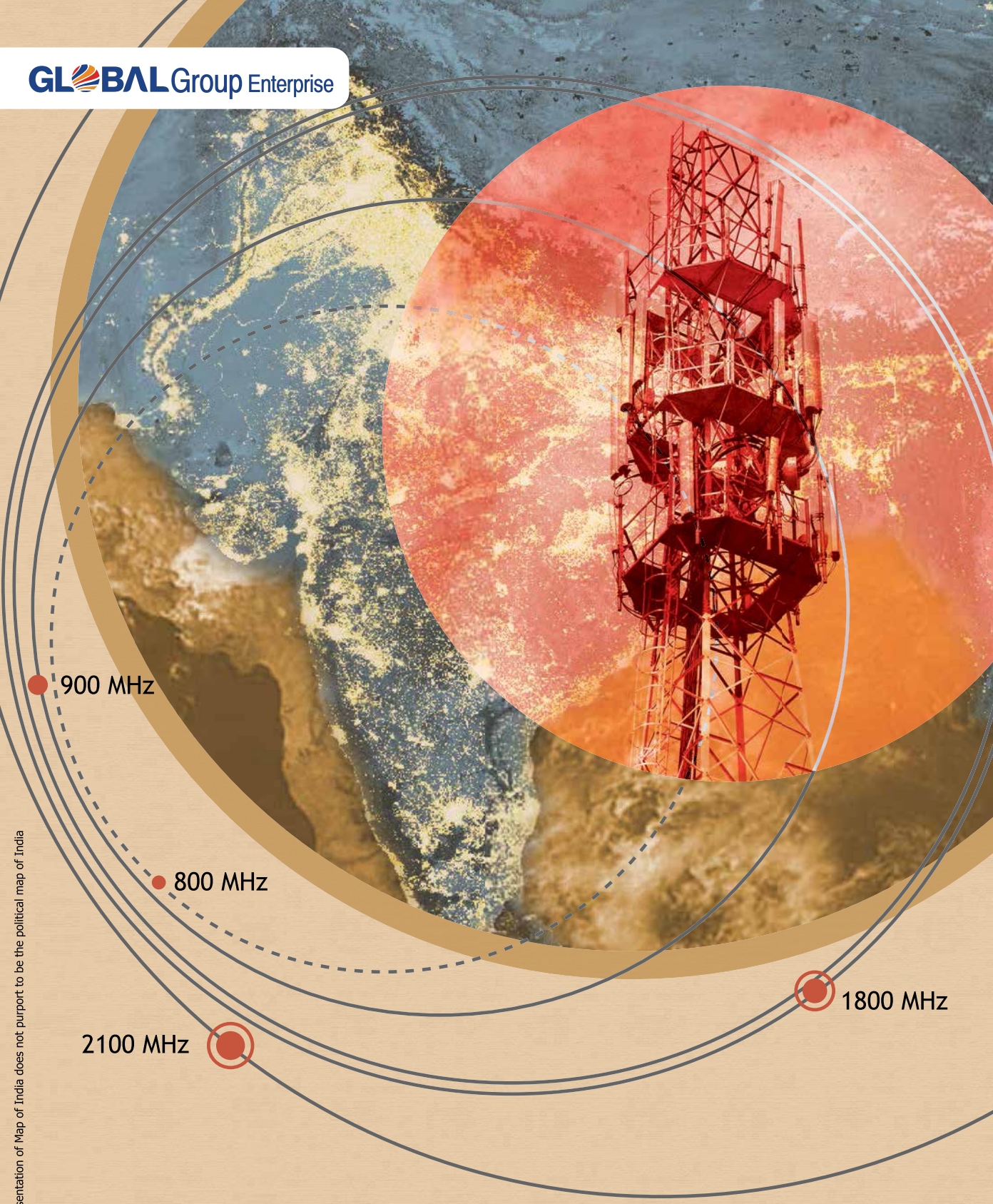
GLOBAL Group Enterprise



This pictorial representation of Map of India does not purport to be the political map of India

THE FUTURE IS NOW

12th Annual Report 2014-15

GTL INFRASTRUCTURE

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Manoj G. Tirodkar	Chairman
Mr. N. Balasubramanian	Vice Chairman
Mr. Milind Naik	Whole–time Director
Mr. Vinod Agarwala	Director
Dr. Anand Patkar	Director
Mr. Charudatta Naik	Director
Mr. Vijay Vij	Director
Mrs. Sonali Pawan Choudhary	Additional Director (w.e.f. March 31, 2015)

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Nitesh A. Mhatre

CHIEF FINANCIAL OFFICER

Mr. L. Y. Desai

AUDITORS

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

BANKS / INSTITUTIONS

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

REGISTERED OFFICE

GTL Infrastructure Limited
"Global Vision", 3rd Floor, Electronic Sadan–II,
MIDC, TTC Industrial Area, Mahape,
Navi Mumbai – 400 710, Maharashtra, India.
Tel: +91 22 2767 3500 | Fax: +91 22 2767 3666
Website: www.gtlinfra.com
CIN No. : L74210MH2004PLC144367

REGISTRAR & SHARE TRANSFER AGENT

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

Tel: +91 22 2761 2929 Extn.: 2232–2235 | Fax: +91 22 2768 0171
Email: gilshares@gtlinfra.com

FOR MORE INFORMATION CONTACT:

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

Particulars	GTL Infrastructure limited (Audited)			
	FY 2014–15	FY 2013–14	**FY 2014–15**	FY 2013–14
	₹ Cr.	₹ Cr.	**US$ Mn.**	US$ Mn.
Total Revenue	**623.10**	615.44	**100.84**	99.84
Net Revenue from operations	**599.65**	578.72	**97.05**	93.89
Profit before Finance Costs, Depreciation /Amortization and Tax	**220.46**	276.44	**35.68**	44.85
Depreciation / Impairment & Amortization Expenses	**255.99**	389.03	**41.43**	63.11
Profit / (Loss) before exceptional items & tax	**(428.13)**	(490.35)	**(69.29)**	(79.55)
Profit / (Loss) before tax	**(514.71)**	(550.35)	**(83.30)**	(89.28)
Profit / (Loss) after tax	**(514.71)**	(551.24)	**(83.30)**	(89.43)
EPS Basic / Diluted	**(2.22)**	(2.39)	**(0.36)**	(0.39)
Equity Share capital	**2,325.14**	2,306.79	**371.43**	385.69
Reserves & Surplus	**(1,878.97)**	(1,320.17)	**(300.15)**	(220.73)
Networth	**446.17**	986.62	**71.27**	164.96
Gross Fixed Assets	**5,072.78**	5,132.33	**810.35**	858.11
Net Fixed Assets	**3,455.65**	3,631.99	**552.02**	607.25
Total Assets	**5,907.21**	6,616.08	**943.64**	1,106.18

For the purpose of financial analysis, the figures in Rupees for the results for FY 2014–15 and FY 2013–14 have been converted into US$, using the following conversion rates.

Particulars	**FY 2014–15 (₹)**	FY 2013–14 (₹)
Profit and Loss Account – 1 US$ equals to	**61.79**	61.64
Balance Sheet – 1 US$ equals to	**62.60**	59.81

DISCLAIMER: The information and opinions contained in this report do not constitute an offer to buy any of GTL Infrastructure Limited's (GIL) 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. GIL 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

BUSINESS SNAPSHOT

GTL Infrastructure Limited (GIL) is an independent Telecom Tower Company. The Company provides passive infrastructure on shared basis for telecom operators to host their active network components.

The business model of passive infrastructure sharing is based on building, owning, operating and maintaining passive telecom infrastructure sites capable of hosting active components for multiple telecom operators. The model enables operators to convert their capital expenditure to a fixed and predictable operational expenditure allowing them to utilise capital towards core activities.

Together with Chennai Network Infrastructure Limited (CNIL), an associate, the Company has a combined tower portfolio of 27,839 towers spread across all the 22 telecom Circles in India, and serving most major telecom operators. The Company has been associated with prestigious projects promoted by DoT and COAI such as USO (Universal Services Obligation Fund) for rural telecom infrastructure and MOST (Mobile Operator Shared Tower).

The salient features of the passive infrastructure business model are

- Providing space to Operators to host their active Infrastructure on cell sites
- Towers are capable of hosting multiple technologies such as 2G / 3G / 4G LTE
- Growth tied to expansion of wireless networks
- Annuity driven business model – stable and growing revenues
- Long term (10–15 years) contracts with telecom operators, with a built in price escalation
- Ensuring 24x7 energy provisioning for enabling telecom operator's uninterrupted network coverage
- Energy Management contracts for majority of tenants (as a pass through)
- Relatively fixed cost structure and low level of maintenance
- Predictable and growing free cash flow

STRUCTURE OF INDIAN TELECOM TOWER INDUSTRY

Telecom towers form the backbone of wireless networks and provide last mile connectivity to subscribers. The telecom tower industry has rapidly grown in a short span of time. GIL played a pioneering role in shaping the industry. It was the first telecom tower company in India to get listed on the Indian stock exchanges and is today among leading independent Telecom Tower Company.

Broadly the tower companies operating in this segment can be categorized as follows

Category	Companies
Independent tower companies*	GIL, American Tower Corporation, Tower vision
Operator owned tower companies	Indus, Bharti Infratel, Reliance Infratel & Viom
Towers owned by government operators	BSNL and MTNL

* Without Telecom operator stake

INDUSTRY STRUCTURE & DEVELOPMENT

INDIAN TELECOM INDUSTRY

The wireless telecom industry has shown tremendous increase in subscriber base to 960.58 Mn. at the end of February 2015 against 903.36 Mn. at the end of February 2014 registering a growth of 6.33% y–o–y for this fiscal compared to approx. 5% growth the year before. The share of urban subscribers declined to 58.01% at the end of February 2015 from 59.16% in February 2014 vis–à–vis the share of rural subscribers which increased to 41.99% at the end of February 2015 from 40.84% at the end of February 2014. With this, the overall tele–density in India has shown marginal improvement at 76.60 at the end of February 2015 vis–à–vis the overall tele–density of 72.92 at the end of February 2014. (Source: Telecom Regulatory Authority of India, Press Release dated April 10, 2015)

MAJOR DEVELOPMENTS IN THE INDUSTRY

The year has recorded several activities by the government and the industry for renewed growth wave in telecom sector. The following are key developments :

Unified licensing:

- All telecom licenses will henceforth be granted as Unified Licenses, which will allow operators to utilize spectrum for any type of data or voice services
- All Unified Licenses to have validity of 20 years
- IP–1 (Infrastructure Provider category–1) is not included in the scope of Unified License. Therefore IP–1 companies are presently not required to revenue share regime

Spectrum:

- In March 2015, DoT auctioned spectrum in various bands (800, 900, 1800 and 2100 MHz). Telecom Operators aggressively bid for renewal as well as for growth

- Further, for spectrum sharing and trading guidelines, Telecom Commission has finalized its views and sought Cabinet approval. Spectrum sharing is expected to result into efficient utilization of spectrum for network growth
- The government has also released a roadmap on the spectrum availability for future

Spectrum auctions – March 2015

Telecom Operator	Spectrum Net Addition (MHz)			
	800 MHz	900 MHz	1800 MHz	2100 MHz
Airtel	–	21.00	7.20	35.00
Vodafone	–	4.00	1.60	30.00
IDEA	–	–5.00	11.20	5.00
Reliance JIO	–	–	–	–
Tata Tele Services	11.25	–	2.60	–
Reliance Comm.	26.25	–29.80	6.40	–
Aircel	–	–	10.00	–
TOTAL	**37.50**	**–9.80**	**39.00**	**70.00**

(Source: DOT)

- Spectrum auction of March 2015 resulted into aggressive bidding by telecom operators
- The winning bids fetched total amount of ₹ 1.1 Trillion to the government. Overall increases over estimated proceeds from auction is about 37%
- Airtel, Vodafone and Idea were the top three operators securing about 65% of the spectrum that was put up for bidding
- Telecom operators through this aggressive bidding secured their existing spectrum which was expiring due to completion of 20 years of license, and required it to retain the subscriber base. Some of the operators also procured growth spectrum

OPPORTUNITIES AND THREATS

The opportunities and threats that the industry is facing are enumerated below:

- Spectrum availability for telecom operators' network expansions
- Data growth
- Digital India and NOFN project initiatives
- All the top operators are actively looking at consolidating their presence in the Indian telecom market, and further leverage the cost efficiencies and gain market share. The operators, who have been lagging in the market place, are also looking at alternate strategies, as requisite scale in the Indian market has become one of the key success factors
- Telecom industry's overall year over year growth in terms of subscribers and traffic is expected to rise for next five years faster than in recent past
- In next five years, data traffic will be majorly contributed by high speed data users of 3G and 4G technologies. Data subscribers are likely to contribute for 30% to 40% of total wireless subscriber base
- 3G technology users will continue to grow even after launch of 4G technologies
- Gaming, video streaming and OTT apps will increase the data usage per subscriber
- 2G Voice subscriber growth is stagnating. Compared to GSM, the CDMA voice subscribers have started reducing
- For 4G services aggressive pricing competition is expected among telecom operators
- Rural penetration will also be a focus for telecom operators for subscribers growth
- Due to spectrum fee payments, Telecom operators' focus will be on operational efficiencies for achieving profitability

Future growth drivers

There are certain growth drivers that could lead to increased in sharing of towers which are:

- **Launch of 4G / LTE networks:** Using 4G / LTE technology, Operators can provide high speed data services to subscribers. With internet penetration, the growth of data services expected to ride on easy availability of smart phones in India. The launch of these networks is expected to give further fillip to requirements of telecom towers
- **Focus on Quality of Service:** Competitive telecom tariff alone is not a strategic advantage to telecom operators. Pricing along with better network quality will be a key driver for operators to retain and acquire new subscribers. The quality of customer experience becomes all the more important with the growth of data services. With expanded subscriber base and limited spectrum availability, operators are left with little option but to bring down the number of subscriber per BTS by creating a denser cellular network. This will drive demand for sharing of towers in urban areas

OPERATIONS

The Company is a pioneer in the shared passive infrastructure business in India. The Company's approach towards business growth and delivery is focused on leveraging its leading position to take advantage of the growth opportunities in the fastest growing and second largest telecom market in the world

PORTFOLIO DETAILS

All the telecommunication towers of the Company are configured to host multiple wireless service providers. The number of antennae each towers can accommodate varies depending on the type of tower Ground Based Tower (GBT) or Roof Top Tower (RTT). Generally, a GBT site can accommodate active equipment of around 3–4 Operators, while a RTT site can accommodate upto 2–3 Operators.

The breakup of the combined tower portfolio of the Company and CNIL as on March 31, 2015 across India is as shown in the table

Region	No of Towers*
North	5,857
South	9,117
East	8,468
West	4,397
Total	**27,839**

* Post impairment and dismantling of 4,811 towers so far due to cancellation of 2G licenses, cancellation of Aircel commitments & natural calamities.

As on March 31, 2015, the tenancy ratio is 1.45

IMPROVING EFFICIENCY OF OPERATIONS

Ensuring health of the site infrastructure has always remained Company's focus for bringing in operational efficiencies and avoiding unscheduled site downtime. Company has put in systems and processes for ensuring periodic equipment check and scheduled preventive maintenance.

Further, the operations team of the Company has taken up specific measures for improvement of passive infrastructure quality as follows:

- Network improvement & upgradation through CAPEX deployment
- Segregated and provided for the End–of–Life (EOL) 'Infrastructure Replacement' requirements apart from the 'Corrective Rectification' requirements. The Annual EOL replacement requirements quantified, budgted and are taken–up as a dedicated project, and are closely monitored by Project Management team.
- Company has setup Inhouse "Technical Repair Centre" (TRC), which comprises of subject matter expert technical teams, that cater to the rectification requirements of major infrastructure equipment including Diesel Generator (DG) and Switch Mode Power Supply Systems (SMPS). This setup has brought in multifold benefits to the Company in terms of reduced overload / dependency on the OEM (Original Equipment Manufacturers) & their authorized service vendors, reduced cost of repairs and reduced 'Mean Time To Repair' (MTTR). The in–house team has rectified over 4000 DGs during the current financial year.
- Implementation of re–engineered processes and systems, expected to improve the MTTR
- Increased scope of insourcing the Site Fuel Management.
- Working towards implementation of the 'Patrolling Security' model instead of 'Stationed–at–Site Security' model
- Converting Indoor sites to Outdoor site, wherever feasible.

EFFORTS TO REDUCE CARBON FOOTPRINT / GREEN INITIATIVE

- Increased emphasis on bringing in EB connection at the Non EB sites where DG is the prime source of energy for the site to be operational
- Revalidating the DG capacity on sites based on the current tenancy visibilities. The site when built were designed to host multiple operators and thus deployed with higher capacity DGs
- Deployment of Free Cooling Device in place of Air Conditioner in the relevant terrain.
- Converting Indoor site to Outdoor site, wherever feasible and in agreement with the respective Operators

Through the above efforts, Company has over 1,650 Sites which are declared Diesel Free (also known as Green Site, which consume less than 35 litres of diesel in a month)

Merger of CNIL and GIL

Post CDR of GIL and CNIL, the financials and capital structure of both Companies has changed substantially. Therefore the Company has decided to seek CDR Lenders / Shareholders approval to modify the Scheme of Arrangement and submit it for approval of the Hon'ble Courts, subject to approvals of shareholders, CDR EG, lenders and relevant statutory authorities.

FUTURE OUTLOOK

The Company intends to maintain its position, as one of the leading third party Independent Telecom Tower Infrastructure Company in India. The Company plans to capitalize on the 3G & 4G / LTE rollouts by providing comprehensive and value enhanced services to the Operators in cost efficient manner. This is expected to increase occupancy on towers and the Company will continue to explore organic & inorganic growth opportunities to strengthen its footprint in the Tower Infrastructure business.

Overall, the Company expects the tenancy growth to be driven by upcoming rollouts of 3G / 4G / LTE networks and the focused expansion by existing operators in semi urban and rural areas.

The clarity in the Telecom Sector, would spur the cycle of investments which would help the tower industry as well. The regulators and the government are also working on freeing the sector of several problems it faces, through the new Telecom Policy.

INTERNAL CONTROL SYSTEM

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

The Internal Audit Department is responsible for the internal control function in the Company. It performs audit to monitor and evaluate the effectiveness of the organization's internal control systems and adherence to management policies and statutory requirements.

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

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

The Internal Audit Committee meets regularly as may be required to review the functioning of internal audit setup in the Company. The Internal Audit function is monitored by the Board Audit committee with assistance from the Internal Audit Committee. The Board Audit Committee periodically reviews audit plans, audit observations of both internal and external audits, audit coverage, risk assessment and adequacy of internal controls.

Thus effective internal control structure has been set up in the Company to enhance organisational performance and contribute towards accomplishment of its objectives.

HUMAN RESOURCES

We believe manpower resources at GIL play an important role in providing quality infrastructure to the telecom operators. GIL resources are important assets for the Company. Human Resource (HR) function at GIL ensures multiple opportunities for leadership growth and excellent work environment. The HR strategy aims at attracting, developing and retaining talent in the organization.

During the year under review, no complaint / case has been received in terms of Sexual Harrasment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder.

EMPLOYEE PROFILE

The direct employee strength of the Company stood at 398 as on March 31, 2015. The Company continues to invest in resources and acquire talent, where required.

HR at GIL would continue to strive for betterment of the employees and work towards creating motivated environment.

QUALITY

GIL is an ISO 9001:2008 certified and is committed to providing its customers with value added services whilst deploying its core offerings. The Company has established a set of key principles and processes that ensure high level of 'Quality' along with 'Efficiency' in its services.

Quality Management System at the Company comprises of the standards & initiatives used for execution and O&M of the sites (Passive Telecom Infrastructure) using a set of Internal & External processes. The system is made up of several processes interlinked / interfaced (software

applications) including procedures, work instructions, formats, resources, policies, guidelines, regulations, materials, supplies, tools & equipments, which help the Company to transform inputs into desirable outputs.

PROJECT SITE & PROCESS QUALITY

As per our philosophy, quality improvement is done at the execution stage. This saved lot of resources in rework and maintenance and has helped the Company to save on its infrastructure provisioning cost and has boosted the Company's EBITDA Margin. This was mainly achieved through categorizing the sites based on their quality into three buckets and bringing majority of sites under the AAA category from AA & A categories.

HEALTH, SAFETY AND ENVIRONMENT

GIL is committed to Health and safety of all its people, by providing a written statement of intent and plan of action for creating and maintaining a healthy, safe and environment friendly work environment.

GIL is committed to health and safety of its employees, associates and contractors; and instills it as a value. GIL has developed framework for maintaining world class practices.

GIL has formed a H&S team to manage health and safety in is operations and to build safe culture across the organization.

GIL has set in place documented procedures which ensure the Health, Safety and Wellbeing of Employees, Contractors, Assets and Customers property. The Company has set the HSE policy, objectives and shared the responsibility to continually improve the HSE performance. HSE committees across pan India contribute in improving the HSE performance by Training, Communication, Audit, Handling Emergencies, Mock Drills etc.

DISCUSSION ON FINANCIALS

The Financial Year ("FY") 2014–15 was the eighth year of operations for the Company. The discussion and analysis of 'Results of Operations' and 'Balance Sheet' that follows are based upon the financial statements, which have been prepared in accordance with the Generally Accepted Accounting Principles in India(Indian GAAP),including the Accounting Standards notified under the relevant provisions of the Companies Act,2013 as adopted consistently by the Company and guidelines issued by the Securities and the Exchange Board of India (SEBI), to the extent applicable. For the purpose of financial analysis, the figures in Rupees for the results for FY 2014–15 and FY 2013–14 have been converted into US$, using the following conversion rates.

Particulars	FY 2014–15 (₹)	FY 2013–14 (₹)
Profit and Loss Account – 1 US$ equals to	**61.79**	61.64
Balance Sheet – 1 US$ equals to	**62.60**	59.81

Note:
Due to fluctuation in conversion rate, the figures for current financial year mentioned in US$ Mn. are not truly comparable with those of previous year. The Exchange rates for FY 2013–14 are as per last annual report.

Segment–Wise Reporting

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

RESULT OF OPERATIONS

Net Income from Operations

Net Income from operations of the Company for FY 2014–15 stood at ₹ 599.65 Cr. (US$ 97.05 Mn.) witnessing a y–o–y increase of 3.62 % as compared to ₹ 578.73Cr. (US$ 93.89 Mn.) in FY 2013–14. Despite the loss in tenancies during FY 2014–15 due to various industry related factors beyond management controls, the net income was higher largely due to annual escalations in monthly provisioning fees.

Other Income

The other income stood at ₹ 23.45 Cr. (US$ 3.80 Mn.) in FY 2014–15 as compared to 36.71 Cr. (US$ 5.96 Mn.) in FY 2013–14. This includes interest income, profit on sale of current investments and miscellaneous income.

Infrastructure Operation & maintenance Cost (Net) – (Infra O&M Cost)

The Infra O&M cost consists of rentals for cell site premises, cell site security costs, cell sites operation & maintenance costs, annual maintenance charges for towers, diesel generators, and air conditioners, power & fuel expenses and its reimbursements.

The Infra O&M cost for the year ended March 31, 2015 was ₹ 219.37 Cr. (US$ 35.50 Mn.) as compared to ₹ 224.27 Cr. (US$ 36.38 Mn.) for the year ended March 31, 2014.

The Power & Fuel expenses comprise diesel costs and electricity charges. These are incurred by the Company, on behalf of Telecom Operators for operating the cell sites. These expenses are reimbursable from operators as per respective agreements.

Employee Benefit Expense

The 'Employee Benefit Expense' includes employee compensation costs, employees related benefits & welfare costs. It was ₹ 25.65 Cr. (US$ 4.15 Mn.) for FY 2014–15 as compared to ₹ 18.97 Cr. (US$ 3.08 Mn.) for FY 2013–14.

Other Expenses

The 'Other Expenses' consist mainly of exchange loss, legal and professional charges, office rent and related expenses, travel and conveyance, insurance premium, provision for doubtful debts, advertisement and business promotion expenses and loss on sale of fixed assets.

The 'Other Expenses' stood at ₹ 157.63 Cr. (US$ 25.51 Mn.) for FY 2014–15 as compared to ₹ 95.75 Cr. (US$ 15.53 Mn.) for FY 2013–14 out of which the Company has provided ₹ 72.71 Cr. (US$ 11.77 Mn.) towards doubtful debts.

Earnings Before Interest Depreciation Tax and Amortisation (EBIDTA)

The EBIDTA for FY 2014–15 was ₹ 245.80 Cr. (US$ 39.78 Mn.) as compared to ₹ 269.58 Cr. (US$ 43.73 Mn.) in FY 2013–14. The operating costs for a tower are relatively fixed and does not increase proportionately with additional tenancy.

Particulars	FY 2014–15	FY 2013–14	Y–o–Y change	FY 2014–15	FY 2013–14
	(₹ Cr.)	(₹ Cr.)	(%)	(US$ Mn.)	(US$ Mn.)
Revenue	599.65	578.73	3.62	97.05	93.89
Less: Infra O&M	219.37	224.27	(2.19)	35.50	36.38
Less: Employee Cost	25.65	18.97	35.20	4.15	3.08
Less: Other Expenses	108.84	65.91	65.13	17.61	10.70
EBITDA	245.80	269.57	(8.82)	39.78	43.73
EBITDA Margin	40.99%	46.58%	(12.00%)	40.99%	46.58%

Depreciation, Amortization and Impairment Expenses etc.

The Depreciation, Amortization and Impairment was ₹ 255.99 Cr. (US$ 41.43 Mn.) as compared to ₹ 389.03 Cr. (US$ 63.11 Mn.) in FY 2013–14.

Impairment of Assets & Exceptional Items

The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

As there were no internal/external factors indicating impairment of fixed assets, carrying amount of fixed assets was not reviewed.

The exceptional item represents provision of ₹ 86.58 Cr. (US$ 14.01 Mn.) as compared ₹ 60.00 Cr. (US$ 9.73 Mn.)

Finance Costs (Net)

Finance costs (Net) comprises of interest expenses and bank charges, net of foreign exchange gain / loss.

Particulars	FY 2014–15		FY 2013–14	
	Amount (₹ Cr.)	Amount (US$ Mn.)	Amount (₹ Cr.)	Amount (US$ Mn.)
Interest expense– (A)	390.02	63.12	370.68	60.14
Other Borrowing Cost –(B)	2.59	0.42	7.08	1.15
Total–(A+B)	392.61	63.54	377.76	61.29

From July 1, 2011, the interest has been provided on effective rate of 10.75 % over the tenure of the restructuring facility in terms of the Company's financial restructuring package approved by CDR Empowered Group (CDR EG) vide its letter dated December 23, 2011 ('CDR Letter').

Company has considered full year impact of interest on FCCB during FY 2014–15 of ₹ 38.29 Cr. (US$ 6.20) as against interest of ₹ 13.81 Cr. (US$ 2.24) for FY 2013–14 which was provided from November 08, 2013 as per offering circular.

In view of the above, the aggregate annual interest for FY 2014–15 shows an increase against that of FY 2013–14.

BALANCE SHEET ITEMS

Shareholder's funds

Paid up Share Capital

The paid up Share Capital of the Company was at ₹ 2,325.15 Cr. (US$ 371.43 Mn.) as on March 31, 2015 as compared to previous year ₹ 2,306.80 Cr. (US$ 385.69 Mn.)

