TATA

August 19, 2019

BSE Limited
Listing Department
P. J. Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code: 532371

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

Scrip Symbol: TTML

Dear Sir/Madam,

Subject: Annual Report for FY 2018-19

Pursuant to the Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the 24th Annual Report of the Company for the FY 2018-19 alongwith the Notice of 24th Annual General Meeting ("AGM") of the Company which is being dispatched to the Members of the Company by the permitted mode.

The Annual Report for the FY 2018-19 is uploaded on the website of the Company i.e., www.tatateleservices.com

Kindly take the same on your records.

Thanking you,

Yours truly,
For Tata Teleservices (Maharashtra) Limited

Dhamnaskar

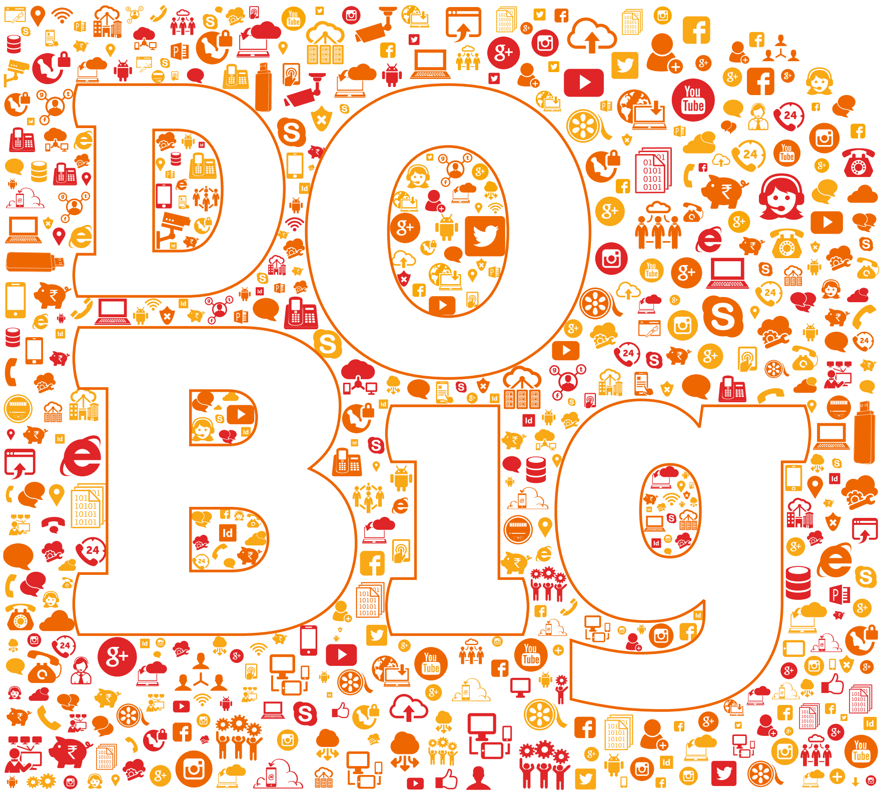
Vrushali Dhamnaskar
Assistant Company Secretary

Cc.: TSR Darashaw Consultants Private Limited
6-10, Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road,
Near Famous Studio,
Mahalaxmi,
Mumbai - 400 011.

TATA

TATA TELESERVICES (MAHARASHTRA) LIMITED

Empowering Businesses to



ANNUAL REPORT

2018 - 2019

TATA TELESERVICES (MAHARASHTRA) LIMITED

Year on Year Performance – Last Ten Years

(Rs. in Crores)

Particulars	**2018-19**	**2017-18**	**2016-17****	**2015-16****	**2014-15**	**2013-14**	**2012-13**	**2011-12**	**2010-11**	**2009-10**
Income from Telecommunication	**1,246.40**	1,843.15	2,657.42	2,915.12	2,836.69	2,649.43	2,608.16	2,470.25	2,248.74	2,069.10
Earnings Before Interest, Depreciation, Tax and Amortisation	**707.77**	170.42	712.65	815.78	646.46	614.30	500.63	548.83	1,146.77 *	540.51
Profit/(Loss) before Extraordinary/ Exceptional Items and Tax	**(998.70)**	(1,900.37)	(1,397.65)	(358.34)	(615.25)	(560.08)	(658.77)	(517.55)	49.91	(298.00)
Extraordinary/ Exceptional Items	**(331.11)**	7,941.67	958.82	-	-	-	-	-	-	-
Profit/(Loss) after tax ***	**(667.59)**	(9,841.99)	(2,356.47)	(358.34)	(615.25)	(560.08)	(658.77)	(517.55)	49.90	(298.01)
End of Period Subscribers (Nos. in Thousands)	**2,807**	6,056	8,682	10,702	11,119	10,578	10,534	14,127	16,852	13,000

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

BOARD OF DIRECTORS

Mr. D. T. Joseph
Ms. Hiroo Mirchandani
Dr. Narendra Damodar Jadhav (w.e.f. April 1, 2019)
Mr. Thambiah Elango (w.e.f. April 1, 2019)
Mr. Ankur Verma (w.e.f. September 29, 2018)
Mr. N. Srinath (Managing Director)
Mr. Govind Sankaranarayanan (resigned w.e.f. September 27, 2018)

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Vrushali Dhamnaskar
Assistant Company Secretary (w.e.f. July 1, 2018)

STATUTORY AUDITORS

Price Waterhouse Chartered Accountants LLP
Chartered Accountants
252, Veer Savarkar Marg,
Shivaji Park,
Dadar (West),
Mumbai - 400 028

INVESTOR SERVICES

Mr. Hiten Koradia
Manager – Secretarial
e-mail: investor.relations@tatatel.co.in

REGISTRAR & SHARE TRANSFER AGENTS

TSR Darashaw Consultants Private Limited
(formerly known as TSR Darashaw Limited)
6-10, Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road,
Near Famous Studio, Mahalaxmi,
Mumbai – 400 011.
Tel: 91 22 6656 8484
Fax: 91 22 6656 8494 / 8496
Email: csg-unit@tsrdarashaw.com
Website: www.tsrdarashaw.com

REGISTERED OFFICE

Voltas Premises,
T. B. Kadam Marg,
Chinchpokli,
Mumbai – 400 033.
Tel: 91 22 6667 1414
Fax: 91 22 6660 5335
Website: www.tatateleservices.com

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Twenty Fourth Annual General Meeting of Tata Teleservices (Maharashtra) Limited will be held on Friday, September 20, 2019 at 1100 hours at "Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai – 400 021

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

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of Tata Teleservices (Maharashtra) Limited (the "Company") will be held on **Friday, September 20, 2019** at **1100 hours at "Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai – 400 021** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019 together with the Reports of the Board of Directors and Auditors thereon.

SPECIAL BUSINESS:

2. **Appointment of Mr. Ankur Verma as a Director**

   To consider, review and if though fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** Mr. Ankur Verma (DIN: 07972892), who was appointed as a Director of the Company in casual vacancy effective from September 29, 2018 and who holds office upto to the date of this Annual General Meeting pursuant to Section 161(4) of the Companies Act, 2013 (the 'Act') and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

3. **Appointment of Dr. Narendra Damodar Jadhav as an Independent Director**

   To consider, review and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** Dr. Narendra Damodar Jadhav (DIN:02435444), who was appointed as an Additional Director of the Company by the Board of Directors with effect from April 1, 2019 and who holds office upto the date of this Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013 (the 'Act') and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company;

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modifications or re-enactments thereof and Schedule IV to the Act and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), as amended from time to time, Dr. Narendra Damodar Jadhav (DIN:02435444), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who is eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Non-Executive Director of the Company, to hold the office for a term of five years from April 1, 2019 upto March 31, 2024."

4. **Appointment of Mr. Thambiah Elango as a Director**

   To consider, review and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** Mr. Thambiah Elango (DIN: 07973530), who was appointed as an Additional Director of the Company by the Board of Directors with effect from April 1, 2019 and who holds office upto the date of this Annual General Meeting pursuant to Section 161(1) of the Companies Act, 2013 (the 'Act') and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. **Re-appointment of Ms. Hiroo Mirchandani as an Independent Director**

   To consider, review and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as the 'Act') read with Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modifications or re-enactments thereof and Schedule IV to the Act and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'),as amended from time to time, Ms. Hiroo Mirchandani (DIN:06992518), a Non-Executive Independent Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and who is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director, be and is hereby re-appointed as a Non-Executive Independent Director of the Company for a further term of five years with effect from March 9, 2020 upto March 8, 2025."

6. Ratification of remuneration of Cost Auditors

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

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications thereof for the time being in force), remuneration of Rs. 2,00,000/- (Rupees Two Lakhs Only), plus out of pocket expenses (incurred in connection with the audit) not exceeding 10% of the remuneration, payable to M/s. Sanjay Gupta & Associates, Cost Accountants, having Firm Registration Number 000212, who are appointed by the Board of Directors of the Company (the 'Board') as Cost Auditors to conduct the audit of the cost accounting records of the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014 for the financial year ending on March 31, 2020, be and is hereby ratified and approved;

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

7. Issue of Non-Cumulative Redeemable Preference Shares - Series 5 on Preferential Basis

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

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 55, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modifications or re-enactments thereof for the time being in force), the Memorandum and Articles of Association of the Company and the rules/regulations/guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions, as may be necessary and subject to such condition(s) and modification(s) as may be prescribed by any of them and as may be agreed to by the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including powers conferred by this Resolution), consent of the Members be and is hereby accorded to the Board to offer, issue and allot upto 150,00,00,000 (One Hundred Fifty Crores) Non-cumulative Redeemable Preference Shares - Series 5 ('RPS-5') of Rs.100/- (Rupees One Hundred Only) each for cash at par aggregating upto an amount of Rs. 15000,00,00,000 (Rupees Fifteen Thousand Crores Only) on preferential basis to Tata Teleservices Limited ('TTSL') and/or Tata Sons Private Limited ('TSPL') and/or Panatone Finvest Limited ('PANATONE') in one or more tranches, on the terms and conditions as set out in the Explanatory Statement annexed to this Notice;

RESOLVED FURTHER THAT each RPS-5:

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

RESOLVED FURTHER THAT the Board be and is hereby also authorized to issue Non-cumulative Redeemable Preference Shares against any inter-corporate deposits/loans received or to be received or held from TTSL and/or TSPL and/or PANATONE or on redemption of Non-Convertible Debentures issued or to be issued to TTSL and/or TSPL and/or PANATONE, if so requested by TTSL and/or TSPL and/or PANATONE, settle any question, doubt or difficulty which may arise in regard to the issue of RPS-5 and to do all such acts, deeds and things as may be necessary and incidental for giving effect to this Resolution.”

8. **Issue of Non-Convertible Debentures on Private Placement**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) and the Rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), as amended from time to time, the provisions of the Memorandum and Articles of Association of the Company and subject to such other laws, regulations, guidelines as may be applicable to the Company and such approval(s), consent(s), permission(s) and sanction(s) as may be necessary, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) for issuing, making offer(s) or invitation(s) to subscribe to listed and/or unlisted, secured and/or unsecured Non-Convertible Debentures (‘NCDs’) on a private placement basis, in one or more series/tranches, to the Promoter/Promoter Group companies, other bodies corporate, banks, financial institutions and/or others, such that the total amount does not exceed Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only) at such time as may be decided by the Board during a period of one year from the date of passing of this Resolution;

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

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

Vrushali Dhamnaskar
Assistant Company Secretary

Registered Office:
Voltas Premises,
T. B. Kadam Marg,
Chinchpokli, Mumbai – 400 033.
CIN: L64200MH1995PLC086354
Website: www.tatateleservices.com
e-mail: investor.relations@tatatel.co.in
Tel.: 91 22 6667 1414
Fax: 91 22 6660 5335

Place: Mumbai
Date: May 29, 2019

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES), TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.**

   An instrument appointing a proxy in order to be effective should be completed and deposited at the Registered Office of the Company not less than **48 hours** before the commencement of the Meeting.

2. A person appointed as proxy, can act as a proxy for not exceeding fifty Members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act"), in respect of the Special Businesses are annexed hereto and forms part of this Notice.

4. The relevant details of Director seeking appointment/ re-appointment, as required under Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") are annexed hereto.

5. Members are entitled to hold their shares in dematerialized ("Demat") form. Those Members who are holding shares in physical form are requested to dematerialize their shares by approaching any of the Depository Participant(s). In case any Member wishes to dematerialize his/her/its shares and needs any assistance, he/she/it may write to the Registrar & Share Transfer Agents of the Company at csg-unit@tsrdarashaw.com and/or to the Investor Relations Officer of the Company at investor.relations@tatatel.co.in.

6. Electronic copy of the 24th Annual Report for financial year 2018-19 and the Notice of 24th Annual General Meeting ("AGM") alongwith Attendance Slip and Proxy Form are being sent to all the Members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purposes, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies of the Annual Report for financial year 2018-19 and the Notice alongwith Attendance Slip and Proxy Form are being sent by the permitted mode. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrar and Share Transfer Agents/Depositories.

7. Members may note that the Notice of the AGM of the Company and the Annual Report for financial year 2018-19 will also be available on the website of the Company (www.tatateleservices.com) and on the website of National Securities Depository Limited ("NSDL") (www.evoting.nsdl.com).

8. As mandated by the Securities and Exchange Board of India ("SEBI"), Members holding shares in electronic form are requested to submit their Permanent Account Number ("PAN") details to their respective Depository Participants and Members holding shares in physical form are requested to submit the PAN details to the Company or its Registrar & Share Transfer Agents.

9. A route map giving directions to reach the venue of the AGM is given at the end of the Notice.

10. **Updation of Members' Details:**

    The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company/Registrar & Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend etc. A form for capturing the additional details is appended at the end of the Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its Registrar & Share Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participant(s).

11. **Process and manner of voting through Electronic Means:**

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

B. The facility for voting through ballot/polling paper shall also be made available at the AGM and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through ballot/polling paper.

C. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

D. The remote e-voting period commences on Tuesday, September 17, 2019 (0900 hours IST) and ends on Thursday, September 19, 2019 (1700 hours IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Friday, September 13, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, a Member shall not be allowed to change it subsequently.

E. The process and manner for remote e-voting are as under:

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

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

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.

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

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

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

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

5. Your password details are given below:

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

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

c. How to retrieve your 'initial password'?

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

ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

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

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

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

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

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

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

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

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

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

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

3. Select "EVEN" of the Company.

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

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

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

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

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

General Guidelines for shareholders:

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

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

3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for Members available at the Downloads sections of https://www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

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

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

H. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e., Friday, September 13, 2019.

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

J. Any person, who acquires shares of the Company and become a Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., Friday, September 13, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or at investor.relations@tatatel.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using *"Forgot User Details/ Password?"* or *"Physical User Reset Password?"* option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

K. A Member may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

L. Ms. Ashwini Mohit Inamdar (Membership No. FCS 9409/ CP No. 11226) or failing her, Mr. Atul Mehta (Membership No. FCS 5782/CP No. 2486), Partners, Mehta & Mehta, Practicing Company Secretaries, have been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

M. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of ballot/ polling paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

N. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the Meeting and 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 shall make, not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any other Director authorised in this behalf, who shall countersign the same.

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

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

Item No. 2

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Ankur Verma (DIN: 07972892) as a Non-Executive Non-Independent Director of the Company with effect from September 29, 2018 in the casual vacancy caused due to resignation of Mr. Govind Sankaranarayanan. He holds office till this Annual General Meeting pursuant to Section 161(4) of the Companies Act, 2013 (the "Act"). The Company has received a notice pursuant to Section 160(1) of the Companies Act, 2013 (the "Act") proposing his candidature for the office of the Director of the Company. Mr. Ankur Verma is eligible for appointment to the office of Director at the ensuing Annual General Meeting. Mr. Ankur Verma shall be liable to retire by rotation.

In compliance with the provisions of Sections 152 and 160 of the Act, the appointment of Mr. Ankur Verma as a Director of the Company is now being placed before the Members at the Annual General Meeting for their approval.

The brief profile of Mr. Ankur Verma is as under:

Mr. Ankur Verma, a B.E. in Mechanical Engineering and PGDM from IIM, Calcutta has around 15 years of experience in Investment Banking, Capital Markets and Corporate Strategy. At present, Mr. Verma is the Senior Vice President, Chairman's Office at Tata Sons Pvt. Limited. Mr. Verma is also Director on the Board of Tata Capital Housing Finance Ltd., ATC Telecom Infrastructure Pvt. Ltd., Tata Teleservices Ltd., Tata Elxsi Ltd., Tata AutoComp Systems. Ltd. and Tata Sky Ltd. Previously, Mr. Verma was Managing Director (Investment Banking Division) in Bank of America Merrill Lynch and prior to that he was Group Manager & Head, Business Planning in Infosys Technologies Limited - Corporate Planning Group.

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

The Board commends the Ordinary Resolution set out at Item No. 2 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Ankur Verma to the extent of his appointment, are in any way concerned or interested in passing of the resolution mentioned at Item No. 2 of the Notice.

Item No. 3

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Dr. Narendra Damodar Jadhav (DIN: 02435444) as an Additional Director of the Company with effect from April 1, 2019, and he holds office up to the date of this Annual General Meeting pursuant to the provisions of Section 161 of the Companies Act, 2013 (the "Act"). The Board has also appointed him as an Independent Non-Executive Director pursuant to the provisions of Section 149 of the Act read with Regulation 25 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), for a period of 5 years with effect from April 1, 2019, subject to approval of the Members. The Company has received a notice pursuant to Section 160 of the Act proposing his candidature for the office of Director of the Company.

Dr. Narendra Damodar Jadhav has given a declaration stating that he meets the criteria of independence pursuant to Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. Further, in the opinion of the Board, Dr. Narendra Damodar Jadhav fulfills the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Non-Executive Director and he is independent of the management.

The Nomination and Remuneration Committee of the Company has recommended the appointment of Dr. Narendra Damodar Jadhav as an Independent Non-Executive Director for the period as specified in the Resolution.

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

Dr. Narendra Damodar Jadhav, being an Independent Director, shall not be liable to retire by rotation.

The terms and conditions of appointment of Independent Director shall be open for inspection by the Members at the Registered Office of the Company and copy of the same shall also be available at the Registered Office of the Company on all working days, during business hours upto the date of the Meeting.

The brief profile of Dr. Narendra Damodar Jadhav is given below:

Dr. Narendra Jadhav is a renowned author, economist, educationist, social scientist and public speaker. He currently serves as Professor, Durgabai Deshmukh Chair in Social Development, Equity and Human Security at the Council for Social Development (CSD), New Delhi. In over four decades of public service, Dr. Jadhav has served in key positions including as Member of the Planning Commission and the National Advisory Council. He has also held the position of Vice Chancellor, University of Pune and Principal Adviser and Chief Economist, Reserve Bank of India (RBI). During his 31 year association with the RBI, he also served in Advisory capacities at International Monetary Fund (IMF) and Governments of Afghanistan and Ethiopia.

Dr. Jadhav has written or edited 35 books, authored 30 major official reports and more than 200 research papers in professional journals, besides delivering lectures in national and international forums. He is the recipient of 66 national and international awards for his contribution to the fields of economics, education, literature, culture and social work, including four Honorary D-Litt. Degrees and the title of the Commander of the Order of Academic Palmes by the Government of France. Dr. Jadhav holds a Ph.D. in Economics from Indiana University, USA. Dr. Jadhav is also an Independent Director of Tata Teleservices Ltd.

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

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

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

Item No. 4

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Thambiah Elango as an Additional Director of the Company with effect from April 1, 2019 and he holds office up to the date of this Annual General Meeting pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the “Act”). The Company has received a notice pursuant to Section 160 of the Act proposing his candidature for the office of Director of the Company. Mr. Thambiah Elango shall be liable to retire by rotation.

