36. OTHER EXPENSES

₹ Crores

Particulars	31 March 2020	31 March 2019
Communication Expenses	0.12	0.61
Advertisement Expenses	0.02	0.01
Business Promotion Expenses	0.23	0.12
Rates & Taxes	1.60	0.63
Rent	1.64	2.19
Electricity Charges	1.14	1.22
Insurance	1.09	1.09
Legal and Professional Fees	23.13	15.99
Travelling & Conveyance Expenses	1.36	1.07
Director's Sitting Fees	0.57	0.46
Auditor's Remuneration	0.37	0.25
Repairs & Maintenance – Buildings	0.03	NIL
Repairs & Maintenance – Others	0.28	0.32
Allowance for credit losses – Trade Receivables	0.68	1.20
Allowance for credit losses– Other Receivables	NIL	30.64
Loss on foreign currency transactions (Net)	77.16	71.40
Provision for impairment of investment	133.02	152.81
Provision against Guarantee Obligation	45.05	NIL
Other Expenses	2.61	1.33
Total	290.10	281.33

37. DISCONTINUED OPERATIONS

In respect of certain divestment, the Parent Company has entered into agreements for sale which is subject to final approval of lenders of the Parent Company and the investee companies and other necessary regulatory approvals. Pending completion of these transactions, the assets and liabilities of investee companies are treated as "Assets Held for Sale and discontinued operations" in terms of Ind AS 105.

i) The results of discontinued operations are presented below :

Particulars	31 March 2020	31 March 2019
Total Income	NIL	322.17
Operating Expenses	19.79	422.27
Interest Expenses	64.98	68.02
Loss before tax	(84.77)	(168.12)
Income tax Expenses	0.51	2.25
Loss from operating activities after tax	(85.28)	(170.37)
Extra-ordinary item		
De-recognition of Assets and Liabilities of subsidiary on account of loss of control (refer note 37.ii)	285.76	NIL
Loss after tax and extra-ordinary items – discontinued operations	200.48	(170.37)

- ii) In continuation of the disclosures made earlier, the assets and liabilities of International Global Tele Systems Ltd, the subsidiary of the Company is continued to be treated as “Liabilities Held for Sale and discontinued operations” and loss incurred is shown under loss from discontinued operations in terms of Ind AS 105.

In respect of one of the subsidiaries, GTL International Limited, the Hon’ble Supreme Court of Bermuda vide its order dated March 13,2020 has appointed Joint Liquidators and Committee of Inspection for liquidation of GTL International Limited (GTIL), 100% subsidiary of the Company. As a consequence, GTIL ceased to be subsidiary of the Company as the control over the Subsidiary is lost. The Group has accounted for “loss of control” in the said subsidiary in accordance with IND AS 110 “Consolidated Financial Statements” by derecognizing the assets and liabilities pertaining to the Subsidiary. Accordingly, gain of ₹ 28,576.55 lakhs arising on account of “loss of control” has been recorded and disclosed as an “Exceptional item” in the results. This has a significant one-time and non – Cash flow impact on the earning per share of the discontinued operations as disclosed in the statement of consolidated financial results.

- iii) The carrying amount of liabilities (net of assets) pertaining to discontinued Operations as at March 31, 2020 and March 31, 2019 , is ₹ 710.16 Crore and ₹ 845.74 Crore respectively.

- iii) **The net cash flows attributable to the discontinued operations are stated below :**

Particulars	31 March 2020	31 March 2019
Operating	(19.80)	1.21
Investing	NIL	(6.67)
Financing	NIL	(2.85)
Translation adjustment	7.13	8.75
Net cash (outflow)/inflow	(12.67)	0.44

- iv) **Earnings per share:**

Particulars	31 March 2020	31 March 2019
Basic	12.75	(10.83)
Diluted	12.75	(10.83)

38. EARNINGS PER SHARE (EPS)

Particulars	31 March 2020	31 March 2019
Loss after tax :		
Continuing operations	(230.52)	(244.77)
Add :		
Dividend payable on cumulative Preference Shares	(0.07)	(0.07)
Tax on cumulative Preference Dividend payable	(0.01)	(0.01)
Loss attributable to equity holders of continuing operations for basic earnings	(230.60)	(244.85)
Profit / (Loss) attributable to equity holders of discontinued operations for basic earnings	200.48	(170.37)
Loss attributable to equity holders total operations for basic earnings	(30.12)	(415.22)
Weighted average number of Equity shares for basic EPS	157,296,781	157,296,781
Weighted average earnings per share (basic and diluted) (continuing operations)	(14.66)	(15.57)
Weighted average earnings per share (basic and diluted) (discontinued operations)	12.75	(10.83)
Weighted average earnings per share (basic and diluted) (total operations)	(1.91)	(26.40)

38.1 There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

38.2. There were no potentially dilutive equity shares which would have been outstanding as at the year end.

39. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Parent Company's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Parent Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Consolidated financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Parent Company based its assumptions and estimates on parameters available when the Consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Parent Company. Such changes are reflected in the assumptions when they occur.

The Management believes that the Judgments and estimates used in preparation of financial statement are prudent and reasonable.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 44 for further disclosures.

Allowances for credit loss on Trade Receivable , Advance to supplier and other receivable

The Provision for allowances for credit loss on Trade Receivable, Advance to supplier and other receivable are based on assumptions about the risk of defaults and expected credit loss. The Group uses Judgment in making these assumption and selecting the inputs to the calculation of provision for allowance based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Provisions for impairment loss on Investment

Provisions for impairment loss on Investment is based on evaluation of financial position of investee companies to meet their obligations for honouring their commitments towards the investment held by the Group.

40. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS**a) Defined Benefit Plan**

In case of Parent Company, the employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by a Trust maintained with Life Insurance Corporation of India (LIC). The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences is recognized in same manner as gratuity.

Based on actuarial valuation obtained as at the Balance Sheet date the following table sets out the details of Defined Benefit obligation.

1. Movement in obligation– Gratuity

₹ Crores

Particulars	31 March 2020	31 March 2019
Defined Benefit Obligation at beginning of the period	3.84	5.00
Current service cost	0.29	0.42
Interest cost	0.30	0.39
Benefits paid	(1.12)	(1.79)
Actuarial changes arising from changes in financial assumptions	0.23	0.00
Experience adjustments	0.07	(0.18)
Defined Benefit Obligation at end of the period	3.61	3.84

2. Movement in Plan Assets – Gratuity

₹ Crores

Particulars	31 March 2020	31 March 2019
Fair value of plan assets at beginning of year	3.81	4.99
Expected return on plan assets	0.30	0.39
Employer contributions	1.27	0.30
Benefits paid	(1.12)	(1.79)
Actuarial gain / (loss)	(0.04)	(0.07)
Fair value of plan assets at end of year	4.22	3.81
Present value of obligation	3.61	3.84
Net funded status of plan	0.59	(0.03)
Actual return on plan assets	0.04	0.07

The components of the gratuity cost are as follows:

3. Recognised in profit and loss

₹ Crores

Particulars	31 March 2020	31 March 2019
Current Service cost	0.29	0.42
Interest cost	0.00	0.00
Total	0.29	0.42
Actual return on plan assets	0.04	0.07

4. Recognised in Other Comprehensive Income

₹ Crores

Particulars	31 March 2020	31 March 2019
Remeasurement – Actuarial loss/(gain)	0.30	(0.18)
Return on plan assets, excluding Interest Income	0.04	0.07
Total	0.34	(0.11)

5. The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Weighted average actuarial assumptions	31 March 2020	31 March 2019
Attrition rate	2.00%	2.00%
Discount Rate	6.87%	7.77%
Expected Rate of increase in salary	5.50%	5.50%
Expected Rate of Return on Plan Assets	6.87%	7.77%
Mortality rate	IALM 2006–08 Ultimate	IALM 2006–08 Ultimate
Expected Average remaining working lives of employees	13 Years	14 Years

6. Sensitivity analysis:

Particulars	Changes in Assumption	Effect on gratuity obligation
For the year ended March 31, 2019		
Discount rate	+1%	(0.26)
	-1%	0.30
Salary Growth rate	+1%	0.23
	-1%	(0.21)
Withdrawal Rate	+1%	0.06
	-1%	(0.06)
For the year ended March 31, 2020		
Discount rate	+1%	(0.25)
	-1%	0.29
Salary Growth rate	+1%	0.23
	-1%	(0.21)
Withdrawal Rate	+1%	0.04
	-1%	(0.04)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

7. History of experience adjustments is as follows:

Particulars	31 March 2020	31 March 2019
Plan Liabilities – (loss)/gain	(0.30)	0.18
Plan Assets – (loss)/gain	(0.04)	(0.07)

Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	₹ Crores
01 Apr 2020 to 31 Mar 2021	0.43
01 Apr 2021 to 31 Mar 2022	0.16
01 Apr 2022 to 31 Mar 2023	0.15
01 Apr 2023 to 31 Mar 2024	0.35
01 Apr 2024 to 31 Mar 2025	0.32
01 Apr 2025 Onwards	1.88

As at 31st March, 2020, the weighted average duration of the projected benefit obligation is 10 years (previous year : 10 years)

8. Statement of Employee benefit provision

₹ Crores

Particulars	31 March 2020	31 March 2019
Gratuity	NIL	0.03
Leave Encashment	1.32	0.47
Total	1.32	0.50

41. COMMITMENTS, CONTINGENCIES AND PROVISIONS**A. Leases**

- The Parent Company has adopted Ind AS 116 on leases beginning April 1, 2019, using the modified retrospective approach. The standard has been applied to the lease contracts as at April 1, 2019. Accordingly, the Company has not restated the comparative information.
- As on the transition date, The Parent Company has recognized the lease liability at present value of the lease payments discounted at relevant incremental borrowing rate. The right to use asset has been measured at the same value as that of the lease liability. This has resulted in recognising a right-of-use asset of Rs 3.47 crores and a corresponding lease liability of ₹ 3.47 crores.
- In the statement of profit and loss for the current year, lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share. The weighted average incremental borrowing rate of 11% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.
- The Company Parent has also elected not to apply the requirements of Ind AS 116 to Short term lease and leases for which underlying asset is of low value. The The Parent Company incurred ₹ 1.63 crores for the year ended March 31, 2020 towards expenses relating to short-term leases.
- The total cash outflow for leases is ₹ 3.08 crores for the year ended 31st March, 2020, including cash outflow of short-term leases. Interest on lease liabilities is ₹0.33 crores for the year.
- The Parent Company's leases mainly comprise of buildings premises.