Reserves & Surplus

As on March 31, 2015, Reserves & Surplus of the Company had a debit balance of ₹ 1,878.97 Cr. (US$ 300.16 Mn.). The movement in the Reserves and Surplus during FY 2014–15 is as follows:

Particulars	Amount (₹ Cr.)	Amount (US$ Mn.)
Reserves & Surplus (As on April 1, 2014)	(1,320.18)	(210.89)
Add: Securities premium account	(37.35)	(5.97)
Add: Employee Stock option Outstanding (Net)	–	–
Add: Foreign Currency Monetary Item Translation Difference Account	(6.73)	(1.08)
Add: Deficit for the current Year	(514.71)	(82.22)
Reserves & Surplus (as on March 31, 2015)	(1,878.97)	(300.16)

Net worth as on March 31, 2015

Particulars	Amount (₹ Cr.)	Amount (US$ Mn.)
Equity Capital	2,325.15	371.43
Reserves & Surplus	(1,878.97)	(300.16)
Net worth	446.18	71.27

Loan Funds

Borrowings

The Borrowings (other than current maturities) as on March 31, 2015 stood at ₹ 4,826.17 Cr. (US$ 770.95 Mn.) as against ₹ 4,916.73 Cr. as at March 31, 2014. It mainly comprises of:

Particulars	FY 2014–15		FY 2013–14	
	₹ Cr.	US$ Mn.	₹ Cr.	US$ Mn.
Rupee term loans:				
– Banks	3,213.90	513.40	3,317.23	554.63
– Financial Institutions	82.16	13.12	82.45	13.79
Foreign currency loans:				
– Financial Institutions	51.01	8.15	74.10	12.39
Unsecured loans:				
– FCCB	1,479.09	236.28*	1,442.95	241.26
Total	4,826.17	770.95	4,916.73	822.07

* As on March 31, 2015 outstanding FCCBs' are 242,573 of US$ 1,000 each.

Fixed Assets

The fixed asset block (Net block + Capital work in progress) as on March 31, 2015 is ₹ 3,455.65 Cr. (US$ 552.02 Mn.). The Capital work–in–progress comprises mainly of capital goods inventory, pre–operative and carrying costs.

Investments

The total investments in the book of Company stood at ₹ 1,884.08 Cr. (US$ 300.97 Mn.) as on March 31, 2015 as compared to ₹ 1,872.37 Cr. (US$ 313.05 Mn.) as on March 31, 2014 . This includes investment made by the Company in CNIL for acquisition of Aircels' towers.

Current Assets

The current assets of the Company excluding current investments were worth ₹ 337.39 Cr. (US$ 53.90 Mn.) as on March 31, 2015 as compared to ₹ 668.39 Cr. (US$ 111.75 Mn.) as on March 31, 2014. The current assets primarily consist of trade receivables, loans and advances and cash and bank balances.

Other Current liabilities and Provisions

The Other current liabilities of the Company were ₹ 282.46 Cr. (US$ 45.12 Mn.) as on March 31, 2015. It primarily consists of current maturities of rupee term loans from banks and financial institutions and foreign currency term loans from financial institutions of ₹ 128.45 Cr. (US$ 20.52 Mn.)

Long–term and short–term provisions of ₹ 1.25 Cr. (US$ 0.20 Mn.) as on March 31, 2015 consist of provisions for employee benefits such as gratuity and leave encashment.

RISK MANAGEMENT

In today's dynamic business environment 'Risk Management' is an essential function to have sustainable and effective business model in place in India. Enterprise Risk Management (ERM) has evolved steadily in progressive companies. It is developing from being merely a risk identification and assessment process to building a risk portfolio that is continually assessed and monitored. The perception that "Risk is not my Responsibility" has evolved to a more realistic " Risk is everybody's Responsibility".

We at GIL have a Risk Management Group (RMG) in place to facilitate the execution of risk management across the organinsation. Our approach is to identify, monitor and evaluate risk throughout the group companies and to manage these risks within our risk appetite. For the very purpose we have an integrated ERM Framework in Place.

This report is prepared in accordance with clause 49 (IV) of the Listing Agreement with Stock Exchange in India,

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

I. Market Risks

Macro Economic Outlook

The global perspective

- Estimates show that 70% of world growth over the next few years will come from emerging markets, with China and India accounting for 40% of that growth
- As per World Bank, the South Asian region's economy will expand by a real 6% in 2015 and by 6.4% in 2016 compared to 5.4% in 2014, potentially making it the second fastest growing region in the world after East Asia and the Pacific. The Indian economy, 80% of the region's output is set to grow by 6.4% in fiscal year (FY) 2015–16 after 5.6% in FY2014–15
- Adjusted for variations in purchasing power parity, the ascent of emerging markets is even more impressive: the International Monetary Fund (IMF) forecasts suggest that investors will continue to invest in emerging markets for some time to come. The emerging markets already attracted almost 50% of Foreign Direct Investment (FDI) global inflows and account for 25% of FDI outflows
- The brightest spots for FDI continue to be India, Africa, the Middle East, and Brazil, Russia, and China (the BRICs), with Asian markets of particular interest at the moment
- By 2020, the BRICs are expected to account for nearly 50% of all global GDP growth. Securing a strong base in these countries will be critical for investors seeking growth beyond them

The Indian perspective

- Indian Annual CPI Inflation decreased to 5.17% in March 2015 from 5.37% in February 2015, below market expectations. It is the lowest rate in three months due to a slowdown in food cost. Inflation has rapidly cooled in India following a spectacular drop in global crude oil prices, softer food costs and favorable base effects from previous reporting periods. The RBI has targeted 6% inflation by January 2016 and indicated that if the target is met it would shift to 4% goal over the longer term
- The inflation continues to remain low, keeping this in mind Reserve Bank of India (RBI) Governor Mr. Raghuram Rajan has after the presentation of the Union Budget 2015, unexpectedly cut the Policy Repo Rate by 25 basis points the rate at which the RBI lends funds to the banks by 50 basis points to 7.50% in calendar 2015 and keep the Cash Reserve Ratio (CRR) of scheduled banks unchanged at 4% of net demand and time liabilities
- The Company has External Commercial Borrowings of 9 Mn. Euro and Foreign Currency Convertible Bonds (FCCB) of US$ 242.573 Mn. This poses both a Foreign Currency Risk as this is un–hedged as well as a liquidity risk. The Company has restructured FCCB successfully and has postponed the liability till November 2017
- As the revenues from our existing business lines are all dependent on the sustainability of telecom sector, we believe that Macro Economic factors, including the growth of the Indian economy, interest rates, as well as the political and economic environment, have a significant direct impact on our business, results of operations and financial position

Liquidity and Leverage Risks

During the last year, GIL and CNIL has entered into Settlement Agreement with Aircel and has received settlement amount in the Company as part of the overall settlement amount which provides short–term to mid–term visibility for some relaxation in liquidity concerns.

During the last few years, the Telecom Industry has been adversely affected by the general economic slowdown and various other factors such as slower growth of 3G Technology, failure of spectrum auctions and inflationary costs of power & fuel. This has resulted into substantial erosion of the Company's net worth and the Company has incurred cash losses. The Company continues to take various measures such as cost optimisation, improving operating efficiency, renegotiation of contracts with customers to improve Company's operating results and cash flows. Further, the management believes that new spectrum auction will result in exponential growth in 3G & 4G/LTE which are expected to generate incremental cash flows to the Company.

Credit Risks

GIL provides Passive Telecom Infrastructure to Telecom Operators in India. During previous few quarters, all Telecom companies faced increased pressure on earnings and financing fronts. However, recently few operators increased call rates and substantially reduced promotions which would lead increase top line. These efforts may ease the payment terms to vendors during short to medium term. As a vendor to these players, GIL is currently facing a medium credit risk.

The Supreme Court of India verdict for cancellation of 122 Telecom licenses caused losses & impairment for Tower companies, adversely impacting their financing and fund raising plans.

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

II. Strategic Risks

Industry Risk

The Supreme Court's verdict to cancel all 122 2G licenses has hit several Telecom Tower Companies. This resulted in loss of Tenancies & Revenue to GIL and CNIL for remaining tenure of their licenses.

The process of re–allocation of these licenses may result in fewer numbers of players with access to more spectrums temporarily, reducing the demand for towers thus, affecting our future earnings. Thus once the rollouts restart, it shall provide the Telecom Tower Industry with some roadmap that would divulge a clear future of the industry that would help reduce the ambiguity that currently is persistent.

The Corporate Debt Restructuring (CDR) moratorium period has ended. The Cost of this debt is 10.75% per annum and principal payments have started since as well. The restructuring plan has put in negative impact on new assets addition or expansion.

In light of all the above events and the fact that it may take the Company at least 2–3 years to recover, stabilize and get into a growth mode again, the Company is exploring innovative financial structures to discount revenues to generate liquidity in the Company and proactively drawn up a "Refinancing and Consolidation Proposal.

Concentration Risks

GIL's business faces very high Concentration Risk because of the following reasons:

- Operates primarily in one Sector viz. Telecom
- Operates only in India
- The customer base is limited to number of Telecom operators in India
- Increasing nos of competitors and Special rates offers
- Geographical Concentration Risk like Political, Social, Economic & Technological factors governing India
- GIL has towers in various new regions in India like North–Eastern States, Bihar, Jharkhand, Orissa, Jammu & Kashmir etc.
- The Aircel deal has increased the penetration of GIL in the untouched remote areas where it was not present to offer services to its customers. But At the same time more than 50% of the business of the Company comes from Aircel

Competitive Risks

Competitive landscape for the company is limited in the Tower Space. The competition is intense among companies like Indus, Viom, Bharti Intel, BSNL & Reliance Infranet. The Company is among the largest neutral & independent Tower Company in the country and needs to Market its independent status and leverage it to gain more tenancies.

III. Operational Risks

Reputation Risk

Due to debt restructuring & external events as explained above, the cash flows of the Company have been under severe pressure and its subsequent effect on business operations have led to challenges of services to customers' thereby damaging reputation.

Supply Chain Risk

The delay in supply of crucial materials and services required for corrective and preventive maintenance of Passive Infrastructure may impact smooth functioning of business operations resulting into increased penalties and damages imposable by customers.

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

Manpower Risks

In the light of the current state of affairs owing to Telecom Industry scenario, the expected slowdown in business and the growth prospective irrespective of CDR, may still lead to increased levels of attrition and Challenges in project execution and service delivery.

These factors may act as deterrent to recruitment of quality manpower to replace those who leave the Company for the any of the above reasons or otherwise.

IV. Legal and Compliance risks

Legal and Compliance risks may arise from occasional non–adherence to timely deliverable and Service Level Agreements (SLA). These pose immense challenge in the Telecom Services Industry.

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

The Company is not regulated by any regulatory agency and faces the general regulatory environment that is prevalent in the country. However, customers on the Telecom side are regulated by Telecom Regulatory Authority of India (TRAI).

V. Other Risks

Political Environment Outlook

- The Company does not have any interface with the Government or any regulatory authority in its business.

Risk Rating Parameters

The Company has identified the following risks as the Top 5 risks facing the company and these have been discussed in detail in the chapter. The level of the risk that is perceived by RMG and suggested Mitigation Plan are discussed in the following table.

Rating of risk practices	Ranking	Relative status
Very Low Risk	*	No or little risk. Manageable by routine procedures. Hence, no management intervention required.
Low Risk	**	Normal risk exists. Manageable by improving operating procedures (internal risks) or being alert (external risks).
Medium Risk	***	More than normal risk exists. Requires strong operating procedures (internal risks) and management attention (external risks).
High Risk	****	Significant risk. Urgent actions required to eliminate or reduce the foreseeable risk.
Very High Risk	*****	Substantial risk. Immediate actions required to contain risk. Should be kept on a continuous watch–list.

Top 3 Risks & Mitigation plans

	Type of Risks and Rating	Mitigation Plan
1	Liquidity & Leverage Risk *****	• In order to avoid any event of default under CDR Plan, GIL should adhere the obligations listed in the MRA documents. The TRA account established by the Banks helps manage the liquidity risk by increasing transparency • GIL is aiming to minimize liquidity risk by ensuring revenue streams are realized fully • Fixed Energy Billing contracts will help in faster recovery of energy receivables • Negotiation with operators for Short term Capex Advance

	Type of Risks and Rating	Mitigation Plan
2	Operations Risk *****	• GIL Need to infuse liquidity in operations to reduce this risk and plan capex for upgradation and refurbishments • Focus on winning new contracts and consolidate business • Reduce penalties, control expenses and undertake effective cost cutting measures • Key Insurance Policies need to be undertaken to mitigate risks
3	Strategic Risks *****	• More concentration needs on improving tenancy ratio • GIL should consider the option of consolidating or partnering with other Telecom Tower Companies • Proposal needs to be worked out to Refinance the Debt with cheap Foreign Loan options and/or bring in new strategic investors with business expertise to ease the liquidity situation and boost operational efficiency • Company may look at options of consolidation or reducing un–operational sites to curb the losses • Increasing the tenancy ratio by offering Special rates

CORPORATE SOCIAL RESPONSIBILITY

The objective of CSR at the Company is to take a balanced approach to address economic, social and environmental issues through diverse programs in the field of education, health, disability and community development.

The Company's CSR activities are channeled through the Global Group's not–for–profit arm i.e. Global Foundation. Since the Company is currently in CDR, it is not contributing to the Global Foundation which is being managed through the generosity of employees and other donors.

We take this opportunity to thank all our employees for their continued commitment and support through the payroll–giving program and for actively participating as Positrons (volunteers).

Employee Volunteerism Program

In addition to financial donations and in–kind support, employee volunteer programs allow companies to cultivate a personal link to the community. At GIL we have realized that if employees are given the opportunity to pursue their social commitments, they get a sense of work–life balance and a renewed appreciation of their jobs. Employees who volunteer their time for the Foundation are known as Positrons–People who exude positivity.

Positrons are the lifeline of our CSR activities, through their continued commitment towards the Foundation's objectives. The Foundation has been able to engage employees in a number of their activities & projects.

Art of Giving (Payroll Giving Initiative)

Art of Giving is a voluntary payroll giving initiative of Global Foundation through which employees provide financial contributions for the long–term sustainability of projects. More than 880 Global Group employees regularly donate to the Foundation.

The Foundation has been a pioneer in choosing projects that have an impact on people's lives.

Mapping of CSR Projects to the new CSR Guidelines as per the new Companies Act, 2013

Projects undertaken	Area under Schedule VII of new Companies Act – 2013	Clause of Schedule VII
Education		
GyanIT, Gyanjyot, Knowledge on Wheels & Education for Peace	Promoting education	2
Health		
Aarogya	Promoting preventive health care	1
Disability		
Project Netra & Project Drishti	Promoting education and employment enhancing vocational skills among the differently abled	2

Projects undertaken	Area under Schedule VII of new Companies Act – 2013	Clause of Schedule VII
Community Development		
Borderless World Foundation	Support for Jammu & Kashmir Flood Relief	1
Project Grihapravesh	Setting up homes and reducing inequality faced by social and economically backward groups	3
Village Knowledge Centres	Empowering women	2
Standing Together Enable Peace Trust (STEP)	Support for Youth centre development at J&K	2
Cricket Association for the Blind in Maharashtra	Support for organizing the blind cricket	1
Shri Lalita Charitable Foundation	Support for constructing school for students affected by Cancer and Aids	2
Environment		
Pedal for Peace & Veloraid	Ensuring environmental sustainability / (road safety awareness)	1 & 4

Most of these initiatives have been in progress for over fifteen years. As we look back there is an overwhelming sense that these initiatives are seamlessly aligned with the national vision of our Hon'ble Prime Minister–one such being the recently launched Digital India.

Computer Education for the blind, Knowledge on Wheels (KNOW), Computer education programs in schools in rural areas and computer training for senior citizens are some of the programs which has helped ensure that the under–served are not left behind but on the other hand, are IT ready. It's humbling to realize that in our zeal to reach out to the under served communities through our various computer education programs, we have already made significant inroads to make the Digital India Movement a reality.

Even as we are making efforts to digitally enable the community, we also realize that working knowledge of English is equally important. Moving in this direction, we intend to launch English training program not only for students but across other sections of the community.

'Swachh wadi, Sunder gaon' is another significant and exciting program that was launched in response to the Hon'ble Prime Minister's 'Swachh Bharat Abhiyan'. Teachers and students in various towns and villages of Sindhudurg cleaned up public places. Soon the community got involved too. It did not end there. Students conducted surveys in villages regarding sanitation and health.

EDUCATION

Our philosophy towards education is to ensure meaningful education to the economically under served sections so as to enable them to compete on equal footing. The education program covers 3 areas – Computer education, English language education and Value education to students. We do this through the following programs.

Gyan IT – Computer Education

The field of education has seen a fair number of transformations over the years. In this age of rapid technology growth; we see a world which is more connected than ever before. Global Foundation had the vision to map these changes very early in the 90's and worked towards making a part of Maharashtra computer literate by setting up labs in schools in the Sindhudurg district.

One of the greatest advantages of having labs in schools is the fact that everyone can have equal access to computers. All students who have little or no access to computers in today's day and time are able to learn technology and build a better future for themselves through those labs.

Last year Global Foundation successfully set up 27 computer labs which benefited approximately 2,600 students. The Foundation has set up more than 133 computer labs all over Sindhudurg district in the last 11 years which has benefited more than 188,000 people.

Knowledge on Wheels (KNOW)

Global Foundation under project 'KNOW', reaches out to the rural students through its mobile computer lab along with a qualified instructor. This unique mobile computer lab traverses through rural areas to promote IT literacy. More than 43,361 students have been covered in this program. At present the KNOW bus is traveling through Sindhudurg district training the school children for whom computer education is a challenge. The tremendous response from that area has also been seen and appreciated by educationists who have requested that a similar kind of bus is launched in other such areas.

Gyanjyot Education Financial Support Program

The Foundation had started this Educational Financial Support scheme in order to support children from economically backward families. The objective of the scheme is to provide financial assistance to students belonging to poor families so as to enable them to pursue and complete their education. Year 2014–15 saw many students taking advantage and more than 1400 students were supported financially under this program. To date the Foundation has provided 5,584 scholarships.

Education for Peace – Value Education

Education for Peace program (EFP) is our contribution to build a better future by empowering school teachers and students. Education for Peace implies a paradigm shift in the total transaction of education. The training enables and equips teachers to nurture among children knowledge, attitudes and values that comprise a culture of Peace. It is a long–term proactive strategy to nurture peaceful persons who resolve conflicts non violently.

Education for Peace has taken a huge leap in the year 2014–15 in terms of diversity of activities for students and content, delivery and coverage for teachers. Professional trainers were assigned to design a competency training program–"Antarjyot" which covers six competencies to build required skills to transform teachers to become Peace educators. The design also lends itself to be measured to facilitate scaling up.

Another milestone has been partnering with like minded organizations working in this field. Outcomes have been experience–sharing, training the trainers and collaborating with partners in framing and designing the curriculum for peace activities as envisioned by UNESCO and NCERT.

EFP is holistic, embracing the physical, emotional, intellectual and social growth of children within a framework of human values.

- Teachers: The Foundation has created a competency based framework to train teachers on Holistic Thinking, Interpersonal Skills, Execution Excellence, Transformational Leadership, Problems Solving and Decision Making and last but not the least Communication and Etiquettes.
- Students: Schools of trained peace educators along with our team facilitators are encouraged to form Harmony Clubs where students are given opportunities to experience and internalize Peace values. Activities like camps, yoga classes, rallies with peace messages, drawing and literary competitions and annual summer camps are held.

EFP activities in 2014–15

	Kudal	Aurangabad	Mumbai and Navi Mumbai
No. of schools enrolled	35	5	5
No. of teachers trained	145	48	37
No. of children enrolled in peace clubs	1,500	250	Work–in–progress

HEALTH & SAFETY

Aarogya

Health does not merely mean the absence of a disease but also the general well being or freedom from an illness. The Indian population is weighed down by diseases due to lack of environmental sanitation and safe drinking water, malnutrition, poor living conditions, and limited access to preventive and curative health services. Expenditure on health care in our country has been minimal and hence there is a gap in the urban & rural medical services.

Global Foundation has been creating health awareness in parts of Maharashtra and is conducting general health camps, diabetes awareness, ophthalmic and blood donation camps for more than 11 years. Hemoglobin checkup camps have helped people identify and treat many potentially harmful diseases. The mobile health van services are provided free of charge.

Global Foundation's mobile health van that travels to areas do not have ready access to health services. Our van enables doctors and health counselors to overcome the obstacles that often prevent or deter people from obtaining important health tests. The van frequently visits community centers, old age homes and schools also to conduct various health related camps.

The team at Kudal has been working towards building up a strong preventive health care service system. The year 2014–15 several such camps were organized and notable among are :

	Camps	Beneficiaries
General Health checkup & Eye checkup	5	317
Cataract detection and operation	1	43
Blood donation	6	692
School Health checkup	12	2,908
Spectacle distribution by Serva Shiksha Abhiyan	1	110

Emergency Medical Assistance

As per the World Health Organization (WHO) survey, there are around 30% people who die due to lack of adequate Emergency Medical Services. Emergency financial assistance for treatment is an essential part of the healthcare support provided by Global Foundation. We also provided a couple of ambulances and medicines in the aftermath of the floods in J&K therefore, developing a strong emergency medical assistance system has been one of the focal points of the overall health care objectives of Global Foundation.

DISABILITY

Netra

Global Foundation's project Netra for the visually impaired has an Advanced Computer center in Mumbai. Global Foundation intends to provide training and enables the visually impaired achieve success in pursuing higher education, cope with a competitive work environment and discover better employment opportunities.

The Computer courses are supported by additional soft skills and personality development programs by Positrons and other volunteers. Refresher courses and sessions on the interview process are conducted to enhance their job prospects. Last year a total 35 students were awarded certificates on successful completion of their courses. Many of them have found jobs in the IT sector, banks and have become financially independent. At present 18 students are currently undergoing the basic & advanced computer course at Global Foundation's Advanced Computer Center for the Visually Challenged at Mumbai.

The Foundation encourages students and trainers to seek better opportunities in the main stream corporate sector. Many students as well as past trainers have gone on to do very well in their professional careers after training.

The Foundation has also supported the Cricket Association for the Blind in Maharashtra to conduct Blind Cricket Tournament in FY 2014–15.

COMMUNITY DEVELOPMENT

Community Development supports the establishment of strong communities who work together to improve the social structure of a country.

Towards this, the Global Foundation has supported in constructing the building of a School at Alibaug in the state of Maharashtra that enables more students to be admitted in primary section. The Foundation has also provided bio toilets in some schools.

We also supported 4 shelter homes for girls in J&K by providing them with solar lamps, inverters and UPS that would assist them with their education and livelihood which were adversely affected due to the floods.

Village Knowledge Center (VKC) – IT Education for Women & livelihood skill training programs

The VKCs have benefited women mainly housewives by generating employment and improving their standard of living. It's also a center for learning and awareness in rural areas. Women earn a decent amount without having to leave their homes for longer duration. This has added to their self esteem and confidence.

At present Global Foundation supports two VKCs in Kudal and Vengurla which provides computer education and vocational training to women. Special tailoring batches for girls, soft toy training and purse making have benefited women in the vicinity. Additionally women have also taken advantage of the computer training programs and have found jobs near their homes.

Global Foundation's support to other NGOs and institutions during the FY 2014–15

- Borderless World Foundation – Support for Jammu & Kashmir (J&K) Flood Relief
- Standing Together Enable Peace Trust (STEP) support for Youth development centre at J&K
- Shri Lalita Charitable Foundation – Support for constructing school for students affected by Cancer and AIDS

ENVIRONMENT

Pedal for Peace Cyclothons

The Government of India has been taking several measures to promote cycling as an alternate means of transport. The objective being to decongest roads, promote sustainable cities and greener environment. Recognizing this as an important initiative, the Foundation, has started promoting cyclothons to spread the awareness of cycling, greener environment and also to ensure safer roads for pedestrains and cyclists.

Global Foundation supports Pedal for Peace cyclothon, an annual event, that is held with an objective to promote the message of cycling, peace and harmony. The cyclothon is organized from Thane to Mumbai and back, covering a distance of more than 100 kms. So far the cyclists have covered more than 13,100 kms spreading the message of cycling and peace.

Standard Chartered Mumbai Marathon (SCMM)

Every year Global Group employees participate in the Standard Chartered Mumbai Marathon to support the Global Foundation. This year 112 persons took part to support and donate to the Global Foundation.

To
The Members,

Your Directors are pleased to present their Twelfth Annual Report together with the Audited Financial Statements for the year ended March 31, 2015.

1. STATE OF COMPANY'S AFFAIRS

Financial Highlights

(₹ in Crore)

Particulars	2014–15	2013–14
Total Revenue	**623.10**	615.44
Profit / (Loss) before Depreciation / Amortization, Finance Costs & Tax	**220.46**	276.44
Depreciation / Impairment & Amortization Expenses	**255.99**	389.03
Profit / (Loss) before Finance Costs & Tax	**(35.53)**	(112.59)
Finance Costs	**392.60**	377.76
Profit / (Loss) Before Exceptional Items & Tax	**(428.13)**	(490.35)
Exceptional Items (Net)	**86.58**	60.00
Profit / (Loss) before Tax	**(514.71)**	(550.35)
Tax Expenses	**–**	0.89
Net Profit / (Loss)	**(514.71)**	(551.24)

Figures regrouped / reclassified wherever necessary to make them comparable.

2. RESULTS OF OPERATIONS AND BUSINESS OVERVIEW

Results Of Operations

During the year, total revenue of the Company was ₹ 623.10 Cr. against ₹ 615.44 Cr. for the previous year. Operating Profit (before Depreciation / Amortization, Finance Costs & Tax) was at ₹ 220.46 Cr. in comparison to previous year's Operating Profit (before Depreciation / Amortization, Finance Costs & Tax) of ₹ 276.44 Cr. Net Loss for the year was at ₹ 514.71 Cr. against Net Loss of ₹ 551.24 Cr. for the previous year.

The telecom scenario in the country changed drastically since the beginning of year 2012 due to cancellation of 122 2G licenses by the Hon'ble Supreme Court, slower 2G and 3G growth, failure of spectrum auctions, inflationary costs of power & fuel and general economic slowdown. Further, during this time, the Company was expected to get increased / additional business arising out of its acquisition of telecom tower portfolio from Aircel Limited and its subsidiaries (Aircel) through Chennai Network Infrastructure Limited (CNIL). However, owing to several external factors, the Company and CNIL could not garner the required 20,000 additional new tenancies on Right of First Refusal basis from Aircel. In the meanwhile, the Company had already placed orders on various vendors to procure tower assets and made expenses / advances against those orders. Consequently, the Company had to short close its commitment to vendors and is currently pursuing legal action against its vendors for recovery of these advances. However, as a matter of prudence, a provision for a sum of ₹ 208.75 Cr. has been made during the year under review. Further, pursuant to the settlement agreement between the Company, CNIL and Aircel, ₹ 150 Cr. has been recognized as income towards final settlement during the year under review. The above amounts have been shown as exceptional items in the Financial Statements.

Going Concern basis

Owing to factors as referred above, the Company's net worth has been eroded substantially and the Company has incurred cash losses. The Company continues to take various measures such as cost optimisation, improving

operating efficiency, renegotiation of contracts with customers to improve Company's operating results and cash flows. Further the management believes that new spectrum auction will result in exponential growth in 3G, 4G & LTE which are expected to generate incremental cash flows to the Company. Based on the Master Services Agreement executed for passive infrastructure sharing with new operators, having BWA spectrum and preparing to launch 4G services Pan India, the Company has already commenced roll outs for it. In view of the above mentioned factors, the Company continued to prepare its Financial Statements on going concern basis.