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

The brief profile of Mr. Thambiah Elango is as under:

Mr. Thambiah Elango holds a bachelor’s degree in Engineering (mechanical engineering) from College of Engineering, Guindy, Chennai and also a post graduate diploma in management from the Indian Institute of Management, Bangalore. He is currently the President (Consumer Business) with Tata Teleservices Ltd. Prior to joining Tata Teleservices Ltd. in 2010, he has worked with various organizations like Bharti Airtel Ltd., Titan Industries Ltd. He is also founder of an NGO, ‘The Ganga Trust’, which focuses on improving the life of the Spinal injured people.

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

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

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

Item No. 5

Ms. Hiroo Mirchandani was appointed as an Independent Director of the Company for a period of 5 years with effect from March 9, 2015 upto March 8, 2020 at the Annual General meeting of the Company held on September 22, 2015.

Ms. Hiroo Mirchandani is proposed to be re-appointed as an Independent Director pursuant to the provisions of Section 149 of the Companies Act, 2013 (“Act”) and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). As per the said provisions, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and shall not be liable to retire by rotation.

Ms. Hiroo Mirchandani has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations. Further, in the opinion of the Board, Ms. Hiroo Mirchandani fulfills the conditions specified in the Act and the Rules made thereunder for appointment as an Independent Non-Executive Director and she is independent of the management.

The Nomination and Remuneration Committee has recommended re-appointment of Ms. Hiroo Mirchandani as an Independent Director for a further period of 5 years starting from March 9, 2020 up to March 8, 2025, subject to the approval of the Members.

In compliance with the provisions of Sections 149, 150, 152 and 160 read with Schedule IV to the Act and Regulation 16(1)(b) of the Listing Regulations, the appointment of Ms. Hiroo Mirchandani as a Non-Executive Director and Independent Director is now being placed before the Members at this Annual General Meeting (“AGM”) for their approval.

Ms. Hiroo Mirchandani, being an Independent Director, shall not be liable to retire by rotation.

The terms and conditions of re-appointment of Independent Director shall be open for inspection by the Members at the Registered Office of the Company and copy of the same shall also be available at the Registered Office of the Company on all working days, during business hours upto the date of the Meeting.

The brief profile of Ms. Hiroo Mirchandani is given below:

Ms. Mirchandani is an independent director on several boards including Polycab India Ltd., DFM Foods Ltd. and Nilkamal Ltd. She is a former Shareholder Director of Punjab National Bank. She brings consumer insights and financial literacy combined with an ability to raise strategic issues from her diverse operational experience and innate curiosity. She has a keen interest in the financial markets and has been a retail investor for decades.

Ms. Mirchandani’s management career of over thirty years has been in customer facing roles where she grew from Branch Manager at Asian Paints to Business Unit Director at Pfizer with all India P & L responsibility of its Consumer Health Division. She has also held leadership positions in Dabur, World Gold Council and BPL Mobile.

Ms. Mirchandani is a Chevening Gurukul scholar from the London School of Economics, a graduate from Shri Ram College of Commerce and a management graduate in Marketing and Finance from the Faculty of Management Studies, Delhi.

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

In the opinion of the Board, Ms. Hiroo Mirchandani fulfills the conditions specified in the Act and the Rules made thereunder and Listing Regulations for re-appointment as Independent Director and she is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act and Regulation 16(1)(b) of the Listing Regulations, re-appointment of Ms. Hiroo Mirchandani as Independent Director is now being placed before the Members in the AGM for their approval.

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

None of the Directors or Key Managerial Personnel or their relatives, except Ms. Hiroo Mirchandani to the extent of her re-appointment, are in any way concerned or interested in passing of the resolution mentioned at Item No. 5 of the Notice.

Item No. 6

The Board of Directors at its meeting held on May 29, 2019, on the recommendation of the Audit Committee, has approved the appointment of M/s. Sanjay Gupta & Associates (Firm Registration No. 000212) as Cost Auditors for auditing the cost accounting records in respect of the services covered under the Companies (Cost Records and Audit) Rules, 2014 of the Company for the financial year 2019-2020 at a remuneration of Rs. 2,00,000/- plus out of pocket expenses incurred in connection with the said audit but not exceeding 10% of the remuneration.

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

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

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

None of the Directors, Key Managerial Personnel and/or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution mentioned at Item No. 6 of the Notice.

Item Nos. 7 and 8

The Board of Directors of the Company has been exploring various fund-raising options in order to augment the resources of the Company. The members at its Annual General meeting of the Company held on September 29, 2018 had approved the issue of Redeemable Preference Shares - Series 4 ("RPS") and/or Issue of Non-Convertible Debentures ("NCDs") and/or acceptance/availing of Inter Corporate Deposits ("ICDs")/Loans amount not exceeding Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only). The said approvals for the issue of RPS and/or issue of NCDs are valid for one year from the date of passing of the special resolutions. In view of this, the Board of Directors at its meeting held on May 29, 2019 has approved the proposals to raise an additional amount through issue of Non-cumulative Redeemable Preference Shares - Series 5 ("RPS-5") for an amount not exceeding Rs. 15000,00,00,000 (Rupees Fifteen Thousand Crores Only) and/or issue of Non-Convertible Debentures ("NCDs") for an amount not exceeding Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only), subject to the approval of the Members of the Company The funds raised through one or more options will be utilised primarily for repayment/prepayment of existing debt/loans of the Company, including deferred payment liability to Department of Telecommunications for spectrum and/or for redemption of the existing Redeemable Preference Shares issued earlier, after meeting the expenditure related to such issue(s) and for general corporate purposes. The aggregate fresh amounts proposed to be raised through the issue of RPS and/or NCDs would not exceed Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only).

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

a. **Issue of Non-cumulative Redeemable Preference Shares - Series 5 ("RPS-5") on Preferential basis**

The Members are requested to note that in order to meet requirement of additional funds of Rs. 15000,00,00,000 (Rupees Fifteen Thousand Crores Only), the Company may initially accept inter-corporate deposit ("ICD") from the Promoters including Tata Teleservices Limited ("TTSL") and/or Tata Sons Private Limited ("TSPL") and/or Panatone Finvest Limited ("Panatone") and later on if requested by TTSL and/or TSPL, and/or Panatone ICD may be converted into RPS-5. Similarly, ICD of Rs. 7,344 Crores (Rupees Seven Thousand Three Hundred and Forty Four Crores Only) already availed and further ICDs which may be availed from TTSL/TSPL/Panatone in terms of approval of Members by way of postal ballot in September and November 2017 may also be converted into Non-cumulative Redeemable Preference Shares, if so requested/agreed to by TTSL/TSPL/Panatone.

It is proposed to issue upto 150,00,00,000 (One Hundred Fifty Crores) Non-cumulative Redeemable Preference Shares - Series 5 ("RPS-5") of Rs. 100/- (Rupees One Hundred Only) each for cash at par aggregating upto an amount of Rs. 15000,00,00,000 (Rupees Fifteen Thousand Crores Only) on preferential basis to TTSL and/or TSPL and/or Panatone in one or more tranches.

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

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

In view of the above, approval of the Members is being sought by way of Special Resolution under Sections 42, 55 and 62(1)(c) of the Act read with the Rules framed thereunder, to offer, issue and allot RPS-5 in the manner provided herein as per the Resolution set out at Item No. 7 of the Notice.

The terms of the issue of RPS-5 along with a statement of disclosures as required under Rule 9(3) of the Companies (Share Capital & Debentures) Rules, 2014, are as under:

Issue size	Upto 150,00,00,000 (One Hundred Fifty Crores) RPS-5 of Rs. 100/- (Rupees One Hundred Only) each aggregating upto an amount of Rs. 15000,00,00,000 (Rupees Fifteen Thousand Crores Only)
Nature of Shares	Non-cumulative, Non-participating and Non-convertible
Objective of issue	To repay/prepay the existing debt/Loans in order to reduce the finance cost including conversion of ICD availed/to be availed, for payment of deferred payment liability to Department of Telecommunications for spectrum, general corporate purposes and/or for redemption of existing Redeemable Preference Shares issued earlier.
Manner of issue	RPS-5 will be issued on preferential basis in accordance with the provisions of Sections 42, 55 and 62 of the Act and the Rules framed thereunder
Issue price	RPS-5 will be issued for cash at par i.e., Rs.100/- (Rupees One Hundred Only) per RPS-5
Basis on which price has been arrived at	Not applicable since RPS-5 are issued at par
Offer period	As may be determined by the Board
Terms of issue and Rate of Dividend	The RPS-5 shall be issued on preferential basis to TTSL and/or TSPL. The rate of dividend shall be 0.1% per annum or such other rate as may be fixed by the Board
Payment Terms	The entire issue price of Rs. 100/- (Rupees One Hundred Only) per RPS-5 shall be payable on application
Terms, manner and mode of Redemption	Redeemable at the end of 23 months from the date of allotment or such other date as may be decided by the Board. Redemption at par in accordance with Section 55 of the Act, out of the profits of the Company or out of proceeds of a fresh issue of shares made for the purpose of redemption

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

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

The current shareholding pattern of the Company is as follows:

Equity Shareholding Pattern

Sr. No.	Category	Equity Shareholding as on March 31, 2019	
		No. of Shares held	% of shareholding
A	**Promoters' holding**		
1	Indian:		
	Individual	-	-
	Bodies Corporate	1453672327	74.36
	Sub Total	**1453672327**	**74.36**
2	Foreign Promoters	-	-
	Sub Total (A)	**1453672327**	**74.36**
B	**Non-Promoters' holding**		
1	Institutional Investors	6321132	0.32
2	Non-Institution:		
	Private Corporate Bodies	21167197	1.08
	Directors and Relatives	-	-
	Indian Public	429161577	21.95
	Others (including NRIs)	44605494	2.28
	Sub Total (B)	**501255400**	**25.63**
	GRAND TOTAL	**1954927727**	**100.00**

The preference shareholding pattern of the Company is as follows:

Sr. No.	Category	Pre-Issue (Redeemable Preference Shares) As on March 31, 2019		Post Issue (RPS-5)	
		No. of Shares held	% of shareholding	No. of Shares held	% of shareholding
A	**Promoters' holding**				
1	Indian:				
	Individual	-	-	-	-
	Bodies Corporate	20,18,00,000	100	170,18,00,000	100
	Sub Total	**20,18,00,000**	**100**	**170,18,00,000**	**100**
2	Foreign Promoters	-	-	-	-
	Sub Total (A)				
B	**Non-Promoters' holding:**				
1	Institutional Investors	-	-	-	-
2	Non-Institution:				
	Private Corporate Bodies	-	-	-	-
	Directors and Relatives	-	-	-	-
	Indian Public	-	-	-	-
	Others (Including NRIs)	-	-	-	-
	Sub Total (B)	**-**	**-**	**-**	**-**
	GRAND TOTAL	**20,18,00,000**	**100**	**170,18,00,000**	**100**

The proposed issue of RPS-5 is in accordance with the provisions of the Articles of Association of the Company.

b. Issue of Non-Convertible Debentures on Private Placement

As per Sections 42 and 71 of the Act, read with the Rules framed thereunder, a company offering or making an invitation to subscribe to Non-Convertible Debentures ("NCDs") on private placement basis is required to obtain the prior approval of the Members by way of a Special Resolution. Such an approval can be obtained once a year for all the offers and invitations made for such NCDs during the year.

It is proposed to issue NCDs for an amount not exceeding Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only), subject to the approval of the Members of the Company. Such NCDs are proposed to be issued at par, i.e., at face value. It is also proposed to issue NCDs, in one or more tranches, to the Promoter/Promoter Group companies, other bodies corporate, banks, financial institutions, other qualifying investors and/or others, within a period of 1 (One) year from the date of passing the Special Resolution.

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

In case of issue of NCDs to one or more of the Promoter/ Promoter Group companies, it is likely to exceed the materiality threshold limit. Hence, the proposed transaction is being placed before the Members for approval as per the Resolution set out at Item No. 8 of the Notice. Prior approval of the Audit Committee has been received for the same.

Further, all entities falling under definition of related parties as per Regulation 23 of the Listing Regulations, shall not vote on the Resolution set out at Item No. 8 of the Notice, irrespective of whether the entity is a party to the particular transaction or not.

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

The Board commends the Resolutions as set out at Item Nos. 7 and 8 of the accompanying Notice for approval of the Members of the Company.

None of the Directors of the Company or their relatives, Key Managerial Personnel of the Company or their relatives, except Mr. N. Srinath being Managing Director and Dr. Narendra Jadhav and Mr. Ankur Verma, being Directors of the Company and TTSL, are in any way concerned or interested, financially or otherwise, in passing of the Resolutions mentioned at Item Nos. 7 and 8 of the Notice.

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

Vrushali Dhamnaskar
Assistant Company Secretary

Registered Office:
Voltas Premises,
T. B. Kadam Marg,
Chinchpokli, Mumbai – 400 033.
CIN: L64200MH1995PLC086354
Website: www.tatateleservices.com
e-mail: investor.relations@tatatel.co.in
Tel.: 91 22 6667 1414
Fax: 91 22 6660 5335
Place: Mumbai
Date: May 29, 2019

Important Communication to Members

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

Request to the Members

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

Details of Director as on the date of this Notice seeking re-appointment at the Annual General Meeting ("AGM")
(Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the Director	Mr. Ankur Verma	Dr. Narendra Damodar Jadhav	Mr. Thambiah Elango	Ms. Hiroo Mirchandani
Date of Birth	March 25, 1976	May 28, 1953	May 25, 1965	June 17, 1961
Age	42	66	53	58
Date of Appointment	Appointed on September 29, 2018 in casual vacancy	April 1, 2019	April 1, 2019	March 9, 2015 (last appointment by shareholders at the AGM held on September 22, 2015)
Qualifications	B.E. in Mechanical Engineering and PGDM from IIM, Calcutta	PhD in Economics from Indiana University, USA	Bachelor's degree in Engineering (Mechanical Engineering) post graduate diploma in management from IIM, Bangalore	Leadership and Globalization at the London School of Economics and MBA in Marketing and Finance from the Faculty of Management Studies, Delhi
Experience	Senior Vice President, at Chairman's Office at Tata Sons Limited. Around 15 years of experience in Investment Banking, Capital Markets and Corporate Strategy. Previously, was Managing Director (Investment Banking Division) in Bank of America Merrill Lynch and prior to that he was Group Manager & Head, Business Planning in Infosys Technologies Limited - Corporate Planning Group.	Around 44 year experience in various capacities including as Chief Economist, RBI, Member-Planning Commission, and Vice Chancellor, University of Pune.	Over 30 years of experience in Brand building, Project Management, Sales & marketing and operations in ICT sector.	Wide experience in customer facing roles and in Profit & Loss management across diverse industries
Terms and conditions of appointment	- Director in Non-Executive Non-Independent capacity - Liable to retire by rotation	- Director in Non-Executive Independent capacity - Not liable to retire by rotation - Term of appointment – with effect from April 1, 2019 upto March 31, 2024 - Other terms and conditions - Available on the website of the Company i.e., www.tatateleservices.com and open for inspection at the registered office of the Company on all working days, during business hours upto the date of the AGM	- Director in Non-Executive Non-Independent capacity - Liable to retire by rotation	- Director in Non-Executive Independent capacity - Not liable to retire by rotation - Term of appointment – with effect from March 9, 2020 upto March 8, 2025 - Other terms and conditions Available on the website of the Company i.e., www.tatateleservices.com and open for inspection at the registered office of the Company on all working days, during business hours upto the date of the AGM
Remuneration sought to be paid	Sitting fees of Rs. 20,000 per meeting of the Board of Directors or any Committee thereof	Sitting fees of Rs. 50,000 per meeting of the Board of Directors or any Committee thereof	Sitting fees of Rs. 20,000 per meeting of the Board of Directors or any Committee thereof	Sitting fees of Rs. 50,000 per meeting of the Board of Directors or any Committee thereof
Last remuneration drawn during the year 2018-19	Rs. 1,60,000/-	Not Applicable	Not Applicable	Rs. 8,00,000/-

Number of Board meetings attended during the year	Held: 3 Attended: 3	Held: - Attended: -	Held: - Attended: -	Held: 9 Attended: 8
Expertise in specific functional area	Investment Banking	Economics and Public Policy	Business skills in the Information Technology and Telecommunication sector	Rich experience in Sales & Marketing
Number of shares held in the Company (including held by the dependents)	Nil	Nil	Nil	Nil
Directorships held in other companies	• Tata AIA Life Insurance Co. Ltd. • Tata Capital Housing Finance Ltd. • ATC Telecom Infrastructure Pvt. Ltd. • Tata Teleservices Ltd. • Tata AutoComp Systems Ltd. • Tata Elxsi Ltd. • Tata Sky Ltd.	• Tata Teleservices Ltd. • Sustainable Agro-Commercial Finance Ltd.	• Savadika Retail Private Limited	• Nilkamal Ltd. (Independent Director) • DFM Foods Ltd. (Independent Director) • Polycab India Ltd. (Independent Director) • Tata Communications Payment Solutions Ltd. (Independent Director) • Roots Corporation Ltd. (Independent Director)
Memberships / Chairmanships of Statutory Committees across other companies	**Audit Committee:** • Tata AIA Life Insurance Co. Ltd. • Tata Capital Housing Finance Ltd. • ATC Telecom Infrastructure Pvt. Ltd. • Tata Teleservices Ltd. • Tata Sky Ltd. **Nomination and Remuneration Committee:** • Tata AIA Life Insurance Co. Ltd. **Corporate Social Responsibility Committee:** • Tata Capital Housing Finance Ltd.	**Audit Committee:** • Tata Teleservices Ltd. **Nomination and Remuneration Committee:** • Tata Teleservices Ltd. • Sustainable Agro-Commercial Finance Limited (Chairman) **Corporate Social Responsibility Committee:** • Tata Teleservices Ltd.	None	**Audit Committee:** • Tata Communications Payment Solutions Ltd. (Member) • DFM Foods Ltd. (Member) • Roots Corporation Ltd. (Member) **Nomination and Remuneration Committee:** • Tata Communications Payment Solutions Ltd. (Member) • Roots Corporation Ltd. (Member) • Polycab India Ltd. (Member)
				Corporate Social Responsibility Committee: • Tata Communications Payment Solutions Ltd. (Member) • Polycab India Ltd. (Member) **Stakeholders' Relationship Committee:** • Polycab India Ltd. (Member)
Relationship with other Directors	None	None	None	None

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

Updation of Shareholder Information

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

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

*Self attested copy of the document(s) enclosed

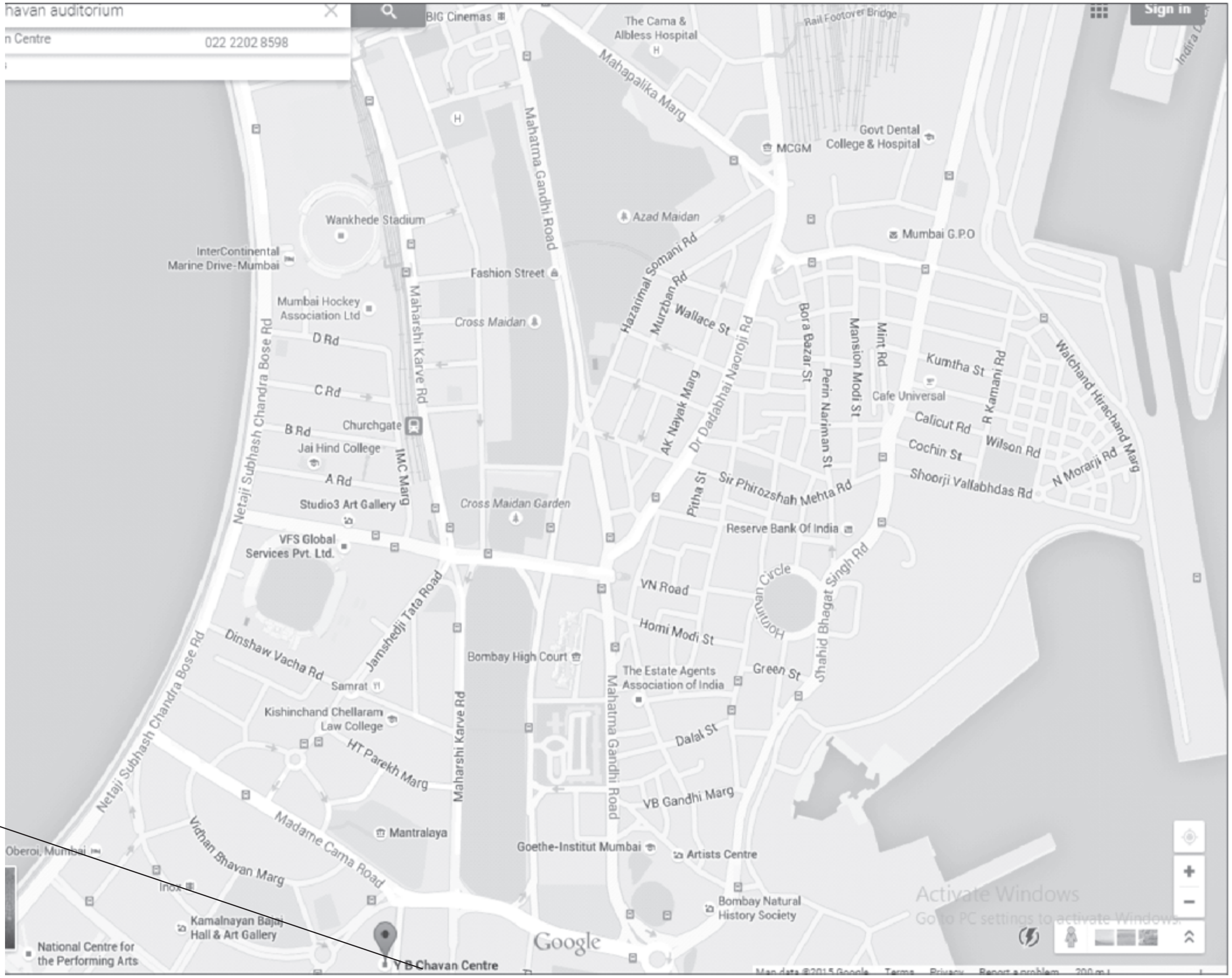
Bank Details: IFSC: (11 digit)	MICR: (9 digit)
Bank A/c Type:	Bank A/c No.: *
Name of the Bank:	
Bank Branch Address:	

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

Place:
Date:

Signature of Shareholder

ROUTE MAP



Y B Chavan Centre
General Jagannathrao
Bhosle Road,
Nariman Point,
Opp. Mantralaya
Mumbai - 400 021.