The Parent Company as a Lessor-

The Company leases out its properties for which:

- The lease income recognised in the Statement of Profit and Loss ₹2.15 Crores (Previous year ₹2.63 Crores).
- Future minimum lease rentals:

Particulars	31 March 2020	31 March 2019
Receivable in less than one year	2.08	2.15
Receivable in one to two years	1.39	2.08
Receivable in two to three years	NIL	1.39

B. Commitments

- Estimated amount of contracts remaining to be executed on capital account and not provided for:

₹ Crores

Particulars	31 March 2020	31 March 2019
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) (Cash out flow is expected on execution of such contracts on progressive basis.)	NIL	NIL

C. Contingent liabilities

Particulars		31 March 2020	31 March 2019
i)	Claims against the Company not acknowledged as debts (refer note 41.C.1)	2,528.36	2,320.79
ii)	Guarantees given by Banks on behalf of the Company	7.67	10.99
iii)	Performance Guarantees issued by the Company	5.00	5.00
iv)	Disputed Sales tax liabilities for which appeals are pending (Amount deposited ₹ 4.86 Crores (FY 18 –19 ₹ 4.86 Crore)	113.76	110.82
v)	Disputed Service Tax liabilities for which appeals are pending (Amount deposited / adjusted ₹ 0.97 Crores (FY 18–19 ₹0.97 crore)	18.35	18.35
vi)	Disputed Income Tax liability for which appeals are pending (Amount deposited / adjusted ₹ NIL (FY 18–19 – ₹ NIL)	NIL	74.91
vii)	Dividend on 0.01% Non–Participative Optionally Convertible Cumulative Preference Share	0.49	0.42

Future cash outflows in respect of v,vii and vii matters are determinable only on receipt of Judgments or decisions pending at various forum.

The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required in respect of above liability.

C.1 Claims against the Company not acknowledged as debts

As on March 31, 2020, there were 47 cases against the Company, pending in various Courts and other Dispute Redressal Forums.

- i) In 8 out of 47 cases, the Parent Company has been implicated as proforma defendant i.e. there are no monetary claims against the Company. In most of these cases, dispute concerns matters like loss of share certificate, title claim / ownership / transfer of the shares etc. The Parent Company's implication in these matters is with a view to protect the interest of the lawful owners of the shares. Upon the final orders passed by the Court(s), the Parent Company shall have to release the shares, which are presently under 'stop transfer', in this regard to the rightful claimants. There is no direct liability or adverse impact on the business of the Parent Company on account of the said 8 cases.
- ii. Out of the balance 39 cases 20 cases are from its earlier power business, 9 cases are from telecom related businesses and 1 case is in respect of non–allotment / non–refund of money in its IPO, which are handled by the Parent Company's advocates, who have the necessary expertise on the subject. It is found that in most of the cases the claims are unsubstantiated and therefore the Parent Company is resisting and defending these claims. (In the aforesaid 20 cases, 9 cases pertain to Labour Court matter wherein the employees filed for reinstatement on termination consequent to termination of Aurangabad Distribution Franchisee Agreement of the Parent Company. These are being settled with affected employees). The contingent liability in respect of these 9 cases is ₹1.34 crores
- iii. There are 5 cases in which the Parent Company has invoked arbitration proceedings against MSEDCCL and the contingent liability towards counter claims of MSEDCCL is ₹462.81 crores
- iv. In 1 case, a bank has filed commercial suit against the Parent Company in the Hon'ble Bombay High Court in respect of the Parent Company's comfort letter issued in favour of one of its Wholly Owned Subsidiaries (WOS) towards WOS's credit facilities. The contingent liability in respect of which is ₹237.28 crores.
- v. In 1 case a Lender Bank has filed insolvency petition before the National Company Law Tribunal, Bombay Bench under section 7 of the IBC Code. The contingent liability in respect of which is ₹204.78 crores (Net of liability in the books as at March 31, 2020 of ₹ 329.98 crores, against the total claim of ₹534.76 crores)
- vi. In the balance 1 case, the Department of Telecom (DoT) has raised a frivolous demand of ₹1,509.50 crores based on Adjusted Gross Revenue for ISP license fee pertaining to the business carried out by the Parent Company well before the year 2009 and the relevant ISP license was surrendered to DoT in 2009 for which DoT had issued a no–dues certificate in November 2010. The Parent Company is contesting this demand in an appropriate forum.
- vii) Claim of ₹ 179.00 Crores from Global Holding Corporation, an associate of the Parent Company towards loss occurred to the associate on account of invocation by lender of share investment held by the associate in the Parent Company which was offered as pledge for the credit facility availed by the Parent Company.

viii) One of the lenders has debited amount of ₹ 34.58 crore to Current Account which is disputed by the Parent Company.

The contingent liability in respect of 49 cases is ₹ 2,528.36 Crore.

D. Movement in provisions

Disclosure as required by Ind AS Provisions, Contingent Liabilities and Contingent Assets

₹ Crores

Particulars	31 March 2020	31 March 2019
Compensated Absences at beginning of the period	0.47	0.69
Addition	1.03	(0.01)
Benefits paid	(0.18)	(0.21)
Compensated Absences at end of the period	1.32	0.47

42.1 RELATED PARTIES

A Associates

- Global Rural Netco Pvt. Limited. (Refer Note 42.1.1)
- Global Holding Corporation Private Limited

B Key Managerial Personnel

- Mr. Sunil S. Valavalkar – Whole Time Director
- Mr. Milind Bapat, Chief Financial Officer
- Mr. Pratik Toprani, Company Secretary (upto February 04,2020)
- Mr. Deepak Keluskar, Company Secretary (from June 22,2020)
- Independent Directors

42.1.1 The National Law Tribunal, Court III, Mumbai Bench vide its order dt. March 04,2020 has appointed liquidator for liquidation of Global Rural Netco Pvt.Ltd. ,an Associate of the Company

42.1.2 The lenders of the Company invoked the pledge on shares held by the Company of GTL Infrastructure Limited, an associate of the Company and ADA Cell Wireless Engineering Pvt.Limited (ADA) , a 100% Subsidiary of the Company. In view of this, GTL Infrastructure Limited and ADA Cell Wireless Engineering Pvt.Limited are not related parties