Recent Developments at Macro And Micro Economic Level

The telecom industry has shown tremendous increase in subscriber base to 960.58 Mn. at the end of February 2015 against 903.36 Mn. at the end of February 2014, registering a growth of 6.33%. The share of urban subscribers declined to 58.01% at the end of February 2015 from 59.16% in February 2014 vis–à–vis the share of rural subscribers which increased to 41.99% at the end of February 2015 from 40.84% at the end of February 2014. With this, the overall tele–density in India has shown marginal improvement at 76.60 at the end of February 2015 vis–à–vis the overall tele–density of 72.92 at the end of February 2014. (Source: Telecom Regulatory Authority of India (TRAI), Press Release dated April 10, 2015)

India saw fastest growth in subscription base with 65 million new connections in FY 2014–15. Given this the Indian telecom industry has been one of the fastest growing and most competitive in the world. The Indian call tariffs are still among the lowest in the world.

Growth Drivers

It is observed, globally that telecom industry is a vital sector for the overall development of a nation. It is catalyst to growth and modernization of a nation. Given the recent developments, we have identified a few growth drivers for the coming few fiscals.

1) 2015 Spectrum Auction was successful with ₹ 1.10 Lacs Cr. investment by the industry signaling restored faith in business prospect

2) Industry Friendly and liberal policies

   a. Government plans to allocate the Spectrum auctioned in March 2015 by end of this year

   b. Government's ambitious US$ 1.1 Bn. Smart City program to facilitate telecom growth

3) Attractive FDI market

4) Subscriber base continues to see upward trend

5) 3G and 4G rollouts expected to lead to machine to machine (M2M) growth in India in F.Y. 2016–17

6) Reliance Jio the only Pan India license 4G provider to roll out 4G in this fiscal

7) India a Data usage driven economy (Nokia Networks' MBit Index study)

   a. Mobile data traffic generated by 2G and 3G services has risen by a whopping 74 percent at the end of 2014

   b. Use of 3G devices capable of supporting a speed of up to 21.1 Mbps increased from 23% in 2013 to 54% in 2014

   c. Average monthly data consumption by a 2G consumer was seen to be 216 MB, an increase of 48% during 2014

   d. The average data consumed by a 3G consumer, on the other hand, 688 MB, an increase of 29% during 2014

8) India to be 4th largest Smartphone market in the world

Since Tower Network plays vital role for growth mapping, the Company will see growth in the near future.

Major Developments in the industry (source: A brief Report on Telecom Sector in India – January 2015, Corporate Catalyst (India) Pvt. Ltd.)

1) Reliance Jio infocomm has signed an agreement to share telecom towers of GTL Infrastructure Limited. Seventh Tower sharing agreement by Reliance Jio;

2) Ericsson has won US$ 9.42 Mn. 3 years operations support system deal with Reliance Jio;

3) Japanese telecom Company softbank has planned to invest around US$ 10 billion in India's IT sector over next few years.

4) Bharti Infratel plans to take over telecom towers of few operators at a valuation of approx US$ 785.82 Mn.

5) Bharti Infratel plans to explore acquisition opportunities in neighboring countries

The Company believes that though the current scenario in telecom sector and in general economy is encouraging, it would take some time in improving overall economic scenario *inter–alia* the telecom and telecom infrastructure sector. Hence, in order to overcome the CDR scenario, the Company is contemplating bi–lateral / multi–lateral settlements, either one time, negotiated or otherwise, with the Lenders. The Company has already obtained requisite approvals from Members of the Company at the 11th Annual General Meeting (AGM) and through Postal Ballot, result of which was declared on September 25, 2014.

3. DEBT RESTRUCTURING

Further to information furnished in the Directors' Report for financial year 2013–14, after successful implementation of Corporate Debt Restructuring (CDR) mechanism for its Rupee Term Loans, as approved by CDR EG, the Company has complied and continues to comply with the terms and conditions of CDR package. The CDR Rupee Debt outstanding as on March 31, 2015 is ₹ 3,417.49 Cr., details of which are as follows:

Principal	–	₹ 3,245.09 Cr.
FITL	–	₹ 169.22 Cr.
Interest	–	₹ 3.18 Cr.

Subject to cash flow permitting, your Company has been continuing to pay on account of its debt service obligation and is committed to work towards honouring its debt obligation in future. However, due to the effect of continuing downturn in the economy in general and telecom sector in particular, there has been delay at times in debt servicing. The Company continues to explore opportunities to monetize its investment (held through Tower Trust) in CNIL, the proceeds of which will be utilized for meeting debt service obligations of the Company.

4. DIVIDEND

Since your Company has posted losses and is currently under CDR Mechanism, your Directors express their inability to recommend any dividend on the paid up Equity Share Capital of the Company for the financial Year ended March 31, 2015.

5. SHARE CAPITAL

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

Particulars	No. of Equity Shares
Equity Share Capital as on April 1, 2014	2,306,799,754
Add: Allotments of Equity Shares to FCCB Holders upon conversion of FCCBs	18,348,026
Equity Share Capital as on May 6, 2015	2,325,147,780

The Company has only one class of equity shares and it has not issued equity shares with differential rights or sweat equity shares. Also, the Company has cancelled all its outstanding Employee Stock Option Schemes (ESOS) in FY 2012–13. Thus, the details required to be furnished for equity shares with differential rights and / or sweat equity shares and / or ESOSs as required under the Companies (Share Capital and Debentures) Rules, 2014 are not furnished.

b. Foreign Currency Convertible Bonds (FCCBs)

Further to information furnished in the Directors' Report for financial year 2013–14, during the year under review, as per Terms and Conditions of the Series B Bonds issued in terms of Offering Circular dated November 8, 2012, the Conversion Price of Series B Bonds i.e. US$ 207,546,000 Interest Bearing Convertible Bonds due 2017 convertible into share, have been reset to ₹ 10 against ₹ 11.38. The Status of FCCBs allotted is as under:

Particulars	No. of Series A FCCBs (of US$ 1,000 each)	No. of Series B FCCBs (of US$ 1,000 each)	Total No. of FCCBs (of US$ 1000 each)	No. of Equity Shares upon conversion
FCCBs allotted	111,740	207,546	319,286	–
Converted / cancelled till date	62,700	14,013	76,713	415,860,931
Balance as on May 6, 2015	49,040	193,533	242,573	–

If all the balance 242,573 FCCBs are converted into equity shares of the Company, the total share capital would go up by 1,316,007,039 new equity shares of the Company.

c. Consideration to CNIL shareholders for merger

Consequent to the approval of CDR proposals of the Company and CNIL and further to the modifications to be made in the petitions by the Company and CNIL (subject to approval of CDR Lenders), the Company would be required to issue its equity shares to the shareholders of CNIL towards consideration of merger of CNIL with the Company as may be approved by Hon'ble High Courts of Bombay and Madras.

6. 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.

7. SCHEME OF ARRANGEMENT

Further to information furnished in the Directors' Report for financial year 2013–14, the Company continues to pursue the Scheme of Arrangement for the merger of CNIL with the Company by way of modification of Scheme of Arrangement to give effect to financial and capital structure changes consequent upon restructuring under CDR. Once the modified Scheme of Arrangement between CNIL and Company is approved by the Hon'ble Bombay and Madras High Courts, the Company's financial statements will be re–casted / re–stated with effect from the Appointed Date as may be approved.

8. 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.

9. PROMOTER GROUP

The Company is a part of Global Group of Companies which is promoted by GTL Limited (GTL). The Members may note that the Promoter Group comprises of Global Holding Corporation Private Limited and such other persons as defined under SEBI Regulations. As on March 31, 2015, the shareholding of promoters is 27.04%.

10. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013 (the "Act"), the Board of Directors, to the best of their knowledge and ability, in respect of financial year ended March 31, 2015 confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. 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;

c. 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;

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

e. 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

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

11. DIRECTORS & KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1, 2014, Mr. N. Balasubramanian, Dr. Anand Patkar, Mr. Vinod Agarwala and Mr. Vijay Vij were appointed as Independent Directors at the AGM of the Company held on September 16, 2014. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there have been no change in the circumstances which may affect their status as Independent Directors during the year under review.

Mr. Milind Naik retires by rotation and being eligible has offered himself for re–appointment.

Pursuant to provisions of Section 149 of the Act and Clause 49 of the Listing Agreement entered into with the Stock Exchanges, Mrs. Sonali P. Choudhary was appointed as an Additional Director with effect from March 31, 2015 by way of resolution passed by circulation and the same was taken on record by the Board of Directors in its meeting held on May 6, 2015. She will hold office up to the date of the ensuing AGM.

The resolutions seeking approval of the Members for the re–appointment / appointment of Mr. Milind Naik and Mrs. Sonali P. Choudhary have been incorporated in the notice of the forthcoming AGM of the Company. The background of the Directors proposed for re–appointment / appointment as stipulated under Clause 49 of the Listing Agreement entered into with Stock Exchanges is given under the Corporate Governance section of this Report. The Company has received a notice under Section 160 of the Act along with the requisite deposit proposing the appointment of Mrs. Sonali P. Choudhary as Director, liable to retire by rotation.

Pursuant to the provisions of Section 203 of the Act, which came into effect from April 1, 2014, the appointments of Mr. Milind Naik, Whole–time Director, Mr. L. Y. Desai, Chief Financial Officer and Mr. Nitesh A. Mhatre, Company Secretary as key managerial personnel of the Company were formalized.

During the year under review, none of the managerial personnel have relinquished their positions.

12. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met four (4) times during the financial year, the details of which are given in Corporate Governance Report that forms part of this Report. The intervening gap between any two meetings was within the period prescribed under the Act.

13. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

The performance of the Board and its Committees was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as composition of the Board / Committee and structure, effectiveness of Board / Committee processes, information and functioning etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as attendance in Board / Committee meetings, contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed etc.

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

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

The Company has put in place appropriate policy on Directors Appointment and remuneration and other matters as 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.gtlinfra.com. Further, salient features of the Company's Policy on Directors' remuneration have been disclosed in the Corporate Governance Report, which forms part of this Report.

15. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

Particulars	Ratio to median remuneration
Executive Directors	
Mr. Milind Naik	10.16
Non–executive Directors* (sitting fees only)	
Mr. Manoj G. Tirodkar	N. A.
Mr. N. Balasubramanian	N. A.
Dr. Anand Patkar	N. A.
Mr. Charudatta Naik	N. A.
Mr. Vinod Agarwala	N. A.
Mr. Vijay Vij	N. A.
Mrs. Sonali P. Choudhary	N. A.

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

b. The percentage increase in remuneration of each director, chief financial officer, company secretary in the financial year:

Directors, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. Manoj G. Tirodkar	N. A.
Mr. N. Balasubramanian	N. A.
Dr. Anand Patkar	N. A.
Mr. Charudatta Naik	N. A.
Mr. Vinod Agarwala	N. A.

Directors, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. Vijay Vij	N. A.
Mrs. Sonali Choudhary	N. A.
Mr. Milind Naik, Whole–time Director	Refer Note*
Mr. L. Y. Desai, Chief Financial Officer	7.5
Mr. Nitesh A. Mhatre, Company Secretary	50.0

* The Company has made necessary application to the Central Government for payment of remuneration not exceeding ₹ 1.26 Cr. p.a. to Mr. Milind Naik during his tenure of 3 years w.e.f. July 21, 2014, as approved by the Members at AGM held on September 16, 2014. Once the Company receives the approval from the Central Government, the Company shall compensate Mr. Milind Naik for his arrears accordingly.

c. **The percentage increase in the median remuneration of employees in the financial year:** 6.10%

d. **The number of permanent employees on the rolls of the Company :** 398

e. **The explanation on the relationship between average increase in remuneration and the Company's performance:**

On an average, employees received an annual increase of 10% in India. The individual increments varied from 3.5% to 75% based on individual performance. In order to ensure that remuneration reflects the Company's performance, the variable performance pay is also linked to the Company's performance, apart from an individual performance.

f. **Comparison of the remuneration of Key Managerial Personnel against the performance of the Company:**

Aggregate remuneration of the key managerial personnel (KMP) in FY 15 (₹ in Cr.)	2.13
Revenue from Operations (₹ Cr.)	599.65
Remuneration of KMPs (as % of revenue)	0.36
Profit / (Loss) before Tax (PBT) (₹ in Cr.)	(514.71)
Remuneration of KMP (as % of PBT)	N.A.

g. **Variation in the market capitalization of the Company, price earnings ratio as at March 31, 2015 and March 31, 2014:**

Particulars	March 31, 2015	March 31, 2014	% change
Market Capitalization (₹ in Cr.)*	453.40	334.49	35.55
Price Earnings Ratio	(0.87)	(0.61)	(42.62)

*based on closing market price on NSE on the respective year end dates.

h. **Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with last public offer:**

Particulars	March 31, 2015	September 28, 2007 (Right Issue)	% Change
Market Price (BSE)	₹ 1.98	₹ 10.00	(80.20)
Market Price (NSE)	₹ 2.00	₹ 10.00	(80.00)

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

The average annual increase was around 10%.

As approved by the Members in the AGM held on September, 16, 2014, the Company has made necessary application to the Central Government for payment of remuneration not exceeding ₹ 1.26 Cr. p.a. to its

Whole–time Director, Mr. Milind Naik during his tenure of 3 years w.e.f. July 21, 2014. The said remuneration is commensurate with the responsibilities shouldered and industry standards as explained in the explanatory statement to Notice of AGM held on September 16, 2014. Hence, comparison can not be provided.

j. **Comparison of each remuneration of the key managerial personnel against the performance of the Company:**

	Mr. Milind Naik, Whole–time Director	Mr. L. Y. Desai, Chief Financial Officer	Mr. Nitesh A. Mhatre, Company Secretary
Remuneration in FY 15 (₹ in Cr.)	0.47	1.11	0.55
Revenue from Operations (₹ in Cr.)	599.65		
Remuneration as % of revenue	0.08	0.19	0.09
Profit / (Loss) before Tax (PBT) (₹ in Cr.)	(514.71)		
Remuneration (as % of PBT)	N.A.	N.A.	N.A.

k. **The key parameters for any variable component of remuneration availed by the Directors:** None

l. **The ratio of remuneration of the highest paid Director to that of the employees who are not Directors but received remuneration in excess of the highest paid Director during the year:** 1 : 1.85

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

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

16. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control systems and their adequacy are included in the Management Discussion & Analysis (MD&A) Report, which forms part of this Report.

17. AUDIT COMMITTEE

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

18. AUDITORS AND AUDITORS' REPORT

Pursuant to the provisions of Section 139 of the Act and rules framed there under, M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai and M/s. Yeolekar & Associates, Chartered Accountants, Mumbai, were appointed as Joint Auditors at the Eleventh (11th) AGM of the Company held on September 16, 2014 to hold office from conclusion of the said meeting till the conclusion of the Fifteen (15th) AGM to be held in year 2018, subject to ratification of their appointment at every AGM. The Company has received the necessary certificates from the Joint Auditors respectively pursuant to Sections 139 and 141 of the Act regarding their eligibility for appointment.

The resolution seeking approval of the Members for ratification of the appointment of M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai and M/s. Yeolekar & Associates, Chartered Accountants, Mumbai, as Joint Auditors of the Company have been incorporated in the notice of the forthcoming AGM of the Company.

As regards the Joint Auditors' comments / observations / emphasis of matters, the Company has furnished required details / explanations in Note nos. 22.1, 29, 30 and 31 of Notes to the Financial Statements.

19. COST AUDITORS

Pursuant to provisions of Section 148 of the Act, on the recommendation of Audit Committee, the Board of Directors of the Company had appointed Mr. Vikas V. Deodhar, Cost Accountants as the Cost Auditor for the financial year 2014–15. However, the Government of India, Ministry of Corporate Affairs (MCA), New Delhi vide G.S.R. 425 (E) dated June 30, 2014 introduced the Companies (cost records and audit) Rules, 2014 repealing the then extant rules, regulation and orders, which has excluded the Company's business activity viz. passive telecom infrastructure and tower facilities from the list of industries to which these rules are applicable. Resultantly, the Company was not required to undertake audit of its cost record during the year under review.

The Company has duly filed the Cost Audit Report for financial year 2013–14 with Ministry of Corporate Affairs on September 27, 2014.

20. SECRETARIAL AUDITORS' REPORT

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

21. RISKS

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

22. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the Note nos. 11, 13 & 33 of Notes to the Financial Statements.

23. PARTICULARS OF RELATED PARTY TRANSACTION

All related party transactions that were entered into during the financial year were on arms' length basis and were in ordinary course of business. None of the transactions with related parties falls under the scope of Section 188(1) of the Act.

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

The particulars as required under the Act are furnished in **Annexure B** (*Form No. AOC – 2*) to this Report.

24. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have Subsidiary or Joint Venture Company. The Company has CNIL as the Associate Company. However, in the light of the amendment made in Rule 6 of the Companies (Account) Rule, 2014 vide Circular dated October 14, 2014, the Company does not require to consolidate the Financial Statements of the Associate Company with Financial Statements of the Company for the financial year ended March 31, 2015.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the Financial Statements of the Company's Associate is furnished in **Annexure C** (*Form No. AOC–1*) to this Report.

25. CORPORATE SOCIAL RESPONSIBILITY

The Company continued, during the period under review, to contribute through Global Foundation, a Public Charitable Trust, towards social causes as described in the MD&A Report under the caption 'Corporate Social Responsibility (CSR)'. The details as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 are set out in **Annexure D** to this Report.

26. EXTRACT OF ANNUAL RETURN AS ON MARCH 31, 2015

In terms of Section 134(3)(a) read with Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return as on March 31, 2015 is annexed as **Annexure E** (*Form No. MGT – 9*) to this Report.

27. CORPORATE GOVERNANCE AND VIGIL MECHANISM

The Company continues to comply with Clause 49 of the Listing Agreement entered into with the Stock Exchanges. A separate Report on Corporate Governance along with the Certificate of the Joint Auditors, M/s. Chaturvedi & Shah, Chartered Accountants and M/s. Yeolekar & Associates, Chartered Accountants confirming compliance of conditions

of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India is given elsewhere in this Report.

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

28. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis (MD&A) for the year under review, as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, on the Company's performance, industry trends and other material changes with respect to the Company is presented in a separate section forming part of this Annual Report.

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

a. Conservation of Energy:

The Company has continued its enhanced focus on reduction of diesel consumption at telecom tower sites through several initiatives of energy efficiency and fuel savings. Further, trials of various green energy solutions are carried out through pilot deployment of Solar Photovoltaic panels, Deep discharge and Lithium Ion batteries which have technological superiority and/or lesser carbon footprint. Through deployment of additional battery banks at sites and site electrification works for non–grid diesel generator operated sites, the Company has about 1,650 tower sites which are identified as Green Sites (each of which consumes diesel less than 35 litre per month).

The various initiatives for conservation of energy in respect of telecom towers taken by the Company are enumerated below:

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

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

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

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

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

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

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

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

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

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

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

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

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

iii) the capital investment on energy conservation equipment: Not Applicable

b. Technology Absorption:

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

c. Foreign Exchange Earnings and Outgo:

There were no actual inflow of Foreign Exchange during the year and the particulars regarding actual outflow of Foreign Exchange appear in Note No. 38 of Notes to the Financial Statements.

30. PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under Section 197(12) of the Act read Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this Report. Further, the Report and the Financial Statements are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary. None of the employees listed in the said annexure are related to any Director of the Company.

31. SPECIAL BUSINESS

As regards the items of the Notice of the AGM relating to Special Business, the Resolutions incorporated in the Notice and the Explanatory Statement relating thereto, fully indicate the reasons for seeking the approval of members to those proposals. Members' attention is drawn to these items and Explanatory Statement annexed to the Notice.

32. GENERAL

Notes forming parts of the Accounts are self – explanatory.

33. ACKNOWLEDGEMENT

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

On behalf of the Board of Directors,

Mumbai
May 6, 2015

Manoj G. Tirodkar
Chairman

ANNEXURE A TO DIRECTORS' REPORT

Form No. MR–3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

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

To,
The Members,
GTL Infrastructure Limited.

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

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

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

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

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

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

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

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

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

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

  (e) 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;

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

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

During the period under review, the Company has complied with the relevant provisions of the Listing agreements mentioned above.

I further report that,

The Board of the Company is duly constituted with proper balance of Executive Directors, Non–Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I further report that, during the audit period, the Company has passed Special resolution in the AGM held on September 16, 2014 authorizing Board of Directors to borrow money together with the money or monies already borrowed not exceeding ₹ 25,000 Crores.

I further report that, during the audit period, the Company has passed Special resolution in the AGM held on September 16, 2014, authorizing Board of Directors to create, offer, issue & allot Equity shares and / or Equity Shares through depository receipts including American Depository Receipts (ADRs), Global Depository Receipts (GDRs) and / or Foreign Currency Convertible Bonds (FCCBs), Fully Convertible Debentures (FCDs), Partly Convertible Debentures (PCDs), Optionally Convertible Debentures (OCDs), and / or other securities convertible into Equity Shares at a later date, at the option of the Company and / or the holder(s) of such securities for an aggregate amount not exceeding ₹ 4,000 Crores.

Date: May 6, 2015
Place: Thane

Chetan Anant Joshi
(ACS: 20829, CP: 7744)

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

'Annexure I'

To,
The Members,
GTL Infrastructure Limited.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: May 6, 2015
Place: Thane

Chetan Anant Joshi
(ACS: 20829, CP: 7744)

ANNEXURE B TO DIRECTORS' REPORT

Form AOC–2

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

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

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

   Not Applicable

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

Name(s) of the related party	Nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions	Arrangement / transaction value	Date(s) of approval by the Board, if any.	Amount paid as advance, if any
GTL Limited	Party having significant influence over the Company	Energy management services, Operation & Maintenance services	One Year	Rendering of field level & energy management services to the Company an agreed price	₹ 360.85 Cr.	May 21, 2014	Nil
Chennai Network Infrastructure Limited	Associate	Cost Sharing Agreement	Ongoing	Reimbursement of operations cost & other expenditures	₹ 63.11 Cr.	Not Applicable	Nil

Mumbai
May 6, 2015

Manoj G. Tirodkar
Chairman

ANNEXURE C TO DIRECTORS' REPORT

Form No. AOC–1

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

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

Part "A": Subsidiaries

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

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

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

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

Part "B": Associates and Joint Ventures

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

Sr. No.	Name of Associates / Joint Ventures	Latest audited Balance Sheet date	Shares of Associate / Joint Ventures held by the Company on the year end			Net worth Attributable to shareholding as per latest audited Balance Sheet (₹ in Cr.)	Profit / (Loss) for the year		Description of How there is significant influence	Reason why the Associates / Joint Venture is not Consolidated
			No.	Amount of Investment in Associates / Joint Venture (₹ in Cr.)	Extent of Holding %		Considered in Consolidation (₹ in Cr.)	Not Considered in Consolidation (₹ in Cr.)		
1.	Chennai Network Infrastructure Limited (holding through Tower Trust)	March 31, 2015	1,815,722,400	1,815.72	27.53	870.09	Not Applicable	Not Applicable	Note – A	Note – B

Note – A: There is significant influence due to percentage (%) of share capital

Note – B: Ministry of Corporate Affairs vide its Circular dated October 14, 2014 exempted companies, which does not have a subsidiary or subsidiaries but has one or more associate companies or joint ventures or both, from consolidation of financial statements in respect of such associate companies or joint ventures for financial year commencing from April 1, 2014 and ending on the March 31, 2015. Since the Company does not have any subsidiary, it was not required to prepare consolidated financial statements for the financial year ended March 31, 2015.

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

Manoj G. Tirodkar
Chairman
DIN: 00298407

Milind Naik
Whole–time Director
DIN: 00276884

Vijay Vij
Director
DIN: 02245470

L. Y. Desai
Chief Financial Officer

Nitesh A. Mhatre
Company Secretary
Membership No. : A18487

ANNEXURE D TO DIRECTORS' REPORT

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT
Companies (Corporate Social Responsibility Policy) Rules, 2014.

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

   The Company acknowledges debts towards the society in which it operates and in order to discharge its responsibility, it is undertaking various projects through 'Global Foundation' a Public Charitable Trust for the betterment of the society and in particular in the areas such as education, health, community service, medical assistance and rural education particularly in IT through 'Mobile Computer Lab' etc. The Company's CSR Policy has been uploaded on the Company's Website at following link

   http://www.gtlinfra.com/pdf/GIL_CSR%20POLICY_2014.pdf

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

   The Company has constituted a CSR Committee of Directors comprising of Mr. Manoj G. Tirodkar, Chairman of the Committee, Mr. Vijay Vij and Mr. Milind Naik.

3. **Average net profit / (loss) of the Company for last three financial years:** (₹ 536.23 Cr.)

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 is detailed below:** Not Applicable

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

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

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

Milind Naik
Whole–time Director

Manoj G. Tirodkar
Chairman – CSR Committee

Mumbai
May 6, 2015

ANNEXURE E TO DIRECTORS' REPORT

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN
as on financial year ended on March 31, 2015
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	U74210MH2004PLC144367
ii) Registration Date	February 4, 2004
iii) Name of the Company	GTL Infrastructure Limited
iv) Category / Sub–Category of the Company	Company Limited by share / Indian Non–Government Company
v) Address of the Registered office and contact details	"Global Vision", 3rd Floor, Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400 710 Telephone No: +91–22–27673500 Fax: +91–22–27673666 Email: gilshares@gtlinfra.com Website: www.gtlinfra.com
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	GTL Limited (Investor Service Centre) "Global Vision", Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400 710 Telephone No: +91–22–27612929 ext. 2232–35 Fax: +91–22–27680171 Email: gilshares@gtlinfra.com Website: www.gtllimited.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1	Chennai Network Infrastructure Limited Door No. 34/1 DL, New No. 403/L, Samson Towers, 7th Floor, Pantheon Road, Egmore, Chennai – 600 008, Tamil Nadu, India	U64203TN2009PLC073803	Associate	27.53	2(6)

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

i) Category–wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		April 1, 2014				March 31, 2015				
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	**Promoter**									
(1)	**Indian**									
(a)	Individual / HUF									
(b)	Central Govt									
(c)	State Govt(s)									
(d)	Bodies Corp.	628,826,075	–	628,826,075	27.26	628,826,075	–	628,826,075	27.04	–0.22
(e)	Banks / FI									
(f)	Others (Specify)									
	Sub–Total (A)(1)	**628,826,075**	**–**	**628,826,075**	**27.26**	**628,826,075**	**–**	**628,826,075**	**27.04**	**–0.22**
(2)	**Foreign**									
(a)	NRIs – Individuals									
(b)	Other – Individuals									
(c)	Bodies Corp.									
(d)	Banks / FI									
(e)	Others (Specify)									
	Sub–Total (A)(2)									
A	**Total Shareholding of Promoter (A) = (A)(1) + (A)(2)**	**628,826,075**	**–**	**628,826,075**	**27.26**	**628,826,075**	**–**	**628,826,075**	**27.04**	**–0.22**
B	**Public Shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds	32,786	64	32,850	0.00	25,794	64	25,858	0.00	–0.00
(b)	Banks / FI	857,313,456	500	857,313,956	37.16	857,313,456	500	857,313,956	36.87	–0.29
(c)	Central Govt									
(d)	State Govt(s)									
(e)	Venture Capital Funds									
(f)	Insurance Companies	30,094,886	–	30,094,886	1.30	30,094,886	–	30,094,886	1.29	–0.01
(g)	FIIs	313,038,706	–	313,038,706	13.57	201,749,303	–	201,749,303	8.68	–4.89

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
		April 1, 2014				March 31, 2015				
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(h)	Foreign Venture Capital Funds									
(i)	Others (Specify)									
	i) Bank–Foreign	8,235,453	–	8,235,453		7,785,295	–	7,785,295		
	Sub–Total (B)(1)	**1,208,715,287**	**564**	**1,208,715,851**	**52.40**	**1,096,968,734**	**564**	**1,096,969,298**	**47.18**	**–5.22**
(2)	**Non–Institutions**									
(a)	Bodies Corp.									
	i) Indian	61,598,652	9,867	61,608,519	2.67	65,631,594	9,867	65,641,461	2.82	0.15
	ii) Overseas									
(b)	Individuals									
	i) Individual shareholders holding nominal share capital upto to ₹ 1 lakh	116,638,703	421,068	117,059,771	5.07	132,428,157	414,450	132,842,607	5.71	0.64
	ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	134,677,998	20,000	134,697,998	5.84	186,712,034	20,000	186,732,034	8.03	2.19
(c)	Others (Specify)									
	i) Corp. Body OCBs	197,416	100	197,516	0.01	197,416	100	197,516	0.01	0.00
	ii) Other Foreign Bodies	147,114,286	100	147,114,386	6.38	118,601,960	100	118,602,060	5.10	–1.28
	iii) NRIs	8,579,428	210	8,579,638	0.37	9,335,921	210	9,336,131	0.40	0.03
	iv) Trusts									
	v) Foreign National									
	vi) RFPI–Corporate	86,000,598	–	86,000,598						
	Sub–Total (B)(2)	**468,806,483**	**451,345**	**469,257,828**	**20.34**	**598,907,680**	**444,727**	**599,352,407**	**25.78**	**5.43**
B	**Total Public Shareholding (B) = (B)(1) + (B)(2)**	**1,677,521,770**	**451,909**	**1,677,973,679**	**72.74**	**1,695,876,414**	**445,291**	**1,696,321,705**	**72.96**	**0.22**
	TOTAL (A) + (B)	**2,306,347,845**	**451,909**	**2,306,799,754**	**100.00**	**2,324,702,489**	**445,291**	**2,325,147,780**	**100.00**	**–**
C	**Shares held by Custodians for GDRs & ADRs**	NA	NA	NA	NA	NA	NA	NA	NA	NA
	GRAND TOTAL (A) + (B) + (C)	**2,306,347,845**	**451,909**	**2,306,799,754**	**100.00**	**2,324,702,489**	**445,291**	**2,325,147,780**	**100.00**	**–**

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year *
		April 1, 2014			March 31, 2015			
		No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	%of Shares Pledged / encumbered to total shares	
1	GTL Limited	345,763,466	14.99	100.00	345,763,466	14.87	100.00	–0.12
2	Global Holding Corporation Private Limited	283,062,609	12.27	0.00	283,062,609	12.17	0.00	–0.10
	TOTAL (A) + (B)	628,826,075	27.26	54.99	628,826,075	27.04	54.99	–0.22

* The % change is on account of increase in paid–up share capital and not on account of sale of shares by the promoters.