DIRECTORS' REPORT

Dear Members,

Your Directors present 24th Annual Report on the business and operations of Tata Teleservices (Maharashtra) Limited ("TTML"/ the "Company"), together with the audited financial statements for the year ended March 31, 2019 and other accompanying reports, notes and certificates.

COMPANY OVERVIEW

TTML holds a Unified Licences ("UL") with Access Service Authorization in Mumbai and Maharashtra License Service Area ("LSA") i.e., Maharashtra and Goa states as well as Internet Service Provider Category A i.e., national Authorisation. The Company was earlier an integrated player providing both wireless (GSM, CDMA and 3G) and wireline services to Retail, Enterprise and Carrier customers in its license areas.

The Company has proposed to transfer, by way of demerger, its consumer mobile business (''CMB'') to Bharti Airtel Limited ("Bharti") by way of a Scheme of Arrangement (the "Scheme") which was approved by your Board on December 19, 2017 and the Members and creditors of the Company on August 30, 2018. The Scheme is currently at a final stage of approval process. Details are provided in subsequent sections below.

On completion of the demerger of the CMB as stated above, the Company will largely be focused on providing various wireline voice, data and managed telecom services to Retail and Enterprise customers. The Company may also explore opportunities to strategically restructure these residual business lines at an appropriate time.

Pending that, the Company currently provides its range of products and services to about 2.81 Million (wireline + wireless) subscribers. Its network, as of March 2019, consists of about 370 Base Transceiver Stations (own) and optical fibre transmission network about 17,000 kms in Mumbai and Maharashtra service areas.

FINANCIAL RESULTS

The Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2016, with transition date from April 1, 2015. Accordingly, the financial reports for current financial year 2018-19 and previous financial year 2017-18 have been prepared as per Ind AS reporting framework.

The financial highlights of the Company for the year ended March 31, 2019 are as follows:

(Rs. in Crores)

Particulars	2018-19	2017-18
Total Revenue	**1,316**	**1,904**
Expenditure	608	1,734
Earnings before Interest, Depreciation, Tax and Amortisation (EBITDA)	**708**	**170**
Finance & Treasury charges including exchange impact (net)	1,529	1,538
Depreciation / Amortisation	178	533
Profit/(Loss) Before Exceptional Items and Tax	**(999)**	**(1,900)**
Exceptional Items	(331)	7,942
Profit/(Loss) After Tax	**(668)**	**(9,842)**

The Company reported total revenue at Rs. 1,316 Crores as compared to Rs. 1,904 Crores in the previous year, decline of about 30.9%.

The Company reported a increase in EBITDA at Rs. 708 Crores as against Rs. 170 Crores in the previous year. EBITDA margin for the year was 54%.

The Company's loss before exceptional items was Rs. 999 Crores as compared to last year's level of Rs. 1,900 Crores.

Based on assessment of its recoverable value, the Company has recorded an impairment loss of Rs. 529 Crores on CMB assets and restructuring costs of Rs. 198 Crores, which have been recognized as exceptional items during the year.

INDUSTRY

The year continued to see developments that significantly impacted the businesses of all operators including intense competition, very low consumer pricing, consolidation in the industry, etc.

a. Data Growth

Data consumption in the country, especially wireless, has witnessed exponential growth over the course of the past few years. Total wireless data usage in India grew 131% year-on-year to 1,25,49,891 terabytes between July-September 2018.

b. Telecom Revenues under stress

Indian Telecom sector's (Pan India) gross revenue declined by 11% during nine months of the financial year on account of continued decline in ARPU. The industry registered a marginal increase of 0.16 million subscribers (Mumbai and Maharashtra) during the year.

** Source TRAI. The above data pertains to Mumbai and Maharashtra circles only.*

c. **Market Consolidation**

Consolidation and the exit of a few players has led to a largely four player market in the country.

COMPANY'S INITIATIVES

Like in the previous two years, the industry's financial performance during the year continued to be significantly affected by very low pricing offerings driven by an ultra-competitive market environment. This and several other factors in both the environment and strategic direction of the businesses have had a substantial negative impact on the revenues and profitability of the Company. Market speculation on the future of the Company had negative impact on the sentiments including of employees and customers which further negatively impacted the business.

Consumer Mobile

The Bharti transaction, signed in October 2017, shifted mobility focus to minimizing losses. To this end Operations were being scaled down where they were not financially viable. There were multiple employee redundancies during the year and Voluntary Separation Schemes were made available to the employees several times during the year. Overall employee attrition was at 33% (previous year: 34%).

In order to conserve cost and to leverage the superior network of Bharti for the benefit of our customers, wireless operations moved to an ICR arrangement. This led to the scaling down of the wireless network as customers progressively moved to the Bharti infrastructure. This had an impact on the reach and spread of the Company's owned network impacting the ability to extend services to its other customers.

Enterprise Wireline

The Company placed a lot of emphasis on growing its Tata Tele Business Services ("TTBS") for the Enterprise market. Apart from the SME segment, TTBS also serves the fixed line voice requirements of Large Enterprise Accounts and the requirements of other Carriers/operators. The shutdown of operations by other operators impacted some of the wholesale revenue streams as these operators were customers of the Company's network services.

FY 2019 continued to be a year of digital disruption and more digital start-ups and SMEs looked to a robust telecom infrastructure to ride the wave of digital transformation. In a market disrupted by price wars, the strategic focus at TTBS has been on increasing the business value offered by our solutions rather than playing the price game. We have focused on bringing in new age solutions into the product portfolio and stay relevant to the changing needs of today's SME customer.

Keeping the customer's needs at the center, we continue to fortify our solutions across a diverse portfolio spanning across Cloud & SaaS, Collaboration, Connectivity, IoT and Marketing & Security Solutions.

The SME segment requirements have evolved over the past few years and so have their expectations. Our SmartOffice™ solution (a one-box start-up kit with voice, data, apps, storage & much more) is the result of customer's need to have simple solutions that can fulfill their basic connectivity requirements. Launched last year, this product has picked up steam in the recent months. For the more evolved customer, in the mid segment, we launched the Smart VPN- including MPLS VPN (with managed & security services overlay), SecureConnect (secured the access to public cloud) & Internet VPN (source agonistic secured internet access).

The Company has shown growth in the number of activations of SIP, MPLS, SmartOffice™ and A2P services in the fiscal year. The Company also pioneered the introduction of Digital CAF for enterprises, TTBS Prime for expedited day delivery on specific products, Click2Buy- online platform for buying enterprise services and Meet4Solutions- Online consultation with our Solution Architects.

The Company continued to win Awards and recognition for TTBS in FY 2019. Some of the major ones are:

- CII Award for Customer Obsession.
- TelecomLead Innovation Leader Award for SmartOffice™
- International Echo Awards for Meet4Solutions (Digital Platform).

- Global Marketing Excellence Award for Excellence in Content Marketing.
- Prestigious Brands of India Award – B2B Telecom Service Provider.

Adoption of disruptive technologies can catapult SMEs to a new phase of high business growth and larger market reach. Supporting SMEs in embracing these technologies will be an important part of TTBS' future roadmap. TTBS strives to always get the best technology and services to businesses so that they can improve processes, reach customers more effectively, manage workforce more efficiently and Do Big.

SCHEME OF ARRANGEMENT

The Board of Directors at its meeting held on October 12, 2017 had approved the transfer by way of demerger of the Consumer Mobile Business of the Company to Bharti Airtel Limited ("Bharti" or "BAL") on debt-free, cash-free basis subject to requisite regulatory approvals. The Competition Commission of India ("CCI") approved the proposal by its order dated November 16, 2017. Further, the Board at its meeting held on December 19, 2017 had approved the Scheme of Arrangement ("Scheme") between the Company, BAL and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013. Upon the Scheme becoming effective and in consideration of the demerger, BAL shall issue and allot (A) 1 (One) BAL Equity Share to TTML Equity Holders on such date as may be mutually agreed by TTML and BAL (**"Record Date"**) for every 2,014 (Two Thousand Fourteen) TTML Equity Shares each held in TTML on the Record Date; and (B) 10 (Ten) BAL Redeemable Preference Shares ("RPS") to all (and not each) TTML RPS Holders in proportion to their holding of TTML RPS on the Record Date.

The Stock Exchanges i.e., BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") vide their respective letters dated March 21, 2018 conveyed their no adverse observations/no objection to the Scheme. Subsequently, as directed by National Company Law Tribunal, Mumbai Bench ("NCLT") the Company obtained approval of the Shareholders and Secured and Unsecured Creditors of the Company in the meetings held on August 30, 2018. NCLT Mumbai vide its order dated December 4, 2018 ("TTML NCLT, Mumbai Order") and NCLT Delhi vide orders dated January 21 and January 30, 2019 approved the Scheme. Department of Telecommunications ("DoT") needs to take on record the NCLT approvals for which an application was made on February 12, 2019. Thereafter, DoT issued a letter dated April 10, 2019 addressed to TTML and BAL for the TTML Scheme giving its approval to take on record the demerger of consumer mobile business as per the respective schemes subject to fulfillment of certain conditions (**"DoT Letter"**).

On April 18, 2019, TTML and BAL separately filed petitions against the DoT Letter before the Telecom Dispute Settlement and Appellate Tribunal (**"TDSAT"**).

The TDSAT by of its order dated April 22, 2019 has granted relief requested by TTML. The TDSAT by of its order dated May 2, 2019 as amended by order dated May 6, 2019, has directed DoT to take on record the merger and has allowed BAL to operationalize spectrum and to undertake other consequential activities.

TTML and BAL have complied with all conditions stipulated in the DoT Letter as modified by the above mentioned TDSAT Orders. A letter to this effect has been filed with the DoT on May 22, 2019.

NETWORK

During the year, clear emphasis was placed on optimum utilization of assets leading to rollback of sites in non-profitable areas. In addition, TTML has entered into ICR arrangement with Airtel to extend the 2G/3G coverage throughout Maharashtra & Goa and traffic is being routed through Airtel progressively from November 2017.

SAFETY

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

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

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

The above actions are part of Safety initiatives comprising:
- Safety Awareness and Communication;
- 4 tier Audit Mechanism;
- Corrective and Preventive Actions ("CAPA").

CAPITAL AND DEBT STRUCTURE

The term of redemption of 20,18,00,000 Non-cumulative Redeemable Preference Shares ("RPS") of Rs. 100/- each held in the Company from October 17, 2018 was extended for further period of 24 months with an option to redeem at such earlier date as may be decided by the Company. All other terms and conditions shall remain same.

CORPORATE STRUCTURE

HOLDING COMPANY

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

Pursuant to Section 47(2) of the Act, TTSL is entitled to additional voting rights of 26.26% in respect of the RPS of Rs. 100/- each held in the Company from October 17, 2018. Accordingly, TTSL has total 74.76% voting rights in the Company, in respect of Equity Shares and RPS of the Company held by it. The RPS are Non-convertible.

SUBSIDIARY AND ASSOCIATE COMPANY

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

BOARD OF DIRECTORS, MEETINGS AND ITS COMMITTEES

As on March 31, 2019, the Board of Directors comprised of 4 (Four) Directors (which increased to six effective April 1, 2019). Of the 4 (Four) Directors, 3 (Three) (i.e., 75%) are Non-Executive Directors and 1 (One) Managing Director. The Non-Executive Directors include 2 (Two) Independent Directors (including a Woman Director). The composition of the Board is in conformity with the provisions of the Act and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

Further, all the Directors and senior management personnel have affirmed compliance with the Code of Conduct for the Financial Year 2018-19 (“Year”) and the declaration by Managing Director in this respect appears elsewhere in the Annual Report.

RESIGNATION OF DIRECTOR

Mr. Govind Sankaranarayanan, a Non-Executive Director of the Company, moved out of the Tata Group and in accordance with the practice in the Group, he resigned as Non-Executive Director of the Company with effect from September 27, 2018.

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

APPOINTMENT OF DIRECTORS

The Board of Directors, on recommendation of Nomination and Remuneration Committee, appointed Mr. Ankur Verma as a Non-Executive Non-Independent Director with effect from September 29, 2018 in the casual vacancy caused by the resignation of Mr. Govind Sankaranarayanan, Non-Executive Director of the Company and Mr. Ankur Verma, hold the office till the ensuing Annual General Meeting (“AGM”) of the Company and is proposed to be appointed at the AGM as Non-Executive Non-Independent Director, liable to retire by rotation. The relevant details of Mr. Ankur Verma form part of the Notice convening 24th AGM.

The Board of Directors, on recommendation of Nomination and Remuneration Committee, appointed Dr. Narendra Damodar Jadhav as an Additional Director in the category of Independent Non-Executive Director with effect from April 1, 2019. Dr. Narendra Damodar Jadhav holds the office as an Additional Director till the ensuing AGM and is eligible for appointment at the ensuing AGM. The appointment of Dr. Jadhav as an Independent Director for the period of 5 (Five) years with effect from April 1, 2019, is subject to approval of the Members of the Company at the ensuing AGM and he shall not be liable to retire by rotation. The Company has received declaration from Dr. Narendra Damodar Jadhav that he fulfills the criteria of Independence as prescribed under the provisions of the Act read with the Schedules and Rules issued thereunder as well as Regulation 16 of the Listing Regulations (including statutory re-enactment thereof for the time being in force).

Further, the Board of Directors, on recommendation of Nomination and Remuneration Committee, appointed Mr. Thambiah Elango as an Additional Director in the category of Non-Independent Non-Executive Director with effect from April 1, 2019. Mr. Elango holds the office as an Additional Director till the ensuing AGM and is eligible and offers himself for appointment at the ensuing AGM, liable to retire by rotation.

RE-APPOINTMENT OF DIRECTORS

Ms. Hiroo Mirchandani was appointed as an Independent Director of the Company for a period of 5 years with effect from March 9, 2015 upto March 8, 2020 at the AGM of the Company held on September 22, 2015.

In view of the above and as the current term of Ms. Hiroo Mirchandani, Independent Director is expiring on March 8, 2020, it is proposed to re-appoint Ms. Hiroo Mirchandani as an Independent Director of the Company with effect from March 9, 2020 up to March 8, 2025.

The Nomination and Remuneration Committee and the Board of Directors have recommended appointment/re-appointment of Mr. Ankur Verma, Dr. Narendra Damodar Jadhav, Mr. Thambiah Elango and Ms. Hiroo Mirchandani on the Board. Detailed profiles of the above directors are appended to the Explanatory Statement accompanying the Notice for the AGM. The Company has received notices from a Member under Section 160 of the Act proposing Mr. Ankur Verma, Dr. Narendra Damodar Jadhav, Mr. Thambiah Elango and Ms. Hiroo Mirchandani for appointment/re-appointment as Director.

INDEPENDENT DIRECTORS

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

MEETINGS OF THE BOARD OF DIRECTORS

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

During the Year, 9 (Nine) Meetings of the Board of Directors were held, viz. May 30, 2018; June 20, 2018; July 10, 2018; August 7, 2018; August 10, 2018; September 29, 2018; October 24, 2018; October 30, 2018 and February 14, 2019. Details of composition of the Board, meetings of the Board held and attendance of the Directors at such meetings are provided in the Corporate Governance Report, annexed to the Annual Report. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Regulations.

COMMITTEES OF THE BOARD

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

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

In addition to above the Company also has the following Committees of the Board:

(iii) Nomination and Remuneration Committee

(iv) Stakeholders' Relationship Committee.

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

POLICIES AND PROCEDURES

COMPANY'S POLICIES ON APPOINTMENT AND REMUNERATION OF DIRECTORS

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

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 the Listing Regulations.

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

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

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

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

Mr. D. T. Joseph, Chairman of the Nomination and Remuneration Committee ("NRC"), was nominated for conducting one-on-one discussions with Directors to seek their feedback on the Board and other Directors.

The NRC also reviewed the performance of the individual Directors. In addition, Mr. Joseph was evaluated on the key aspects of his role.

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

RISK MANAGEMENT POLICY

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

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

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

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

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility ("CSR") Committee in accordance with Section 135 of the Act. The composition of CSR Committee, the details of CSR Policy and initiatives taken by the Company on CSR activities during the year have been provided in the **Annexure – II** to this Report.

OTHER STATUTORY DISCLOSURES

Contracts or Arrangements with Related Parties

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

Further, your Company has taken a prior approval of the Members for all material transactions/proposed transactions entered/to be entered into between the Company and TTSL, a related party, relating to rendering or availing of services, sharing of infrastructure, purchase/sale of Assets and Inventory and sharing of costs for an aggregate value of Rs. 620 Crores (Rupees Six Hundred and Twenty Crores Only) per annum for the financial years 2018-19, 2019-20 and 2020-21.

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

Particulars of Loans, Guarantees or Investments

Your Company being in business of providing infrastructural facilities, provisions of Section 186 of the Act, do not apply to the Company in respect of loans made, guarantees given or security provided by the Company.

Your Company has not made any investment in securities of other Bodies Corporate during the financial year 2018-19.

Dividend and Appropriations

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

Deposits

The Company has not accepted any deposits from public, during the financial year 2018-19, within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposit) Rules, 2014.