42.2 Related Party Disclosures – Transactions With Related Party

₹ Crores

Sr. no.	Party Name	Year	Closing Balance as on 31–Mar–2020						
			Deposit Received	Receivable towards Bank claim paid by the Company	Receivables (Gross)	Receivables towards Reimbursable cost / expense (Gross)	Advance received / Accrued Receivables	Accrued Expenses	Payables (incl. Advance received)
1	Associates								
1.a	Global Rural Netco Pvt. Ltd. (Refer Note 42.1.1)	31–Mar–20	NIL	NIL	5.12	2.05	26.54	NIL	NIL
		31–Mar–19	NIL	NIL	5.12	2.05	26.54	NIL	NIL
1.b	Global Holding Corporation Private Limited	31–Mar–20	NIL	NIL	NIL	0.26	NIL	NIL	NIL
		31–Mar–19	NIL	NIL	NIL	0.26	NIL	NIL	NIL

42.2.1 The above amounts with respect to advances & debtors are before making allowances for credit loss.

42.2.2 Claim from Global Holding Corporation Pvt.Ltd. of ₹179 Crores which is not acknowledged as debt is considered in “Contingent liability” and hence not shown in the above Statement.

42.2.3 The details for GTL Infrastructure Limited Is not provided (Refer Note 42.1.2)

42.2.4 Terms and conditions of transactions with related parties:

The credit period towards sale to related parties are in line with other external customers. The outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided to or received from any related party with respect to receivables or payables. The parent Company has provided impairment loss against amount due from related parties in the earlier years and the impairment provision as at March 31, 2020 is ₹ 33.71 Crores (31 March 2019: ₹ 34.03 Crores). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

42.3 Related Party Disclosures – Transactions With Related Party

₹ Crores

Sr. no.	Party Name	Year	Transaction during the year April 2019 to March 2020											
			Sales & Services	Reimbursement Expenses from	Reimbursement Expenses to	Interest Income	Rent received	Advance Received	Advance Repaid	Purchase of Property, plant and equipment	Sale of Property, plant and equipment	Short Term Employee benefits	Post Employee benefits	
1	Associates													
1a	Global Rural Netco Pvt. Ltd. (Refer Note 42.1.1)	31-Mar-20	NIL	0.01	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NA	NA
		31-Mar-19	NIL	0.09	NIL	NIL	0.02	NIL	NIL	NIL	NIL	NIL	NA	NA
1d	Global Holding Corporation Private Limited	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
		31-Mar-19	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2	Key Managerial Personnel													
2a	Mr. Sunil S. Valavalkar	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.14	0.01
		31-Mar-19	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.14	0.01
2b	Mr. Milind Bapat	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1.54	0.03
		31-Mar-19	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	1.12	0.02
2c	Mr. Pratik Toprani	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0.04	NIL
		31-Mar-19	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2d	Mr. Deepak Keluskar	31-Mar-20	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
		31-Mar-19	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2.e	Independent Directors	(For sitting fees paid to Independent Directors – Refer Directors' Report)												

42.3.1 The sales to and purchases from related parties are made on terms equivalent to those that prevail for arm's length transactions.

42.3.2 The amounts disclosed in the table related to key management personnel are the amounts recognised as an expense during the reporting period.

42.3.3 Mr. Pratik Toprani, Company Secretary, joined the services from 1st May, 2019 and resigned from the services from February 04, 2020. Mr. Deepak Keluskar, the Company Secretary, joined the services from June 22, 2020.

42.3.4 Provision for contribution to Gratuity fund and Leave encashment on retirement which are made based on actuarial valuation on an overall Company basis are not included in remuneration details of key managerial personnel.

42.4 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary and associates.

Name of the entity		Net Assets i.e. Total Assets minus Total Liabilities		Share of profit or loss		
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	
1		2	3	4	5	
Parent						
GTL Limited		(A)	91%	(6,944.91)	81%	(230.86)
Subsidiaries						
Foreign						
International Global Tele–Systems Limited			9%	(710.16)	19%	(54.05)
GTL International Limited*			0%	–	0%	(31.23)
Total of foreign subsidiaries		(B)	9%	(710.16)	19%	(85.28)
Total consolidated assets minus liabilities		(C)=(A+B)		(7,655.07)		(316.14)
Associates						
			Percentage of loss	Investment Amount	Basis of accounting of investment	
Indian						
Global Rural Netco Limited			NA	NIL	Equity method	

* The loss for the year is without considering the exceptional gain on account of derecognition of assets and liabilities on account of loss of control.

42.5 Salient features of Financial Statements of Subsidiaries and Associates as per Companies Act, 2013

Part “A”: Subsidiaries

Sr. No.	Name of the Subsidiary Company	Curr.	Year Ending	Exchange Rate Bal. Sheet	Exchange Rate P&L	Capital	Reserves	Other Liabilities	Total Liabilities	Total Assets	Investments	Turnover	PBT (Loss)	Provision for Tax	Profit after Tax	Proposed Dividend	% of Share holding
Operating Companies (Discontinued Operations)																	
A	International Global Tele–Systems Ltd.	USD	31 December	75.475	71.746	541.63	(1,509.89)	971.01	2.77	2.77	NIL	NIL	(54.05)	NIL	(54.05)	NIL	100%

Part “B” : Associates and Joint Ventures

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

Sr. No.	Name of Associates	Latest audited Balance Sheet date	Equity Shares of Associates held by the Company on the year end			Net worth Attributable to shareholding as per latest available Balance Sheet (₹ in Crores)	Share for the year including other comprehensive income of associates		Description of How there is significant influence	Reason why the Associates is not Consolidated
			No.	Amount of Investment in Associates (₹ in Crores)	Extent of Holding %		Considered in Consolidation (₹ in Crores)	Not Considered in Consolidation		
1	Global Rural Netco Pvt. Ltd (Refer Note 42.1.1)	31–Mar–19	75,000,000	75.00	42.86%	(616.66)	NIL (Refer note B)	NIL	Note – A	NA

Note A: There is significant influence due to percentage holding in associate.