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	At the beginning of the year	There is no change in Promoters' Shareholding between April 1, 2014 to March 31, 2015			
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
3.	At the End of the year				

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

Sr. No.	For each of Top 10 shareholders*	Shareholding at the beginning of the year – April 1, 2014		Cumulative Shareholding at end of the year – March 31, 2015	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	ELM Park Fund Limited	179,971,057	7.80	179,971,057	7.74
2	Indian Overseas Bank	161,976,510	7.02	161,976,510	6.97
3	Union Bank of India	121,034,706	5.25	121,034,706	5.21
4	Bank of Baroda	89,807,214	3.89	89,807,214	3.86
5	Hypnos Fund Limited	84,014,773	3.64	85,900,322	3.69
6	Bank of India	78,160,268	3.39	78,160,268	3.36
7	Central Bank of India	61,250,806	2.66	61,250,806	2.63
8	Andhra Bank	56,935,410	2.47	56,935,410	2.45
9	State Bank of India	56,021,579	2.43	56,021,579	2.41
10	Goldman Sachs Investments (Mauritius) I Ltd –FCCB	55,241,347	2.39	55,241,347	2.38

*The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director / KMP	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Directors							
1	Mr. Manoj G. Tirodkar	1–Apr–2014	At the beginning of the year	5,897,783	0.26	5,897,783	0.25
		31–Mar–2015	At the end of the year			5,897,783	0.25
2	Mr. N. Balasubramanian	1–Apr–2014	At the beginning of the year	500,000	0.02	500,000	0.02
		31–Mar–2015	At the end of the year			500,000	0.02
3	Mr. Vinod Agarwala	1–Apr–2014	At the beginning of the year	459,000	0.02	459,000	0.02
		31–Mar–2015	At the end of the year			459,000	0.02
4	Dr. Anand Patkar	1–Apr–2014	At the beginning of the year	100,000	0.00	100,000	0.00
		31–Mar–2015	At the end of the year			100,000	0.00
5	Mr. Charudatta Naik	1–Apr–2014	At the beginning of the year	1,325,900	0.06	1,325,900	0.06
		31–Mar–2015	At the end of the year			1,325,900	0.06
6	Mr. Milind Naik	1–Apr–2014	At the beginning of the year	19,000	0.00	19,000	0.00
		31–Mar–2015	At the end of the year			19,000	0.00
7	Mr. Vijay Vij	1–Apr–2014	At the beginning of the year	63,500	0.00	63,500	0.00
		31–Mar–2015	At the end of the year			63,500	0.00
8	Mrs. Sonali P. Choudhary	1–Apr–2014	At the beginning of the year	67,500	0.00	67,500	0.00
		31–Mar–2015	At the end of the year			67,500	0.00
Key Managerial Personnel							
1	Mr. L. Y. Desai	1–Apr–2014	At the beginning of the year	16,876	0.00	26,976	0.00
		19–Sept–2014	Purchase from Market	10,000	0.00		
		2–Jan–2015	Transmission	100	0.00		
		31–Mar–2015	At the end of the year			26,976	0.00
2	Mr. Nitesh A. Mhatre	1–Apr–2014	At the beginning of the year	0	0.00	0	0.00
		31–Mar–2015	At the end of the year			0	0.00

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				
Principal Amount	3,550.10	1,442.95	–	4,993.05
Interest due but not paid	65.36	–	–	65.36
Interest accrued but not due	210.94	–	–	210.94
Total (i+ii+iii)	**3,826.40**	**1,442.95**	**–**	**5,269.35**
Change in Indebtedness during the financial year				
Addition	10.38	54.49*	–	64.87
Reduction	136.76*	18.35	–	155.11
Net Change	(126.38)	36.14	–	(90.24)
Indebtedness at the end of the financial year				
Principal Amount	3,475.52	1,479.09	–	4,954.61
Interest due but not paid	3.18	–	–	3.18
Interest accrued but not due	221.32	–	–	221.32
Total (i+ii+iii)	**3,700.02**	**1,479.09**	**–**	**5,179.11**

* Includes Foreign Exchange Differences (Net)

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration		Name of MD/WTD/ Manager Milind Naik, WTD (Amount in ₹)	Total Amount (₹)
1.	Gross salary			
	(a)	Salary as per provisions contained in section 17(1) of the Income–tax Act, 1961	4,729,488	4,729,488
	(b)	Value of perquisites u/s 17(2) Income–tax Act, 1961	Nil	Nil
	(c)	Profits in lieu of salary under section 17(3) Income–tax Act, 1961		
2.	Stock Option		Nil	Nil
3.	Sweat Equity		Nil	Nil
4.	Commission			
	– as % of profit		Nil	Nil
	– others, specify.		Nil	Nil
5.	Others, please specify		Nil	Nil
	Total (A)		4,729,488	4,729,488
	Ceiling as per the Act		#	#

Since the Company has made defaults in payment of interest / principal to its CDR Lenders, the payment of managerial remuneration to Mr. Naik is subject to the approval of the Central Government, which is awaited.

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount (₹)
1.	**Independent Directors**	**N. Balasubramanian**	**Anand Patkar**	**Vinod Agarwala**	**Vijay Vij**	
	– Fees for attending board and committee meetings	52,500	82,500	90,000	142,500	367,500
	– Commission	Nil	Nil	Nil	Nil	Nil
	– Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	52,500	82,500	90,000	142,500	367,500
2	**Other Non–Executive Directors**	**Charudatta Naik**	**Manoj G. Tirodkar**	**Sonali P. Choudhary***		
	– Fees for attending board and committee meetings	105,000	120,000	Nil		225,000
	– Commission	Nil	Nil	Nil		Nil
	– Others, please specify	Nil	Nil	Nil		Nil
	Total (2)	105,000	120,000	Nil		225,000
	Total (B)=(1+2)					592,500
	Total Managerial Remuneration					5,321,988
	Overall Ceiling as per the Act					#

Since the Company has incurred losses, the overall ceiling is as per limits stipulated in Schedule V / Section 197 of the Act and / or subject to Central Government approval, wherever applicable.
* Mrs. Sonali P. Choudhary was appointed as an additional director w.e.f. March 31, 2015.

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	Not Applicable			
	(a) Salary as per provisions contained in section 17(1) of the Income–tax Act, 1961		11,092,051	5,467,973	16,560,024
	(b) Value of perquisites u/s 17(2) Income–tax Act, 1961		Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income–tax Act, 1961		Nil	Nil	Nil
2.	Stock Option		Nil	Nil	Nil
3.	Sweat Equity		Nil	Nil	Nil
4.	Commission				
	– as % of profit		Nil	Nil	Nil
	– others, specify.		Nil	Nil	Nil
5.	Others, please specify		Nil	Nil	Nil
	Total		**11,092,051**	**5,467,973**	**16,560,024**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishments or compounding of offences under the Companies Act, 2013 during the year ended March 31, 2015.

In accordance with Clause 49 of the Listing Agreement entered into with the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE), the report on compliance of Corporate Governance at GTL Infrastructure Limited is given as under:

1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

2) BOARD OF DIRECTORS

i) Size and composition of the Board

The current policy is to have an appropriate mix of Executive and Independent Directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2015, the Company has 8 Directors with a Non–Executive Chairman and a Non–Executive Vice Chairman. Of the 8 Directors, 7 (i.e. 87.50%) are Non–Executive Directors and 4 (i.e. 50.00%) are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

The Board believes that the current size is appropriate and periodically evaluates the need for change in its composition and size.

ii) All the Directors have informed the Company periodically about their Directorship and Membership on the Board Committees of other companies. As per disclosure received from Director(s), none of the Directors on the Board holds Membership in more than ten (10) Committees or Chairmanship in more than five (5) Committees.

The composition of the Board, category of directorship, the number of meetings held and attended during the year, the directorships / committee positions in other companies as on March 31, 2015 are as follows:

Name of Director	Category*	Attendance		Number of Directorships in other Indian public limited companies	Number of Committee positions held in other Indian public limited companies*	
		At the Board Meetings	At the last AGM		Chairman	Members
Mr. Manoj G. Tirodkar @ (Chairman) DIN 00298407	Non–Independent, Non–Executive	3	Yes	2	–	1
Mr. N. Balasubramanian (Vice–Chairman) DIN 00288918	Independent	1	Yes	0	–	–
Mr. Milind Naik (Whole–time Director) DIN 00276884	Non–Independent, Executive	4	Yes	1	–	–

Name of Director	Category*	Attendance		Number of Directorships in other Indian public limited companies	Number of Committee positions held in other Indian public limited companies*	
		At the Board Meetings	At the last AGM		Chairman	Members
Dr. Anand Patkar DIN 00634761	Independent	4	Yes	0	–	–
Mr. Charudatta Naik DIN 00225472	Non–Independent, Non–Executive	3	Yes	0	–	–
Mr. Vinod Agarwala DIN 01725158	Independent	3	Yes	2	–	2
Mr. Vijay Vij DIN 02245470	Independent	4	Yes	2	1	2
Mrs. Sonali P. Choudhary # DIN 07139326	Non–Independent, Non–Executive	–	–	–	–	–

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

Mrs. Sonali Pawan Choudhary was appointed as an additional Director w.e.f. March 31, 2015.

*As required by Explanation to Clause 49(II)(D) of the Listing Agreement, the disclosure includes chairmanship / memberships of Audit committee and Stakeholders' Relationship Committee in Indian public limited companies (listed and unlisted).

iii) Independent Directors are non–executive directors as defined under Clause 49(II)(B)(I) of the Listing Agreement entered into with the Stock Exchanges. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 (the 'Act'). All the Independent Directors have confirmed that they meet the criteria as mentioned under Clause 49 of the Listing Agreement and Section 149 of the Act.

During the year under review, a separate meeting of the Independent Directors was held *inter–alia* to discuss:

- Evaluation of the performance of Non–Independent Directors and the Board of Directors as a whole
- Evaluation of the performance of the Chairman of the Company, taking into view of the Executive and Non–Executive Directors
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties

All the Independent Directors were present for this meeting.

iv) Number of Board Meetings held and the dates on which held: The Board of Directors met four (4) times during the year under review. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. The details of the Board Meetings are as under:

Date of Board Meeting	Board Strength	No. of Directors Present
May 21, 2014	07	05
August 12, 2014	07	06
November 4, 2014	07	06
February 4, 2015	07	05

3) BOARD COMMITTEES

A. Audit Committee:

i) **Composition:** The Audit Committee of the Board comprises of three Independent Directors namely Mr. N. Balasubramanian, Mr. Vinod Agarwala and Mr. Vijay Vij and one Non–Independent, Non–Executive Director Mr. Charudatta Naik. All the Members of the Audit Committee possess financial / accounting expertise / exposure. The composition of the Audit Committee meets the requirements of Clause 49 of Listing Agreement entered into with the Stock Exchanges and Section 177 of the Act. Mr. N. Balasubramanian is the Chairman of the Committee.

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

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

- Oversight / Review 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
- Recommending to the Board, the appointment, re–appointment, terms of appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees
- Approval of payment to statutory auditors including cost auditor for any other services rendered by the statutory auditors
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub – section 3 of section 134 of the Act
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
- Reviewing and monitoring, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring independence of Statutory Auditor (including Cost Auditors and Internal Auditors) and effectiveness of audit process
- Approval of all material Related Party Transactions (RPTs) of the Company including any modification thereof
- Carrying out valuation of undertaking and or assets of the Company, wherever it is necessary
- Scrutinizing inter corporate loans given and investments made by the Company
- Evaluating internal financial controls and reviewing of Risk Management systems
- Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors any significant findings and follow up there on
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post–audit discussion to ascertain any area of concern
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors
- To review the functioning of the Whistle Blower mechanism
- Approval of appointment of CFO (i.e., the whole–time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate
- To review the CEO / CFO certificates
- To carry out any other function as required by the Listing Agreement of the Stock Exchanges, Companies Act and other regulations
- To review the following information:
  - the management discussion and analysis of financial condition and results of operations
  - Statement of significant related party transactions (as defined by the audit committee), submitted by management
  - Management letters / letters of internal control weaknesses issued by the Statutory Auditors
  - Internal audit reports relating to internal control weaknesses and
  - The appointment, removal and terms of remuneration of Chief Internal Auditor

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

iv) The previous Annual General Meeting of the Company was held on September 16, 2014 and was attended by Mr. N. Balasubramanian, Chairman of the Audit Committee.

v) Number of Audit Committee Meetings held and the dates on which held:
The Audit Committee met four (4) times during the year under review on May 21, 2014, August 12, 2014, November 4, 2014 and February 4, 2015. The necessary quorum was present for all the meetings. The details of attendance of each Member at the Audit Committee meetings held during the year are as under:

Name	Category	Number of meetings during the year 2014–2015	
		Held	Attended
Mr. N. Balasubramanian (Chairman)	Independent, Non–Executive	4	1
Mr. Vinod Agarwala	Independent, Non–Executive	4	3
Mr. Vijay Vij	Independent, Non–Executive	4	4
Mr. Charudatta Naik	Non–Independent, Non–Executive	4	3

B. Nomination & Remuneration Committee:

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

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

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

- Formulate Company's policies for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to remuneration of the directors, key managerial personnel and other employees
- Make recommendations for the appointments of qualified persons on the Board and at senior management level
- Evaluate performance of Directors and Key Managerial Persons
- Devising a policy on Board diversity
- Recommend compensation payable to the Executive Directors and Key Managerial Persons
- Administer and supervise Employees Stock Option Schemes including allotment of shares arising out of conversion of Employees Stock Option Scheme(s) or under any other employee compensation scheme
- Formulate suitable policies and systems for implementation, take appropriate decisions and monitor implementation of the following Regulations:
  - SEBI (Prohibition of Insider Trading) Regulations, 1992 and
  - SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003
- Perform such other functions consistent with applicable regulatory requirements

iii) Number of Nomination & Remuneration Committee Meetings held and the dates on which held: The Nomination & Remuneration Committee met five (5) times during the year under review on May 15, 2014, June 6, 2014, February 4, 2015, March 5, 2015 and March 30, 2015. The necessary quorum was present for all the meetings. The details of attendance of each Member at the Nomination & Remuneration Committee meetings held during the year are as under:

Name	Category	Number of meetings during the year 2014–2015	
		Held	Attended
Mr. Vijay Vij (Chairman)	Independent, Non–Executive	5	5
Mr. N. Balasubramanian	Independent, Non–Executive	5	2
Mr. Charudatta Naik	Non–Independent, Non–Executive	5	5

iv) Remuneration Policy: The Policy Dossier approved by the Board of Directors in their meeting held on May 21, 2014 contains compensation policy for Directors, which has been uploaded on the website of the Company at weblink – http://gtlinfra.com/pdf/GIL_Policy%20Dossier_2014.pdf, *inter–alia*, provides for the following:

(a) Executive Directors:

- Salary and commission not to exceed limits prescribed under the Act and / or as approved by the Central Government, as the case may be
- Remunerate from time to time depending upon the performance of the Company, individual Director's performance and prevailing Industry norms
- No sitting fees
- No Employee Stock Option Scheme for Promoter Directors

(b) Non–Executive Directors:

- Eligible for commission based on time, efforts and output given by them
- Sitting fees and commission not to exceed limits prescribed under the Act
- Eligible for Employee Stock Option Scheme (other than Promoter and Independent Directors)

v) Details of the Remuneration during the year ended March 31, 2015:

(a) Executive Directors:

Name of the Director and period of appointment	Salary (₹ Lakh)	Benefits Perquisites and Allowances (₹ Lakh)	Leave Encashment & Company's Contribution to PF & Gratuity (₹ Lakh)	Performance Linked Incentive (₹ Lakh)	Stock Options Held
Mr. Milind Naik #	20.09	27.20	2.41*	NIL	NIL

Mr. Milind Naik was re–appointed as Whole–time Director for further period of three (3) years w.e.f. from July 21, 2014, upon expiry of his term on July 20, 2014. The Company has submitted an application to the Central Government for payment of remuneration to him not exceeding ₹ 1.26 Cr. p.a., within the limit of the Act, as approved by the Members in the Annual General Meeting held on September 16, 2014. The approval is still awaited.

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

The contract between the Company and the Whole–time Director may be terminated by either party giving the other party three (3) months' notice or terminated by the Company by paying three (3) months' salary in lieu thereof to the Whole–time Director. There is no separate provision of payment of severance fees.

(b) Non–Executive Directors:

Name	Sitting Fees
Mr. Manoj G. Tirodkar	₹ 120,000
Mr. N. Balasubramanian	₹ 52,500
Dr. Anand Patkar	₹ 82,500
Mr. Charudatta Naik	₹ 105,000
Mr. Vinod Agarwala	₹ 90,000
Mr. Vijay Vij	₹ 142,500
Mrs. Sonali P. Choudhary*	Nil

* Mrs. Sonali P. Choudhary was appointed as an additional director on March 31, 2015

vi) Details of equity shares of the Company held by the Directors as on March 31, 2015 are as under:

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

C. Stakeholders' Relationship Committee:

i) The Company had a Shareholders / Investors Grievance Committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non–receipt of dividend / notices / annual reports etc. The nomenclature of the said Committee was changed to the Stakeholders' Relationship Committee in the light of provisions of the Act and revised Clause 49 of the Listing Agreement.

ii) **Composition:** The Stakeholders' Relationship Committee of the Board comprises two Independent Directors' namely Dr. Anand Patkar and Mr. Vinod Agarwala and one Non–Independent, Non–Executive Director, Mr. Manoj G. Tirodkar. Dr. Anand Patkar is the Chairman of the Committee.

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

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

- Look into the redressal of Shareholders' and Investors' complaints/grievances like transfer of shares, non receipt of Balance Sheet, non receipt of declared dividends, etc.
- Review the certificate of the Practicing Company Secretary regarding timely action on transfer, sub–division, consolidation, renewal, exchange or endorsement of calls / allotment monies
- Oversee the performance of the Registrar and Share Transfer Agent and recommend measures for overall improvement in the quality of investor services

  Ascertain whether the Registrars & Share Transfer Agents (RTA) are sufficiently equipped with infrastructure facilities such as adequate manpower, computer hardware and software, office space, documents handling facility etc to serve the shareholders / investors
- Recommend to the Board, the appointment, reappointment, if required, the replacement or removal of the Registrar and Share Transfer Agent and the fixation of their fees
- To carry out any other function as required by the Listing Agreement of the Stock Exchanges, Companies Act and other Regulations

iv) **Number of Stakeholders' Relationship Committee Meetings held and the dates on which held:** The Nomination & Remuneration Committee met two (2) times during the year under review on May 21, 2014 and November 4, 2014. The necessary quorum was present for all the meetings. The details of attendance of each Member at the Stakeholders' Relationship Committee meetings held during the year are as under:

Name	Category	Number of meetings during the year 2014–2015	
		Held	Attended
Dr. Anand Patkar (Chairman)	Independent, Non–Executive	2	2
Mr. Vinod Agarwala	Independent, Non–Executive	2	2
Mr. Manoj G. Tirodkar	Non–Independent, Non–Executive	2	2

v) **Name and designation of compliance officer:**

Mr. Nitesh A. Mhatre, Company Secretary is heading the department of Company Secretariat and is the Compliance Officer under the Listing Agreement entered into with the Stock Exchanges.

vi) **Details of shareholders' complaints received during year ended March 31, 2015, number not solved to the satisfaction of shareholders and numbers of pending complaints are as follows:**

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

4) GENERAL BODY MEETINGS

i) General Meetings:

a) Annual General Meeting:

Financial Year	Date	Time	Venue
2011–12	September 27, 2012	10.30 a.m.	Marathi Sahitya Mandir Sabhagruh, Sector 6, Vashi, Navi Mumbai – 400 703
2012–13	September 17, 2013	01.30 p.m.	Vishnudas Bhave Natyagruh, Sector 16A, Vashi, Navi Mumbai – 400 703
2013–14	September 16, 2014	02.00 p.m.	

b) Extra–ordinary General Meeting:

No extra–ordinary general meeting of the shareholders was held during the year 2014–15.

ii) Special Resolutions:

a) At the Annual General Meeting of the Company held on September 27, 2012, the following Special Resolutions were passed with requisite majority:

- Appointment of Statutory Auditors of the Company as per Section 224A of the Companies Act, 1956
- Approval for raising of funds by issue of equity / convertible instruments through various means including by way of issue of Foreign Currency Convertible Bonds (FCCBs) up to 200 Crores equity shares as per section 81(1A) of the Companies Act, 1956
- Approval for issue of new FCCBs in place of Outstanding FCCBs
- Alteration of Capital Clause of Articles of Association as per section 31 of the Companies Act, 1956

b) At the Annual General Meeting of the Company held on September 17, 2013, the following Special Resolutions were passed with requisite majority:

- Appointment of Statutory Auditors of the Company as per Section 224A of the Companies Act, 1956
- Cancellation of "GTL Infrastructure Limited – Employees Stock Option Scheme (ESOS Scheme 2005)

c) At the Annual General Meeting of the Company held on September 16, 2014, the following Special Resolutions were passed with requisite majority:

- Re–appointment of Mr. Milind Naik as a Whole–time Director of the Company for a period of 3 years
- Approval of Board of Directors to borrow sums not exceeding ₹ 25,000 Cr.
- Authority to issue securities either through public issue or through private placement for an amount not exceeding ₹ 4,000 Cr.

iii) Details of Special Resolutions passed last year through postal ballot and details of voting pattern:
During the year under review, the Company passed the following special resolutions by postal ballot:

Sr. No	Special Resolutions	Votes cast in favour		Votes cast against		Date of declaration of results
		No. of votes	%	No. of votes	%	
1.	Resolution pursuant to 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 Board of Directors of the Company for creation of such mortgages, charges and / or hypothecations for securing borrowings not exceeding ₹ 25,000 Cr.	958,818,791	99.62	3,677,095	0.38	September 25, 2014

Sr. No	Special Resolutions	Votes cast in favour		Votes cast against		Date of declaration of results
		No. of votes	%	No. of votes	%	
2.	Resolution pursuant to Section 186(3) of the Companies Act, 2013, read with Rule 22(16)(j) of the Companies (Management and Administration) Rules, 2014, empowering the Board of Directors of the Company for giving loans or extending guarantee or providing security or acquiring securities of any other body corporate not exceeding ₹ 9,500 Cr., whether existing or new.	958,828,352	99.62	3,666,709	0.38	September 25, 2014

iv) **Person who conducted the postal ballot exercise:** Mr. Chetan A. Joshi (Practicing Company Secretary), Scrutinizer appointed by the Board of Directors of the Company for conducting the postal ballot process, submitted his report dated September 23, 2014.

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

vi) **Procedure for postal ballot:** As and when situation arise, postal ballot shall be conducted as per the provisions of the Companies Act, 2013 and Rules made there under.

5) DISCLOSURES

i) All the transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the year under review were in ordinary course of business and at arms' length basis. The necessary disclosures in respect to transactions with Related Parties are given in the notes to the Accounts. None of these transactions have potential conflict with the interest of the Company at large.

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

http://www.gtlinfra.com/pdf/RELATED%20PARTY%20TRANSACTION%20POLICY.pdf

ii) Details of non–compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years 2012–13, 2013–14 and 2014–15 respectively: NIL

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

http://www.gtlinfra.com/pdf/GIL_Whistle%20Blower%20Policy_2014.pdf

iv) Pursuant to sub–clause (XI)(A) of Clause 49 of the Listing Agreement, the Company confirms that it has complied with all mandatory requirements prescribed in Clause 49 of the Listing Agreement for the financial year 2014–15. The Company has obtained a certificate from Joint Auditors certifying its compliance with the provisions of Clause 49 of the Listing Agreement. This certificate is annexed to the Corporate Governance Report.

Pursuant to sub–clause IX of Clause 49 of the Listing Agreement, the Whole–time Director and Chief Financial Officer have issued a certificate to the Board for the year ended March 31, 2015.

v) The Company has fulfilled the following non–mandatory requirements as prescribed in Annexure – XIII to the Clause 49 of the Listing Agreement entered into with the Stock Exchanges:

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

b) The Company is publishing quarterly un–audited financial results in the newspapers and is also displaying it on the Company's website www.gtlinfra.com, apart from displaying on stock exchanges website. Accordingly, it does not envisage sending the same separately to the households of the shareholders.

c) There are no qualifications in Independent Auditors' Report for the year under review, however, there are matters of emphasis mentioned by the Joint Auditors.

d) The Posts of the Chairman and Whole–time Director are separate.