The Company availed Inter Corporate Deposits (“ICD”) from TTSL amounting to Rs. 3,644 Crores (Rupees Three Thousand Six Hundred Forty Four Crores Only) during the financial year 2018-19.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder, for prevention and redressal of complaints of sexual harassment at workplace. The objective of this policy is to lay clear guidelines and provide right direction, in case of any reported incidence of sexual harassment across the Company’s offices, and take appropriate decision in resolving such issues.

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

During the financial year 2018-19, the Company has not received any complaint on sexual harassment.

Particulars of Employees

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

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

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

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

(A) Conservation of Energy:

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

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

   - Indoor BTS with Outdoor cabinet on new project roll out - NIL.
   - Network consolidation – 1713 2G BTS, 3 MSS and 5 MGW and 5 MSC switched off.

b. The initiative on energy conservation has resulted into reduction of 16 Million units of energy consumption, carbon foot print reduction of 13 TCO2 for the financial year 2018-19.

(ii) Steps taken by the Company for utilizing alternate sources of Energy: The Company has not utilized any alternate sources of energy.

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

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

(C) Foreign Exchange Earnings and Outgo:

(Rs. in Crores)

Particulars	2018-19	2017-18
Earnings	**0.31**	2.95
Outgo	**2.97**	107.67
Capital Goods	**119.72**	38.76

Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the Going Concern Status and the Company's Operation in Future

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

Extract of Annual Return

Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is annexed as **Annexure – V** to this Report.

CREDIT RATING

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

Rating Agency	Bank Facilities		Commercial Papers
	Long Term Rating	Short Term Rating	
CRISIL	AA- (Stable)	A1+ (Stable)	A1+
ICRA*	A+ (Stable)	A+ (Stable)	-
CARE	A+ (Under Credit Watch with developing implications)	A1+(Under Credit Watch with developing implications)	A1+(Under Credit Watch with developing implications)

** Consequent to the repayment/pre-payment/surrender of various banking facilities, the overall limits have come down significantly and hence in order to achieve administrative convenience, with the consent of ICRA, the Company requested CRISIL to rate banking facilities of Rs. 280 Crores which were earlier rated by ICRA. Consequently the ratings by ICRA as on March 28, 2019 was Nil and hence, their rating has been withdrawn.*

Further, there is no change in the credit rating as compared to the last financial year.

INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

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

AUDITORS

Statutory Auditors

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

Cost Auditors

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

The Board of Directors of your Company has on the recommendation of Audit Committee, approved the re-appointment and remuneration of M/s. Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors of the Company for the financial year 2019-2020. Members are requested to consider, approve and ratify the remuneration payable to M/s. Sanjay Gupta & Associates for the financial year 2019-2020.

Internal Auditors

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

Secretarial Auditors and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Mehta & Mehta, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the year ending March 31, 2019. The Secretarial Audit Report in Form MR-3 is annexed as **Annexure – VI** to this Report.

AUDITORS' OBSERVATIONS AND DIRECTORS' COMMENTS

The Auditors' Report for the financial year ended March 31, 2019 does not contain any qualification, reservation, adverse remark or disclaimer.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s) including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2018-19.

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

1. in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards have been followed and there are no material departures;

2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2019 and of the loss of the Company for that period;

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

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

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

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

MANAGEMENTS' DISCUSSION AND ANALYSIS REPORT

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

CORPORATE GOVERNANCE REPORT

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

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

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards.

ACKNOWLEDGMENTS

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

For and on behalf of the Board of Directors

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

Place : Mumbai
Date : May 29, 2019

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

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

1. Definition of Independence

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2. Qualifications of Directors

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

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

- While recommending appointment of a director, it is expected that the Nomination and Remuneration Committee ("NRC") consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board.

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

3. Positive Attributes of Directors

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

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

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

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

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

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

6) Not assign his office."

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

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

"An independent director shall:

1) uphold ethical standards of integrity and probity;

2) act objectively and constructively while exercising his duties;

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

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

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

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

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

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

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

For and on behalf of the Board of Directors

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

Place : Mumbai
Date : May 29, 2019

Annexure – IB to the Directors' Report
Remuneration Policy

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

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

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

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

Key principles governing this remuneration policy are as follows:

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

    o Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.

    o Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.

    o Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).

    o Overall remuneration should be reflective of size of the company, complexity of the sector/industry/company's operations and the company's capacity to pay the remuneration.

    o Overall remuneration practices should be consistent with recognized best practices.

    o Quantum of sitting fees may be subject to review on a periodic basis, as required.

    o The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.

    o The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.

    o In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.

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

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

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

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

o In terms of remuneration mix or composition,

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

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

o Industry benchmarks of remuneration,

o Performance of the individual.

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

- **Remuneration payable to Director for services rendered in other capacity**

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

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

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

- **Policy implementation**

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

For and on behalf of the Board of Directors

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

Place : Mumbai
Date : May 29, 2019

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

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

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

   Focus areas and key programs are as under:

   Promoting employability through Education, Skill development – The Company has provided soft skill trainings to the students of partnered NGOs, by designing and delivering of modules through identified employees who are subject matter experts. The Company also supports schools in multiple locations for delivering educational sessions on identified subjects. Other activities include book recording for children with visual disabilities, thereby supporting the NGOs working in the space of educating and empowering people with disabilities. NGOs working in the area of education and soft skill training for children, women, people with disability and youth from socially and economically disadvantaged background are selected through a rigorous screening process.

   Volunteering - The Company actively participates in Group Volunteering Programs – Tata Volunteering Week and Pro-engage (Short term focused projects with NGOs) through Prakriti club – the volunteering arm of the Company. The key focus areas of volunteering programs are skill building and education. Volunteers from Delhi office organized Diwali Mela – Painting Diya, Making paper bags & Envelopes at The Blind Relief Association (BRAD).

   Green school training program – a training session for 40 teachers on importance of plantation and how to impart interest and responsibility to the students to safeguard the environment was conducted and distribution of plants and plantation of saplings at Diocesan Office were undertaken.

   1000 Smiles – Dental Camp Project was conducted in Hyderabad to educate students on dental care. Dental checkups were performed for 3 days. 42 volunteers participated in organizing the Dental camps in Wesley Girls Government High School, Tukkuguda Government High School & Anganvadi orphanage. Volunteers distributed dental kit, conducted awareness session and shared simple tips to maintain healthy teeth. About 1000 students participated and volunteers had spent 210 hours to successfully complete the project.

   Health Education / Skill Development awareness sessions were conducted in Hyderabad where, volunteers from Hyderabad participated in organizing sessions on cervical cancer, self Defense, at. Prem Nivas, which is a Secunderabad based Orphanage, giving shelter to over 45 orphan children.

   Livelihood enhancement - The Company strives to provide livelihood to youth from socially and economically disadvantaged background, thus enabling economic independence. "Campus to Corporate" workshop was conducted for students of SPN Doshi women's college, Mumbai. Guidance was provided on the required skills, knowledge and mindset that are needed to transition from their current phase of education to work life.

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

2. **Composition of CSR Committee**

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

Sr. No.	Name	Designation
1	Mr. D. T. Joseph	Non-Executive Independent Director
2	Mr. Ankur Verma	Non-Executive Director
3	Mr. N. Srinath	Managing Director

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

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

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

For and on behalf of the Board of Directors

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

Place : Mumbai
Date : May 29, 2019

Annexure – III to the Directors’ Report

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

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

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

   Tata Teleservices (Maharashtra) Limited (“TTML”) has not entered into any contact or arrangement or transaction with related parties which is not on arm’s length during financial year 2018-19.

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

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

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

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

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

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

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

Table – A

Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any
Roaming Income / Expenses	April 1, 2018 - March 31, 2021	TTML entered into agreement with all operators including TTSL to provide roaming services to customers. Contract Value: Inter Circle Roaming Expenses – Rs. 30 Crores p.a. (Value till 31.03.2019 Rs. 0.26 Crores) Inter Circle Roaming Income – Rs. 25 Crores p.a. (Value till 31.03.2019 Rs.0.27 Crores)
Inter Usage Expenses and Income (Carriage & Termination)	April 1, 2018 - March 31, 2021	TTML enters into interconnection agreement with all operators including TTSL as per licensing conditions. Termination charges are prescribed by TRAI from time to time and are followed by all the telecom operators in India. Carriage & Termination Contract Value: Rs. 365 Crores p.a. (Carriage & Termination Expenses till 31.03.2019 (YTD) is Rs. 62.82 Crores & Termination Income till 31.03.2019 (YTD) is Rs. 1.16 Crores)

Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any
Purchase / Sale of Inventory / Used assets	April 1, 2018 - March 31, 2021	Procurement Contract allows needs based purchase / sale of Inventory/Used assets. Contract Value: Rs. 10 Crores p.a. (Value till 31.03.2019 (YTD) Rs. 1.13 Crores)
Cost sharing of CSO Assets	August 11, 2007 - Open Ended	TTSL shares the CSO fixed assets with TTML without mark-up. Contract Value: NA (till 31.03..2019 (YTD)Rs. 10.04 Cores)
Telecommunication Services	Open Ended	TTML is a telecom operator. It provides telecommunication services to various entities, including TTSL. Contract Value: Rs. 35 (Value till 31.03.2019 (YTD) Rs. 19.44 Crores)
Cost Sharing O & M bandwidth	October 1, 2008 - September 30, 2023	TTML has in place a “leasing of bandwidth agreement” dated October 25, 2007 with TTSL. The arrangement also requires TTML to maintain the fiber given to TTSL in Mumbai and Rest of Maharashtra and Goa. Contract Value: Rs. 2 (Value till 31.03.2019 (YTD) is Rs. 1.00 Crore)
Other Income (Lease Income & Related Expenses Recovery Turbhe and Pune)	April 1, 2018 - March 31, 2021	Lease Income (Turbhe): Based on Independent Valuation, 51,478 Sq. ft. Leased to TTSL for a consideration of Rs. 25.75 Lakhs of rent per month. Lease Income: Based on the rates charged by landlord to TTML. 3,850 Sq.ft. Leased to TTSL for a consideration of Rs. 2.93 Lakhs of rent per month. Recovery of housekeeping & facilities expense: At Actual without Mark-up. Contract Value: Rs. 20 Crores for rent (excluding taxes) and reimbursement of housekeeping, electricity and fuel charges etc. at actual. (Value till 31.03.2019 (YTD) is Rs. 13.66 Crores including reimbursements)
Cost Sharing	April 1, 2018 - March 31, 2021	Sharing of common resources is based on “Various Ratios” without Mark-up. Contract Value: Rs. 130 Crores p.a. (Value till 31.03.2019 (YTD) Rs.82.92 Crores)

For and on behalf of the Board of Directors

Ankur Verma
Director
DIN: 07972892

N. Srinath
Managing Director
DIN: 00058133

Place : Mumbai
Date : May 29, 2019

Annexure – IV to the Directors' Report

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

a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19:

Non-Executive Directors	Ratio to median remuneration
Mr. D. T. Joseph	1.02
Ms. Hiroo Mirchandani	0.90
Mr. Ankur Verma*	0.18
Mr. Govind Sankaranarayanan@	0.07

* Appointed w.e.f. September 29, 2018
@ Resigned w.e.f. September 27, 2018

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

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

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

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2018-19:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. N. Srinath (Managing Director)*	N.A.
Mr. Kush S. Bhatnagar - Chief Financial Officer	3%
Ms. Vrushali Dhamnaskar – Assistant Company Secretary@	N.A.
Mr. Kiran Thacker - Company Secretary#	N.A.

* Mr. N. Srinath does not draw any remuneration from the Company.
@ Appointed w.e.f July 1, 2018.
# Retired w.e.f July 1, 2018

c. The percentage increase in the median remuneration of employees in the financial year: 8%.
(Increase on Median remuneration has been taken for on-roll employees as on March 31, 2019)

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

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

The average annual increase for the year was 4% in case of employees other than managerial personnel.

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

For and on behalf of the Board of Directors

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

Place : Mumbai
Date : May 29, 2019

Annexure – V to the Directors' Report

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2019
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

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

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Wired telecommunications activities	611	75
2	Wireless telecommunications activities	612	25

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

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

(i) Category-wise Share Holding

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2018)				No. of Shares held at the end of the year (as on March 31, 2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	**Promoters & Promoter Group**									
1)	**Indian**									
a	Individual / HUF	0	0	0	0.00	0	0	0	0.00	0.00
b	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c	State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d	Bodies Corporate	1453672327	0	1453672327	74.36	1453672327	0	1453672327	74.36	0.00
e	Banks / FIs	0	0	0	0.00	0	0	0	0.00	0.00
F	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub - Total (A) (1)		**1453672327**	**0**	**1453672327**	**74.36**	**1453672327**	**0**	**1453672327**	**74.36**	**0.00**
2)	**Foreign**									
a	NRIs / Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b	Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d	Banks / FIs	0	0	0	0.00	0	0	0	0.00	0.00
e	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub - Total (A) (2)		**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Total Shareholding of Promoters & Promoter Group (A) = (A) (1) + (A) (2)		**1463554409**	**0**	**1463554409**	**74.86**	**1453672327**	**0**	**1453672327**	**74.36**	**0.00**
B	**Public Shareholding**									
1)	**Institutions**									
a	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b	Banks / FIs	1721198	0	1721198	0.09	1041115	0	1041115	0.05	(0.04)
c	Central Govt.	2266	0	2266	0.00	2266	0	2266	0.00	0.00
d	State Govt.	41933	0	41933	0.00	41933	0	41933	0.00	0.00
e	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g	FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
j	Others (please specify)									
j-i	Foreign Portfolio Investors (Corporate)	7775255	0	7775255	0.40	5278884	0	5278884	0.27	(0.13)
j-ii	Foreign Bodies	0	0	0	0.00	0	0	0	0.00	0.00
j-iii	NRIs									
j-iii-a	Individual shareholding nominal shares upto Rs. 1 Lakh	3335510	33297	3368807	0.17	3243732	33297	3277029	0.17	0.00

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2018)				No. of Shares held at the end of the year (as on March 31, 2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
j-iii-b	Individual shareholding nominal shares in excess of Rs.1 lakh	8720749	0	8720749	0.45	10715062	0	10715062	0.55	0.10
Sub – total (B) (1)		**21596911**	**33297**	**21630208**	**1.11**	**20322992**	**33297**	**20356289**	**1.04**	**(0.07)**
2)	**Non - Institutions**									
a	Bodies Corporate									
(i)	Indian	37901031	4078	37905109	1.94	33897564	3399	33900963	1.73	(0.20)
(ii)	Overseas	1133	0	1133	0.00	1133	0	1133	0.00	0.00
b	Individuals									
(i)	Individual shareholders having nominal share capital upto Rs. 1 Lakh	248466625	2820193	251286818	12.85	237212639	2707868	239920507	12.27	(0.58)
(ii)	Individual shareholders having nominal share capital in excess of Rs. 1 Lakh	190379746	11333	190391079	9.74	207036447	0	207036447	10.59	0.85
c	Others (please specify)	0	0	0	0.00	0	0	0	0.00	0.00
c.i	Trusts	41053	0	41053	0.00	40061	0	40061	0.00	0.00
c.ii	Directors & their relatives	0	0	0	0.00	0	0	0	0.00	0.00
Sub – total (B) (2)		**476789588**	**2835604**	**479625192**	**24.53**	**478187844**	**2711267**	**480899111**	**24.60**	**0.07**
Total Public Shareholding (B) = (B) (1) + (B) (2)		**498386499**	**2868901**	**501255400**	**25.64**	**498510836**	**2744564**	**501255400**	**25.64**	**0.00**
Grand Total (A + B + C)		**1952058826**	**2868901**	**1954927727**	**100.00**	**1952183163**	**2744564**	**1954927727**	**100.00**	**0.00**

(ii) Shareholding of Promoters (including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as on April 1, 2018)			Shareholding at the end of the year (as on March 31, 2019)			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Tata Teleservices Limited (Promoter)	944174817	48.30	26.00	944174817	48.30	0.00	0.00
2	The Tata Power Company Limited *	126720193	6.48	0.00	126720193	6.48	0.00	0.00
3	Tata Sons Private Limited	382759467	19.58	0.00	382759467	19.58	0.00	0.00
4	Panatone Finvest Limited *	17850	0.00	0.00	17850	0.00	0.00	0.00
	Total	**1453672327**	**74.36**	**26.00**	**1453672327**	**74.36**	**0.00**	**0.00**

** Part of Promoter Group*

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

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year (as on April 1, 2018)		Date	Reason	Increase / Decrease in Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company			No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
1	Tata Teleservices Limited (Promoter)	944174817	48.30		No change	0	0.00	944174817	48.30
				30.03.2019	**At the end of the year**			**944174817**	**48.30**
2	The Tata Power Company Limited *	126720193	6.48		No change	0	0.00	126720193	6.48
				30.03.2019	**At the end of the year**			**126720193**	**6.48**
3	Tata Sons Private Limited	382759467	19.58		No change	0	0.00	382759467	19.58
				30.03.2019	**At the end of the year**			**382759467**	**19.58**
4	Panatone Finvest Limited *	17850	0.00		No change	0	.00	17850	0.00
				30.03.2019	**At the end of the year**			**17850**	**0.00**

** Part of Promoter Group*

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

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/Decrease in Shareholding		Cumulative Shares during the year	
			No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	AAZPL8375Q	C Loganathan	2971462	0.15					2971462	0.15
					16.11.2018	Purchase of shares	56000	0.00	3027462	0.15
					23.11.2018	Purchase of shares	246533	0.01	3273995	0.17
					30.11.2018	Purchase of shares	400314	0.02	3674309	0.19
					14.12.2018	Purchase of shares	760000	0.04	4434309	0.23
					14.12.2018	Sale of shares	(1160000)	(0.06)	3274309	0.17
					21.12.2018	Purchase of shares	400000	0.02	3674309	0.19
					30.03.2019	**At the end of the year**			**3674309**	**0.19**
2	AAACS6183R	Eco Recycling Limited	2088600	0.11					20,88,600	0.11
					18.05.2018	Purchase of shares	11400	0.00	2100000	0.11
					27.07.2018	Purchase of shares	173913	0.01	2273913	0.12
					10.08.2018	Sale of shares	(73913)	0.00	2200000	0.11
					17.08.2018	Sale of shares	(100000)	(0.01)	2100000	0.11
					28.08.2018	Purchase of shares	175772	0.01	2275772	0.12
					12.10.2018	Purchase of shares	478370	0.02	2754142	0.14
					26.10.2018	Purchase of shares	26719	0.00	2780861	0.14