Note B: The share in the associate, Global Rural Netco Limited, stands recognised to the extent of investment held in that associate. (Also refer Note 42.1.1)

43. FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments

₹ Crores

	Carrying value		Fair value	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Financial assets				
FVTPL financial investments				
Investment in Preference Shares – Others				
European Projects and Aviation Ltd	NIL	NIL	111.65	111.65
Global Proserv Ltd	NIL	NIL	100.24	100.24
Investment in Equity Shares – Others				
European Projects and Aviation Ltd	NIL	NIL	NIL	NIL
GTL Infrastructure Ltd. (Refer Note 6.2)	51.16	184.19	51.16	184.19
Total of financial assets at fair value	51.16	184.19	263.05	396.08
Financial assets designated at amortised cost				
Non-current assets (refer note 43.1)				
Loans	0.71	0.97	0.71	0.97
Other	NIL	NIL	NIL	NIL
Current assets (refer note 43.1)				
Trade receivables	0.01	0.01	0.01	0.01
Cash and cash equivalents	3.79	4.67	3.79	4.67
Bank balance other than included in Cash and cash equivalents above	83.70	3.03	83.70	3.03
Loans	0.79	0.07	0.79	0.07
Other	8.62	6.86	8.62	6.86
Total of financial assets at amortised cost	97.62	15.61	97.62	15.61
Total of financial assets	148.78	199.80	360.67	411.69
Financial liabilities designated at amortised cost				
Borrowings				
Fixed rate borrowings	6,527.71	6,471.05	6,527.71	6,471.05
0.01% Non-Participating Optionally Convertible Cumulative Preference Shares (OCPS) (refer note 43.2)	174.33	156.87	174.33	156.87
Trade payables (refer note 43.1)	69.33	57.89	69.33	57.89
Other Financial Liabilities (refer note 43.1)	260.15	168.92	260.15	168.92
Total of financial liabilities	7,031.52	6,854.72	7,031.52	6,854.72

43.1 The management assessed that trade receivables cash and bank balances, loans, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

43.2 The fair values of the Company's fixed interest-bearing borrowings is determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2020 was assessed to be insignificant as borrowings are fixed interest bearing.

44. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at :

₹ Crores

Particulars	Fair value measurement using					
	March 31, 2020			March 31, 2019		
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
	(Level 1)	(Level 2)	(Level 3)	(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:						
FVTPL financial investments (Note 41):						
Investment in Preference Shares – Others						
European Projects and Aviation Ltd		NIL			NIL	
Global Proserv Ltd		NIL			NIL	
Investment in Equity Shares – Others						
European Projects and Aviation Ltd			NIL			NIL
GTL Infrastructure Ltd. (Refer Note 6.2)	51.16			184.19		
Assets for which fair values are disclosed :						
Investment properties (Refer note 4.3)						
Office properties		1.98			1.98	
Quantitative disclosures fair value measurement hierarchy for liabilities as at :						
Liabilities for which fair values are disclosed (Note 43):						
Borrowings (Note 43):						
Fixed Interest bearing Loans		6,527.71			6,471.06	
Convertible preference shares		174.33			156.87	

45 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Parent Company's principal financial liabilities comprise of loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finance for the Parent Company's operations. The Parent Company's principal financial assets includes investments, trade and other receivables, supplier advance and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Risk Management Group (RMG), Investment committee and Resource committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Group, Investment committee and Resource committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Audit Committee of the Board and the Board of Directors review and monitor risk management and mitigation plans. The financial risks are summarised below.

45.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans, borrowings and deposits. As the revenues from the Company's network service business is dependent on the sustainability of telecom sector, Company believes that Macro – economic factor, including the growth of Indian economy as well as political and economic environment, have a significant direct impact on the Parent Company's business, results of operations and financial position.

45.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of financial instrument will fluctuate because of changes in market interest rates. The significant part of financial instrument which can be considered in case of the

Company as subject to interest rate risk are borrowings. However the Parent Company's borrowings carry fixed interest rate and therefore the Parent Company is not exposed to significant interest rate risk.

45.3 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Parent Company's exposure to the risk of changes in foreign exchange rates relates primarily to the External Commercial Borrowings and except for the the same, the Parent Company is not exposed to foreign currency risk as the Parent Company's business operations do not involve any significant transactions in foreign currency.

Foreign currency sensitivity

The impact on the Parent Company's loss before tax on account of variation in exchange rates can be on account of fluctuation in USD as the Parent Company's External Commercial borrowings liability is USD denominated liability. The following table demonstrates the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. 1% increase or decrease in USD rate will have the following impact on loss before tax :

₹ Crore

Particulars	2019–2020		2018–19	
	1% Increase	1% Decrease	1% Increase	1% Decrease
USD Denominated monetary liabilities	7.98	(7.98)	7.36	(7.36)

45.4 Equity price risk

The Parent Company's equity investment in one of its associates is listed and all other investments are in unlisted entities. All the investments of the Company are trade and strategic investments and therefore are not considered to be exposed or susceptible to market risk.

45.5 Commodity price risk

The Parent Company is engaged in business of providing "Network Services" comprising mainly of Operation maintenance and energy management (OME) and other network services. In OME the major component of cost are electricity and Fuel. The variation in the price of electricity and fuel is index based i.e. additionally charged to customer. With regards to other services the contracts are cost plus margin and therefore commodity price risk is mitigated.