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

vi) **Code of Conduct for Directors and Senior Management:** The Board of Directors has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The members of the Board and Senior Management personnel have affirmed the compliance with the Code of Conduct applicable to them during the year under review. The Annual Report of the Company contains a Certificate by the Whole–time Director in terms of Clause 49 of the Listing Agreement based on the compliance declarations received from Independent Directors, Non–Executive Directors and Senior Management. The said Code of Conduct has been uploaded on the website of the Company at following link

http://www.gtlinfra.com/pdf/CodeOfConduct.pdf

6) MEANS OF COMMUNICATION

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

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

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

7) GENERAL SHAREHOLDER INFORMATION

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

i) **Annual General Meeting**

Date	:	September 23, 2015
Time	:	2.00 p.m.
Venue	:	Marathi Sahitya, Sanskriti & Kala Mandal, Sahitya Mandir Hall, Near Navi Mumbai Sports Association, Sector 6, Vashi, Navi Mumbai 400 703, Maharashtra, India

ii) **Financial Calendar**

For Financial Year 2015–16 :

First Quarter Results: Quarter ended June 30, 2015	:	Within 45 days of the end of the Quarter
Second Quarter Results: Quarter ended September 30, 2015	:	Within 45 days of the end of the Quarter
Third Quarter Results: Quarter ended December 31, 2015	:	Within 45 days of the end of the Quarter
Fourth Quarter and Audited Annual Results	:	Within 60 days from the end of the Quarter / Year
iii) **Date of Book Closure**	:	September 23, 2015
iv) **Dividend Payment**	:	No Dividend has been recommended.

v) **Listing on Stock Exchanges** : Equity shares listed at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

Foreign Currency Convertible Bonds (FCCB) issued by the Company are listed on Singapore Exchange Securities Trading Limited.

vi) **Listing Fees for 2015–16** : BSE / NSE listing fees for the financial year 2015–16 was paid by the Company within the prescribed time.

vii) **Stock Exchange Codes**

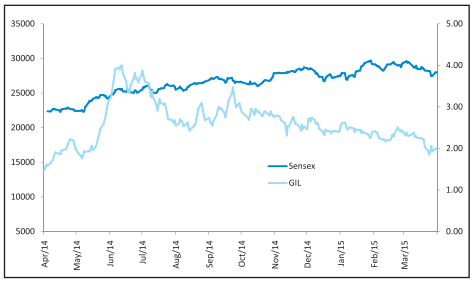
BSE – Equity Shares	:	532775
NSE– Equity Shares	:	GTLINFRA
Reuters Code	:	GTLI.BO & GTLI.NS
Bloomberg ticker	:	GTLI:IN
Equity ISIN	:	INE221H01019
Singapore Exchange Securities Trading Limited	:	FCCB Series 'A' – XS0854042537 FCCB Series 'B' – XS0854044822

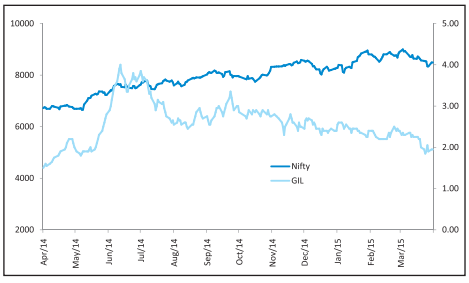
viii) **Market price data**

High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2014–15 on NSE and BSE:

Month	NSE			BSE		
	High(₹)	Low(₹)	Volume(Nos.)	High(₹)	Low(₹)	Volume(Nos.)
Apr–2014	2.20	1.50	11,794,559	2.22	1.47	16,802,130
May–2014	2.80	1.80	9,913,470	3.09	1.76	18,836,163
Jun–2014	4.00	2.90	37,781,445	3.99	3.24	53,012,376
Jul–2014	3.85	2.60	16,779,047	3.87	2.62	13,062,334
Aug–2014	2.95	2.45	19,483,702	3.09	2.43	14,020,467
Sep–2014	3.35	2.55	40,481,257	3.47	2.55	76,994,312
Oct–2014	2.90	2.70	22,029,802	2.95	2.69	15,253,286
Nov–2014	2.80	2.30	25,631,214	2.79	2.31	15,855,550
Dec–2014	2.70	2.30	17,409,289	2.74	2.32	11,833,977
Jan–2015	2.60	2.25	23,670,154	2.62	2.26	11,875,740
Feb–2015	2.50	2.20	16,863,648	2.50	2.17	8,521,019
Mar–2015	2.35	1.85	22,525,262	2.38	1.85	10,834,678

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





x) Registrar and Share Transfer Agents:

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

xi) Share transfer system in physical form:

As majority of shares of the Company are held in electronic (demat) form, requests for transfer of shares in physical form are negligible. However, majority of share transfer requests are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfers / transmission etc. of securities of the Company to Allotment and Transfer Committee of the Board of Directors of the Company, which meets regularly to approve the share transfer and other related work. A summary of transfer / transmission etc. of securities of the Company so approved by the said Committee is placed quarterly at the Board Meetings. The Company obtains from a Company Secretary in Whole–time Practice half–yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement entered into with the Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

The total number of physical shares transferred during the year under review was 962 (Previous year 816).

xii) Distribution of Shareholding as on March 31, 2015:

a. Distribution of equity shareholding as on March 31, 2015:

No. of Shares	No. of Shareholders	% of Shareholders	Share amount (₹)	% to Total
Upto 500	131,489	70.80	225,678,910	0.97
501 – 1000	20,880	11.24	179,317,650	0.77
1001 – 2000	12,571	6.77	199,634,470	0.86
2001 – 3000	5,422	2.92	142,038,660	0.61
3001 – 4000	2,397	1.29	87,661,560	0.38
4001 – 5000	3,296	1.78	159,710,350	0.69
5001 – 10000	4,806	2.59	376,722,440	1.62
10001 & above	4,856	2.61	21,880,713,760	94.10
TOTAL	**185,717**	**100.00**	**23,251,477,800**	**100.00**

b. Distribution of shares by categories of shareholders:

Category	No. of Shares Held	Percentage Holding
Promoters–Bodies Corporate	628,826,075	27.04
Bodies Corporate (Domestic) / Trust/ Clearing Members	65,641,461	2.82
Banks	857,313,956	36.87
Mutual Funds	25,858	0.00
Financial Institutions (FIs)	30,094,886	1.29
Foreign Institutional Investors (FIIs)	201,749,303	8.68
Non–Resident Individuals (NRIs) / Foreign Corporate Bodies / Overseas Corporate Bodies (OCBs) / Foreign Banks / RFPI–Corporate	221,921,600	9.55
Resident Individuals	319,574,641	13.75
TOTAL	**2,325,147,780**	**100.00**

c. Top 10 equity shareholders of the Company as on March 31, 2015:

Name(s) of Shareholders	Category	Shares	Percentage holding
GTL Limited (Promoter)	Domestic Company	345,763,466	14.87
Global Holding Corporation Private Limited (Promoter Group)	Domestic Company	283,062,609	12.17
ELM Park Fund Limited	Foreign Institutional Investors (FIIs)	179,971,057	7.74
Indian Overseas Bank	Banks	161,976,510	6.97
Union Bank of India	Banks	121,034,706	5.21
Bank of Baroda	Banks	89,807,214	3.86
Hypnos Fund Limited	RFPI – Corporate	85,900,322	3.69
Bank of India	Banks	78,160,268	3.36
Central Bank of India	Banks	61,250,806	2.63
Andhra Bank	Banks	56,935,410	2.45

xiii) Dematerialization of shares and liquidity:

Trading in equity shares of the Company on the Stock Exchanges is permitted only in dematerialized form as per notification issued by the SEBI. The Shares of the Company are available for trading under the depository systems in India – NSDL & CDSL. 99.98% of the Company's shares are held in dematerialized form as on March 31, 2015. The Company's equity shares are among the actively traded shares on the BSE & NSE.

xiv) Outstanding Warrants or any Convertible instruments, conversion date and likely impact on equity:

The details are furnished in the Directors' Report on page No. 21 under the heading Share Capital.

xv) Equity shares in the Suspense Account:

The Company has no cases as are referred to in Clause 5A (I) of the Listing Agreement with Stock Exchanges.

Members are requested to note that in compliance of Clause 5A(II) in the Listing Agreement with the Stock Exchanges, the Company has dematerialized all the unclaimed shares into "GTL Infrastructure Limited – Unclaimed Suspense Account" with of the Depository Participant. The voting rights of those members shall remain frozen till the rightful owner claims the shares.

As stipulated under Clause 5A (II) of the Listing Agreement with Stock Exchanges, the Company reports the following details of equity shares lying in the suspense account as on March 31, 2015.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares lying in the suspense account as on April 1, 2014	490	49,857
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	1	350
Number of shareholders to whom shares were transferred from suspense account during the year	–	–
Aggregate number of shareholders and the outstanding shares remaining unclaimed as on March 31, 20145	490	49,857

xvi) Plant Locations:

The Company is in the business of providing Telecom Towers on a shared basis to multiple wireless telecom service providers. As of March 31, 2015, the Company owns Telecom Towers across all 22 telecom circles in India. List of Branch Offices and addresses are provided elsewhere in this Annual Report.

xvii) Address for correspondence:

Registered Office : GTL Infrastructure Limited, 3rd Floor, "Global Vision", Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400710, Maharashtra, India
Tel: +91–22–27673500
Fax: +91–22–27673666

Investor Correspondence:

All shareholders complaints / queries in respect of their shareholdings may be addressed to:

Mr. Jayendra Pai, AVP – Investor Services
GTL Limited (Investor Service Centre)
"Global Vision", Electronic Sadan No. II, MIDC, TTC Industrial Area, Mahape, Navi Mumbai – 400710, Maharashtra, India.
Tel.:+91–22–27612929 – Extn: 2232–35, Fax: +91–22–27680171
Email: gilshares@gtlinfra.com,
Website: www.gtlinfra.com

Queries relating to financial statements, the Company's performance etc. may be addressed to:

Head – Investor Relations,
Mr. Rahul Desai – Group Head – Investor Relations & Capital Markets,
GTL Infrastructure Limited, 412, Janmabhoomi Chambers, 29, W. H. Marg, Ballard Estate, Mumbai 400 038, Maharashtra, India.
Tel : +91–22–22715000, Fax +91–22–22619649
Email : ir@gtlinfra.com

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

Mr. Milind Naik, Whole–time Director

Mr. Milind Naik has been re–appointed as Whole–time Director w.e.f. July 21, 2014. He is also Chief Operating Officer of the Company. Mr. Naik in the past worked with Syndicate Bank, Bank of India and Saraswat Co–op. Bank Ltd. before joining Global Group in 1984. He has enormous experience within the country as well as abroad in the field of Telecom Turnkey Project Implementation, Manufacturing of Steel Structures for Telecom, Transmission, Wind Energy, Infrastructure Industries, R & D and Manufacturing of Energy Management Solutions (EMS) for Telecom Operator's, EPC in EMS & Renewable Energy, Procurement & Logistics, Accounts & Finance, Treasury Operations, Foreign Exchange, Banking & Financial Institutions, Short Term & Long Term Borrowings, Taxation and Administration.

Currently, Mr. Naik holds directorship in Chennai Network Infrastructure Limited. He is the member of Audit Committee and Nomination & Remuneration Committee of Chennai Network Infrastructure Limited.

Mr. Naik's shareholding in the Company is 19,000 equity shares.

Mrs. Sonali Pawan Choudhary, Non–executive Non–Independent Director

Mrs. Sonali Pawan Choudhary is a law graduate from Mumbai University and has also done her masters in Finance Management. She was legal head of power business of GTL Limited. She is ardent law professional and her forte lies in Arbitration, mergers & acquisition, risk management. She has an experience of over 10 years in this field.

Mrs. Choudhary's shareholding in the Company is 67,500 equity shares.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

GTL Infrastructure Limited

We have examined the compliance of conditions of corporate governance by GTL INFRASTRUCTURE LIMITED, for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

R. Koria
Partner
Membership No. 35629

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

S. S. Yeolekar
Partner
Membership No. 36398

Place: Mumbai
Date : May 6, 2015

DECLARATION OF WHOLE–TIME DIRECTOR

Pursuant to the provisions of Clause 49 of the Listing Agreement, it is hereby declared that all the Board Members and Senior Management Personnel of GTL Infrastructure Limited have affirmed compliance with the Code of Conduct for Directors and Senior Management for the Financial Year ended March 31, 2015.

Milind Naik
Whole–time Director

Place: Mumbai

Dated: May 6, 2015

INDEPENDENT AUDITORS' REPORT

To

The Members of

GTL INFRASTRUCTURE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **GTL INFRASTRUCTURE LIMITED** ("the Company"), which comprise the Balance sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles Generally Accepted in India (Indian GAAPs), including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the:

a. Note no. 29 regarding outstanding trade receivables and other current assets, which are subject to confirmation but considered good for the reasons mentioned therein.

b. Note no. 30 regarding Scheme of Arrangement under section 391 to 394 of the Companies Act, 1956 pending for the necessary modifications and approvals and preparation of financial statements without giving any effect of this scheme and to give the effect as and when the scheme becomes effective.

c. Note no. 31 regarding preparation of the financial statements of the Company on a going concern basis notwithstanding the fact that the Company has been incurring cash losses and its net worth has been substantially eroded as on the Balance Sheet date. These financial statements have been prepared on a

going concern basis for the reasons stated in the said note. The appropriateness of assumption of going concern is critically dependent upon the Company's ability to raise requisite finance/generate cash flows in future to meet its obligations.

d. Note no. 22.1 regarding Managerial Remuneration, which is subject to the approval of Central Government.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) The going concern matter described in sub–paragraph (c) under the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

   (f) On the basis of the written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note No. 26 and 27 to the standalone financial statements.

      ii. The Company does not have any long–term contracts including derivative contracts for which there were 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.

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

R. Koria
Partner
Membership No. – 35629

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

S. S. Yeolekar
Partner
Membership No. – 36398

Place: Mumbai
Date: 6th May, 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of GTL Infrastructure Limited on the accounts for the year ended 31st March, 2015)

i. In respect of its fixed assets:

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

b. As explained to us, the Company has physically verified certain assets, in accordance with a phased program of verification, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification as compared with the available records.

ii. In respect of its inventories:

a. As explained to us, inventories have been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.

b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

c. According to the information and explanations given to us and on the basis of our examination of inventory records, we are of the opinion that the Company is maintaining proper records of inventory. Discrepancies noticed on physical verification of the inventories between the physical inventories and book records were not material, having regard to the size of the operations of the Company, and the same have been properly dealt with.

iii. In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the register maintained under section 189 of the Act:

a. The Company has given advances in the nature of loan to one such party, and as per the information and explanations given to us, the above advances along with the interest are not due for repayment.

b. As the loan is repayable on demand, the question of overdue amount does not arise.

iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi. According to the information and explanations given to us, the Central Government has not prescribed the cost records to be maintained under sub–Section (1) of Section 148 of the Act in respect of activities carried on by the Company. Therefore the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.

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

a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable except in case of Gram Panchayat and Municipal Corporation dues of ₹ 30,607,185 and ₹ 2,734,926 respectively.

b. The disputed statutory dues of Income tax, Sales tax, Wealth tax, Service tax, Duty of Customs, Duty of Excise, Value added tax and Cess aggregating to ₹ 101,399,353 that have not been deposited on account of Disputed

matters pending before appropriate authorities are as under:

Name of the Statute	Nature of the Dues	Period to which the amount relates	Amount (in Rs.) (*)	Forum where dispute is pending
Central Sales Tax Act, 1956 and Sales Tax Acts of various states	Sales Tax/ Trade Tax/VAT and Entry Tax	2008–09	9,128,394	High Court
		2006–07, 2009–10 & 2010–11	981,928	Sales Tax Tribunal
		2009–10	77,979	Commissioner (Appeals)
		2007–08 to 2011–12	81,505,729	Deputy Commissioner (Appeals)
		2007–08 & 2009–10	2,733,283	Additional Commissioner (Appeals)
		2008–09 to 2010–11 and 2013–14 & 2014–15	2,366,759	Joint Commissioner (Appeal)
		2010–11 to 2010–11	4,605,281	Sr. Joint Commissioner Sales Tax
		Total	**101,399,353**	

(*) Net of amount deposited under protest

c. There is no delay in transferring amounts, required to be transferred, to Investor Education and protection fund in accordance with the relevant provision of the Companies Act, 1956 and rule made there–under.

viii. The Company has accumulated losses at the end of the financial year which are more than fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.

ix. Based on our audit procedures and information and explanations given by the management, and considering the Corporate Debt Restructuring (CDR) scheme and other restructuring schemes with foreign lender and FCCB holders, we are of the opinion that as on 31st March, 2015 the Company has not defaulted in repayment of dues to financial institutions and banks, except in the repayment of the principal amount of secured rupee term loan of Rs. 146,649,026 where the period of default was less than 30 days and interest thereon of Rs. 31,807,844 where the period of default was more than 60 days .

x. The Company has given corporate guarantees aggregating to Rs. 8,310,000,000 for loan taken by Chennai Network Infrastructure Limited (CNIL), an Associate / erstwhile subsidiary of the Company, from banks and financial institutions as at 31st March, 2015. CNIL is in the process of the amalgamation with the Company as mentioned in Note No. 30 to the standalone financial statements. The management is of the opinion that since these guarantees were given when CNIL was the subsidiary of the Company and CNIL is getting merged with the Company, the terms and conditions of the Corporate Guarantee are not prejudicial to the interest of the Company. We are, however, unable to comment on the same.

xi. The Company has not raised any new term loans during the year under audit. To the best of our knowledge and according to the information and explanations given to us the term loans outstanding at the beginning of the year have been applied for the purposes for which they were raised.

xii. In our opinion and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

R. Koria
Partner
Membership No. – 35629

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

S. S. Yeolekar
Partner
Membership No. – 36398

Place: Mumbai
Date: 6th May, 2015

Balance Sheet as at March 31, 2015

(Amount in ₹)

	Notes	As At March 31, 2015		As At March 31, 2014	
Equity and Liabilities					
Shareholder's Funds					
Share Capital	2	23,251,477,800		23,067,997,540	
Reserves and Surplus	3	(18,789,712,180)		(13,201,763,774)	
			4,461,765,620		9,866,233,766
Non–Current Liabilities					
Long–Term Borrowings	4	48,261,698,140		49,167,299,847	
Other Long–Term Liabilities	5	3,214,623,360		3,056,835,351	
Long–Term Provisions	6	11,360,003		8,769,273	
			51,487,681,503		52,232,904,471
Current Liabilities					
Trade Payables	7	297,040,001		490,576,884	
Other Current Liabilities	8	2,824,550,656		3,570,537,047	
Short–Term Provisions	9	1,091,887		589,813	
			3,122,682,544		4,061,703,744
		Total	59,072,129,667		66,160,841,981
Assets					
Non–Current Assets					
Fixed Assets	10				
Tangible Assets		34,006,745,942		35,415,885,468	
Intangible Assets		9,902,409		10,215,823	
Capital Work–in–Progress		539,888,481		893,833,527	
		34,556,536,832		36,319,934,818	
Non–Current Investments	11	18,211,421,500		18,494,777,122	
Long–Term Loans and Advances	12	2,300,867,806		4,433,231,033	
			55,068,826,138		59,247,942,973
Current Assets					
Current Investments	13	629,356,657		228,965,782	
Inventories	14	6,058,814		6,310,265	
Trade Receivables	15	604,583,929		660,129,672	
Cash and Bank Balances	16	367,573,611		499,743,348	
Short–Term Loans and Advances	17	1,112,629,568		3,908,411,554	
Other Current Assets	18	1,283,100,950		1,609,338,387	
			4,003,303,529		6,912,899,008
		Total	59,072,129,667		66,160,841,981
Significant Accounting Policies	1				
Notes on Financial Statements	2 to 42				

As per our report of even date

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

R. KORIA
Partner
Membership No. : 35629

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

S. S. YEOLEKAR
Partner
Membership No. : 36398

Mumbai
Date : May 6, 2015

For and on behalf of the board of Directors

MANOJ G. TIRODKAR
Chairman
DIN: 00298407

MILIND NAIK
Whole–time Director
DIN: 00276884

VIJAY VIJ
Director
DIN: 02245470

L. Y. DESAI
Chief Financial Officer

NITESH A. MHATRE
Company Secretary
Membership No. : A18487

Statement of Profit and Loss for the year ended March 31, 2015

(Amount in ₹)

	Notes	For the Year ended on March 31, 2015	For the Year ended on March 31, 2014
INCOME :			
Gross Revenue from Operations	19	**6,728,877,559**	6,492,622,982
Less : Service Tax Recovered		**732,361,404**	705,362,142
Net Revenue from Operations		**5,996,516,155**	5,787,260,840
Other Income	20	**234,521,796**	367,139,346
Total Revenue		**6,231,037,951**	6,154,400,186
EXPENSES :			
Infrastructure Operation & Maintenance Cost (Net)	21	**2,193,671,086**	2,242,699,178
Employee Benefits Expense	22	**256,482,095**	189,734,626
Other Expenses	23	**1,576,254,365**	957,547,195
Total		**4,026,407,546**	3,389,980,999
Profit before Finance Costs, Depreciation/Amortization and Tax		**2,204,630,405**	2,764,419,187
Finance Costs	24	**3,926,059,183**	3,777,629,846
Depreciation/Impairment and Amortization Expenses	10	**2,559,924,282**	3,890,319,799
LOSS BEFORE EXCEPTIONAL ITEMS AND TAX		**(4,281,353,060)**	(4,903,530,458)
Exceptional Item (Net)	25	**865,768,614**	600,000,000
LOSS BEFORE TAX		**(5,147,121,674)**	(5,503,530,458)
Tax Expenses		**–**	8,870,435
LOSS FOR THE YEAR		**(5,147,121,674)**	(5,512,400,893)
Earnings Per Equity Share of ₹ 10 each	34	**(2.22)**	(2.39)
Basic and Diluted			
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 42		

As per our report of even date

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

R. KORIA
Partner
Membership No. : 35629

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

S. S. YEOLEKAR
Partner
Membership No. : 36398

Mumbai
Date : May 6, 2015

For and on behalf of the board of Directors

MANOJ G. TIRODKAR
Chairman
DIN: 00298407

MILIND NAIK
Whole–time Director
DIN: 00276884

VIJAY VIJ
Director
DIN: 02245470

L. Y. DESAI
Chief Financial Officer

NITESH A. MHATRE
Company Secretary
Membership No. : A18487

Cash Flow Statement for the year ended March 31, 2015

(Amount in ₹)

	PARTICULARS	For the year ended March 31, 2015	For the year ended March 31, 2014
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit/(Loss) before tax as per Statement of Profit and Loss	**(5,147,121,674)**	(5,503,530,458)
	ADJUSTED FOR		
	Depreciation/Impairment and Amortization expenses	**2,559,924,282**	3,890,319,799
	Loss on sale of fixed assets	**50,257,011**	96,501,949
	Interest Income	**(136,383,480)**	(268,382,839)
	Finance Costs	**3,926,059,183**	3,777,629,846
	Foreign Exchange (Gain)/Loss (Net)	**487,893,237**	297,158,759
	Profit on sale of Investments	**(55,799,562)**	(37,859,762)
	Exceptional Items	**865,768,614**	600,000,000
	Expenses for long term investment written off	**5,053,122**	–
	Bad Debts (net)	**588**	3,141,792
	Provision for Trade Receivables & Energy recoverables	**727,109,570**	255,185,342
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE	**3,282,760,891**	3,110,164,428
	ADJUSTMENTS FOR		
	Trade and Other Receivables	**1,108,424,864**	(715,264,483)
	Inventories	**251,451**	5,368,901
	Trade Payables	**(1,181,771,860)**	977,718,610
	CASH GENERATED FROM OPERATIONS	**3,209,665,346**	3,377,987,456
	Direct taxes (paid) / Refund Received (Net)	**503,487,883**	(154,920,991)
	Exceptional item (Refer Note 25(i))	**1,500,000,000**	–
	NET CASH FLOW FROM OPERATING ACTIVITIES	**5,213,153,229**	3,223,066,465
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Fixed Assets and Capital Work–in–progress	**(344,131,205)**	(535,751,919)
	Sale of fixed assets	**264,743,312**	205,213,118
	Investment in corpus	**–**	(2,700,000)
	Advance to associate (net)	**(269,339,492)**	518,891,859
	Purchase of Investments	**(9,945,423,262)**	(30,645,390,964)
	Sale of Current Investments	**9,600,831,949**	30,889,637,438
	Interest Income	**400,830,673**	3,761,697
	NET CASH FLOW/USED FROM/(IN) INVESTING ACTIVITIES	**(292,488,025)**	433,661,229

Cash Flow Statement for the year ended March 31, 2015

(Amount in ₹)

	PARTICULARS	For the year ended March 31, 2015	For the year ended March 31, 2014
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of Long Term Borrowings	**(595,557,364)**	(524,502,169)
	Interest and Finance charges Paid	**(4,457,277,577)**	(2,936,077,112)
	Fixed Deposits with Banks pledged as Margin Money, Debt Service Reserve Account and others	**(1,948,917)**	(1,314,676)
	NET CASH USED IN FINANCING ACTIVITIES	**(5,054,783,858)**	(3,461,893,957)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(134,118,654)**	194,833,737
	Cash and Cash Equivalents (Opening Balance)	**480,608,795**	285,775,058
	Cash and Cash Equivalents (Closing Balance)	**346,490,141**	480,608,795

(i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard – 3 "Cash Flow Statements".

(ii) Figures in bracket indicate Outflows.

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

As per our report of even date

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

R. KORIA
Partner
Membership No. : 35629

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

S. S. YEOLEKAR
Partner
Membership No. : 36398

Mumbai
Date : May 6, 2015

For and on behalf of the board of Directors

MANOJ G. TIRODKAR
Chairman
DIN: 00298407

MILIND NAIK
Whole–time Director
DIN: 00276884

VIJAY VIJ
Director
DIN: 02245470

L. Y. DESAI
Chief Financial Officer

NITESH A. MHATRE
Company Secretary
Membership No. : A18487

Notes to the Financial Statements

1. SIGNIFICANT ACCOUNTING POLICIES

i. Basis of Preparation of Financial Statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP),including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 as adopted consistently by the Company. The financial statements have been prepared on going concern basis under the historical cost convention on accrual basis.

ii. Use of Estimate:

The preparation of financial statements in conformity with Indian GAAP requires judgements,estimates and assumptions to be made that affect the reported amount of assets and liabilities,disclosures of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The difference between the actual results and estimates are recognised in the year in which the results are known / materialised.

iii. Revenue Recognition:

a. Revenue from Infrastructure / Equipment provisioning is recognised in accordance with the Contract / Agreement entered into. Revenues are recognised when it is earned and no significant uncertainty exists as to its ultimate collection and includes service tax, wherever applicable.

b. Interest income is recognised on a time proportion basis. Dividend is considered when the right to receive is established.

iv. Fixed Assets:

a. Fixed Assets are stated at cost net of eligible Cenvat and VAT less accumulated depreciation, amortisation and impairment loss, if any. All costs attributable to acquisition and/or construction, including borrowing costs upto the date asset is ready to use and exchange difference on Long Term Foreign Currency Monetary Items related to fixed assets are capitalised.

b. The Fixed Assets at the cellular sites, which are ready to use during a particular month are capitalised on the last day of that month.

c. Expenses incurred relating to project, prior to commencement of commercial operation, are considered as pre operative expenditure and shown under Capital Work–in–Progress.

v. Depreciation:

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

i) Assets with lower assessed useful life

Sr.	Asset	Years
i.	Network Operation Assets	9
ii.	Air Conditioners	9
iii.	Electrical & Power Supply Equipments	9
iv.	Office Equipments	3
v.	Furniture & Fittings	5
vi.	Vehicles	5

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

ii) The towers have been depreciated on straight line method at the rate of 2.72% per annum based on useful life of 35 years in terms of specific approval received from the Ministry of Corporate Affairs, Government of India vide Order no.45/2/2010–CL–III dated May 26, 2010 issued under Section 205(2)(d) of the Companies Act, 1956. The approval continues to be valid vide letter no.51/9/2014–CL–III dated September 19, 2014 received from Ministry of Corporate Affairs, Government of India.