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/Decrease in Shareholding		Cumulative Shares during the year	
			No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
					02.11.2018	Purchase of shares	45505	0.00	2826366	0.14
					14.12.2018	Purchase of shares	73634	0.00	2900000	0.15
					15.02.2019	Purchase of shares	600000	0.03	3500000	0.18
					30.03.2019	**At the end of the year**			**3500000**	**0.18**
3	AAATD7768G	The Emerging Markets Small Cap Series Of The Dfa Investment Trust Company	4584815	0.23					4584815	0.23
					30.11.2018	Sale of shares	(207468)	(0.01)	4377347	0.22
					07.12.2018	Sale of shares	(71438)	0.00	4305909	0.22
					25.01.2019	Sale of shares	(83649)	0.00	4222260	0.22
					22.02.2019	Sale of shares	(115568)	(0.01)	4106692	0.21
					01.03.2019	Sale of shares	(704553)	(0.04)	3402139	0.17
					08.03.2019	Sale of shares	(245384)	(0.01)	3156755	0.16
					30.03.2019	**At the end of the year**	**-**	**-**	**3156755**	**0.16**
4	AACCD1644G	Emerging Markets Core Equity Portfolio (The Portfolio) Of Dfa Investment Dimensions Group Inc (DFAIDG)	2509937	0.13					2509937	0.13
					01.03.2019	Sale of shares	(418464)	(0.02)	2091473	0.11
					30.03.2019	**At the end of the year**	**0**	**-**	**2091473**	**0.11**
5	AEUPM6333A	Ashok Kumar Madrecha	16002	0.00					16002	0.00
					20.04.2018	Purchase of shares	411685	0.02	427687	0.02
					27.04.2018	Purchase of shares	14309	0.00	441996	0.02
					02.11.2018	Purchase of shares	69124	0.00	511120	0.03
					11.01.2019	Purchase of shares	47505	0.00	558625	0.03
					18.01.2019	Purchase of shares	146751	0.01	705376	0.04
					01.02.2019	Purchase of shares	241501	0.01	946877	0.05
					08.02.2019	Purchase of shares	199000	0.01	1145877	0.06
					15.02.2019	Purchase of shares	407497	0.02	1553374	0.08
					08.03.2019	Purchase of shares	251583	0.01	1804957	0.09
					22.03.2019	Purchase of shares	128209	0.01	1933166	0.10
					29.03.2019	Purchase of shares	95809	0.00	2028975	0.10
					30.03.2019	**At the end of the year**	**0**		**2028975**	**0.10**
6	AIAPS3756P	Fateh Singh	1001000	0.05					1001000	0.05
					13.04.2018	Purchase of shares	225000	0.01	1226000	0.06
					04.05.2018	Purchase of shares	100000	0.01	1326000	0.07
					25.05.2018	Purchase of shares	24000	0.00	1350000	0.07
					01.06.2018	Purchase of shares	60000	0.00	1410000	0.07
					31.08.2018	Purchase of shares	100000	0.01	1510000	0.08
					14.12.2018	Purchase of shares	113778	0.01	1623778	0.08
					04.01.2019	Purchase of shares	49973	0.00	1673751	0.09
					11.01.2019	Purchase of shares	27000	0.00	1700751	0.09
					08.02.2019	Purchase of shares	60000	0.00	1760751	0.09
					15.03.2019	Purchase of shares	40000	0.00	1800751	0.09

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/Decrease in Shareholding		Cumulative Shares during the year	
			No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
					30.03.2019	**At the end of the year**			**1800751**	**0.09**
7	AACCA2570L	Abinandan Holdings Private Limited	0	0.00					0	-
					10.08.2018	Purchase of shares	800940	0.04	800940	0.04
					16.11.2018	Purchase of shares	799060	0.04	1600000	0.08
					30.03.2019	**At the end of the year**	**0**		**1600000**	**0.08**
8	AADCM6730B	Marfatia Stock Broking Private Limited	82	0.00				0.00	82	0.00
					20.04.2018	Purchase of shares	400	0.00	482	0.00
					27.04.2018	Sale of shares	(400)	0.00	82	0.00
					08.06.2018	Purchase of shares	700	0.00	782	0.00
					15.06.2018	Sale of shares	(500)	0.00	282	0.00
					06.07.2018	Purchase of shares	20000	0.00	20282	0.00
					13.07.2018	Sale of shares	(20000)	0.00	282	0.00
					14.09.2018	Purchase of shares	113	0.00	395	0.00
					21.09.2018	Purchase of shares	387	0.00	782	0.00
					25.09.2018	Sale of shares	(500)	0.00	282	0.00
					05.10.2018	Purchase of shares	1323000	0.07	1323282	0.07
					12.10.2018	Purchase of shares	340	0.00	1323622	0.07
					19.10.2018	Sale of shares	(340)	0.00	1323282	0.07
					02.11.2018	Purchase of shares	25	0.00	1323307	0.07
					09.11.2018	Purchase of shares	8266	0.00	1331573	0.07
					16.11.2018	Sale of shares	(5122)	0.00	1326451	0.07
					30.11.2018	Purchase of shares	1133	0.00	1327584	0.07
					07.12.2018	Sale of shares	(4277)	0.00	1323307	0.07
					14.12.2018	Purchase of shares	12566	0.00	1335873	0.07
					21.12.2018	Sale of shares	(12226)	0.00	1323647	0.07
					28.12.2018	Sale of shares	(340)	0.00	1323307	0.07
					11.01.2019	Sale of shares	(1323000)	(0.07)	307	0.00
					08.02.2019	Purchase of shares	49693	0.00	50000	0.00
					15.02.2019	Purchase of shares	105000	0.01	155000	0.01
					22.02.2019	Purchase of shares	904017	0.05	1059017	0.05
					22.02.2019	Sale of shares	(100000)	(0.01)	959017	0.05
					01.03.2019	Sale of shares	(959017)	(0.05)	0	-
					22.03.2019	Purchase of shares	1574268	0.08	1574268	0.08
					30.03.2019	**At the end of the year**			**1574268**	**0.08**
9	ABTPN9257E	Jincy Narendran	750000	0.04					750000	0.04
					27.07.2018	Purchase of shares	50000	0.00	800000	0.04
					10.08.2018	Sale of shares	(100000)	(0.01)	700000	0.04
					12.10.2018	Purchase of shares	300000	0.02	1000000	0.05
					19.10.2018	Purchase of shares	50000	0.00	1050000	0.05
					07.12.2018	Purchase of shares	100000	0.01	1150000	0.06

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/Decrease in Shareholding		Cumulative Shares during the year	
			No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
					14.12.2018	Purchase of shares	100000	0.01	1250000	0.06
					15.02.2019	Purchase of shares	74616	0.00	1324616	0.07
					01.03.2019	Purchase of shares	225384	0.01	1550000	0.08
					30.03.2019	**At the end of the year**	**0**		**1550000**	**0.08**
10	AABCK5190K	Karvy Stock Broking Ltd.	1675732	0.09					1675732	0.09
					06.04.2018	Purchase of shares	13215	0.00	1688947	0.09
					06.04.2018	Sale of shares	(3879)	0.00	1685068	0.09
					13.04.2018	Purchase of shares	26658	0.00	1711726	0.09
					13.04.2018	Sale of shares	(6317)	0.00	1705409	0.09
					20.04.2018	Purchase of shares	49215	0.00	1754624	0.09
					20.04.2018	Sale of shares	(19732)	0.00	1734892	0.09
					27.04.2018	Purchase of shares	35618	0.00	1770510	0.09
					27.04.2018	Sale of shares	(809)	0.00	1769701	0.09
					04.05.2018	Purchase of shares	13258	0.00	1782959	0.09
					04.05.2018	Sale of shares	(21869)	0.00	1761090	0.09
					11.05.2018	Purchase of shares	3996	0.00	1765086	0.09
					11.05.2018	Sale of shares	(72522)	0.00	1692564	0.09
					18.05.2018	Purchase of shares	34134	0.00	1726698	0.09
					18.05.2018	Sale of shares	(2504)	0.00	1724194	0.09
					25.05.2018	Purchase of shares	9813	0.00	1734007	0.09
					25.05.2018	Sale of shares	(85458)	0.00	1648549	0.08
					01.06.2018	Purchase of shares	48235	0.00	1696784	0.09
					01.06.2018	Sale of shares	(8759)	0.00	1688025	0.09
					08.06.2018	Purchase of shares	1250	0.00	1689275	0.09
					08.06.2018	Sale of shares	(56828)	0.00	1632447	0.08
					15.06.2018	Purchase of shares	13059	0.00	1645506	0.08
					15.06.2018	Sale of shares	(13766)	0.00	1631740	0.08
					22.06.2018	Purchase of shares	8054	0.00	1639794	0.08
					22.06.2018	Sale of shares	(3219)	0.00	1636575	0.08
					29.06.2018	Purchase of shares	16058	0.00	1652633	0.08
					29.06.2018	Sale of shares	(4080)	0.00	1648553	0.08
					30.06.2018	Purchase of shares	1132	0.00	1649685	0.08
					06.07.2018	Purchase of shares	10829	0.00	1660514	0.08
					06.07.2018	Sale of shares	(11251)	0.00	1649263	0.08
					13.07.2018	Purchase of shares	4708	0.00	1653971	0.08
					13.07.2018	Sale of shares	(6747)	0.00	1647224	0.08
					20.07.2018	Purchase of shares	35975	0.00	1683199	0.09
					20.07.2018	Sale of shares	(1428)	0.00	1681771	0.09
					27.07.2018	Purchase of shares	63639	0.00	1745410	0.09
					27.07.2018	Sale of shares	(47062)	0.00	1698348	0.09
					03.08.2018	Purchase of shares	37041	0.00	1735389	0.09

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/Decrease in Shareholding		Cumulative Shares during the year	
			No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
					03.08.2018	Sale of shares	(3780)	0.00	1731609	0.09
					10.08.2018	Purchase of shares	23348	0.00	1754957	0.09
					10.08.2018	Sale of shares	(34302)	0.00	1720655	0.09
					17.08.2018	Purchase of shares	23296	0.00	1743951	0.09
					17.08.2018	Sale of shares	(32362)	0.00	1711589	0.09
					24.08.2018	Purchase of shares	24346	0.00	1735935	0.09
					24.08.2018	Sale of shares	(28104)	0.00	1707831	0.09
					31.08.2018	Purchase of shares	2387	0.00	1710218	0.09
					31.08.2018	Sale of shares	(15535)	0.00	1694683	0.09
					07.09.2018	Sale of shares	(76770)	0.00	1617913	0.08
					14.09.2018	Purchase of shares	6861	0.00	1624774	0.08
					14.09.2018	Sale of shares	(18808)	0.00	1605966	0.08
					21.09.2018	Purchase of shares	6584	0.00	1612550	0.08
					21.09.2018	Sale of shares	(15375)	0.00	1597175	0.08
					22.09.2018	Purchase of shares	1424	0.00	1598599	0.08
					25.09.2018	Purchase of shares	7814	0.00	1606413	0.08
					25.09.2018	Sale of shares	(11872)	0.00	1594541	0.08
					28.09.2018	Purchase of shares	22713	0.00	1617254	0.08
					28.09.2018	Sale of shares	(17716)	0.00	1599538	0.08
					05.10.2018	Purchase of shares	740	0.00	1600278	0.08
					05.10.2018	Sale of shares	(41058)	0.00	1559220	0.08
					12.10.2018	Purchase of shares	5291	0.00	1564511	0.08
					12.10.2018	Sale of shares	(5872)	0.00	1558639	0.08
					19.10.2018	Purchase of shares	337	0.00	1558976	0.08
					19.10.2018	Sale of shares	(7242)	0.00	1551734	0.08
					26.10.2018	Purchase of shares	4139	0.00	1555873	0.08
					26.10.2018	Sale of shares	(27435)	0.00	1528438	0.08
					02.11.2018	Purchase of shares	86347	0.00	1614785	0.08
					09.11.2018	Purchase of shares	16729	0.00	1631514	0.08
					09.11.2018	Sale of shares	(3400)	0.00	1628114	0.08
					16.11.2018	Purchase of shares	5902	0.00	1634016	0.08
					16.11.2018	Sale of shares	(18647)	0.00	1615369	0.08
					23.11.2018	Purchase of shares	8404	0.00	1623773	0.08
					23.11.2018	Sale of shares	(61785)	0.00	1561988	0.08
					30.11.2018	Purchase of shares	19	0.00	1562007	0.08
					30.11.2018	Sale of shares	(39065)	0.00	1522942	0.08
					07.12.2018	Purchase of shares	67	0.00	1523009	0.08
					07.12.2018	Sale of shares	(9432)	0.00	1513577	0.08
					14.12.2018	Purchase of shares	26390	0.00	1539967	0.08
					14.12.2018	Sale of shares	(9640)	0.00	1530327	0.08
					21.12.2018	Purchase of shares	21465	0.00	1551792	0.08
					21.12.2018	Sale of shares	(20064)	0.00	1531728	0.08

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2018		Date	Reason	Purchase of Shares/Decrease in Shareholding		Cumulative Shares during the year	
			No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
					28.12.2018	Purchase of shares	83527	0.00	1615255	0.08
					28.12.2018	Sale of shares	(1200)	0.00	1614055	0.08
					31.12.2018	Purchase of shares	7774	0.00	1621829	0.08
					31.12.2018	Sale of shares	(7203)	0.00	1614626	0.08
					04.01.2019	Purchase of shares	505	0.00	1615131	0.08
					04.01.2019	Sale of shares	(43800)	0.00	1571331	0.08
					11.01.2019	Purchase of shares	7905	0.00	1579236	0.08
					11.01.2019	Sale of shares	(11119)	0.00	1568117	0.08
					18.01.2019	Purchase of shares	1641	0.00	1569758	0.08
					18.01.2019	Sale of shares	(21249)	0.00	1548509	0.08
					25.01.2019	Purchase of shares	59062	0.00	1607571	0.08
					25.01.2019	Sale of shares	(2146)	0.00	1605425	0.08
					01.02.2019	Purchase of shares	11969	0.00	1617394	0.08
					01.02.2019	Sale of shares	(46173)	0.00	1571221	0.08
					08.02.2019	Purchase of shares	68969	0.00	1640190	0.08
					08.02.2019	Sale of shares	(9160)	0.00	1631030	0.08
					15.02.2019	Purchase of shares	19	0.00	1631049	0.08
					15.02.2019	Sale of shares	(26919)	0.00	1604130	0.08
					22.02.2019	Purchase of shares	841	0.00	1604971	0.08
					22.02.2019	Sale of shares	(102934)	-0.01	1502037	0.08
					01.03.2019	Purchase of shares	40643	0.00	1542680	0.08
					01.03.2019	Sale of shares	(26428)	0.00	1516252	0.08
					08.03.2019	Purchase of shares	37956	0.00	1554208	0.08
					08.03.2019	Sale of shares	(61050)	0.00	1493158	0.08
					15.03.2019	Purchase of shares	5	0.00	1493163	0.08
					15.03.2019	Sale of shares	(22976)	0.00	1470187	0.08
					22.03.2019	Purchase of shares	198	0.00	1470385	0.08
					22.03.2019	Sale of shares	(8045)	0.00	1462340	0.07
					29.03.2019	Purchase of shares	44884	0.00	1507224	0.08
					29.03.2019	Sale of shares	(1187)	0.00	1506037	0.08
					30.03.2019	Purchase of shares	2398	0.00	1508435	0.08
					30.03.2019	**At the end of the year**			**1508435**	**0.08**
11	ABIPP2042A	Bhavana Rajesh Parekh	1503774	0.08					1503774	0.08
						No Change		0.00	1503774	0.08
					30.03.2019	**At the end of the year**			**1503774**	**0.08**
12	AALPS0885Q	Brijkishore K Soni	0	0.00					0	-
					14.12.2018	Purchase of shares	1500000	0.08	1500000	0.08
					30.03.2019	**At the end of the year**			**1500000**	**0.08**

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (as on April 1, 2018)		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
1	**Mr. D. T. Joseph (Independent Director)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
2	**Ms. Hiroo Mirchandani (Independent Director)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
3	**Mr. Ankur Verma (Non-Executive Director)[@]**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
4	**Mr. N. Srinath (Managing Director)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
5	**Mr. Kush S. Bhatnagar (Chief Financial Officer)**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
6	**Ms. Vrushali Dhamnaskar (Assistant Company Secretary)[#]**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
7	**Mr. Govind Sankaranarayanan (Non-Executive Director)[@@]**				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year (upto September 27, 2018)	0	0.00	0	0.00

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year (as on April 1, 2018)		Cumulative Shareholding during the year	
		No. of Shares	% to total shares of the Company	No. of Shares	% to total shares of the Company
8	**Mr. Kiran Thacker (Company Secretary)##**				
	At the beginning of the year	226	0.00	226	0.00
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	0	0.00	0	0.00
	At the end of the year (upto June 30, 2018)	226	0.00	226	0.00

@ Appointed w.e.f. September 29, 2018
@@ Resigned w.e.f. September 27, 2018
# Appointed w.e.f. July 1, 2018
Retired w.e.f. July 1, 2018

V. INDEBTEDNESS:

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

(Rs. in Crores)

Indebtedness at the beginning of the financial year	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
(i) Principal Amount	109	15,185	-	15,295
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
(iv) Interest accrued but not due-DPL	-	1,226	-	1,226
Total (i+ii+iii+iv)	**109**	**16,412**	**-**	**16,521**
Change in Indebtedness during the financial year				
▪ Addition	783	25,587	-	26,370
▪ Reduction	140	24,724	-	24,863
Net Change	643	863	-	1,506
Indebtedness at the end of the financial year				
(i) Principal Amount	752	17,166	-	17,918
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
(iv) Interest accrued but not due-DPL	-	109	-	109
Total (i+ii+iii+iv)	**752**	**17,275**	**-**	**18,027**

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

<table>
<tr><th rowspan="2">Sr. No.</th><th rowspan="2">Particulars of Remuneration</th><th>Name of MD / WTD / Manager</th><th>Total Amount</th></tr>
<tr><th colspan="2">Mr. N. Srinath (Managing Director)</th></tr>
<tr><td>1</td><td>Gross salary</td><td colspan="2" rowspan="13">Mr. Srinath, Managing Director, does not draw any remuneration from the Company.</td></tr>
<tr><td></td><td>a. Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961</td></tr>
<tr><td></td><td>b. Value of perquisites u/s 17(2) Income-tax Act, 1961</td></tr>
<tr><td></td><td>c. Profits in lieu of salary under Section 17(3) Income-tax Act, 1961</td></tr>
<tr><td>2</td><td>Stock Option</td></tr>
<tr><td>3</td><td>Sweat Equity</td></tr>
<tr><td>4</td><td>Commission</td></tr>
<tr><td></td><td>- as % of profit</td></tr>
<tr><td></td><td>- Others, specify…</td></tr>
<tr><td>5</td><td>Others, please specify</td></tr>
<tr><td></td><td>Total (A)</td></tr>
<tr><td></td><td>Ceiling as per the Act</td></tr>
</table>

B. Remuneration to other directors:

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of the Directors				Total Amount
		Mr. D. T. Joseph (Independent Director)	Ms. Hiroo Mirchandani (Independent Director)	Mr. Ankur Verma (Non-Executive Director)*	Mr. Govind Sankaranarayanan (Non-Executive Director)@	
1	**Independent Directors**					
	a. Fee for attending Board / Committee meetings	9,00,000	8,00,000	0	0	17,00,000
	b. Commission	0	0	0	0	0
	c. Others, please specify	0	0	0	0	0
	Total (1)	**9,00,000**	**8,00,000**	**0**	**0**	**17,00,000**
2	**Other Non-Executive Directors**					
	a. Fee for attending Board / Committee meetings	0	0	1,60,000	60,000	2,20,000
	b. Commission	0	0	0	0	0
	c. Others, please specify	0	0	0	0	0
	Total (2)	**0**	**0**	**1,60,000**	**60,000**	**2,20,000**
Total (B) = (1+2)		**9,00,000**	**8,00,000**	**1,60,000**	**60,000**	**19,20,000**
Total Managerial Remuneration						Nil
Overall Ceiling as per the Act		Not applicable as only sitting fees paid				

* Appointed w.e.f. September 29, 2018

@ Resigned w.e.f. September 27, 2018

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

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Kush S. Bhatnagar (Chief Financial Officer)	Ms. Vrushali Dhamnaskar (Assistant Company Secretary)*	Mr. Kiran Thacker (Company Secretary)#	Total
1	Gross Salary	99,08,733.00	8,07,560.75	13,08,310.00	1,20,24,603.75
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission				
	a. as % of profit	0	0	0	0
	b. Others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	**99,08,733.00**	**8,07,560.75**	**13,08,310.00**	**1,20,24,603.75**

* Appointed w.e.f. July 1, 2018

Retired w.e.f. July 1, 2018

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Ankur Verma
Director
DIN: 07972892

N. Srinath
Managing Director
DIN: 00058133

Place : Mumbai
Date : May 29, 2019

Annexure – VI to the Directors' Report

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and the rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Tata Teleservices (Maharashtra) Limited,
Voltas Premises,
T. B. Kadam Marg,
Chinchpokli,
Mumbai – 400 033

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

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (during the year not applicable to the Company);
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (during the period under review not applicable to the Company);
   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (during the period under review not applicable to the Company);
   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (during the period under review not applicable to the Company);
   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (during the period under review not applicable to the Company);
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company); and
   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);
(vi) Telecom Regulatory Authority of India Act, 1997 with rules thereunder
(vii) The Indian Telegraph Act, 1885
(viii) The Indian Wireless Telegraphy Act, 1993

We have exa mined compliance with the applicable clauses of the following:

a) Secretarial Standards issued by the Institute of Company Secretaries of India.
b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.