45.6 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Parent Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and other financial assets.

Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and defined in accordance with customer assessment. Outstanding customer receivables are regularly monitored.

The Parent Company follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring lifetime ECL allowance for trade receivables, the Parent Company estimates irrecoverable amounts based on the ageing of the receivable balances. Individual trade receivables are written off when management deems them not to be collectible. The Parent Company does not hold any collateral as security against these trade receivables. The contractually agreed terms effectively manage the concentration risk. The details of the same are as under:

Ageing (in no. of days past due)	As at 31 March, 2020				As at 31 March, 2019			
	Gross carrying amount	Expected credit loss rate	Credit loss	Net carrying amount	Gross carrying amount	Expected credit loss rate	Credit loss	Net carrying amount
0 – 90 days past due	1.33	100%	1.33	NIL	1.33	100%	1.33	NIL
91 – 180 days past due	1.11	100%	1.11	NIL	1.11	100%	1.11	NIL
181 – 270 days past due	0.00	100%	0.00	NIL	0.00	100%	0.00	NIL
More than 270 days past due	275.07	100%	275.06	0.01	275.07	100%	275.06	0.01
Total	277.51		277.50	0.01	277.51		277.50	0.01

Financial Assets and bank deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which its balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2020 and 31 March 2019 is the carrying amounts as appearing in Note 12,13,14 and 15.

45.7 Liquidity risk

Liquidity risk is that the Company will not be able to settle or meet its obligation on time or at reasonable price. Parent Company's principal sources of liquidity are cash flows generated from its operations.

The Parent Company continues to take various measures such as cost optimisation, improving operating efficiency to increase Parent Company's operating results and cash flows. Further the Parent Company has made a proposal for a negotiated settlement of debts which has been agreed in principle by all set of lenders. The management is of the view that upon the implementation of the parent Company's negotiated settlement proposal, the Company would be in a position to meet its liabilities and continue its operations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ Crore

Particulars	March 31, 2020					March 31, 2019				
	On demand	Less than 1 year	More than 1 Year less than 5 years	More than 5 years	Total	On demand	Less than 1 year	More than 1 Year less than 5 years	More than 5 years	Total
Convertible preference shares	NIL	NIL	NIL	650.00	650.00	NIL	NIL	NIL	650.00	650.00
Other financial liabilities	6,787.86	NIL	NIL	NIL	6,787.86	6,639.97	NIL	NIL	NIL	6,639.97
Total outstanding dues to micro & small enterprises	1.30	NIL	NIL	NIL	1.30	1.30	NIL	NIL	NIL	1.30
Total outstanding dues to other than micro & small enterprises	68.03	NIL	NIL	NIL	68.03	56.59	NIL	NIL	NIL	56.59
	6,857.19	NIL	NIL	650.00	7,507.19	6,697.86	NIL	NIL	650.00	7,347.86

46. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, Securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard continuity of the business operations.

In view of slow down in telecom industry in last few years, the Company's business received a set back which resulted in incurrance of huge losses and adversely impacting the capital of the Company. The Company therefore for effective capital management has submitted a revised negotiated proposal for settlement of debts and/or upon restructure through NCLT and / or the proposed revised circular of RBI as the case may be, it would be in a position to settle the matter and consequently there will be a substantial improvement in capital structure of the Company.

Calculation of Capital Gearing ratio

Particulars	31 March 2020	31 March 2019
Equity Capital	157.30	157.30
Reserves	(7,715.62)	(7,484.76)
	(7,558.32)	(7,327.46)
Borrowings*	5,038.38	4,996.74
Liability component of compound financial instrument	174.33	156.87
	5,212.71	5,153.61
Capital Gearing ratio	(1.45)	(1.42)
Capital Gearing ratio %	(145.00)	(142.18)

*Fixed cost bearing funds have been included in calculation of the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

47. DEFERRED TAX

Deferred tax liabilities / (Assets) of the following

₹ Crores

Particulars	31 March 2020	31 March 2019
Relating to		
Property, Plant and Equipment	(13.72)	(18.65)
Right to use – Lease Assets	0.69	NIL
Other Intangible Assets	(0.23)	(0.39)
Financial Asset – Others	(41.50)	(47.68)
Disallowance Under Section 43B of the Income Tax Act, 1961		
Provision for doubtful debts	(0.21)	(9.93)
Unabsorbed Depreciation	(156.73)	(150.79)
Total	(211.70)	(227.44)

47.1 The Company has a Deferred Tax Asset of ₹ 211.70 Crore as on March 31, 2020 (₹ 227.44 Crore as on March 31, 2019). The same has not been recognised in the financial statement in the absence of probable taxable profits against which the same can be utilised.

47.2 Amount and expiry date of unused tax losses which are not considered in deferred tax assets disclosed below

Assessment Year (AY)	Unused tax Loss	Carried Forward Till AY
2012–13	103.37	2020–21
2013–14	87.81	2021–22
2014–15	408.80	2022–23
2015–16	194.04	2023–24
2016–17	141.28	2024–25
2017–18	9.17	2025–26
2018–19	NIL	2026–27
2019–20	34.06	2027–28
2020–21	55.65	2028–29
Total	1,034.18	

From last few years the Company is incurring losses and doesn't expect sufficient future taxable income in the near future against which the unused business losses can be utilised and therefore the Company has not considered the same for working of unrecognised DTA disclosed above.

48. GOING CONCERN

During the last few years, the Company has incurred cash losses, resulting in erosion of its entire net worth. The Parent Company's current liabilities are higher than its current assets. On account of the above developments, the Management is of the view that either through negotiated settlement it would be in a position to settle the matter and continue its operations. Accordingly, it continues to prepare above results on going concern basis.