Notes to the Financial Statements

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

b. The leasehold improvements have been depreciated over the lease period.

c. In respect of additions forming an integral part of existing assets and exchange difference capitalised, depreciation has been provided over residual life of the respective fixed assets.

d. The revised carrying amount of the assets identified as impaired have been depreciated over residual useful life of the respective assets.

vi. Intangible Assets:

Intangible Assets are stated at cost of acquisition less accumulated amortisation. Software which is not an integral part of the related hardware is classified as an Intangible Asset and is amortised over three years.

vii. Impairment of Assets:

The carrying amount of assets is reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

viii. Investments:

Current Investments are carried at the lower of cost or quoted / fair value computed script wise. Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

ix. Assignment of Recoverables:

In case of assignment of recoverables, the amounts are derecognised when all the rights and titles in receivables are assigned. The charges paid on assignment are charged to Statement of Profit & Loss.

x. Inventory of Stores, Spares and Consumables:

Inventory of stores, spares and consumables are accounted for at costs, determined on weighted average basis, or net realisable value, whichever is less.

xi. Foreign Currency Transactions:

a. Transactions in Foreign Currencies are normally recorded at the exchange rate prevailing on the date of the transaction.

b. Monetary items denominated in Foreign Currency at the Balance Sheet date are restated at the exchange rates prevailing at the Balance Sheet date. In case of monetary items which are covered by forward exchange contracts, the difference between the exchange rates prevailing at the Balance Sheet date and rate on the date of the contract is recognised as exchange difference in the Statement of Profit & Loss and the premium paid on forward contracts has been recognised over the life of the contract.

c. Non monetary Foreign Currency items are carried at cost.

d. Gains or losses on account of exchange difference either on settlement or on translation are recognised in the Statement of Profit and Loss except in respect of Long Term Foreign Currency Monetary Items which, if related to acquisition of depreciable fixed assets, are adjusted to the carrying cost of the depreciable fixed assets and in other cases transferred to Foreign Currency Monetary Item Translation Difference Account and amortised over the balance period of such long term Foreign Currency Monetary items but not beyond March 31, 2020

xii. Employee Benefits:

a. Short–term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.

Notes to the Financial Statements

b. Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amount payable determined using actuarial valuation techniques based on projected unit credit method. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit & Loss.

c. In respect of employee's stock options, the excess of market price on the date of grant over the exercise price is recognised as deferred employee compensation expense amortised over vesting period.

xiii. Borrowing Costs:

Borrowing costs include interest,amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing cost attributable to the acquisition or construction of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets upto the date when such assets are ready for their intended use. All other borrowing costs are charged to Statement of Profit & Loss.

xiv. Leases:

In respect of operating leases, lease rentals are expensed with reference to the terms of lease and other considerations except for lease rentals pertaining to the period upto the asset is put to use, which are capitalised.

xv. Provision for Current and Deferred Tax:

a. Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income–tax Act, 1961.

b. Deferred tax resulting from the timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realised against future taxable profits.

xvi. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the financial statements. Contingent Assets are neither recognised nor disclosed in the financial statements.

xvii. Financial Derivatives Hedging Transactions:

In respect of derivatives contracts, premium paid, provision for losses on restatement and gains / losses on settlement are recognised in the Statement of Profit and Loss.

xviii. Issue Expenses:

Expenses related to issue of equity and equity related instruments are adjusted against the Securities Premium Reserve Account.

xix. Premium on Redemption of Bonds/Debentures

Premium on redemption of bonds/debentures, net of tax impact, is adjusted against the Securities Premium Reserve Account.

xx. Provision for Doubtful receivables and Loans and Advances:

Provision is made in the accounts for doubtful receivables and loans and advances in cases where the management considers the debts, loans and advances, to be doubtful of recovery.

xxi. Cash & Cash Equivalents

Cash &Cash Equivalents for the purpose of Cash flow Statement comprises Cash at bank and in hand, cheques in hand, funds in transit and demand deposits with banks having maturity of less than 3 months.

Notes to the Financial Statements

Note – 2 Share Capital

(Amount in ₹)

	As At March 31, 2015	As At March 31, 2014
Authorised		
4,500,000,000 (Previous Year 4,500,000,000) Equity Shares of ₹ 10 each	**45,000,000,000**	45,000,000,000
50,000,000 (Previous Year 50,000,000) Preference Shares of ₹ 100 each	**5,000,000,000**	5,000,000,000
	50,000,000,000	50,000,000,000
Issued, subscribed and fully paid–up		
2,325,147,780 (Previous Year 2,306,799,754) Equity Shares of ₹ 10 each fully paid–up	**23,251,477,800**	23,067,997,540
Total	**23,251,477,800**	23,067,997,540

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

(Amount in ₹)

	As At March 31, 2015		As At March 31, 2014	
	Number	**Rupees**	Number	Rupees
Equity Shares at the beginning of the Year	**2,306,799,754**	**23,067,997,540**	2,306,799,754	23,067,997,540
Issued during the Year				
– On conversion of Foreign Currency Convertible Bonds (Refer Note – 4.3)	**18,348,026**	**183,480,260**	–	–
Equity Shares at the end of the Year	**2,325,147,780**	**23,251,477,800**	2,306,799,754	23,067,997,540

2.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.3 Shares reserved for issue under options :

The Foreign Currency Convertible Bonds (FCCB) holders have the option to convert FCCB into 1,316,007,039 Equity Shares (Previous Year 1,207,031,848) (Refer Note No. 4.3)

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

Name of share holders	As At March 31, 2015		As At March 31, 2014	
	Number of Shares held	**% holding in Share Capital**	Number of Shares held	% holding in Share Capital
GTL Limited	**345,763,466**	**14.87%**	345,763,466	14.99%
Global Holding Corporation Private Limited	**283,062,609**	**12.17%**	283,062,609	12.27%
Indian Overseas Bank	**161,976,510**	**6.97%**	161,976,510	7.02%
ELM Park Fund Limited	**179,971,057**	**7.74%**	179,971,057	7.80%
Union Bank of India	**121,034,706**	**5.21%**	121,034,706	5.25%

Notes to the Financial Statements

Note – 3 Reserves and Surplus

(Amount in ₹)

	As At March 31, 2015		As At March 31, 2014	
Reconstruction Reserve		**199,302,121**		199,302,121
Balance as per last Balance Sheet				
(Created in terms of the Scheme of Arrangement)				
Capital Reserve		**184,600,000**		184,600,000
Balance as per last Balance Sheet				
(On Forfeiture of Preferential Convertible Warrants)				
Securities Premium Reserve				
Balance as per last Balance Sheet	**5,509,074,627**		5,855,114,705	
Add : Addition during the Year				
– On Issue of Equity Shares	**–**		1,195,402	
	5,509,074,627		5,856,310,107	
Less: Redemption Premium on Foreign Currency Convertible Bonds (FCCB)	**373,530,962**		347,235,480	
	373,530,962		347,235,480	
		5,135,543,665		5,509,074,627
Employee stock option outstanding				
Balance as per last Balance Sheet	**–**		106,137,627	
Less : Options exercised/lapsed during the Year	**–**		106,137,627	
	–		–	
Less: deferred employee stock compensation				
Balance as per last Balance Sheet	**–**		170,689	
Less : Amortised/lapsed during the Year	**–**		170,689	
	–		–	
		–		–
Foreign Currency Monetary Item Translation Difference Account		**(850,715,672)**		(783,419,902)
Surplus/ (Deficit) in the Statement of Profit & Loss				
Balance as per last Balance Sheet	**(18,311,320,620)**		(12,904,886,665)	
Transfer of ESOS Reserve	**–**		105,966,938	–
Loss for the year	**(5,147,121,674)**		(5,512,400,893)	
		(23,458,442,294)		(18,311,320,620)
Total		**(18,789,712,180)**		(13,201,763,774)

Notes to the Financial Statements

Note – 4 Long–Term Borrowings

(Amount in ₹)

	As At March 31, 2015		As At March 31, 2014	
Secured Loans				
Rupee Term Loans from				
– Banks	**32,139,049,594**		33,172,350,094	
– Financial Institution	**821,595,692**		824,470,700	
	32,960,645,286		33,996,820,794	
Foreign Currency Term Loan from				
– Financial Institution	**510,128,250**		741,014,730	
		33,470,773,536		34,737,835,524
Unsecured Loans				
– Foreign Currency Convertible Bonds (Refer Note – 4.3)		**14,790,924,604**		14,429,464,323
Total		**48,261,698,140**		49,167,299,847

4.1 A] Rupee Term Loans from Banks & Financial Institutions are secured by way of

(i) Mortgage by first *pari–passu* charge on all immovable assets, both present and future and on all movable assets, both present and future, including first floating charge on all the current assets of the Company.

(ii) Sponsor support from Global Holding Corporation Private Limited (GHC) and guarantee of Mr. Manoj Tirodkar (Promoter) towards debt servicing of CDR Lenders and personal guarantee aggregating to ₹ 6,010,400,000 by Mr. Manoj Tirodkar.

B] Foreign currency Term Loan from financial institution is secured by way of

Mortgage by first *pari–passu* charge on all immovable assets, both present and future and on all movable assets, both present and future, including first floating charge on all the current assets of the Company.

4.2 Terms of Repayment

(i) Rupee Term Loans from Banks and Financial Institutions and Current Maturities of Long–term borrowings having an effective yield of 10.75% over the tenure of the facility aggregating to ₹ 30,300,579,754 are repayable in 45 structured quarterly instalments ending on June 30, 2026

The Maturity Profile of these loans is as set below:

2015–16	**2016–17**
₹ 304,856,724	₹ 914,570,171

2017–18	**2018–19**	**2019–20**	**2020–21**
₹ 1,829,140,342	₹ 2,133,997,066	₹ 2,438,853,790	₹ 2,743,710,513

2021–22	**2022–23**	**2023–24**	**2024–25**
₹ 3,353,423,961	₹ 3,810,709,046	₹ 3,810,709,046	₹ 3,810,709,046

2025–26	**2026–27**
₹ 3,963,137,408	₹ 1,186,762,641

Notes to the Financial Statements

(ii) Rupee Term Loans from Banks and Financial Institutions and Current Maturities of Long–term borrowings having an Interest rate of 3% p.a. aggregating to ₹ 1,583,665,324 are repayable in 8 structured quarterly instalments ending on March 31, 2017

The Maturity Profile of this loan is as set below:

2015–16	2016–17
₹ 730,922,457	₹ 852,742,867

(iii) Rupee Term Loans from Banks having an Interest rate of 8% p.a. aggregating to ₹ 2,112,179,389 are repayable only after the Final Settlement date of all other restructured Loans, i.e., June 30, 2026.

(iv) The Foreign Currency Term Loan and Current Maturities of Long term borrowings relating to Foreign Currency Term Loan are repayable in 24 equated quarterly instalments of € 375,000 ending on March 15, 2021. The loan carries Interest rate of 3 months Euribor+200 bps.

4.3 Foreign Currency Convertible Bonds (FCCBs) :

(i) In terms of Offering Circular dated October 17, 2012 ("Offering Circular"), on November 8, 2012 outstanding Foreign Currency Convertible Bonds (FCCBs) of US$ 228,300,000 together with premium of US$ 90,986,000 on them aggregating to US$ 319,286,000 were restructured by way of cashless exchange with 111,740 Zero Coupon Compulsorily Convertible Bonds due 2017 (Series A) and 207,546 Interest Bearing Convertible Bonds due 2017 (Series B) of US$ 1,000 each.

(ii) Series A and Series B Bondholders have an option to convert these bonds into equity shares at a fixed exchange ratio of 1 US$=₹ 54.252 at any time upto the Close of Business on November 2, 2017 ("Maturity Date") except during the 'closed period' as defined in the 'Offering Circular'.

(iii) Series A Bonds of US$ 111,740,000 are compulsorily convertible into equity shares. Each Series A bond is convertible into 5425.20 fully paid up equity shares of ₹ 10 each. As on March 31, 2015, 49,040 Series A Bonds were outstanding.

(iv) The Series B Bonds of US$ 207,546,000 are interest bearing optionally convertible bonds. Each bond carries an Interest at the rate of 0.5335% p.a. payable semi annually on the outstanding principal plus the margin for period under consideration with effect from November 8, 2013 as defined in Offering Circular. The Conversion Price shall be determined in terms of 'Offering Circular'. As on date, applicable Conversion Price for each Bond is ₹ 10 per equity share, accordingly Series B Bondholder have an option to convert each bond into 5,425.20 fully paid up equity shares of ₹ 10 each. As on March 31, 2015, 193,533 Series B Bonds were outstanding.

(v) Unless previously converted, redeemed, repurchased or cancelled, the Company will redeem each Series B Bond at 114.5047% of its principal amount on the maturity date i.e. November 9, 2017.

4.4 The details of overdue Principal and interest payable as at March 31, 2015 is as follows:

(Amount In ₹)

Particulars	Total Overdue	Ageing		
		0–30 Days	30–60 Days	> 60 Days
Principal payable on Term Loan from Banks & Financial Institution*	146,649,026	146,649,026	–	–
Interest payable on Term Loan from Banks**	31,807,844			31,807,844
Total	178,456,870	146,649,026	–	31,807,844

*Included in current maturities of long term borrowings (Refer Note No 8)

** Shown as interest accrued and due on borrowings (Refer Note No 8)

Notes to the Financial Statements

Note – 5 Other Long–Term Liabilities

(Amount In ₹)

	As At March 31, 2015	As At March 31, 2014
Redemption Premium payable on FCCBs (Refer Note – 4.3)	**841,698,058**	468,167,092
Deposits from customers	**381,476,761**	597,537,328
Interest accrued but not due on borrowings*	**1,991,448,541**	1,991,130,931
Total	**3,214,623,360**	3,056,835,351

* Represents the difference between effective rate of interest and step–up interest rate, pursuant to CDR Scheme, payable after March 31, 2016.

Note – 6 Long–Term Provisions

(Amount In ₹)

	As At March 31, 2015	As At March 31, 2014
Provision for compensated absences	**11,360,003**	8,769,273
Total	**11,360,003**	8,769,273

Note – 7 Trade Payables

(Amount In ₹)

	As At March 31, 2015	As At March 31, 2014
Suppliers for goods and services		
– Micro,Small & Medium Enterprises	**1,216,498**	434,235
– Others	**295,823,503**	490,142,649
Total	**297,040,001**	490,576,884

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

(Amount In ₹)

Particulars	As at March 31, 2015	As at March 31,2014
(i) Principal amount remaining unpaid	**1,216,498**	434,235
(ii) Interest due thereon	**1,615**	NIL
(iii) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006	**2,632**	12,158
(iv) Interest due and payable for the period of delay in payment	**2,932**	NIL
(v) Interest accrued and remaining unpaid	**300**	NIL
(vi) Interest remaining due and payable even in succeeding years	**NIL**	NIL

Notes to the Financial Statements

Note – 8 Other Current Liabilities

(Amount In ₹)

	As At March 31, 2015		As At March 31, 2014	
Current maturities of long–term borrowings (Refer Note – 4.4)				
– Rupee Term Loans from Banks and Financial Institutions	**1,182,428,207**		639,711,841	
– Foreign Currency Term Loans from Financial Institutions	**102,025,650**		123,502,455	
		1,284,453,857		763,214,296
Interest accrued and due on borrowings (Refer Note – 4.4)		**31,807,844**		653,625,908
Interest accrued but not due on borrowings#		**221,799,425**		118,237,048
Unearned revenue		**39,332,509**		44,638,198
Advance received from customer		**59,058,030**		18,893,394
Deposit Received from related parties				882,467,879
Deposits from customers		**252,846,476**		–
Unclaimed Share Application Money *		**–**		44,859
Others				
– Statutory dues	**42,100,467**		34,041,585	
– Capex Creditors **	**95,685,720**		77,443,425	
– Other Payable***	**797,466,328**		977,930,455	
		935,252,515		1,089,415,465
Total		**2,824,550,656**		3,570,537,047

#Includes an amount of ₹ 75,672,406 representing the difference between effective rate of interest and step–up interest rate, pursuant to CDR Scheme.

* Does not include any amount, due and outstanding to be credited to Investor Education and Protection Fund

** Capex Creditors includes Payable to GTL Ltd. a related party ₹ 40,687,916 (Previous Year ₹ 59,753,077)

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

Note – 9 Short–term Provisions

(Amount In ₹)

	As At March 31, 2015	As At March 31, 2014
Provision for compensated absences	**1,091,887**	589,813
Total	**1,091,887**	589,813

Notes to the Financial Statements

Note – 10 Fixed Assets

(Amount In ₹)

Particulars	GROSS BLOCK				DEPRECIATION				IMPAIRMENT	NET BLOCK	
	As at April 01, 2014	Additions	Deductions/ Adjustments	As at March 31, 2015	Upto March 31, 2014	For the Year	Deductions/ Adjustments	Upto March 31, 2015	Loss Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
Owned Assets											
A) Tangible Assets:											
Land	59,860,418	–	–	**59,860,418**	–	–	–	–	–	**59,860,418**	59,860,418
Buildings	3,508,282,036	1,107,540	46,025,675	**3,463,363,901**	1,211,388,640	260,654,119	22,604,486	1,449,438,273	–	**2,013,925,628**	2,296,893,396
Plant and Equipments	46,684,835,579	1,329,119,189	1,53,36,52,903	**46,48,03,01,865**	13,630,427,779	2,29,24,21,907	#1,369,343,911	14,55,35,05,775	–	**31,926,796,090**	33,054,407,800
Office Equipments	75,263,539	1,725,504	–	**76,989,043**	72,301,236	1,833,861	–	74,135,097	–	**2,853,946**	2,962,303
Furniture & Fixtures	57,394,327	–	146,829	**57,247,498**	57,298,745	–	51,247	572,47,498	–	**–**	95,582
Vehicles	8,775,481	2,209,895	–	**10,985,376**	7,109,512	566,004	–	7,675,516	–	**3,309,860**	1,665,969
Total of Tangible Assets (A)	**50,394,411,380**	**1,334,162,128**	**1,579,825,407**	**50,148,748,101**	**14,978,525,912**	**2,555,475,891**	**1,391,999,644**	16,142,002,159	–	**34,006,745,942**	**35,415,885,468**
B) Intangible Assets :											
Softwares*	35,127,260	4,134,976	–	**39,262,236**	24,911,437	4,448,390	–	29,359,827	–	**9,902,409**	10,215,823
Total of Intangible Assets (B)	**35,127,260**	**4,134,976**	**–**	**39,262,236**	**24,911,437**	**4,448,390**	**–**	29,359,827	–	**9,902,409**	**10,215,823**
Total of (A) + (B)	**50,429,538,640**	**1,338,297,104**	**1,579,825,407**	**50,188,010,337**	**15,003,437,349**	**2,559,924,281**	**1,391,999,644**	16,171,361,986	–	**34,016,648,351**	**35,426,101,291**
Previous Year	51,482,227,084	833,520,520	1,886,208,964	**50,429,538,639**	11,629,713,846	2,588,249,933	266,867,719	13,951,096,060	**1,052,341,288**	**35,426,101,291**	
Capital Work–in–progress										**539,888,481**	893,833,527

* Other than Internally Generated

Includes reversal of impairment on account of sales of assets of ₹ 1,052,342,358

10.1 Buildings include properties having gross block of ₹ 86,259,650 (Previous Year ₹ 86,259,650) for which deeds of conveyance have yet to be executed in favour of the Company and ₹ 7,000 towards cost of 70 shares of ₹ 100 each in a Co–operative Housing Society.

10.2 Buildings include of ₹ 2,923,451,666 (Previous Year ₹ 2,968,369,801) towards Land related properties and Boundry Wall at Sites.

10.3 Additions to Plant & Equipments includes Net Foreign Exchange Difference of ₹ 137,834,536 (Previous Year ₹ 147,668,412) Capitalised during the year.

10.4 During the year the Company has disposed off CWIP of ₹ 143,569,940 for ₹ 95,979,547 (Previous Year ₹168,479,822 for ₹ 137,303,894.)

10.5 Capital Work–in–Progress includes:

a) Capital Goods of Inventory amounting to ₹ 539,888,481 (Previous Year ₹ 893,833,526.)

Notes to the Financial Statements

10.6 Details of Net Pre–operative Expenses Considered as Capital Work –In–Progress:

(Amount In ₹)

	2014–15	2013–14
Opening Balance	–	909,117,771
Add:		
Expenditure Incurred during the year:		
Infrastructure Operation and Maintenance Cost	**33,168,689**	22,426,642
General and Administrative Expenses	**18,459,067**	18,076,453
Legal and Professional Charges	**1,132,299**	
	52,760,055	949,620,866
Less: Allocated to Fixed Assets	**52,760,055**	44,350,388
Impairment	–	903,048,064
Provisions written Back	–	2,222,414
Closing Balance	–	–

10.7 Depreciation, Amortisation & Impairment

Depreciation & Amortisation	**2,559,924,281**	2,588,249,933
Impairment		399,021,802
Pre–operative expenses transfer to Statement of Profit & Loss		903,048,064
Total	**2,559,924,281**	3,890,319,799

10.8 Impairment of Assets

As there were no internal / external factors indicating impairment of fixed assets, carrying amount of fixed assets was not reviewed.

Note – 11 NON–CURRENT INVESTMENTS

(Long–term, Trade)

(Amount In ₹)

	Number		Face Value (₹)	As at March 31, 2015		As at March 31, 2014	
	March 31, 2015	March 31, 2014					
Unquoted							
In Equity Shares Others – Fully Paid up Global Rural NETCO Ltd.	**33,250,000**	33,250,000	10	**332,500,000**		332,500,000	
Less: Provision for dimunition in value of Investment (Refer Note No. 11.3 and 25 (ii)				**278,302,500**	**54,197,500**	–	332,500,000
Investment in Corpus of Tower Trust (Refer Note No. 33) (A Beneficiary Trust)					**18,157,224,000**		18,162,277,122
Total					**18,211,421,500**		18,494,777,122

11.1	Aggregate Amount of Unquoted Investments	**18,211,421,500**	18,494,777,122

11.2 The Company is the sole beneficiary in the Tower Trust and has contributed ₹ 18,157,224,000 towards the Corpus of the said Trust. The Trust has invested the aforesaid amount in "Chennai Network Infrastructure Ltd." (CNIL) a special purpose vehicle (SPV) and holds 1,815,722,400 Equity Shares of ₹ 10 each (Previous year 1,815,722,400) representing 27.53% (Previous Year 27.53%) of total issued and paid up Equity Share Capital of CNIL as on March 31,2015.

11.3 Based on the latest available Audited Financial Statement of the Investee companies, the book value per share is considerably less than cost. As a matter of prudence diminution in the value of investments of ₹ 278,302,500 (Previous Year NIL) has been considered.

11.4 Refer Note No. 1 (viii) for basis of valuation

Notes to the Financial Statements

Note – 12 Long–term Loans & Advances

(Amount In ₹)

	As At March 31, 2015		As At March 31, 2014	
(Unsecured, Considered good unless otherwise stated)				
Capital advances				
– Considered good	**1,594,683,574**		3,674,928,293	
– Considered Doubtful	**2,687,466,114**		600,000,000	
	4,282,149,688		4,274,928,293	
Less: Provision for doubtful advances (Refer Note – 25 (i))	**2,687,466,114**		600,000,000	
		1,594,683,574		3,674,928,293
Deposit Given *		**329,772,921**		327,098,311
Advance income–tax (net of provision for taxation)		**327,392,829**		383,364,000
Other Advance**		**49,018,482**		47,840,429
Total		**2,300,867,806**		4,433,231,033

* Includes ₹ 21,600,000 (Previous Year ₹ 21,600,000) with a related party (Refer Note – 33)

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

Note – 13 Current Investments

(Other than Trade)

(Amount In ₹)

	Number		Face Value (₹)	As at March 31, 2015	As at March 31, 2014
	March 31, 2015	March 31, 2014			
Unquoted					
In Unit of Mutual Funds					
DWS INSTA CASH PLUS FUND – DIRECT PLAN – GROWTH	**78,986**	–	100	**13,818,831**	–
DSP BLACKROCK LIQUIDITY FUND – DIRECT PLAN – GROWTH	**–**	2,231	1000	**–**	4,028,479
ICICI PRUDENTIAL MONEY MARKET FUND – DIRECT PLAN – GROWTH	**42,938**	–	100	**7,674,896**	–
IDBI LIQUID FUND – DIRECT PLAN – GROWTH	**74,490**	–	1000	**110,407,485**	–
JP MORGAN INDIA LIQUID FUND – DIRECT PLAN – GROWTH	**6,697,407**	–	10	**120,362,935**	–
PEERLESS LIQUID FUND – DIRECT PLAN GROWTH	**71,900**	12,415,440	1000	**110,018,595**	174,485,440
SBI PREMIER LIQUID FUND – DIRECT PLAN – GROWTH	**9,346**	24,258	1000	**19,996,222**	48,451,863
UNION KBC LIQUID FUND GROWTH – DIRECT PLAN	**179,186**	1,564	1000	**247,077,693**	2,000,000
		Total		**629,356,657**	228,965,782

Note:

13.1 Aggregate Amount of Unquoted Investments **629,356,657** 228,965,782

13.2 Refer Note No. 1 (viii) for basis of valuation

Notes to the Financial Statements

Note – 14 Inventories

(Amount In ₹)

	As At March 31, 2015	As At March 31, 2014
Stores, Spares and Consumables	**6,058,814**	6,310,265
Total	**6,058,814**	6,310,265

Refer Note No. 1(x) for basis of valuation

Note – 15 Trade Receivables

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

(Amount In ₹)

	As At March 31, 2015		As At March 31, 2014	
Outstanding for a period exceeding six months from the date they are due for payment				
– Considered good	**242,362,159**		367,269,986	
– Considered Doubtful	**345,033,553**		80,163,398	
	587,395,712		447,433,384	
Provision for doubtful receivables	**345,033,553**		80,163,398	
		242,362,159		367,269,986
Others				
– Considered good	**362,221,770**		292,859,686	
– Considered Doubtful	**–**		–	
	362,221,770		292,859,686	
Provision for doubtful receivables	**–**		–	
		362,221,770		292,859,686
Total		**604,583,929**		660,129,672

(Refer Note No. – 29)

Note – 16 Cash and Bank Balances

(Amount In ₹)

	As At March 31, 2015		As At March 31, 2014	
Cash and cash equivalents				
Balances with Banks:				
– in current accounts	**335,224,688**		466,030,414	
– cheques in hand	**9,601,089**		13,549,053	
Cash on hand	**1,664,364**		1,029,328	
		346,490,141		480,608,795
Other Bank Balances				
Share Application Money Refund Account	**–**		44,859	
Fixed Deposits with Banks*:				
– Pledged as Margin Money	**15,933,179**		14,258,579	
– Others	**5,150,291**		4,831,115	
		21,083,470		19,134,553
Total		**367,573,611**		499,743,348

* Includes ₹ 168,614 (Previous year ₹ 382,196) having maturity period of more than 12 months.