We further report that:

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

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

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

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

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

1. The Company has received an order from National Companies Law Tribunal (NCLT), Mumbai bench dated May 11, 2018 vide Company Application number 194 of 2018 and modified order dated July 13, 2018 vide Miscellaneous Application Number 638 of 2018 for conducting meetings of equity shareholders, Secured Creditors and unsecured creditors of the Company for considering and approving a Scheme of Arrangement with Bharti Airtel Limited.

2. Pursuant to the above order received from NCLT, meetings of Equity shareholders, secured creditors and unsecured creditors of the Company were convened on August 30, 2018 wherein the Scheme of Arrangement was approved by Equity shareholders, Secured Creditors and Unsecured Creditors.

3. The Company has received an order from NCLT, Mumbai bench dated December 04, 2018 sanctioning the Scheme of Arrangement with Bharti Airtel Limited. The scheme will come into effect subject to fulfilment of certain conditions including the company obtaining the approval from NCLT, Delhi Bench and Department of Telecommunication for the said scheme of arrangement.

4. The Members at their meeting held on September 29, 2018 approved the following:
   - Shifting of registered office of the Company from 'Voltas Premises, T. B Kadam Marg, Chinchpokli, Mumbai – 400033' to 'D-26, TTC Industrial Area, MIDC, Sanpada, P.O. Turbhe, Navi Mumbai – 400703' or any other place in Navi Mumbai as may be decided by the Board of Directors of the Company.
   - To offer, issue and allot upto 2,00,00,00,000 (Two Hundred Crores) Non – Cumulative Redeemable Preference Shares – Series 4 ('RPS-4') of Rs. 100 each upto an amount of Rs. 2,00,00,00,00,000 (Rupees Twenty Thousand Crore) only on Preferential basis to Tata Teleservices Limited ('TTSL') and/or Tata Sons Limited ('TSL') or Panatone Finvest Limited ('Panatone') in one or more tranches.
   - To issue unsecured Non-Convertible Debentures ('NCDs') on private placement, in one or more series/tranches, to the Promoters/Promoter Group companies, other bodies corporate, banks, financial institutions and/or others, such that the total amount does not exceed Rs. 2,00,00,00,00,000 (Rupees Twenty Thousand Crores Only).
   - to avail/accept Inter Corporate Deposits/Loans upto an aggregate amount of Rs. 2,00,00,00,00,000 (Rupees Twenty Thousand Crores Only), in one or more tranches, from the Promoters/Promoter Group companies and/or other bodies corporate for a tenure not exceeding 24 months at such rate of interest and on such other terms and conditions as may be decided by the Board and agreed to by the depositor.

5. The Finance Committee of the Company vide Circular resolutions approved the following with respect to Commercial Papers:

Date	Particulars
April 04, 2018	Issuance of Commercial Papers of Face Value of upto Rs 1025 Crores
June 25, 2018	Issuance of Commercial Papers of an aggregate face value of not exceeding Rs 1850 Crores
September 24, 2018	Issuance of Commercial Papers of an aggregate Face value of approx. Rs 836 Crores
September 27, 2018	Issuance of Commercial Papers of an aggregate Face value of approx. Rs. 2075 Crores
October 11, 2018	Issuance of Commercial Papers for a face value of upto Rs. 500 Crores

November 01, 2018	Issuance of Commercial Papers of an aggregate Face value of approx. Rs. 1,300 Crores
December 07, 2018	Issuance of Commercial Papers to State Bank of India for an aggregate Face value of approx. Rs. 4,725 Crores
December 07, 2018	Issuance of Commercial Papers to ICICI Prudential Mutual Fund and/or other eligible investors for an aggregate amount of Rs 1,025 Crores
January 30, 2019	Issuance of Commercial Papers for an aggregate Face value of approx. Rs. 515 Crores
March 15, 2019	Rollover/Fresh Issuance of Commercial Papers for an amount upto Rs. 5,850 Crores

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

Ashwini Inamdar
Partner
FCS No. : 9409
CP No. : 11226

Place : Mumbai
Date : May 29, 2019

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

Annexure A

To,
The Members,
Tata Teleservices (Maharashtra) Limited,
Voltas Premises,
T. B. Kadam Marg,
Chinchpokli,
Mumbai – 400 033

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. As regard the books, papers, forms, reports and returns filed by the Company under the regulations referred to in points vi and viii, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
7. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Ashwini Inamdar
Partner
FCS No. : 9409
CP No. : 11226

Place : Mumbai
Date : May 29, 2019

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2018-19

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is set of practices followed to ensure that the affairs of the Company are managed in a way which would ensure its accountability, transparency and fairness in all its transactions and meet its stakeholders' aspirations and social expectations.

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

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

TATA CODE OF CONDUCT

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

All the Directors and senior management personnel have affirmed compliance with the Code of Conduct for the Financial Year 2018-19 ("Year"). The declaration by Managing Director in this respect appears elsewhere in this Annual Report for the Year.

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

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

BOARD OF DIRECTORS

Composition

The Board of Directors of the Company (the "Board") has an optimum combination of Executive and Non-Executive Directors and composition of the Board is in conformity with Regulation 17 read with Regulation 25(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

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

The Board of Directors, as on March 31, 2019, comprised of 4 (Four) Directors. Of the 4 (Four) Directors, 3 (Three) i.e., 75% of the total number of Directors were Non-Executive Directors and 2 (Two) i.e., 50% of the total number of Directors were Independent Directors (including a Woman Director). The Company is managed by the Managing Director under the supervision, direction and control of the Board. The Managing Director is assisted by a team of highly qualified and experienced professionals.

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

All the Directors are also in compliance of the limit on Independent Directorship of listed companies as prescribed in Regulation 25(2) of the Listing Regulations. All the Independent Directors of the Company have confirmed that they meet the criteria of 'Independence' as stipulated under the Act and the Listing Regulations. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

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

The Board met at least once in each quarter and the maximum time gap between two Board Meetings did not exceed the limit prescribed in the Act and the Listing Regulations. 9 (Nine) Meetings of the Board of Directors were held during the Year, viz. May 30, 2018; June 20, 2018; July 10, 2018; August 7, 2018; August 10, 2018; September 29, 2018; October 24, 2018; October 30, 2018 and February 14, 2019.

The names and categories of the Directors, their attendance at Board Meetings and Annual General Meeting ("AGM") held during the Year, the number of Chairmanships/Directorships and Committee Chairmanships/Memberships of the Board of public companies (including that of the Company) held by them and number of shares of the Company held by them as on March 31, 2019 are given herein below. The directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. Chairmanship/Memberships of the Board Committees include only Audit Committee and Stakeholders Relationship Committee:

Name of the Director	Director Identification Number	Category of the Director	Number of Shares held (including held by dependents)	Number of Board Meetings during the Year		Attendance at AGM held on September 29, 2018
				Held	Attended	
Mr. D. T. Joseph	01716572	Independent, Non-Executive	-	9	9	Present
Ms. Hiroo Mirchandani	06992518	Independent, Non-Executive	-	9	8	Present
Mr. Ankur Verma (appointed w.e.f. September 29, 2018)	07972892	Non-Independent, Non-Executive	-	3	3	Present
Mr. N. Srinath	00058133	Executive	-	9	9	Present
Mr. Govind Sankaranarayanan (resigned w.e.f. September 27, 2018)	01951880	Non-Independent, Non-Executive	-	Not Applicable	Not Applicable	Not Applicable

The names of other listed entities in which the Director is a Director and the number of Committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2019 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Chairmanship/Memberships of the Committees include only Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1)(b) of the Listing Regulations:

Name of the Director	Directorships held in other listed companies (Category of Directorship)	Number of Committee positions held in other public companies	
		Chairman	Member
Mr. D. T. Joseph	▪ Shreyas Shipping & Logistics Ltd. (Independent Director)	1	2
Ms. Hiroo Mirchandani	▪ Nilkamal Ltd. (Independent Director)	-	-
	▪ DFM Foods Ltd. (Independent Director)	-	4
Mr. Ankur Verma (appointed w.e.f. September 29, 2018)	▪ Tata Elxsi Ltd. (Non-Executive Director)	-	-
	▪ Tata Capital Housing Finance Ltd. (Non-Executive Director)	-	5
Mr. N. Srinath	▪ Tata Communications Ltd. (Non-Executive Director)	-	-
	▪ Honeywell Automation India Ltd. (Independent Director)	-	3
Mr. Govind Sankaranarayanan (resigned w.e.f. September 27, 2018)	Not Applicable	Not Applicable	Not Applicable

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

(i) Knowledge: understand the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates,

(ii) Behavioral Skills: attributes and competencies to use their knowledge and skills to interact with key stakeholders,

(iii) Strategic thinking and decision making,

(iv) Financial Expertise,

(v) Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business.

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

Familiarization Programme for Independent Directors

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

The details of Familiarisation programme imparted to the Independent Directors are available on the Company's website at the following weblink: https://corporate.tatateleservices.com/Downloads/ttml/Familiarization-Programmes-upt-FY-2018-19.pdf

AUDIT COMMITTEE

Terms of Reference

The terms of reference of the Audit Committee as on March 31, 2019 are broadly as under:

a) Statutory Auditors

i) Recommend to the Board of Directors (the "Board") the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors, including filling of a casual vacancy, fixation of audit fee/remuneration, terms of appointment.

ii) Recommend to the Board, the name of the audit firm who may replace the incumbent auditor on the expiry of their term.

iii) Approve the appointment of and the fees for any other services as may be rendered by the statutory auditors. Provided that the statutory auditors shall not render services prohibited to them by Section 144 of the Act or by professional regulations.

The Committee shall take into consideration the qualifications and experience of the individual/firm proposed to be considered for appointment as auditors and whether qualifications and experience are commensurate with the size, nature of business and requirements of the Company and also consider any completed and pending proceedings relating to professional matters of conduct against the proposed individual auditor/firm of auditors before the Institute of Chartered Accountants of India or any competent authority or any Court.

b) Review and monitor independence and performance of statutory auditors

i) Review and monitor the independence and performance of the auditors and effectiveness of audit process.

ii) The Committee is also responsible for:

- Actively engaging in dialogue with the Statutory Auditors with respect to any disclosed relationship or services that may impact the objectivity and independence of the statutory auditors, and
- Recommending that the Board takes appropriate action in response to the Statutory Auditors' Report to satisfy itself of their independence.

c) Review audit plan

Review/discussion with the Statutory Auditors their plans for, and the nature and scope of, their annual audit and other examinations.

d) Review and examination of Audit Reports

Review and examination with the Statutory Auditors the proposed report on the annual audit, areas of concern, the accompanying management letter, if any, the reports of their reviews of the Company's interim financial statements, and the reports of the results of such other examinations outside of the course of the statutory auditors' normal audit procedures that they may from time to time undertake.

e) Review and examination of Financial Statements

Review and examination of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are accurate, sufficient and credible.

The Audit Committee shall review with appropriate officers of the Company and the Statutory Auditors, the annual financial statements of the Company prior to submission to the Board or public release thereof, focusing primarily on:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5) of the Companies Act, 2013.
- Any changes in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgement by management.
- Qualifications in draft audit report.
- Significant adjustments made in the financial statements arising out of audit.
- The going concern assumption.
- Compliance with accounting standards.
- Compliance with listing and other legal requirements relating to financial statements.
- Any related party transactions i.e., transactions of the Company with its subsidiaries, promoters or the management, or their relatives, etc. that may have conflict with the interest of the Company at large.
- Contingent liabilities.
- Status of litigations by or against the Company.
- Claims against the Company and their effect on the accounts.

The definition of the term "Financial Statement" shall be the same as under section 2(40) of the Companies Act, 2013.

f) Review quarterly/half yearly Results

Reviewing with the management, the quarterly/half yearly financial statements before submission to the Board for approval.

g) Risk Management Functions

Evaluation of internal financial and operational controls and risk management systems to obtain reasonable assurance based on evidence regarding processes followed and their appropriate testing that such systems are adequate and comprehensive, are in place and are working effectively.

The Committee shall have access to any internal information necessary to fulfill its oversight role. As and when required, the Committee may assign tasks to the Internal Auditors, the Company's internal Risk management team and any external expert advisors considered necessary for any task and they will provide their findings to the Committee.

h) Review policies

Review and confirm that the Company has in place a system of determining and mitigating financial and enterprise-wide risks applicable to the Company and that the system is functioning effectively.

i) Internal Auditor

i) Recommend to the Board the appointment, re-appointment and if required, the replacement or removal of the Internal Auditors, including fixation of audit fee/remuneration and terms of appointment.

ii) Review of performance of Internal Auditor.

j) Review internal audit function

Review the adequacy of the internal audit function, including the structure of the internal audit department, adequate staffing and the qualifications, experience, authority and autonomy of the person heading the department, the reporting structure, coverage and frequency of internal audit.

k) Review Internal Audit plans

Review with the senior internal audit executive and appropriate members of the staff of the internal auditing department and/or with outside individual/firm appointed as Internal Auditor the plans for and the scope of their ongoing audit activities and also review the periodicity and methodology for conducting the internal audit.

l) Review Internal Audit reports

i) Review with the senior internal auditing executive and appropriate members of the staff of the internal auditing department and/or with outside individual/firm appointed as Internal Auditor the periodic reports of the findings of the audit and reports and the necessary follow up and implementation of correction of errors and other necessary actions required.

ii) Review the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of the internal control system of a material nature and ensure that proper corrective action is taken. Any such matters shall be reported to the Board if necessary and appropriate.

m) Cost Auditor

The Committee shall after taking into consideration the qualifications and experience of the person proposed for appointment as the cost auditor, recommend such appointment to the Board, together with the remuneration to be paid to the cost auditor.

n) Other Auditor(s)

The Committee may appoint such other auditor(s) and recommend them to the Board, together with the remuneration to be paid to such auditor, as may be required by any law for the time being in force.

o) Review systems of internal accounting controls

Review with the statutory auditors and the senior internal auditing executive to the extent deemed appropriate by the Chairman of the Committee, the adequacy of the Company's internal accounting systems for appropriate control over the financial reporting and accounting process(es).

p) Review other matters

Review such other matters in relation to the accounting, auditing and financial reporting practices and procedures of the Company as the Committee may, in its own discretion, deem desirable in connection with the review functions described above.

q) Review of Whistle Blower Policy

i) Review and ensure the existence, adequacy and effective functioning of a Vigil Mechanism/Whistle Blower Policy appropriate to the size, complexity and geographic spread of the Company and its operations.

ii) Chairman of the Audit Committee be directly accessible in exceptional cases.

iii) To carry such other functions/actions as stated in the Whistle Blower Policy of the Company.

r) Approval for appointment of Chief Financial Officer ("CFO")

The Committee shall approve the appointment of the CFO (the whole-time Finance Director or any other person heading the finance function) after assessing the qualifications, experience and background etc. of the candidate.

s) Review and monitor the Statement of Uses and Application of Funds

Review and monitor, with the management, the statement of uses/application of funds raised through an issue (public, rights 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 utilization of proceeds of the public issue or rights issue, and make appropriate recommendations to the Board.

t) Review of Related Party Transactions

i) Review and approve transactions with related parties which are in ordinary course of business and on arms length basis.

ii) Review, approve and recommend to the Board the transactions with related parties which are not in ordinary course of business or on arms length basis.

iii) Review the statement in summary form of transactions with related parties.

iv) Approval or any subsequent modification of all transactions of the Company with related parties.

u) Investigation

The Audit Committee has the authority to investigate any matter in relation to the items specified in Section 177 of the Companies Act, 2013 or referred to it by the Board and for this purpose; it has full access to the information contained in the records of the Company.

v) Seek information / advice

The Audit Committee may seek information from any employee and may obtain from external independent sources any legal or other professional advice it considers necessary in the performance of its duties. It may also secure attendance of independent professional persons (outsiders) with suitable qualifications and relevant experience in specific matters, if it considers this necessary.

w) Review and monitor any default of payment

Looking into reasons for any substantial defaults in payment to depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors, if any.

x) Reporting of Fraud by the Auditors

In case the auditor has sufficient reason to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company, or by the Company, the Auditor shall forward his report to the Committee and the Committee shall send its reply or observations to the Auditor and such matters shall be reported to the Board by the Committee.

y) Review of other Information

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operation, to be included in the Company's Annual Report to its shareholders.

2. Statement of related party transaction submitted by the management.

3. Management letters or letters of internal control weaknesses issued by the statutory auditors.

4. Internal audit reports relating to internal control weaknesses.

5. Inter-corporate loans and investments.

6. Valuation of undertakings and assets of the Company whenever necessary.

z) Reporting to Board

Report its activities to the Board in such manner and at such times, as it deems appropriate.

aa) To attend Meeting(s)

The Chairman of the Audit Committee shall attend the Annual General Meetings of the Company to provide any clarification on matters relating to its scope sought by the members of the Company.

The representatives of Statutory Auditors/Internal Auditors/Cost Auditors/ or other auditors as may be appointed shall be special invitees to the Audit Committee meetings in which they are invited by the Committee to participate, and they shall participate in discussions related to the audit and reviews of the financial statements of the Company and any other matter that in the opinion of the statutory auditors needs to be brought to the notice of the Committee or any matter.

The Audit Committee may also invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the Committee, but on occasions it may also meet without the presence of any executives of the Company.

bb) Review of the Terms of Reference of the Audit Committee

The Committee shall review and reassess the adequacy of the terms of reference of the Audit Committee on a periodical basis, and where necessary obtain the assistance of the management, external auditors and external legal counsel.

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

Composition, Meetings held and attendance during the Year

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

The Audit Committee met at least once in each quarter and the maximum time gap between two Audit Committee meetings did not exceed the limit prescribed in Regulation 18 of the Listing Regulations. 4 (Four) meetings of the Audit Committee were held during the Year, viz. May 30, 2018; August 7, 2018; October 30, 2018 and February 14, 2019. The composition of the Audit Committee as on March 31, 2019 and the details of attendance of each Member at these meetings are given below:

Name of the Member	Category	No. of Meetings during the Year	
		Held	Attended
Ms. Hiroo Mirchandani (Chairperson)	Independent, Non-Executive	4	4
Mr. D. T. Joseph	Independent, Non-Executive	4	4
Mr. Ankur Verma (appointed w.e.f. September 29, 2018)	Non-Independent, Non-Executive	2	2
Mr. Govind Sankaranarayanan (resigned w.e.f. September 27, 2018)	Non-Independent, Non-Executive	2	-

The necessary quorum was present at all the meetings. Chairperson of the Audit Committee was present at the Annual General Meeting held on September 29, 2018.

NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee ("NRC") as on March 31, 2019 were broadly as under:

1. Recommend to the Board the set up and composition of the Board. This shall include "Formulation of the criteria for determining qualifications, positive attributes and independence of a director".

2. Recommend to the Board the appointment or re-appointment of directors.

3. Devise a policy on Board diversity.

4. Carry out the evaluation of every director's performance and support the Board and independent directors, as may be required, in evaluation of the performance of the Board, its committees and individual directors. This shall include "Formulation of criteria for evaluation of Independent Directors and the Board."

5. Recommend the remuneration policy for the directors, KMP, executive team and other employees. While formulating the policy NRC shall ensure that:

   a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

   b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   c) remuneration to directors, KMPs and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

6. Recommend the remuneration payable to the Managing Director and Executive Director/s and shall discharge any other statutory duties and functions as may be specified under law, or to perform such task/s as may be entrusted to NRC by the Board of Directors from time to time.