49. The Ministry of Home Affairs notified telecommunication services including telecom infrastructure services among the essential services, which continued to operate during lock down declared since March 25, on account of COVID-19. The COVID-19 crisis has impacted ability of technicians to visit the tower sites for upkeep and maintenance of tower and Diesel filling. Against this background, and keeping in mind the health and safety of employees/customers/vendors, the Company has for the moment taking maximum precaution to protect its network and maintain uptime. Thus, though the Company is trying its best to keep the customer focus / network uptime humming, the exact impact of the crisis on the operations cannot be determined at this juncture.

50. DISCLOSURE OF INFORMATION AS REQUIRED BY REGULATION 34(3) OF LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS

a) Details of Loans or Advances in the nature of loans given to wholly owned Subsidiaries and step-down Subsidiaries.

₹ Crores

Name of the Company	Relationship	Outstanding As at March 31,		Maximum balance during the year	
		2020	2019	2020	2019
International Global Tele-Systems Limited	100% subsidiary of GTL Limited	221.43	221.43	221.43	221.43

Note :

- a) The Company has made full provision for impairment against the said advances during the FY 2015-2016.
b) None of the Subsidiaries to whom advances are given per se, have investment in the shares of the Company.

51. DETAILS OF ROUNDED OFF AMOUNTS

The financial statements are presented in ₹in Crores. Those items which are required to be disclosed and which were not presented in the financial statement due to rounding off to the nearest ₹in Crore are as follows

₹ Crores

Description	As at	
	31-Mar-20	31-Mar-19
Reserves and Surplus – Capital Reserve	7,725	7,725
Interest cost (Refer note 40.3)	26,298	11,371
Sale of fixed assets to GTL Infrastructure Limited	N.A.	49,844
Auditors remuneration – reimbursement of expenses (Note 35.1 of Standalone financial statements)	40,802	13,067
Actuarial changes arising from changes in financial assumptions (Note 40.b.1)	N.A.	27,668

53. The previous year figures, wherever necessary, have been regrouped/rearranged/recast to make them comparable with those of the current year.

53. Figures in brackets relate to the previous year unless otherwise stated.

As per our report of even date

For and on behalf of the Board

For M/s. **GDA and Associates**

Chartered Accountants

FRN No.135780W

Sunil S. Valavalkar

Whole-time Director

Mayuresh V. Zele

Partner

M.No. 150027

Mumbai, June 22, 2020

D. S. Gunasingh

Director

Milind Bapat
Chief Financial Officer

Dr. Mahesh Borase

Director

Deepak Keluskar
Company Secretary

NOTICE is hereby given that the Thirty–Second Annual General Meeting (AGM) of the Members of GTL Limited will be held on Wednesday, September 30, 2020, 10:00 A.M. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

Ordinary Business

1. To consider and adopt:
 - a. 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; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the Report of the Auditors thereon.
2. To appoint a director in place of Dr. Mahesh M. Borase (DIN: 03330328), who retires by rotation and being eligible, offers himself, for re–appointment.

By Order of the Board of Directors,

Place: Mumbai
Date: August 25, 2020

Deepak Keluskar
Company Secretary

Registered Office:

GTL Limited, “Global Vision”,
Electronic Sadan No. II, MIDC,
TTC Industrial Area, Mahape,
Navi Mumbai – 400 710, Maharashtra, India.
Tel: +91–22–27612929 Ext. Nos.: 2232–34
Fax: +91–22–2768 9990
E–mail: gtlshares@gtllimited.com
Website: www.gtllimited.com
CIN: L40300MH1987PLC045657

Notes:

- 1) Since there are no Special Businesses to be transacted at the 32nd Annual General Meeting (AGM), Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), is not provided.
- 2) In view of the situation arising due to COVID–19 global pandemic, the general meetings of the companies have to be conducted as per Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 issued by the Ministry of Corporate Affairs (MCA) and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (SEBI). Accordingly, the forthcoming 32nd Annual General Meeting (AGM) of the Company is being conducted through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in compliance with applicable provisions of the Act read with the terms of the above said Circulars. Hence, Members are requested to attend and participate in the ensuing AGM through VC/OAVM.
- 3) Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (Listing Regulations) (as amended), and the above said Circulars of MCA and SEBI the Company is providing facility of remote e–voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e–Voting agency. The facility of casting votes by a member using remote e–voting as well as the e–voting system on the date of the AGM will be provided by CDSL.
- 4) Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 5) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
- 6) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, pursuant to Section 112 and 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e–voting.
- 7) In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM (containing all the required particulars) has been uploaded on the website of the Company at www.gtllimited.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the remote e–voting facility and e–voting system during the AGM) i.e. www.evotingindia.com.

- 8) The procedure for participating in the AGM through VC / OAVM is explained below and is also available on the website of the Company www.gtlimited.com.
- 9) Since this 32nd AGM is being held pursuant to the MCA & SEBI Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
- 10) In case of joint holders attending / participating in the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 11) Pursuant to the provisions of Sections 124 and 125 of the Act, the Company has transferred unclaimed dividends up to the Financial Year (FY) 2009–10 to the Investor Education and Protection Fund (IEPF). The Company has not declared/paid any dividend for FY 2010–11 and thereafter. Therefore, no further Unclaimed / Unpaid Dividend(s) are due for transfer to the IEPF as of date.

Members may refer to section 'Unpaid / Unclaimed Dividends' in the Corporate Governance Report forming part of this Annual Report, for full details.