Notes to the Financial Statements

Note – 17 Short–Term Loans and Advances

(Unsecured, Considered good unless otherwise stated) (Amount In ₹)

	As At March 31, 2015		As At March 31, 2014	
Loan and advances to related parties (Refer Note – 33)		**75,531,290**		2,265,493,080
Cenvat / Service Tax input credit entitlements		**757,557,961**		36,629,340
Prepaid expenses		**23,115,357**		26,895,285
Deposits		**45,691,313**		58,878,817
Cenvat Receivable		**–**		799,256,619
Income Tax Refund Receivable		**–**		447,516,712
Other Advances *				
– Considered good	**210,733,647**		273,741,701	
– Considered Doubtful	**735,374**		697,087	
	211,469,021		274,438,788	
Less: Provision for doubtful advances	**735,374**		697,087	
		210,733,647		273,741,701
Total		**1,112,629,568**		3,908,411,554

* Mainly relating to advances to suppliers, employees and Interest receivables

Note – 18 Other Current Assets

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

(Amount In ₹)

	As At March 31, 2015		As At March 31, 2014	
Energy Recoverables				
Considered good	**1,183,218,984**		1,404,007,994	
Considered Doubtful	**475,478,538**		232,771,317	
	1,658,697,522		1,636,779,311	
Provision for doubtful receivables	**475,478,538**		232,771,317	
		1,183,218,984		1,404,007,994
Unbilled Income		**99,881,966**		205,330,393
Total		**1,283,100,950**		1,609,338,387

(Refer Note No. – 29)

Notes to the Financial Statements

Note – 19 Revenue from Operations

(Amount In ₹)

	For the Year ended on March 31, 2015	For the Year ended on March 31, 2014
Revenue from Telecom / Network Infrastructure Facilities	**6,718,830,571**	6,483,302,132
Equipment Provisioning	**10,046,988**	9,320,850
Total	**6,728,877,559**	6,492,622,982

Note – 20 Other Income

(Amount In ₹)

	For the Year ended on March 31, 2015	For the Year ended on March 31, 2014
Profit on Sale of Current Investments (net)	**55,799,562**	37,859,762
Interest Income	**136,383,480**	325,480,652
Miscellaneous Income	**42,338,754**	3,798,932
Total	**234,521,796**	367,139,346

Note – 21 Infrastructure Operation & Maintenance Cost (Net)

(Amount In ₹)

	For the Year ended on March 31, 2015	For the Year ended on March 31, 2014
Site Rentals	**809,017,511**	775,111,644
Power, Fuel and Maintenance Charges	**3,492,024,805**	3,600,704,647
Repairs and Maintenance to Plant and Equipments	**125,746,810**	125,290,592
Stores & Spares consumption	**3,976,222**	2,508,901
Other Operating Expenditure	**669,065,560**	718,632,100
	5,099,830,908	5,222,247,884
Less: Recovered from Customers (Net of Service Tax)	**2,906,159,822**	2,979,548,706
Total	**2,193,671,086**	2,242,699,178

Notes to the Financial Statements

21.1 Stores & Spares consumption includes:

Particulars	2014–15		2013–14	
	Rupees	**% of Total consumed**	Rupees	% of Total consumed
Imported	**NIL**	**NIL**	NIL	NIL
Indigenous	**3,976,222**	**100%**	2,508,901	100%

Note – 22 Employee Benefits Expense

(Amount In ₹)

	For the Year ended on March 31, 2015	For the Year ended on March 31, 2014
Salaries and Allowances	**221,866,229**	162,877,254
Contribution to Providend Fund, Gratuity fund and Other Funds	**31,246,569**	23,457,688
Employee Welfare and other amenities	**3,369,297**	3,399,684
Total	**256,482,095**	189,734,626

22.1 Salaries and allowances include remuneration to Whole Time Director ₹ 4,970,616 (Previous year ₹ 4,970,616) which is subject to the approval of Central Government.

22.2 Employee Benefits:

As per Accounting Standard 15 "Employee Benefits" the disclosure of Employee Benefit, as defined in Accounting Standard are given below:

Defined Contribution Plan

(Amount In ₹)

Particulars	For the Year ended March 31, 2015	For the year ended March 31, 2014
Employer's Contribution to Provident fund	**15,060,116**	14,886,313
Employer's Contribution to Pension fund	**4,370,660**	2,394,927
Total	**19,430,776**	17,281,240

Defined Benefit Plan

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

Notes to the Financial Statements

a. Reconciliation of opening and closing balances of the present value of the defined benefit obligation

(Amount in ₹)

Particulars	Gratuity Funded		Compensated Absences Unfunded	
	As at March 31, 2015	As at March 31, 2014	**As at March 31, 2015**	As at March 31, 2014
Defined Benefit Obligation at beginning of the Year	**26,098,100**	23,361,635	**9,359,086**	9,302,825
Current Service Cost	**4,115,377**	3,888,253	**753,256**	816,418
Current Interest Cost	**2,429,733**	1,927,335	**871,331**	767,483
Actuarial (Gain) / Loss	**7,119,428**	(4,040,849)	**2,324,193**	(177,190)
Liability Transfer In	**3,126,378**	4,402,094	**881,343**	562,309
Liability Transfer Out	**(817,196)**	(801,174)	**(213,305)**	(269,543)
Benefits paid	**(2,987,192)**	(2,639,194)	**(1,524,014)**	(1,643,216)
Defined Benefit Obligation at the end of the Period / Year	**39,084,628**	26,098,100	**12,451,890**	9,359,086

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

(Amount in ₹)

Particulars	Gratuity Funded	
	As At March 31, 2015	As at March 31, 2014
Fair Value of Plan Asset at beginning of the Year	**36,830,137**	36,581,101
Expected Return on Plan Assets	**3,428,886**	3,182,556
Actuarial Gain/(Loss)	**108,540**	(5,985,784)
Contributions	**6,764,925**	5,691,458
Fund Transfer In	**–**	–
Fund Transfer out	**(2,619,961)**	–
Benefits paid	**(2,987,192)**	(2,639,194)
Fair Value of Plan Asset at the end of the Period / Year	**41,525,335**	36,830,137

c. Reconciliation of present value of obligations & fair value of plan assets

(Amount in ₹)

Particulars	Gratuity Funded		Compensated Absences Unfunded	
	As at March 31, 2015	As at March 31, 2014	**As at March 31, 2015**	As at March 31, 2014
Fair Value of Plan Asset at the end of the Period / Year	**41,525,335**	36,830,137	**–**	–
Present Value of Defined Benefit Obligation at end of the Period / Year	**39,084,628**	26,098,100	**12,451,890**	9,359,086
Liability/ (Asset) recognised in the Balance Sheet	**(2,440,707)**	(10,732,037)	**12,451,890**	9,359,086

Notes to the Financial Statements

d. Expense Recognised During the year

(Amount in ₹)

Particulars	Gratuity Funded		Compensated Absences Unfunded	
	For the year ended March 31, 2015	For the year ended March 31, 2014	**For the year ended March 31, 2015**	For the year ended March 31, 2014
Current Service Cost	**4,115,377**	3,888,253	**753,256**	816,418
Interest Cost	**2,429,733**	1,927,335	**871,331**	767,483
Expected Return on Plan Assets	**(3,428,886)**	(3,182,556)	**–**	–
Actuarial (Gain)/ Loss	**7,010,888**	1,944,935	**2,324,193**	(177,190)
Net Cost Recognised in Statement of Profit and Loss	**10,127,112**	4,577,967	**3,948,780**	1,406,711

e. Amounts for current and previous years: Gratuity

(Amount in ₹)

Particulars	**2014–15**	2013–14	2012–13	2011–12	2010–11
Defined Benefit Obligation	**39,084,628**	26,098,100	23,361,635	17,519,831	11,972,133
Plan Assets	**41,525,335**	36,830,137	36,581,101	24,910,034	12,005,786
Surplus / (Deficit)	**2,440,707**	10,732,037	13,219,466	7,390,203	33,653
Experience Adjustment on Plan Assets– (Gain) / loss	**108,540**	5,985,784	3,953,679	(528,216)	(956,022)
Experience Adjustment on Plan Liabilities– Gain / (Loss)	**2,947,112**	1,320,241	1,726,017	4,428,976	(2,899,058)

f. Amounts for current and previous years: Compensated Absences

(Amount in ₹)

Particulars	**2014–15**	2013–14	2012–13	2011–12	2010–11
Defined Benefit Obligation	**12,451,890**	9,359,086	9,302,824	10,258,583	7,794,150
Plan Assets	**Nil**	Nil	Nil	Nil	Nil
Surplus / (Deficit)	**(12,451,890)**	(9,359,086)	(9,302,824)	(10,258,583)	(7,794,150)
Experience Adjustment on Plan Assets– (Gain) / loss	**Nil**	Nil	Nil	Nil	Nil
Experience Adjustment on Plan Liabilities– Gain / (Loss)	**948,149**	369,610	1,854,449	1,696,479	790,369

g. Assumptions used to determine the defined benefit obligation

(Amount in ₹)

Particulars	Gratuity Funded		Compensated Absences Unfunded	
	For the year ended March 31, 2015	For the year ended March 31, 2014	**For the year ended March 31, 2015**	For the year ended March 31, 2014
Discount Rate(p.a.)	**8.00%**	9.31%	**8.00%**	9.31%
Estimated rate of return on Plan Assets(p.a.)	**8.00%**	9.31%	**NA**	NA
Expected rate of increase in salary(p.a.)	**5.00%**	5.00%	**5.00%**	5.00%

Notes to the Financial Statements

Note – 23 Other Expenses

(Amount in ₹)

		For the Year ended on March 31, 2015	For the Year ended on March 31, 2014
Rent		**50,198,033**	53,280,279
Rates and Taxes		**13,966,244**	19,896,343
Electricity		**7,102,898**	7,808,928
Repairs and Maintenance (Refer Note 37)			
– Office Equipments		**3,488,421**	1,930,213
– Others		**2,004,025**	5,231,378
Insurance Premium		**7,580,982**	6,120,381
Communication Cost		**7,069,777**	8,193,599
Travel and Conveyance		**33,202,687**	51,744,439
Legal and Professional Charges (Refer Note 37)		**111,363,168**	91,207,130
Payment to Auditors		**6,700,000**	6,735,000
Office Expenses		**25,483,162**	27,025,121
Printing and Stationery		**3,489,942**	4,143,702
Directors' Sitting Fees		**592,500**	570,000
Exchange differences (net)		**487,893,237**	298,447,621
Advertisement and Business Promotion		**1,655,176**	910,439
Balances Written Off (Net)	**218,363,413**		1,585,458,534
Less: Provision for Doubtful Debts/Advances Written Back	**(218,362,825)**		(1,582,316,742)
		588	3,141,792
Provision for Trade Receivables and Energy Recoverables		**727,109,570**	255,185,342
Loss on Sale of Fixed Assets (Net)		**50,257,011**	96,501,949
Expenses for long term investments written off		**5,053,122**	–
Miscellaneous Expenses		**32,043,822**	19,473,539
Total		**1,576,254,365**	957,547,195

23.1 Auditor's Remuneration includes

(Amount in ₹)

Particulars	For the Year ended on March 31, 2015	For the Year ended on March 31, 2014
Audit Fees	**3,000,000**	3,000,000
Tax Audit Fees	**1,200,000**	1,200,000
Certification Fees	**2,500,000**	2,535,000
Total	**6,700,000**	6,735,000

Note – 24 Finance Costs

(Amount in ₹)

	For the Year ended on March 31, 2015	For the Year ended on March 31, 2014
Interest	**3,900,142,423**	3,706,805,472
Other Borrowing Costs	**25,916,760**	70,824,374
Total	**3,926,059,183**	3,777,629,846

Notes to the Financial Statements

Note – 25 Exceptional Items:

(i) The telecom scenario in the Country changed drastically since the beginning of year 2012 due to cancellation of 122 2G licenses by the Hon'ble Supreme Court, slower 2G & 3G growths, failure of spectrum auctions and general economic slowdown. During this time, the Company which was mandated to support the planned deployment of 20000+ tenancies of Aircel / CNIL could not do so since Aircel was unable to honour its commitment. In the meanwhile, the Company had already placed orders on various vendors to procure tower assets and made advances against those orders. Consequently, the Company had to short close its commitment to vendors and is currently pursuing legal action against them for recovery of these advances. However, as a matter of prudence, a provision for doubtful advances of ₹ 2,087,466,114 (Previous year ₹ 600,000,000) has been made during the year ended March 31, 2015. Further, pursuant to the settlement agreement between the Company, CNIL and Aircel Group of Companies ₹ 1,500,000,000 (Previous year Nil) has been recognised as income towards final settlement during the year ended March 31, 2015. The above amounts have been shown as exceptional items.

(ii) The Company evaluated its non current investments for the purpose of determination of potential diminution in value based on the latest available financial statements of the investee companies. Based on such evaluation, the Company has recognised a provision for diminution as on March 31, 2015 amounting to ₹ 278,302,500. The above mentioned amount has been shown as exceptional item.

Note – 26 Contingent Liabilities:

A] (Amount in ₹)

Sr. No.	Particulars	As at March 31, 2015	As at March 31, 2014
	Contingent Liabilities not provided for (No Cash Outflow is expected)		
i.	Bank Guarantees	**21,775,642**	19,346,614
	(Bank Guarantees are provided under contractual / legal obligation)		
ii.	Corporate Guarantee	**8,310,000,000**	8,310,000,000
	(Given to Banks and Financial Institution for loans taken by the erstwhile subsidiary company)		
iii.	Claims against the Company not acknowledged as debts	**160,562,890**	106,029,485
iv.	Disputed liability in respect of Service Tax Matters under appeal	**–**	1,402,120,217
v.	Disputed liability in respect of Sales Tax Matters under appeal (Amount deposited ₹ 21,186,705) (Previous Year ₹ 21,008,127)	**122,586,058**	73,892,075

B]

Certain Legal issues outstanding against the Company relating majorly to alleged non–compliance of policies of municipal corporations,levy of taxes,cases pending for permanent injunctions,objections by local residents,disputes with site owners,where the disputed amounts are non–quantifiable and therefore contingent liability in respect of this could not be determined.

The Company has not expect any material financial effect of the above matters under litigation.

Notes to the Financial Statements

Note – 27

During the year 2008–09 the Company had imported OFC (Optical Fiber Cable) on which the Custom department issued Show Cause Notice for the demand of Custom Duty of ₹ 9,294,731. The Company deposited the whole amount under protest and subsequently the Commissioner granted the relief to the Company of ₹ 7,794,792. As against the said order of the Commissioner, the Custom department has filed an appeal with the CESTAT, Mumbai on 11th Oct 2010. The Company feels there will not be any further liability on this account.

Note – 28 Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) as at March 31, 2015 is ₹ 165,048,290 (Previous year ₹ 1,006,680,790) Cash outflow is expected on execution of such contracts on progressive basis.

Note – 29

The Company has entered into a Master Services Agreement (MSA) with respective Telecom Operators for a tenure upto 15 years. Invoices are raised on these operators for provisioning fees and recovery of pass through expenses as part of the said MSA. Retention of amounts by certain operators for the earlier periods was resultant upon different interpretations of MSA. Subject to confirmation/reconciliation of balances, Provision towards doubtful trade receivables & energy recoverable of ₹ 727,109,570 (Previous year ₹ 255,185,342) has been made during the year ended March 31, 2015 for such receivables on a prudent basis, in respect of which, the Company will continue to pursue for its recovery. The management is of the view that all the outstanding trade receivables & energy recoverables are good for recovery except for which provision has already been made.

Note – 30

The Scheme of arrangement between the Company and Chennai Network Infrastructure Limited (CNIL) under section 391 to 394 of Companies Act, 1956 was approved by the Hon'ble High Court of Judicature of Bombay but is pending for approval before Hon'ble High Court of Judicature of Madras. Consequent upon restructuring due to CDR, the above scheme is being modified, subject to the approval of all competent authorities and stakeholders

Note – 31

During the last few years, the telecom industry has been adversely affected by the general economic slowdown and various other factors such as slower growth of 3G technology; failure of spectrum auctions and inflationary costs of power & fuel. This has resulted into substantial erosion of the Company's net worth and the Company has incurred cash losses. The Company continues to take various measures such as cost optimisation, improving operating efficiency, renegotiation of contracts with customers to improve Company's operating results and cash flows. Further the management believes that new spectrum auction will result in exponential growth in 3G 4G & LTE which are expected to generate incremental cash flows to the Company. Based on the Master Services Agreement executed for passive infrastructure sharing with Reliance Jio, one of the operators with BWA spectrum preparing to launch 4G services Pan India, the Company has already commenced roll outs for it. In view of the above mentioned factors, the Company continued to prepare its Financial Statements on going concern basis.

Note – 32 Segment Reporting:

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

Notes to the Financial Statements

Note – 33 Related Party Disclosures:

A. Related Parties

I. Trust

Tower Trust (the Company is the sole beneficiary)

II. Associates

Chennai Network Infrastructure Limited (CNIL)

III. Key Managerial Personnel

a. Mr. Manoj G. Tirodkar (Chairman)

b. Mr. Milind Naik, Whole–time Director

c. Mr. L.Y. Desai (Chief Financial Officer)

IV. Others

a. GTL Limited (GTL)

b. Global Holding Corporation Pvt Ltd

B. Transactions with Related Parties.

(Amount in ₹)

		For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
I]	**TRUST**		
	Investment in Corpus	**–**	5,053,122
	Outstanding At	**31–Mar–15**	31–Mar–14
	Investment in Corpus*	**18,157,224,000**	18,162,277,122
II]	**ASSOCIATES**		
	Chennai Network Infrastructure Limited		
	Sale of Fixed Assets	**3,581,961**	2,411,350
	Purchase of Fixed Assets	**174,110**	–
	Reimbursement of expense from	**631,155,421**	397,559,034
	Interest Income	**87,386,517**	264,474,240
	Security Deposit Received	**–**	559,967,879
	Return of Inventory from	**879,799,572**	–
	Outstanding At	**31–Mar–15**	31–Mar–14
	Loans & Advances	**65,313,541**	2,265,493,079
	Security Deposit received	**–**	879,967,879
	Corporate Guarantee#	**8,310,000,000**	8,310,000,000
III]	**KEY MANAGERIAL PERSONNEL**		
	Salaries & Allowances (**)	**16,728,668**	12,180,675
	Director Sitting Fees Paid(***)	**120,000**	135,000

Notes to the Financial Statements

(Amount in ₹)

		For the Year Ended March 31, 2015	For the Year Ended March 31, 2014
IV]	**OTHERS**		
	GTL Limited		
	Purchase of Fixed Assets	**99,149,018**	230,764,227
	Reimbursement of expenses from	**1,503,917,639**	1,404,857,113
	License fees for sharing premises	**4,933,244**	4,094,783
	Operations, Maintenance and Energy Management	**3,608,476,953**	3,744,913,659
	Legal and Professional Charges	**1,895,575**	4,455,351
	Rent	**28,797,961**	26,603,568
	Reimbursement of expenses to	**6,838,944**	9,570,790
	Outstanding At	**31–Mar–15**	31–Mar–14
	Trade Payables	**35,365,713**	218,414,564
	Capital Creditors	**40,687,916**	59,753,077
	Loans and Advances	**10,217,749**	574,629
	Capital Advances	**–**	17,030,857
	Other liabilities	**306,274,841**	364,598,077
	Security Deposit received	**–**	2,500,000
	Security Deposit given	**21,600,000**	21,600,000

Given to the lenders of CNIL namely Corporation Bank & Central Bank of India for the financial facilities availed by that Company

(*) Reduction in investment is due to expenses for long term investments written off to Statement of Profit & Loss

(**) (i) Salaries and allowances include ₹ 4,970,616 paid to Mr. Milind Naik (Whole–time Director), ₹ 11,758,052 paid to Mr. L. Y. Desai (Chief Financial Officer).

(ii) Salaries and allowances to KMP do not include leave encashment and contribution to the gratuity fund for them since the provision for leave encashment and gratuity has been made for company as a whole and separate figures for them are not available.

(***) Directors Sitting Fees Paid to Mr. Manoj G. Tirodkar ₹ 120,000

Note – 34 Earnings Per Share(Basic and Diluted)

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Net profit / (Loss) after tax attributable to Equity Share holders	**(5,147,121,674)**	(5,512,400,893)
Weighted average no. of equity shares outstanding	**2,319,553,760**	2,306,799,754
Basic & Diluted Earning Per Share of ₹10 Each (₹)	**(2.22)**	(2.39)

The effect of Foreign Currency Convertible Bonds on the Earnings Per Share is anti–dilutive and hence, the same is not considered for the purpose of calculation of dilutive Earning Per Share.

Notes to the Financial Statements

35. Deferred Tax Liability/ (Assets)

As required by Accounting Standard 22 on 'Accounting for Taxes on Income' Deferred Tax Comprises of following items:

(Amount in ₹)

Particulars		As at March 31, 2015	As at March 31, 2014
Deferred Tax Liabilities			
Related to Fixed Assets		**3,697,968,635**	3,385,341,159
	Total	**3,697,968,635**	3,385,341,159
Deferred Tax Assets			
Unabsorbed Depreciation		**7,540,781,588**	6,364,436,740
Disallowance under Income Tax Act		**1,424,998,705**	120,452,742
	Total	**8,965,780,292**	6,484,889,482
Net Deferred Tax Liability/(Asset)		**(5,267,811,658)**	(3,099,548,323)

As at March 31,2015, the Company has Net Deferred Tax Assets of ₹ 5,267,811,658 In The absence of virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised, the same has not been recognised in the books of accounts in line with Accounting Standard 22 dealing with "Accounting for taxes on Income".

Note – 36

Particulars of foreign currency exposures that are not hedged by derivative instruments as at March 31, 2015

a) Receivables– ₹ 1,011,298,354 (Previous year ₹ 1,011,298,354)

b) Payables– ₹ 16,393,300,001 (Previous year ₹ 15,882,678,732)

Note – 37 Prior Period Items

(Amount in ₹)

Particulars		For the year ended March 31, 2015	For the year ended March 31, 2014
Communication Expenses		**–**	5,620
Rent		**–**	12,500
Legal & Professional Charges		**273,000**	–
Repairs & Maintenance		**641,685**	–
	Total	**914,685**	18,120

Notes to the Financial Statements

Note – 38 Expenditure in Foreign Currency

(Amount in ₹)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest on DEG	**16,606,656**	21,609,259
Interest on FCCB	**382,874,122**	117,407,112
Bank Charges	**5,272**	–
Travelling	**4,117,208**	4,377,582
Legal & Professional Charges	**–**	59,485,000
Others	**13,761**	402,140
Total	**403,617,019**	203,281,093

Note: The above does not include FCCB redemption premium provided in the books.

Note – 39 Operating Lease

The Company's significant leasing arrangements are in respect of operating leases for premises and network sites. These lease agreements provide for cancellation by either parties thereto as per the terms and conditions of the agreements.

Note – 40

In the opinion of the Management, Non Current / Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business.

Note – 41

In accordance with clause 32 of Listing Agreement the details of Loans and Advances are as under:

a. To Chennai Network Infrastructure Limited (CNIL), an Associate, closing balance as on March 31, 2015 is ₹ 65,313,541 (Previous year 2,265,493,079). Maximum balance outstanding during the year was ₹ 2,265,493,079 (Previous year ₹ 3,391,395,602).

b. CNIL has not made investment in the shares of the Company.

c. As per the Company's policy loans to employees are not considered for this clause.

Note – 42

The previous year's figures, wherever necessary, have been regrouped, reclassified and rearranged to make them comparable with those of the current year.

As per our report of even date

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

R. KORIA
Partner
Membership No. : 35629

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

S. S. YEOLEKAR
Partner
Membership No. : 36398

Mumbai
Date : May 6, 2015

For and on behalf of the board of Directors

MANOJ G. TIRODKAR
Chairman
DIN: 00298407

MILIND NAIK
Whole–time Director
DIN: 00276884

VIJAY VIJ
Director
DIN: 02245470

L. Y. DESAI
Chief Financial Officer

NITESH A. MHATRE
Company Secretary
Membership No. : A18487

GTL INFRASTRUCTURE

NOTICE FOR AGM

NOTICE is hereby given that the Twelfth (12th) Annual General Meeting of the Members of GTL Infrastructure Limited will be held on Wednesday, September 23, 2015, at 2.00 p.m., at Marathi Sahitya, Sanskriti & Kala Mandal, Sahitya Mandir Hall, Near Navi Mumbai Sports Association, Sector 6, Vashi, Navi Mumbai 400 703, Maharashtra, India, to transact the following business:

Ordinary Business

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015, together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Milind Naik (DIN: 00276884), who retires by rotation and, being eligible, offers himself for re–appointment.

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

   "RESOLVED that pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, pursuant to the recommendations of the Audit Committee of the Board of Directors and further to resolution passed by the members in the Eleventh (11th) Annual General Meeting (AGM) held on September 16, 2014, the appointment of M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai (Firm Registration No.101720W) and M/s. Yeolekar & Associates, Chartered Accountants, Mumbai (Firm Registration No.102489W) as the Joint Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the Fifteenth (15th) AGM to be held in the calendar year 2018 be and is hereby ratified and the Board of Directors be and is hereby authorized to fix the remuneration payable to the Joint Auditors for the Financial Year 2015–16, as may be recommended by the Audit Committee in consultation with the Joint Auditors."

Special Business

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

   "RESOLVED that Mrs. Sonali Pawan Choudhary (DIN: 07139326), who was appointed by the Board of Directors as an Additional Director of the Company with effect from March 31, 2015 pursuant to the provisions of Section 161 of the Companies Act, 2013 (the "Act") and Article 130 of Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice under Section 160 of the Act in writing from a member proposing her candidature for the office of Director of the Company, be and is hereby appointed a Non–Executive Non–Independent Director of the Company, liable to retire by rotation."

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

   "RESOLVED that pursuant to the provisions of Clause 49(VII)(E) and other applicable clauses, if any, of the Listing Agreement, the consent of the members be and is hereby accorded for undertaking material Related Party Transactions with GTL Limited, as disclosed in the Explanatory Statement.

   RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors (hereinafter referred to as the "Board", which term shall include any Committee(s) constituted / to be constituted by the Board to exercise the powers conferred on the Board by this Resolution) be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and also authorized to settle any question, difficulty or doubt that may arise in this regard and further authorized to execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem fit."

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

   "RESOLVED that pursuant to the provisions of Clause 49(VII)(E) and other applicable clauses, if any, of the Listing Agreement, the consent of the members be and is hereby accorded for undertaking material Related Party Transactions with Chennai Network Infrastructure Limited, as disclosed in the Explanatory Statement.

   RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors (hereinafter referred to as the "Board", which term shall include any Committee(s) constituted / to be constituted by the Board to exercise the powers

conferred on the Board by this Resolution) be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and also authorized to settle any question, difficulty or doubt that may arise in this regard and further authorized to execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem fit."

By Order of the Board of Directors

Nitesh A. Mhatre
Company Secretary

Place: Mumbai
Date: May 6, 2015

Registered Office:
GTL Infrastructure Limited
'Global Vision', 3rd Floor,
Electronic Sadan No. II, M.I.D.C,
T.T.C. Industrial Area, Mahape,
Navi Mumbai 400 710, Maharashtra, India
Tel: +91 22 27673500 **Fax:** +91 22 27673666
E–mail: gilshares@gtlinfra.com
Website: www.gtlinfra.com
CIN: L74210MH2004PLC144367

Notes:

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

   The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 (forty–eight) hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies etc. must be supported by appropriate resolution / authority, as applicable.

2. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, provided that a Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

3. In case of joint holders attending the Meeting, only joint holder who is higher in the order of names as per the Register of Members of the Company will be entitled to vote.

4. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of businesses under Item Nos. 4 to 6 to be transacted at the 12th Annual General Meeting is annexed hereto.

5. The Register of Members and the Share Transfer Books of the Company shall remain closed on Wednesday, September 23, 2015 for the purpose of Annual General Meeting.

6. All documents referred in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (except saturdays, sundays and holidays) between 10.00 a.m. and 12.30 p.m. up to the date of the Annual General Meeting.

7. Notice is being sent to all Members whose names would appear in the Register of Members as on Friday, August 14, 2015 and Directors and Auditors of the Company through email / courier / post.