Composition, Meetings held and attendance during the Year

The composition of the NRC of the Board is in conformity with the Section 178 of the Act and Regulation 19 of the Listing Regulations.

3 (Three) meetings of the NRC were held during the Year, viz. May 30, 2018; June 20, 2018 and September 29, 2018. The composition of the NRC as on March 31, 2019 and the details of attendance of each Member at these meetings are given below:

Name of the Member	Category	No. of Meeting(s) during the Year	
		Held	Attended
Mr. D. T. Joseph (Chairman)	Independent, Non-Executive	3	3
Ms. Hiroo Mirchandani	Independent, Non-Executive	3	3
Mr. Ankur Verma (appointed w.e.f. September 29, 2018)	Non-Independent, Non-Executive	-	-
Mr. Govind Sankaranarayanan (resigned w.e.f. September 27, 2018)	Non-Independent, Non-Executive	2	1

The Chairman of the NRC was present at the Annual General Meeting held on September 29, 2018.

Performance Evaluation Criteria for Independent Directors

The Governance Guidelines adopted by the Company, inter alia, lay down the evaluation criteria and procedure for performance evaluation of Independent Directors. Criteria for evaluation of Independent Directors include aspects such as attendance and contribution at the Board/Committee Meetings and guidance/support to management outside Board/Committee Meetings.

Remuneration Policy

The Company has adopted the Remuneration Policy for its Directors, Key Managerial Personnel and other employees of the Company, which has been annexed to the Directors' Report forming part of this Annual Report.

Remuneration paid to the Directors

None of the Non-Executive Directors, apart from receiving sitting fees for attending meetings, have any material pecuniary relationship or transaction with the Company.

Non-Executive Directors

During the Year, the Company paid sitting fees of Rs. 50,000/- per meeting to Non-Executive Directors who are not in the employment of Tata Companies, for attending meetings of the Board or any Committee thereof and sitting fees of Rs. 20,000/- per meeting for Non-Executive Director who is in the employment of Tata Company, for attending meetings of the Board or any Committee thereof.

The Company also reimburses out-of-pocket expenses incurred by the Directors for attending the meetings and for business of the Company.

None of the Directors has been issued any stock options by the Company during the Year or any time in the past. Further, none of the Directors of the Company is in receipt of any Commission from the Company.

The details of sitting fees paid by the Company during the Year are as follows:

A) Non-Executive Directors

Name of the Director	Sitting Fees (Rs.)
Mr. D. T. Joseph	9,00,000
Ms. Hiroo Mirchandani	8,00,000
Mr. Ankur Verma (appointed w.e.f. September 29, 2018)	1,60,000
Mr. Govind Sankaranarayanan (resigned w.e.f. September 27, 2018)	60,000

B) Managing Director

Mr. N. Srinath, Managing Director, does not draw any remuneration from the Company.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The terms of reference of the Stakeholders Relationship Committee ("SRC") as on March 31, 2019, were as under:

The Stakeholders Relationship Committee ("SRC") specifically looks into redressal of grievances of shareholders and other securities holders. SRC considers and resolves the grievances of shareholders of the Company including complaints related to transfer of shares, non-receipt of annual report, dematerialization of shares, issue of duplicate and renewed share certificates, etc.

Composition, Meeting(s) held and attendance during the Year

The composition of the SRC of the Board is in conformity with Section 178 of the Act and Regulation 20 of the Listing Regulations. During the Year, the Committee met once i.e., on February 14, 2019. The composition of SRC and the details of attendance of each Member at the meeting are given below:

Name of the Member	Category	No. of Meeting during the Year	
		Held	Attended
Mr. D. T. Joseph (Chairman)	Independent, Non-Executive	1	1
Mr. Ankur Verma (appointed w.e.f. September 29, 2018)	Non-Independent, Non-Executive	1	1
Mr. N. Srinath	Executive	1	1

Details of Shareholders' complaints received and resolved

The details of Shareholders' complaints received and redressed during the Year are as follows:

Opening	Received during the Year	Resolved during the Year	Pending
0	5	5	0

The status of complaints is reported to the Board on a quarterly basis.

Name and designation of the Compliance Officer

Ms. Vrushali Dhamnaskar
Assistant Company Secretary & Compliance Officer

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Terms of Reference

The terms of reference of Corporate Social Responsibility ("CSR") Committee as on March 31, 2019 are as follows:

1. To frame the CSR Policy, subject to the approval by the Board.

2. To make the necessary and required modifications and variations in the CSR Policy, subject to the approval by the Board.

3. To determine the amount to be expended towards the CSR activities subject to the minimum limits prescribed by the Act.

4. To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.

Composition, Meetings held and attendance during the Year

During the Year, the Committee met once i.e., on February 14, 2019. The composition and the details of attendance of each Member at the meeting are given below:

Name of the Member	Category	No. of Meeting during the Year	
		Held	Attended
Mr. D. T. Joseph	Independent, Non-Executive	1	1
Mr. Ankur Verma (appointed w.e.f. September 29, 2018)	Non-Independent, Non-Executive	1	1
Mr. N. Srinath	Executive	1	1
Mr. Govind Sankaranarayanan (resigned w.e.f. September 27, 2018)	Non-Independent, Non-Executive	-	-

In addition to the above, the Company also has other Committees, viz.:

1. **Executive Committee** to review business and strategy related approvals, long-term financial projections, cash flows, capital and revenue budgets, capital expenditure programmes, acquisitions, divestments, business restructuring proposals, senior management succession planning; and

2. **Finance Committee** inter alia to consider and approve proposals for availing various loans/credit facilities and other treasury related matters within the powers delegated by the Board.

INDEPENDENT DIRECTORS' MEETING

During the Year, the Independent Directors met on May 30, 2018, inter alia, to assess the quality, content and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

GENERAL BODY MEETINGS

Details of General Meetings

The Company's first statutory meeting was held on April 24, 1995. Till date, the Company has held 23 AGMs and 15 Extraordinary General Meetings of the shareholders.

The details of date, time and venue of the AGMs held during the last three years are as under:

Particulars	Date	Time	Venue
21st Annual General Meeting	August 26, 2016	1430 hours	"Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannath Rao Bhosle Marg, Nariman Point, Mumbai – 400 021
22nd Annual General Meeting	July 31, 2017	1100 hours	
23rd Annual General Meeting	September 29, 2018	1100 hours	

Details of Special Resolutions passed in the above referred AGMs are as under:

Particulars of the AGM	Section under which Special Resolution was passed	Purpose
23rd Annual General Meeting held on September 29, 2018	Section 12 of the Act	Shifting of Registered Office of the Company from “Voltas Premises, T. B. Kadam Marg, Chinchpokli, Mumbai - 400 033” to “D-26, TTC Industrial Area, MIDC Sanpada P. O. Turbhe, Navi Mumbai – 400 703” or any other place in Navi Mumbai as may be decided by the Board of Directors of the Company.
	Sections 42, 55, 62(1)(c) of the Act	To issue upto 200,00,00,000 (Two Hundred Crores) RPS-4 of Rs. 100/- (Rupees One Hundred Only) each for cash at par aggregating upto an amount of Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only) on preferential basis to Tata Teleservices Limited and/or Tata Sons Limited and/or Panatone Finvest imited in one or more tranches.
	Sections 42, 71 of the Act	To issue NCDs for an amount not exceeding Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only), at par and in one or more tranches, to the Promoters/Promoter Group companies, other bodies corporate, banks, financial institutions, other qualifying investors and/or others.
	Applicable provisions of the Act and Regulation 23 of Listing Regulations	To accept/avail Inter Corporate Deposits (“ICDs”)/Loans upto an aggregate additional amount of Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only), in one or more tranches, from the Promoters/Promoter Group companies and/or other bodies corporate.

POSTAL BALLOT

No resolution was passed through postal ballot during the Year ended March 31, 2019. None of the businesses proposed to be transacted in the ensuing AGM requires the passing of a special resolution by way of postal ballot.

MEANS OF COMMUNICATION

- The quarterly, half yearly and annual results are published in Business Line (English) and Navshakti (regional language). The Financial results, official press releases and presentations, if any, are also displayed on the website of the Company viz. https://www.tatateleservices.com/en-in/ttml-investors.

- The financials and other information filed by the Company from time to time with the SEs are available on the website of the Company and website of the SEs i.e., BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). BSE has introduced online filling of information through BSE Corporate Compliance and Listing Centre and NSE has introduced NSE Electronic Application Processing System (“NEAPS”). Various reports/information as required under the Listing Regulations are filed through these systems.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis forms part of this Annual Report.

GENERAL SHAREHOLDER INFORMATION

Twenty Fourth (24th) Annual General Meeting

Date	September 20, 2019
Day	Friday
Time	1100 Hours
Venue	“Rangaswar”, 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannath Rao Bhosle Marg, Nariman Point, Mumbai – 400 021

Financial Year

The Company follows the April to March Financial Year.

Date of Book Closure

Not applicable.

Listing on the Stock Exchanges

The Company's equity shares are listed on the following SEs and the listing fees have been paid to both the SEs within the stipulated time:

Name and address of the Stock Exchanges	Stock Code / Scrip Code	ISIN Number
BSE Limited P. J. Towers, Dalal Street, Mumbai – 400 001	532371	INE517B01013
National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	TTML	

Market Price Data

The High and Low of the Company's equity shares during each month in the Year were as follows:

(Amount in Rs.)

Month	BSE		NSE	
	High	Low	High	Low
April 2018	6.69	5.30	6.85	5.30
May 2018	5.84	4.74	5.90	4.70
June 2018	5.35	4.51	5.30	4.55
July 2018	5.87	3.91	5.85	3.95
August 2018	5.49	4.70	5.50	4.75
September 2018	5.11	4.15	5.15	4.15
October 2018	4.48	3.75	4.80	3.75
November 2018	4.29	3.96	4.30	3.95
December 2018	4.62	3.73	4.60	3.70
January 2019	4.16	3.60	4.10	3.60
February 2019	3.74	2.71	3.75	2.60
March 2019	3.67	3.00	3.60	3.00

Source: BSE and NSE Websites

Performance of the Company's Equity Share Price in comparison to BSE and NSE indices

The performance of the Company's share price vis-à-vis the broad based BSE and NSE indices during the Year are as under:

Particulars	TTML Share Price v/s. BSE Sensex		TTML Share Price v/s. NSE Nifty	
	TTML Share Price (Rs.)	BSE Sensex	TTML Share Price (Rs.)	NSE NIFTY
As on April 1, 2018	5.63	33,255.36	5.65	10,211.80
As on March 31, 2019	3.07	38,672.91	3.05	11,623.90
Change (%)	(45.47)	16.29	(46.02)	13.83

Registrar and Share Transfer Agents

The Company has appointed TSR Darashaw Consultants Private Limited ("TSR") as its Registrar & Share Transfer Agents. Shareholders are advised to approach TSR on the following address for any shares and demat related queries and issues:

TSR Darashaw Consultants Private Limited
6-10, Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road, Near Famous Studio,
Mahalaxmi, Mumbai – 400 011.
Tel. : 91 22 6656 8484
Fax : 91 22 6656 8494 / 8496
e-Mail : csg-unit@tsrdarashaw.com
website : www.tsrdarashaw.com

Share Transfer System

All physical share transfers are handled by TSR and the transfers are normally processed within 15 days from the date of receipt of the transfer deed, duly completed in all respects, together with the share certificates.

In accordance with amendments to Regulation 40 of the Listing Regulations, physical transfer of shares is not permitted with effect from April 1, 2019. Therefore, request for transferring physical shares in Form SH-4 will not be accepted by the Company and/or its Registrar and Share Transfer Agent, TSR. However, transmission and transposition of shares in physical form are permitted.

Pursuant to Regulation 40(9) of the Listing Regulations, the Company obtains certificate from a Practicing Company Secretary on half-yearly basis to the effect that all the transfers are completed within 15 days from the date of lodgment of the transfer. A copy of the certificate so received is submitted to both the stock exchanges, where the equity shares of the Company are listed.

As regards transfers of dematerialized shares, the same can be effected through the demat accounts of the transferor/s and transferee/s maintained with the recognized Depository Participants.

Distribution of Equity Shareholding

The broad shareholding distribution of the Company as on March 31, 2019 with respect to categories of investors was as follows:

Category of Investors		Percentage of Shareholding	
		As on March 31, 2019	As on March 31, 2018
Promoters and Promoter Group Companies	Indian	74.36*	74.36*
International Investors (FIIs / NRIs / OCBs / Foreign Banks / Foreign Corporate Bodies)		0.99	0.40
Indian Financial Institutions / Banks / Mutual Funds / Insurance Companies / Central & State Government		0.06	0.09
Private Bodies Corporate / Trusts / NBFCs		1,73	3.46
Individuals		22.86	21.69
TOTAL		**100.00**	**100.00**

*Tata Teleservices Limited (Promoter Company) had pledged its shareholding equivalent to 26% of the Company's total paid-up equity share capital to secure the term loans/facilities availed by the Company. The pledge has been released on February 15, 2019.

The broad shareholding distribution of the Company as on March 31, 2019 with respect to size of holdings was as follows:

Range (No. of Shares)	% of Paid-up Capital	Total No. of Shareholders	% of Total No. of Shareholders
1 to 500	1.87	2,05,872	60.80
501 to 1000	2.01	57,587	17.01
1001 to 2000	2.78	40,660	12.01
2001 to 3000	1.57	12,524	3.70
3001 to 4000	0.94	5,186	1.53
4001 to 5000	0.93	3,884	1.15
5001 to 10000	2.49	6,844	2.02
10001 and above	87.41	6,074	1.78
Total	**100.00**	**3,38,631**	**100.00**

The quarterly shareholding patterns filed with the SEs are also available on the website of the Company and on the website of the SEs where equity shares of the Company are listed i.e., BSE and NSE.

Dematerialization of Shares and Liquidity

The equity shares of the Company are under compulsory dematerialized form. As of March 31, 2019, 99.86% of the total equity shares issued by the Company have been dematerialised. The equity shares of the Company are available for dematerialisation with both the depositories in India i.e., National Securities Depository Limited and Central Depository Services (India) Limited.

Outstanding Employee Stock Options, Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs") etc.

The Company has not issued any GDRs/ADRs/Warrants. There are no outstanding Foreign Currency Convertible Bonds and Employee Stock Options.

Commodity price risk or foreign exchange risk and hedging activities

The Company has a comprehensive foreign exchange risk management policy for managing foreign currency and interest rate exposure. The Company identifies risks and exposures to be hedged from time to time and hedges these exposures at an appropriate cost. During the Year, the Company has managed foreign exchange risk and hedged in compliance with its extant foreign exchange risk management policy. The open foreign exchange exposures are reviewed at a regular interval. Note 2.4 to the financial statements describes the accounting policy relating to the foreign currency transactions and translations. The details of the derivative financial instruments are enclosed in the Note 35 of the financial statements.

Utilisation of Funds

The Company has not made any issue/allotment during the Year.

Where we offer services

The Company provides its range of products and services to about 2.99 Million (wireline + wireless) subscribers under the 'Tata DOCOMO' brand in the State of Maharashtra (including Goa) through its telephone exchanges located at Turbhe (Navi Mumbai), Nariman Point (Mumbai), Andheri (Mumbai), Pune, Nasik, Panjim, Nagpur, Aurangabad and Kolhapur.

Address for correspondence

Shareholders holding shares in physical mode are requested to direct all equity shares related correspondence/queries to TSR and only the non-shares related correspondence and complaints regarding TSR should be addressed to the Compliance Officer at the registered office of the Company. Shareholders holding shares in electronic mode (dematerialized) should address all shares related correspondence to their respective Depository Participants only.

RISK MANAGEMENT

The Company has devised a formal Risk Management framework for risk assessment, prioritization and minimization. Further, the Company assesses the risk management framework periodically. The scope of the Audit Committee includes review of the Company's financial and risk management framework.

OTHER DISCLOSURES

Disclosure on Materially Significant Related Party Transactions

All transactions entered into with Related Parties as defined under the Act and Regulation 23 of the Listing Regulations during the Year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Act. All Related Party Transactions ("RPTs") were approved by the Audit Committee. The Company has entered into RPTs which were material as per the Regulation 23 of the Listing Regulations and as per the Policy for RPTs approved by the Board. The Company has obtained approval of Members by way of Postal Ballot for such Material RPTs. There were no Materially significant RPTs during the Year which in the opinion of the Board may have potential conflict with the interest of the Company at large.

Suitable disclosure as required by the Indian Accounting Standards (Ind AS) – 24 has been made in the notes to the Financial Statements.

Apart from paying sitting fees, there was no pecuniary transaction undertaken by the Company with the Independent/ Non-Executive Directors during the Year.

A Policy for RPTs, as approved by the Board, is available on the Company's website under the following web link: https://www.tatateleservices.com/Downloads/ttml/Policy-on-Determination-ofMateriality-for-Disclosures.pdf

Disclosure on Whistle Blower Policy

The Company has adopted a Whistle Blower Policy which ensures protection and confidentiality to whistle blowers. The Chairman of the Audit Committee is authorized to receive from whistle blowers the Protected Disclosures under this policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made by whistle blowers in accordance with the policy. No personnel of the Company have been denied access to the Audit Committee.

Credit Rating

List of all credit ratings obtained by the Company alongwith any revisions thereto during the Year, for all debt instruments of the Company or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad, are given hereunder:

The Credit rating of the various borrowings/debt instruments is set out below:

Rating Agency	Bank Facilities		Commercial Papers
	Long Term Rating	Short Term Rating	
CRISIL	AA- (Stable)	A1+ (Stable)	A1+
ICRA*	A+ (Stable)	A+ (Stable)	-
CARE	A+ (Under Credit Watch with developing implications)	A1+ (Under Credit Watch with developing implications)	A1+ (Under Credit Watch with developing implications)

** Consequent to the repayment/pre-payment/surrender of various banking facilities, the overall limits have come down significantly and hence in order to achieve administrative convenience, with the consent of ICRA, the Company requested CRISIL to rate banking facilities of Rs. 280 Crores which were earlier rated by ICRA. Consequently at the request of the Company, ICRA withdrew its ratings.*

Further, there is no change in the credit rating as compared to the last financial year.

Statutory Auditors

During the Year, the Company has paid Rs. 1,09,50,000/- for all the services, on a consolidated basis, to M/s. Price Waterhouse Chartered Accountants LLP, the Statutory Auditors of the Company.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of complaints filed, disposed of and pending are as follows:

Number of complaints filed during the financial year 2018-19	Number of complaints disposed of during the financial year 2018-19	Number of complaints pending as on end of the financial year 2018-19
0	0	0

Compliance with non-discretionary requirements of Listing Regulations

The Company has complied with the non-discretionary requirements, relating to Corporate Governance as stipulated in the Listing Regulations, for the Year.

Implementation of discretionary requirements

The Company has implemented the following discretionary requirements relating to Corporate Governance, as specified in Part E of Schedule II of the Listing Regulations:

- The Auditors Report on Financial Statement for the year is unmodified.
- The Internal Auditors of the Company present their quarterly Reports to the Audit Committee.

Certification with Respect to Financial Statements

The certificate as required pursuant to Regulation 17(8) of the Listing Regulations is periodically furnished by the Managing Director and the Chief Financial Officer of the Company to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls.