- 12) 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. Members can contact the Company or Company's Registrar and Transfer Agent, Bigshare Services Private Limited (BSPL) for assistance in this regard.
- 13) All documents referred to in the above Notice *inter-alia* Register of Contracts and Directors' shareholding are open for inspection up to the date of Annual General Meeting and considering the restrictions on the movement of people at several places in the country, due to outbreak of COVID–19, the request for any of above documents may please be sent to gtlshares@gtlimited.com.
- 14) In accordance with, the General Circular No. 20/2020 dated May 5, 2020 issued by MCA and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the SEBI, the Annual Report 2019–20, containing the Notice of AGM, Financial Statements, Directors' Report, Auditors' Report, Corporate Governance Report and Management Discussion & Analysis, is being sent by electronic mode to those Members whose e–mail addresses are registered with the BSPL / Depositories. The Notice is being sent to all Members whose names would appear in the Register of Members as on Friday, September 04, 2020. Members may also note that the Notice of AGM and the other sections of the Annual Report

for the FY 2019–20 will be available on the Company's website www.gtlimited.com, on the websites of the Stock Exchanges where the Equity Shares of the Company are listed, i.e., BSE (at www.bseindia.com) and NSE (at www.nseindia.com) and on the website of CDSL at www.evotingindia.com

- 15) The Company's Equity Shares are listed on BSE and NSE. Further, the Listing Fees in respect of equity shares of the Company have been paid to BSE and NSE for the FY 2020–21.

Privately placed Rated Rupee denominated Redeemable Unsecured Non–Convertible Debentures (NCDs) issued by the Company in February 2010 were listed with BSE under the Debt Segment. In view of pending restructuring of NCDs due to inter–creditor issues and non–completion of documentation, currently, the same are delisted by BSE.

- 16) Members are requested to forward their queries on Financial Statements or other Sections of the Annual Report to the Company Secretary at least 10 days in advance for enabling it to provide appropriate response. On account of the lock down imposed by the Government and keeping in mind the fact that the meeting is being held through VC / OAVM, shareholders / investors are requested to forward their queries pertaining to Financial Statement and other Sections of Annual Report by e–mail to gtlshares@gtlimited.com. These queries will be replied to respective Shareholders suitably by e–mail.
- 17) In keeping with the provisions of the Act and the Listing Regulations for the purpose of sending Notices and other documents to its members through electronic mode to the email address furnished to BSPL / Depositories and the difficulties arising from the consequences of situations like that of COVID 19, members who have so far not provided their email addresses to the BSPL (for holdings in physical form) or to the Depositories (for holdings in electronic form) are requested to provide the same to the BSPL / Depository Participant respectively, in support of this initiative and for savings on paper / printing & postage cost and for effective participation in the General Meetings of the Company.
- 18) The venue of the 32nd AGM shall be deemed to be the Registered Office of the Company at "Global Vision", Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai–400 710. Maharashtra, India.

19) THE INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E–VOTING ARE AS UNDER:

- (i) The voting period begins on Sunday, September 27, 2020 (09:00 A.M.) (IST) and ends on Tuesday, September 29, 2020 (05:00 P.M.) (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut–off date (record date) of Thursday, September 24, 2020 may cast their

vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting would not be entitled to vote at the time of meeting.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on “Shareholders” module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) *Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number as provided in the email, in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be

also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant “**GTL Limited**” on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- a) For Physical Shareholders– please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- b) For Demat Shareholders –, please provide Demat account details (CDSL–16 digit beneficiary ID or NSDL–16 digit DPID + CLID), Name, client master or copy of Consolidated

Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

- c) The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING AND PARTICIPATING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- a) Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- b) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- c) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- e) Shareholders who would like to express their views or ask questions during the meeting may register themselves as a speaker by sending their request along with questions mentioning their name, demat account number/folio number, email id, mobile number at gtlshares@gtllimited.com, from September 21, 2020 (09:00 HRS) to September 25, 2020 (17:00 HRS). Members who have registered themselves as speakers will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on availability of time for the AGM.
- f) As the meeting is being held through VC / OAVM, the shareholders are encouraged to register themselves as speakers by furnishing the required information and questions in advance for providing appropriate response.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

- a) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- b) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote

on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

- c) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- d) Shareholders who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; gtlshares@gtllimited.com, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

- (xxi) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

- (xxii) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh

Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022–23058542/43.

- 20) The Company has appointed Mr. Virendra G. Bhatt, a Practicing Company Secretary, (Membership no. ACS1157, COP:124) as the Scrutinizer for conducting the entire remote e–voting and e–voting process at the meeting venue in a fair and transparent manner.
- 21) The Scrutinizer shall immediately after the conclusion of voting at the AGM first count the votes cast at the meeting, thereafter unblock the votes cast through remote e–voting in the presence of at least two witnesses not in the employment of the Company and make not later than forty eight (48) hours of conclusion of the meeting, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- 22) The results of the voting shall be declared on or after the AGM of the Company, but within forty eight (48) hours after the conclusion of the meeting and the resolutions

will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the Resolutions.

- 23) The results declared along with the Scrutinizer’s Report will be hosted on the Company’s website at www.gtllimited.com and on CDSL’s website at www.evotingindia.com for information of the Members, besides being communicated to BSE and NSE , where the equity shares of the Company are listed.

By Order of the Board of Directors,

Place: Mumbai
Date: August 25, 2020

Deepak Keluskar
Company Secretary

Registered Office:

GTL Limited, “Global Vision”,
Electronic Sadan No. II, MIDC,
TTC Industrial Area, Mahape,
Navi Mumbai – 400 710. Maharashtra, India.
Tel: +91–22–27612929 Ext. Nos.: 2232–34
Fax: +91–22–2768 9990
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