8. Members holding shares in physical form are requested to notify, any change in their name, address, e–mail address, Bank Account details, nominations, power of attorney, etc., to the Share Transfer Agent at GTL Limited–Investor Service Centre, Unit: GTL Infrastructure Ltd., 'Global Vision', Electronic Sadan No. II, M.I.D.C., T.T.C. Industrial Area, Mahape, Navi Mumbai – 400 710. Members holding shares in electronic form should update such details with their Depository Participants.

9. Members holding shares in physical form are requested to get their shares dematerialized by approaching their respective Depository Participants, if they are already operating a Demat Account. Members who have not yet opened a Demat Account are requested to open an account and dematerialize their shares, as the shares of the Company are compulsorily traded in electronic form. For any assistance or guidance for dematerialization, Members are requested to contact the Share Transfer Agent, GTL Limited or send an email to gilshares@gtlinfra.com.

10. Members are requested to forward their queries on Annual Accounts or other sections of the Annual Accounts or other Sections of the Annual Report to the Company Secretary at least 10 days in advance. In order to minimize paper cost / work, members / investors are requested to forward their queries pertaining to Annual Accounts and other Sections of Annual Report by e–mail to gilshares@gtlinfra.com.

11. The Company's Equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India

Limited (NSE). Further, the Listing Fees in respect of Equity Shares of the Company have been paid to BSE and NSE for the Financial Year 2015–16. The Company's FCCBs are listed on Singapore Exchange Securities Trading Limited (SGX).

12. Members / proxies are requested to bring the attendance slips duly filled in and signed for attending the Annual General Meeting.

13. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.

14. In keeping with the Ministry of Corporate Affairs 'Green Initiative" in April 2011 by allowing paperless compliances by companies through electronic mode and also in keeping with the provisions of the Companies Act, 2013, the Listing Agreement with Stock Exchanges, for the purpose of sending Notices and other documents to its Members through electronic mode to the email address furnished to the Company / Depositories, Members who have so far not provided their email addresses to the Company (for holdings in physical form) or the Depositories (for holdings in electronic form) are requested to provide the same to the Company / Depository Participant respectively, in support of this initiative and for savings on paper / printing & postage. Members are further requested to note that they shall be entitled to be furnished free of cost with a physical copy of such documents sent by email upon receipt of a requisition from such Members.

15. Voting through electronic means (EVSN 150813035):

In compliance with the provision of Section 108 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e–voting facility as an option to all the Members of the Company to exercise their right to vote at the 12th Annual General Meeting (AGM). The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating the e–voting.

The instructions for shareholders voting electronically (remote e–voting) are as under:

i. The voting period begins on Saturday, September 19, 2015 at 09:00 AM and ends on Tuesday, September 22, 2015 at 05:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut–off date (record date) of Friday, September 18, 2015 may cast their vote electronically. The e–voting module shall be disabled by CDSL for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii. The shareholders should log on to the e–voting website www.evotingindia.com.

iv. Click on Shareholders.

v. Now Enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

vi. Next enter the Image Verification as displayed and Click on Login.

vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on any earlier voting of any company, then your existing password is to be used.

viii. If you are a first time user, follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha–numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company / Depository Participant may enter the AGM Voting Serial No. (AVSR) in the PAN field. • The AVSR is printed in the Ballot Form for shareholders receiving the communication in physical form and also in the email for shareholders receiving this communication electronically.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the depository or company please enter the 16 digit Demat A/c No. / Folio Number in the Dividend Bank details field as mentioned in instruction (v).

ix. After entering these details appropriately, click on "SUBMIT" tab.

x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e–voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

xi. For Members holding shares in physical form, the details can be used only for e–voting on the resolutions contained in this Notice.

xii. Click on the EVSN of "GTL INFRASTRUCTURE LIMITED" which is 150813035 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. **Note for Non – Individual Shareholders and Custodians**

- Non–Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xx. In case you have any queries or issues regarding e–voting, you may refer the Frequently Asked Questions ("FAQs") and e–voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

16. Voting through Ballot for General Meeting Resolutions:

Members who do not have access to remote e–voting facility may send duly completed ballot form annexed hereto, so as to reach the scrutinizer appointed by the Board of Directors of the Company, Mr. Chetan A. Joshi, Practicing Company Secretary at the Registered Office of the Company, not later than Tuesday, September 22, 2015 up to 05:00 PM IST. Any person who becomes a member of the Company after dispatch of the Notice of this meeting and holding shares as on the cut–off date viz. Friday, September 18, 2015 has the option to download the Ballot Form for the Annual General Meeting from the

link www.evotingindia.com or www.gtlinfra.com" or seek duplicate Ballot form from the Registered Office of the Company. Ballot form received after Tuesday, September 22, 2015 (05:00 PM IST) will be treated as invalid. A member can opt for only one mode of voting i.e. either through remote e–voting or by ballot. If a member casts vote by both modes, then voting done through remote e–voting shall prevail and the ballot form shall be treated as invalid.

17. The Company has appointed Mr. Chetan A. Joshi, a practicing Company Secretary (Membership No. ACS 20829) as the Scrutinizer for conducting the entire remote e–voting process / ballot process in a fair and transparent manner.

18. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting first count the votes cast at the meeting, thereafter unblock the votes cast through remote e–voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

19. The Results on resolutions shall be declared on or after the AGM of the Company 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.

20. The results declared along with the Scrutinizer's Report will be hosted on the Company's website at www.gtlinfra.com and on CDSL's website at www.evotingindia.com for information of the Members, besides being communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

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

Item No. 4

In order to comply with the provisions of Section 149 of the Companies Act, 2013 (the "Act") and Clause 49 of the Listing Agreement in respect of appointment of at least one women director on the Board on or before March 31, 2015, the Board of Directors by way of passing resolution by circulation on March 31, 2015, appointed Mrs. Sonali Pawan Choudhary as an Additional Director of the Company, which was noted in Board Meeting held on May 6, 2015. The said appointment was in pursuance of the provisions of Section 161 of the Act and Article 130 of the Articles of Association of the Company. Accordingly, Mrs. Sonali Pawan Choudhary holds office only up to the date of the 12th Annual General Meeting. The Company has received notice in writing along with the necessary amount as deposit from member proposing candidature of Mrs. Sonali Pawan Choudhary in terms of Section 160 of the Act.

The Nomination and Remuneration Committee has recommended the appointment of Mrs. Sonali Pawan Choudhary as Non–Executive Non–Independent Director, liable to retire by rotation

Brief resume of Mrs. Sonali Pawan Choudhary, nature of her expertise in specific functional area and names of companies in which she holds directorship and membership / chairmanships of Board Committees, shareholding and relationship between directors inter–se as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, is provided in the Corporate Governance Report forming part of the Annual Report.

Mrs. Sonali Pawan Choudhary is concerned or interested in the resolution set out at Item No. 4 of the Notice with regard to her appointment.

The Board commends passing of this resolution set out in Item No. 4 of the accompanying Notice.

Save and except for their shareholding in the Company, if any, none of the Directors, Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in passing of the said resolution.

Item No. 5

The Company is registered as IP–1 Telecom Tower infrastructure Provider and one of the independent tower companies to build and manage Passive Infrastructures. The Company serves as a provider of infrastructure and services to telecom operators by undertaking the full range of responsibilities in building and maintaining the sites. As a part of these activities, the Company has to provide uninterrupted supply of power to the customer equipments

on a 24X7 basis. To ensure this uninterrupted supply of power, it requires availability of Electricity and other Fuels to run the passive equipments and thus ensure service to end customers. For the same, the Company needs to have a reliable partner who can provide this Energy services. GTL Limited (GTL), which is a related party, offers Energy Management Services as a part of its networking solutions. Considering the PAN India presence of GTL, offering all the services, a large team of capable staff and skilled manpower, vast experience in telecom sector, the Company has entered into a contract with GTL for Energy management. GTL ensures availability of electricity and fuel as required on 24x7 basis as per the agreed mechanism in the contract. GTL manages the provision of this energy to ensure that the cost to the Company is fixed and also brings efficiency to the operations.

We furnish hereinbelow details of material Related Party Transaction with GTL:

Name of Related Party	Name of the Director or KMP who is related	Nature of relationship	Nature, material terms, monetary value and particulars of the contract or arrangement of transaction
GTL Limited	Manoj G. Tirodkar	Director having significant influence	Energy Management Agreement Provision of Power (Electricity) and Fuel under Fixed Energy Management Services Contract Contract Validity – Multiyear (approx. 10 years) Review period – 2 years approx. Effective date – April 1, 2015 Annual Contract Value – ₹ 375 Cr. (indexed to market rates of electricity and fuel from time to time)

The provisions of Clause 49(VII)(E) of the Listing Agreement provide for undertaking material Related Party Transactions by the Company with the approval of the shareholders by way of passing a Special Resolution.

In view of the above, it is necessary for the Members to pass a special resolution for enabling the Company to undertake material Related Party Transactions with GTL in each financial year up to a limit stipulated hereinabove.

The Board commends passing of the resolution as set out in Item No. 5 of the accompanying Notice.

Except Mr. Manoj G. Tirodkar and Mr. Vijay Vij, both Directors of GTL Limited, none of the Directors / Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested financially or otherwise, in the passing of the Resolution.

Item No. 6

Chennai Network Infrastructure Limited (CNIL) was set up by the Company and other Global group Companies as a 'Special Purpose Vehicle' (SPV) for purchase of 17,500 telecom tower business from Aircel Limited and its two subsidiaries. CNIL is an Assoicate of the Company, hence is a related party. The Company is pursuing the Scheme of Arrangement for the merger of CNIL with the Company. After successful implementation of Corporate Debt Restructuring (CDR) package, the Company and CNIL are in process of stabilizing its business operations. Looking at the benefits of consolidation and resultant

operational efficiencies and also considering proposed merger of CNIL with the Company, telecom tower portfolio's of both the companies viz. the Company and CNIL are managed by the Company. Hence, it was agreed to share all operations cost and other expenditures as per agreed terms between the Company and CNIL.

We furnish hereinbelow details of material Related Party Transaction with CNIL:

Name of Related Party	Name of the Director or KMP who is related	Nature of relationship	Nature, material terms, monetary value and particulars of the contract or arrangement of transaction
Chennai Network Infrastructure Limited (CNIL)	N.A.	Associate	Reimbursement of operations cost and other expenditures from CNIL Amount involved – ₹ 180 Cr. p.a.

The provisions of Clause 49(VII)(E) of the Listing Agreement provide for undertaking material Related Party Transactions by the Company with the approval of the shareholders by way of passing a Special Resolution.

In view of the above, it is necessary for the Members to pass a special resolution for enabling the Company to undertake material Related Party Transactions with CNIL in each financial year up to a limit stipulated hereinabove.

The Board commends passing of the resolution as set out in Item No. 6 of the accompanying notice.

Except Mr. Manoj G. Tirodkar and Mr. Vijay Vij, both Directors of Chennai Network Infrastructure Limited, none of the Directors / Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested financially or otherwise, in the passing of the Resolution.

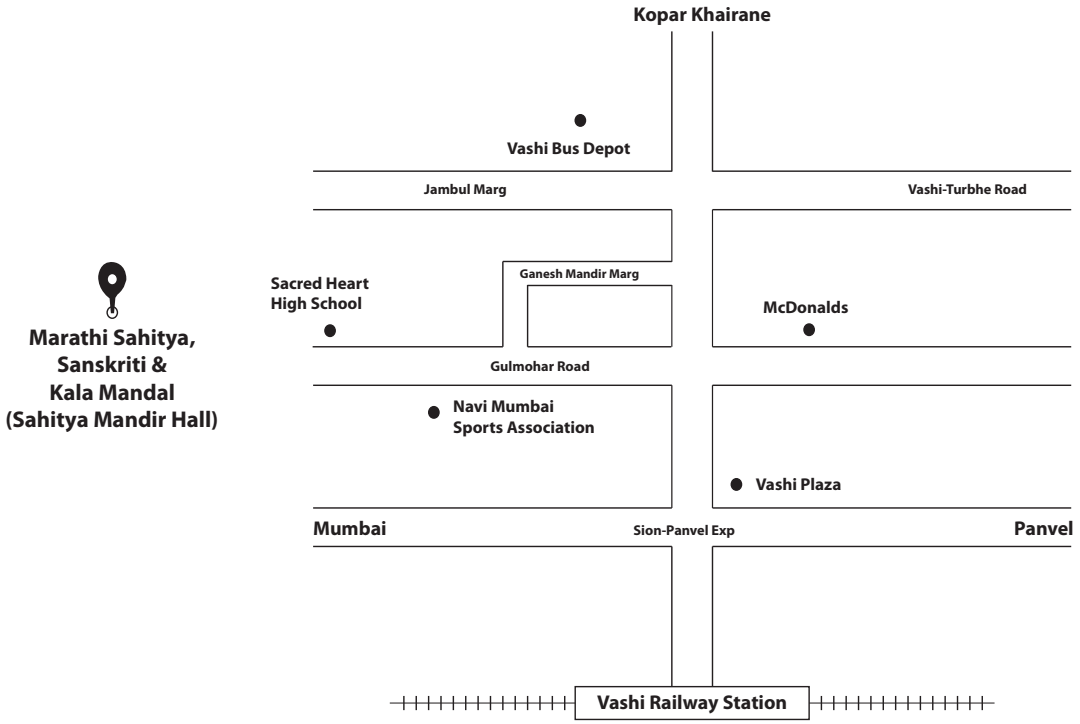
By Order of the Board of Directors

Nitesh A. Mhatre
Company Secretary

Place: Mumbai
Date: May 6, 2015

Registered Office:
GTL Infrastructure Limited
'Global Vision', 3rd Floor,
Electronic Sadan No.II, M.I.D.C,
T.T.C. Industrial Area, Mahape,
Navi Mumbai 400 710
Tel: +91 22 27673500; **Fax:** +91 22 27673666
E–mail: gilshares@gtlinfra.com
Website: www.gtlinfra.com
CIN: L74210MH2004PLC144367

Route Map to the venue of the AGM



GTL INFRASTRUCTURE LIMITED

Regd. Office: "Global Vision", 3rd Floor, Electronic Sadan–II, MIDC,
TTC Indl. Area, Mahape, Navi Mumbai – 400 710. Maharashtra, India
Tel: +91 22 2767 3500 **Fax:** +91 22 2767 3666
E–mail: gilshares@gtlinfra.com **Website:** www.gtlinfra.com **CIN:** L74210MH2004PLC144367

ATTENDANCE SLIP

Folio No./ DP ID Client ID No.: ..... No. of Shares: .....

NAME AND ADDRESS OF THE MEMBER:

.....

.....

.....

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL

I certify that I am a registered member / proxy for the registered member of the Company.

I hereby record my presence at the Twelfth (12th) Annual General Meeting of the Company being held on Wednesday, September 23, 2015 at 2.00 p.m. at Marathi Sahitya, Sanskriti & Kala Mandal, Sahitya Mandir Hall, Near Navi Mumbai Sports Association, Sector 6, Vashi, Navi Mumbai 400 703, Maharashtra, India.

....

Name of the attending Member/Proxy* Member's/Proxy's* Signature

GLOBAL Group Enterprise

* Strike out whichever is not applicable

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TTC Indl. Area, Mahape, Navi Mumbai – 400 710. Maharashtra, India
Tel: +91 22 2767 3500 **Fax:** +91 22 2767 3666.
E–mail: gilshares@gtlinfra.com **Website:** www.gtlinfra.com **CIN:** L74210MH2004PLC144367

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): .....

Registered address: .....

E–mail Id: .....

Folio No / Client Id & DP ID : .....

I / We, being the member (s) holding ..... shares of the above named company, hereby appoint,

1. Name: .....

   Address .....

   E–mail Id: ..... Signature: .....or failing him

2. Name: .....

   Address .....

   E–mail Id: ..... Signature: .....or failing him

3. Name: .....

   Address .....

   E–mail Id: ..... Signature: .....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Twelfth (12th) Annual General Meeting of the Company, to be held on the Wednesday, September 23, 2015 at 2.00 p.m. at Marathi Sahitya, Sanskriti & Kala Mandal, Sahitya Mandir Hall, Near Navi Mumbai Sports Association, Sector 6, Vashi, Navi Mumbai 400 703, Maharashtra, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.

1. Adoption of Audited Financial Statements of the Company for the year ended March 31, 2015 together with the Reports of the Board of Directors and Auditors thereon
2. Re–appointment of Mr. Milind Naik (DIN: 00276884) as a Director of the Company, who retires by rotation
3. Ratification of appointment of M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai (FR No.101720W) and M/s. Yeolekar & Associates, Chartered Accountants, Mumbai (FR No.102489W) as the Joint Auditors and fixing their remuneration
4. Appointment of Mrs. Sonali Pawan Choudhary (DIN: 07139326) as a Non–Executive Non–Independent Director of the Company
5. Approval of material Related Party Transactions with GTL Limited
6. Approval of material Related Party Transactions with Chennai Network Infrastructure Limited

Signed this ..... day of 2015

Signature of shareholder

Affix Revenue Stamp

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

LIST OF BRANCHES IN INDIA

ANDHRA PRADESH
207/208, Navketan Bldg, 62, 2nd Floor,
Sarojini Devi Road, Near Clock Tower,
Secunderabad – 500 003,
Hyderabad, India.

ASSAM
3rd Floor, Mayur Garden,
Opp. Rajeev Bhavan, ABC Bus Stop,
Bhangagarh, G.S. Road,
Guwahati – 781 005, India.

BIHAR
Markandey Complex, 3rd Floor,
Gayatri Mandir Road, Near Paneerwala,
Kankerbagh, Patna – 800 020,
Bihar, India.

COIMBATORE
1168, Sam Surya Towers,
2nd Floor, 4/5 Avinashi Road,
P. N. Palayam,
Coimbatore – 641 037, India.

DELHI
3rd Floor,
Palm Court Building,
20/4, Sukhrali Chowk,
Gurgaon – 122 001, India.

GUJARAT
B–303, Baleshwar Square,
Opp. Iscon Temple, S. G. Road,
Ahmedabad – 380 054,
Gujarat, India.

JAMMU & KASHMIR
1st Floor, Sunny Square, Commercial
Complex, Near J & K Bank Ltd.,
Gangyal, Srinagar Kashmir,
Jammu – 180 010, India.

JHARKHAND
Room No. 401, 4th Floor,
Commerce House, Sharda Babu Street,
Near Hotel Leelac, Ranchi – 834 001,
Jharkhand, India.

KARNATAKA
No. 3 & 5, Connaught Road,
Off Queens Road,
Tasker Town,
Bangalore – 560 052, India.

KERALA
40/9650, Prabhu Tower,
1st Floor, Opp Chennai Silks,
M. G. Road North, Ernakulam,
Kerala – 682 035, India.

MADHYA PRADESH
30 Manav Niket, Indira Press Complex,
Zone 1, Near Dainik Bhaskar Press,
M. P. Nagar, Bhopal – 462 001,
Madhya Pradesh, India.

MAHARASHTRA
Plot No. 32/33, Phase 1,
Rajiv Gandhi InfoTech Park,
Opp. Persistent Building, Hinjewadi,
Pune – 411 057, Maharashtara, India.

MUMBAI
412–Janmabhoomi Chambers,
29–Walchand Hirachand Marg,
Ballard Estate, Mumbai – 400 038.
Maharashtra, India.

NAVI MUMBAI
3rd Floor, "Global Vision", ES–II,
MIDC, TTC Industrial Area,
Mahape, Navi Mumbai – 400 710,
Maharashtra, India.

ORRISA
1st Floor, Plot No. 760,
M. J. Plaza, Cuttack Road,
Bhubaneshwar – 751 009,
Orissa, India.

PUNJAB & HARYANA
E–9, Phase 7,
Industrial Area, SAS Nagar,
Mohali – 160 055,
Punjab, India.

RAJASTHAN
312 to 319, 3rd Floor, Geetanjali Tower,
Civil Lines, Near Bombay Walon Ka Bagh,
Ajmer Road, Jaipur – 302 006,
Rajasthan, India.

TAMILNADU
Old No. 34/1DL, New No. 403L,
7th Floor, Samson Tower's,
Panthcon Road, Egmore,
Chennai – 600 008, India.

UTTAR PRADESH – EAST
6A, 2nd Floor, Jeet Palace,
Sapru Marg, Hazaratganj,
Lucknow – 226 001,
Uttar Pradesh, India.

UTTAR PRADESH – WEST
1st Floor, Regalia Towers,
301/1, Mangal Pandey Nagar,
Near Kotak Mahindra Bank,
University Road, Meerut – 250 004, India.

WEST BENGAL
Cimsys Tower, 3rd Floor, Y–13,
Plot – Ep, Opp – South City Pinnacle,
Sector V, Salt Lake,
Kolkata – 700 091, India.

www.gtlinfra.com

GTL INFRASTRUCTURE

GLOBAL Group Enterprise

www.gtlinfra.com

"Global Vision", 3rd Floor, Electronic Sadan–II, MIDC, TTC Industrial Area,
Mahape, Navi Mumbai – 400 710, Maharashtra, India.
Tel: +91 22 2767 3500 | Fax: +91 22 2767 3666
CIN No. : L74210MH2004PLC144367

GTL INFRASTRUCTURE LIMITED

Regd. Office: "Global Vision", 3rd Floor, Electronic Sadan–II, MIDC,
TTC Indl. Area, Mahape, Navi Mumbai – 400 710. Maharashtra, India

Tel: +91 22 2767 3500; **Fax**: +91 22 2767 3666

E–mail: gilshares@gtlinfra.com; **Website:** www.gtlinfra.com

CIN: L74210MH2004PLC144367

Ballot Form (12th AGM)

EVSN: 150813035

AVSR No. :

Name(s) of Member(s) :

(in BLOCK LETTERS)

(including joint holders, if any)

Registered address of the :

sole / first named Member

Registered Folio No. / :

DP ID and Client ID*

(* Applicable to investors holding shares in dematerialized form)

Number of equity shares held :

I / We hereby exercise my / our vote in respect of the following Resolutions set out in the Notice of the Twelfth (12th) Annual General Meeting of the Company to be held on Wednesday, September 23, 2015 by recording my / our Assent or Dissent to the said Resolutions by placing tick (✓) marks at the appropriate boxes below:

Item No.	Brief Description	Type of Resolution	No. of shares held by me/us	I / We Assent to the resolution (FOR)	I / We Dissent from the resolution (AGAINST)
1	Adoption of Audited Financial Statement of the Company for the financial year ended March 31, 2015 together with the Reports of the Board of Directors and Auditors thereon.	Ordinary			
2	Re–appointement of Mr. Milind Naik (DIN: 00276884) as a Director of the Company, who retires by rotation	Ordinary			
3	Ratification of appointment of M/s. Chaturvedi & Shah, Chartered Accountants and M/s. Yeolekar & Associates, Chartered Accountants as the Joint Auditors and fixing their remuneration	Ordinary			
4	Appointment of Mrs. Sonali Pawan Choudhary (DIN: 07139326) as a Non–Executive, Non–Independent Director of the Company	Ordinary			
5	Approval for material Related Party Transactions with GTL Limited	Special			
6	Approval for material Related Party Transactions with Chennai Network Infrastructure Limited	Special			

Place: _____

Date: _____

_____
(Signature of Member)

Note: Please read carefully the instructions printed overleaf before exercising the vote through this form and for e–voting, please refer the instructions under "Voting through electronic means" in the AGM Notice attached hereto.

E–Voting facility particulars (to be retained with the Member)

ELECTRONIC VOTING PARTICULARS **12th AGM**

Electronic Voting Sequence Number (EVSN)	User ID & Password
EVSN: 150813035	1. If you are registered with CDSL on e–voting system, please use your existing user–ID and password. 2. If you are first time user follow steps given in Note No. 15(viii) to the Notice for AGM dated May 6, 2015 3. If PAN is not registered with Company / Depository, use AVSR No. printed above.

EVSN: 150813035

INSTRUCTIONS

1. This Ballot Form is provided for the benefit of Members who do not have access to remote e–voting facility, to enable them to send their assent or dissent by post, for the 12th Annual General Meeting (AGM) being held on September 23, 2015.
2. A Member can opt for only one mode of voting i.e. either through remote e–voting or by Ballot. If a Member casts votes by both modes, then voting done through e–voting shall prevail and Ballot shall be treated as invalid.
3. For detailed instructions on e–voting, please refer to the notes appended to the Notice dated May 6, 2015 of the 12th AGM.
4. The Scrutinizer will collate the votes cast at the AGM, thereafter unblock votes cast through remote e–voting system and votes received through post, to declare the final result for each of the Resolutions forming part of the Notice for AGM.

Process and manner for Members opting to vote by using the Ballot Form:

1. Please complete and sign the Ballot Form and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Chetan A. Joshi, Practicing Company Secretary, (C.P. No. 7744/ACS No.20829), at the Registered Office of the Company in the enclosed self addressed postage prepaid envelope. Members need not affix postal stamps since the postage will be paid by the Company. However, envelopes containing Ballots, if sent by courier or by registered post at the expense of the registered shareholders will also be accepted.
2. Members are requested not to send any other document along with the Ballot Form in the enclosed self addressed envelope as all such envelopes will be delivered to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
3. The self–addressed postage paid envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
4. This Form should be signed by the Member as per the specimen signature registered with the Company / Depository Participant(s). In case of joint holding, the Form should be completed and signed by the first named Member and in his / her absence, by the next named joint holder.
5. In case the shares are held by companies, financial institutions, trusts, societies, etc. or by persons authorised under power of attorney, the Ballot Form signed in representative capacity must be accompanied by a certified true copy of the resolution of the Board of Directors of the concerned body corporate or by an attested true copy of the power of attorney authorizing such person, as the case may be, along with a specimen signature of the said authorised representative or power of attorney holder. If the same is / are already registered with the Company / Depository Participant, please quote the Registration Number beneath the signature. Where the Ballot Form has been signed by a representative of the President of India or by the Governor of a State, a certified true copy of the nomination should accompany the Ballot Form.
6. A Member neither needs to use all votes nor needs to cast all the votes in the same way. Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the column provided for assent / dissent in the Ballot.
7. The voting rights shall be reckoned on the paid up value of shares registered in the name/s of the shareholders as on the cut–off date i.e. Friday, September 18, 2015.
8. Duly completed Ballot Form should reach the Scrutinizer not later than; Tuesday, September 22, 2015 (5.00 p.m. IST). Ballot Form received after this date will be strictly treated as if the reply from the Members has not been received.
9. A Member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Form should reach the Scrutinizer not later than the date and time specified in Serial No. 8 above.
10. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
11. The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.
12. The results declared along with the Scrutinizer's Report will be hosted on the Company's website at www.gtlinfra.com and on CDSL's website www.evotingindia.com for information of the Members, besides being communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

NOTES

1. The relevant Explanatory Statement pursuant to Sections 102 of the Companies Act, 2013, is appended with the Notice for AGM annexed hereto.
2. The Company has appointed Mr. Chetan A. Joshi, Practicing Company Secretary, as Scrutinizer for conducting the Ballot voting process in a fair and transparent manner.
3. Mr. Chetan A. Joshi will hold the position of Scrutinizer from the date of posting of this notice until submission of his final report to the Chairman / the Whole–time Director.
4. The Scrutinizer will be available at the Registered Office of the Company for the purpose of ascertaining the requisite majority during the voting period. The Postal Ballot and all other documents relating to the said AGM Postal Ballot will be under his safe custody until the Chairman / the Whole–time Director considers, approves and signs the minutes of the proceedings of the meeting at which the resolutions will be deemed to have been passed, subject to receipt of requisite number of votes in favour of the resolutions.