Details of Compliance with respect to submission of Annual Audited Financial Results

- Your Company, being a listed Company pursuant to Regulation 33 of the Listing Regulations, was required to submit the Annual Audited Financial Results to the Stock Exchanges for the quarter and year ending March 31, 2016 on or before May 30, 2016 (i.e., sixty days from the end of the financial year). Since the said financial results were under the finalization, the same could not be submitted within the prescribed time. As per the SEBI Circular No. CIR/CFD/CMD/12/2015 dated November 30, 2015 a penalty of Rs. 5000/- per day for non-compliance and if non-compliance continues for more than 15 days, additional fine of 0.1% of Paid-up capital of the Company or Rs. 1 Crore whichever is less shall be imposed by the Stock Exchanges. Accordingly, the Company had paid Rs. 1,01,30,000/- without holding of any tax to National Stock Exchange of India Limited and Rs. 1,14,46,900/- (post deducting TDS amounting to Rs. 2,02,600/-) to BSE Limited, as penalty for delayed submission of financial results.
- Your Company, being a listed Company pursuant to Regulation 33 of the Listing Regulations, was required to submit the Audited Financial Results to the Stock Exchanges for the quarter and half year ending September 30, 2017 on or before November 14, 2017 (i.e., fourty five days from the end of the financial year). Since the said financial results were under the finalization, the same could not be submitted within the prescribed time. As per the SEBI Circular No. CIR/CFD/CMD/12/2015 dated November 30, 2015 a penalty of Rs. 5000/- per day for non-compliance and if non-compliance continues for more than 15 days, additional fine of 0.1% of Paid-up capital of the Company or Rs. 1 Crore whichever is less shall be imposed by the Stock Exchanges. Accordingly, the Company had paid Rs. 1,20,06,500/- without holding of any tax to BSE and NSE each, as penalty for delayed submission of financial results.

Apart from above, no other penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

A certificate from M/s. Kaushik M. Jhaveri & Co., Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI, Ministry of Corporate Affairs or any such statutory authorities is annexed as a part of this report.

Auditors' Certificate

The certificate dated May 29, 2019 issued by Price Waterhouse Chartered Accountants LLP, Statutory Auditors, on compliance with the Corporate Governance requirements by the Company is annexed to this Report.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. Both these codes are available on the Company's website.

I confirm that the Company has, in respect of the Financial Year ended March 31, 2019, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, employees in the General Manager cadre and above and the Company Secretary.

Mumbai
May 29, 2019

Mr. N. Srinath
Managing Director
DIN: 00058133

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
TATA TELESERVICES (MAHARASHTRA) LIMITED
Voltas Premises, T. B. Kadam Marg,
Chinchpokli, Mumbai – 400 033.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TATA TELESERVICES (MAHARASHTRA) LIMITED having CIN: L64200MH1995PLC086354 and having registered office at Voltas Premises, T. B. Kadam Marg, Chinchpokli, Mumbai – 400033 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of Cessation in Company
1	Mr. Srinath Narasimhan	00058133	01/04/2014	-
2	Mr. Ankur Verma	07972892	29/09/2018	-
3	Mr. Daniel Trevelyn Joseph	01716572	08/05/2009	-
4	Ms. Hiroo Mirchandani	06992518	09/03/2015	-
5	Mr. Govind Sankaranarayanan	01951880	09/03/2015	27/09/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kaushik M. Jhaveri & Co.

Kaushik M. Jhaveri
Practising company secretary
FCS No.: 4254
CP No.: 2592
Date : May 20, 2019
Place : Mumbai

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of Tata Teleservices (Maharashtra) Limited

We have examined the compliance of conditions of Corporate Governance by Tata Teleservices (Maharashtra) Limited, for the year ended March 31, 2019 as stipulated in Regulations [17, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V] of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

UDIN: 19110282AAAAAE3604
Place: Mumbai
Date: May 29, 2019

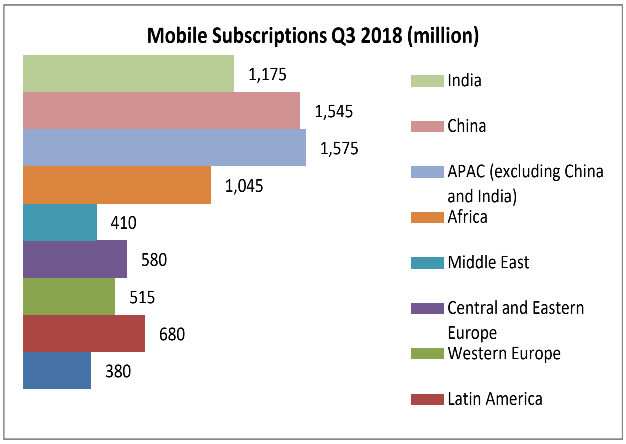
Nitin Khatri
Partner
Membership No: 110282

MANAGEMENTS' DISCUSSION AND ANALYSIS REPORT

TELECOM INDUSTRY DEVELOPMENTS

Global Telecom Industry

The number of mobile subscriptions grew at 3 percent year-on-year and currently totals 7.9 billion in Q3 2018, with 120 million new subscriptions added during the quarter. The number of mobile broadband subscriptions is growing at 15 percent year-on-year, increasing by 240 million in Q3 2018. The total is now 5.7 billion.



(Source: Ericsson Mobility Report, GSMA Mobile Economy)

Traffic growth is driven by both the rising number of smartphone subscriptions and an increasing average data volume per subscription, fueled primarily by more viewing of video content. In Q3 2018, mobile data traffic grew close to 79 percent year-on-year, which is the highest growth rate since 2013. The increased mobile data traffic per smartphone in North East Asia this year, mainly in China, has pushed up the global traffic significantly. The global traffic growth rate has been influenced by individual regions before, for example by North America in 2015 and by India in 2016. The quarter-on-quarter growth was around 17 percent.

In 2018, mobile technologies and services generated 4.6% of GDP globally, a contribution that amounted to $3.9 trillion of economic value added. The mobile ecosystem also supported almost 32 million jobs (directly and indirectly) and made a substantial contribution to the funding of the public sector, with more than $500 billion raised through general taxation. By 2023, mobile's contribution will reach $4.8 trillion (4.8% of GDP) as countries around the globe increasingly benefit from the improvements in productivity and efficiency brought about by increased take-up of mobile services. Further ahead, 5G technologies are expected to contribute $2.2 trillion to the global economy over the next 15 years, with key sectors such as manufacturing, utilities and professional/financial services benefiting the most from the new technology.

Video traffic in mobile networks is forecast to grow by around 35 percent annually through 2024 to account for 74 percent of all mobile data traffic. Traffic from social networking is also expected to rise – increasing by 24 percent annually over the next 6 years. However, its relative share of traffic will decline from 11 percent in 2018 to around 8 percent in 2024, because of the stronger growth of video.

Main drivers for video traffic growth

– Video part of most online content (news, ads, social media, etc.)
– Video sharing services
– Video streaming services
– Changing user behaviour – video being consumed anywhere, any time
– Increased segment penetration, not just early adopters
– Evolving devices with larger screens and higher resolutions
– Increased network performance through evolved 4G deployments
– Emerging immersive media formats and applications (HD/UHD, 360-degree video, AR, VR)

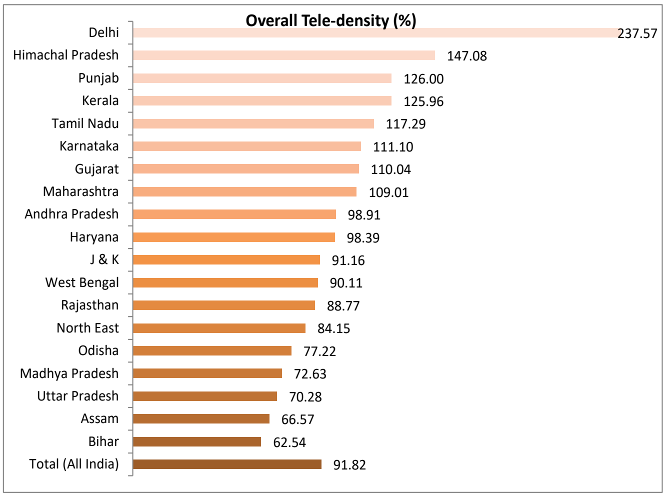
There is strong momentum in the global 5G market. In the United States, one of the major communications service providers launched a 5G home internet service at the beginning of October, and all four of the country's major service providers have publicly announced that they will begin providing 5G services between late 2018 and mid-2019. Other markets expecting significant 5G subscription volumes early include South Korea, Japan and China. On a global level, major 5G network deployments are anticipated from 2020, and by the end of 2024, we project 1.5 billion 5G subscriptions for enhanced mobile broadband. This will account for close to 17 percent of all mobile subscriptions at that time. With global mobile data traffic forecast to increase more than 5 times between 2018 and 2024, key drivers for 5G deployment include increased network capacity and decreased cost per byte.

Indian Telecom Industry

India ranks second in terms of number of telecommunication subscriptions, internet subscribers and app downloads globally. Moreover, India is also one of the largest data consumers globally. Total mobile data usage in the country grew 109 per cent year-on-year to 4,867 Para Byte per month in December 2018. India's telephone subscriber base expanded at a CAGR of 17.44 percent in last 10 years.

The Government of India has introduced Digital India programme under which all the sectors such as healthcare, retail, etc. will be connected through internet. Also, with 70 per cent of the population staying in rural areas and a rapidly increasing rural telecom penetration, the rural market would be a key growth driver in the coming years.

Tele-density (defined as the number of telephone connections for every 100 individuals) in India, increased from 18.3 percent in FY07 to 92.84 percent in FY18. Total telephone subscriber base and tele-density reached 1,203.77 million and 91.82 percent, respectively, at the end of January 2019.



(Source: India Telecommunication Report, TRAI)

The Urban Tele-density increased to 161.34 at the end of January 2019, however Rural Tele-density declined to 59.38 at the end of January 2019. The share of urban and rural subscribers in total number of telephone subscribers at the end of January 2019 was 55.90% and 44.10% respectively.

Pricing Strategy

Players price their products very carefully due to the price sensitive nature of customers and high competition in the sector.

Rising Investments

The new National Digital Communications Policy 2018 has envisaged attracting investments worth US$ 100 billion in the telecommunications sector by 2022.

Trends in the Indian Telecom Sector

Consolidation - Industry has been consolidated largely with three private player and one state run player after the merger of various players:

- Vodafone India and Idea have merged into Vodafone idea. Vodafone Idea is unifying assets and aims to complete network integration by June 2020.
- Demerger of Tata Teleservices' consumer mobile business into Airtel is in final phase of regulatory approval.
- Airtel acquisition of Telenor is completed during the year.

Green Telecom – The Government of India's National Digital Communication Policy, released in September 2018, envisages strengthening of mobile tower industry by promoting and incentivizing deployment of solar and green energy from telecom towers.

Mobile Banking – The number of mobile wallet transaction increased 5 percent month-on-month to 325.28 million in July 2018. As of January 2019, more than 460 banks have been permitted to provide mobile banking services in India.

KEY REGULATORY DEVELOPMENTS / LITIGATIONS

National Digital Communications Policy - 2018:

Government of India has issued the National Digital Communications Policy – 2018 on September 26, 2018. The major highlights of the policy are as follows:

o Broadband for all;
o Creating four million additional jobs in the Digital Communications sector;
o Provide universal broadband connectivity at 50 Mbps to every citizen;
o Provide 1 Gbps connectivity to all Gram Panchayats by 2020 and 10 Gbps by 2022;
o Ensure connectivity to all uncovered areas;
o Attract investments of USD 100 billion in the Digital Communications Sector;
o Establishment of a National Digital Grid by creating a National Fibre Authority;
o Establishing Common Service Ducts and utility corridors in all new city and highway road projects;
o Creating a collaborative institutional mechanism between Centre, States and Local Bodies for Common Rights of Way, standardization of costs and timelines;
o Removal of barriers to approvals; and
o Facilitating development of Open Access Next Generation Networks.

Amendment to UASL/UL on Net Neutrality:

▪ Department of Telecommunications ("DoT") has amended the UASL/UL on September 26, 2018 on Net Neutrality related to non-discriminatory, definition of specialised services and reasonable traffic management and other exception.

A Licensee providing internet access services shall not engage in any discriminatory treatment of content, including based on the sender or receiver, the protocols being used or the user equipment.

- The Licensee is prohibited from entering into any agreement/contract that has the effect of discriminatory treatment of content.

Amendment to Merger & Acquisition (“M&A”) Guidelines:

DoT has amended the current M&A guidelines on September 24, 2018 to include the following:

- If, as a result of merger, the total spectrum held by resultant entity is beyond the limits prescribed, the excess spectrum must be surrendered or traded within one year of the permission being granted. (Earlier it was only surrendered. In amendment along with surrender word traded has been added).

- A sentence has been added in clause (a) that is ….. “After the scheme is sanctioned by the Tribunal/Company Judge, the licensor will provide its written approval within 30 days of receipt of request for approval to the transfer/merger of licenses/authorizations under UL.”

Amendment to UL in respect of migration of operational existing licences:

DoT has amended the UL on September 27, 2018 on for existing licensee migrating to Unified Licence or renewing the Licence, the eligibility criteria of net worth will not be applicable.

Spectrum Usage Charges:

- DoT has aligned the payment schedule of Spectrum Usage Charges (“SUC”) in-line with that of License Fees.

- Quarterly instalments of SUC for the first three quarters of a FY shall be paid within 15 days of the completion of relevant quarter. However, for the last quarter, SUC will be paid by 25th March on the basis of expected revenue for the quarter subject to a minimum payment equal the revenue share paid for the previous quarter.

Aadhar Based eKYC:

- Constitutional bench of Hon’ble Supreme Court in its order dated September 26, 2018 has held that Aadhar services cannot be used for acquiring and verifying mobile connection.

- UIDAI has issued a circular on October 1, 2018, after Supreme Court Judgement stating that TSPs cannot use UIDAI based eKYC services for verification of its subscribers and called for an action plan to exit UIDAI based EKYC process.

- TTML stopped UIDAI based eKYC process for activation of new subscribers in compliance to Supreme Court and DoT instructions on November 21, 2018 and launched the digital process in place of Aadhar based e-KYC on November 22, 2018.

Surrender of MSC Codes:

In view of low subscriber base in GSM, DoT has asked TTML to surrender unused MSC codes. DoT has proposed to allow retention of 2 million numbers per LSA and any LSA having more than 2 million subscribers higher numbers can be retained.

Amendment to UASL/UL on discontinuance of services:

DoT has amended the current License Clauses of UAS License Agreement and UL Agreement on January 24, 2019 providing that License may discontinue provision of services subject to following additional conditions, namely:

- Administratively assigned spectrum has to be immediately returned on closure of wireless services.

- 60 calendar day advance notice is required in case of closure of any access services through any technology in a LSA or part thereof.

- Each affected subscriber shall be given a 30-calendar days advance notice clearly stating the options available to the subscribers including MNP facility.

- Definition of MNP is amended to the extent that the proviso stating, “irrespective of mobile technology or from one technology to another of the same or any other access service provider”.

National Company Law Tribunal’s approval to the Scheme of arrangement demerger/merger of Tata Teleservices (Maharashtra) Limited with Bharti Airtel Limited (“BAL”) under Sections 230-232 of Companies Act, 2013

Details have been provided in the Directors’ Report under heading “Scheme of Arrangement”.

TRAI Regulations

In the FY 2018-19, Telecom Regulatory Authority of India (“TRAI”) introduced Regulation/s on:

- ‘The Telecommunication Interconnection (Amendment) Regulations, 2018’ on July 5, 2018. Through this regulation, TRAI has made provisions, through which a service provider may request another service provider for additional POIs if the utilization of existing POIs at the end of 60 days is more than 85%.

- ‘The Telecom Commercial Communication Customer Preference Regulation, 2018’ on July 19, 2018. Through this regulation, TRAI has defined new framework to curb the menace of UCC. Implementation of this regulation is in process by the industry.

- ‘The Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service (Sixth Amendment) Regulations, 2018’ on July 31, 2018. Through this regulation, TRAI has proposed to specify parameters and benchmarks for packets dropped or lost in cases of Voice over LTE (VoLTE) Calls.

- ‘Telecommunication Tariff (Sixty Fourth Amendment) Order, 2018’ on September 25, 2018. This TTO is broadly aimed at purging of Infructuous/Redundant provisions of Telecommunication Tariff Order (TTO) and TRAI Directions related to tariffs.

- Telecommunication Mobile Number Portability (Seventh Amendment) Regulations, 2018 (9 of 2018) on December 13, 2018.

- The Telecom Commercial Communications Customer Preference (Amendment) Regulations, 2018 on December 21, 2018.

TRAI Directions

In the FY 2018-19, apart from directions in relation to specific service providers, TRAI provided directions and/or amendments, thereto covering:

- Direction to all Access Service Providers regarding online filling of tariff offers dated May 23, 2018.

- Direction regarding submission of periodical reports on revenue & usage and tariff plans dated June 13, 2018.

- Direction on certificate of compliance in respect of various directions issued by TRAI dated September 7, 2018. Through this Direction TRAI has withdrawn few Directions related to periodical compliances.

- Direction regarding posting of information pertaining to USO related activities on the website by the service provider dated September 7, 2018. Through this direction, TRAI has withdrawn periodical compliance related to USO.

- Direction regarding maintenance of Key Performance Indicator (KPI) Call Setup Delay to monitor Quality of Service in case of Circuit Switched Fall Back (CSFB) for voice calls dated July 31, 2018.

- Direction under section 13 read with section 11 of the TRAI Act, 1997 on provision of Interconnection on October 18, 2018.

- Direction on providing Telephone Bills to Persons with Disabilities as ICT Accessible on December 4, 2018.

- Direction regarding specifying common text of announcement played to subscribers across all Unified Access Service Providers on December 13, 2018.

- Direction to all Access Service Providers regarding online filing of tariffs on December 20, 2018.

MAJOR LITIGATION

- **Dual Technology**

  The Cellular Operators Association of India (“COAI”) challenged the DoT Press Release dated October 19, 2007 allowing the existing licensees to use dual technology i.e., CDMA operators were permitted to acquire and use GSM spectrum for providing GSM services and vice-versa (“Dual Tech Policy”) before TDSAT, which upheld the Dual Tech Policy by order dated March 30, 2009. TTML GSM admin spectrum in 1800 MHz band was allocated under this Dual Tech Policy in 2008 and same has expired on September 29, 2017. COAI challenged the TDSAT order before the Supreme Court, praying that the Dual Tech Policy should be repealed and the GSM start-up spectrum should be cancelled. Civil Appeal No. 6576 of 2010 was last listed on March 28, 2019 and is on Board for hearing. In case the policy is held to be invalid there could be some financial liability for past period of about eight years during which this spectrum was held by the Company.

- **3G Intra Circle Roaming (“ICR”)**

  The Company challenged the DoT’s circular dated December 23, 2011 directing it to (i) stop provisioning of 3G Intra Circle Roaming (“3G ICR”) services under the intra service area roaming arrangement in service areas where the Company was providing 3G services through other operators without obtaining the 3G spectrum; and (ii) show cause notice of Rs. 500 Crores. The circular was challenged by the Company before TDSAT. The TDSAT vide its judgment dated April 29, 2014, held that 3G ICR arrangements do not violate any provision of the UASL. The DoT filed an appeal before the Hon’ble

Supreme Court against the said judgment passed by the TDSAT. The matter is pending before the Supreme Court. The Company filed another Petition No. 02/2017 in TDSAT on January 6, 2017 with a prayer to allow 3G ICR under unified license and TDSAT directed that the Company can enter into 3G ICR and DoT shall not take any coercive action against the Company. 3G has now become more or less irrelevant as a technology.

- **Adjusted Gross Revenue ("AGR") Definition**

  Licence Fee and Spectrum Usage Charges are payable as a percentage of Adjusted Gross Revenue as defined in the license agreement but the definition is being contested and has been in litigation since 2003. Industry is facing demands of the order of Rs. 92,000 Crores out of which the principal amount could be about 15-20% and rest for interest, penalty and interest on penalty. The matter has reached Hon'ble Supreme Court third time and is pending there.

  The DoT issued various demand notices to TTML towards alleged shortfall in license fees for FYs 1999-2000 to 2005-2006 for Rs. 4.70 Crores contending that some components of the AGR considered by the Company while arriving at the demand amount were not in accordance with the definition of AGR under the Unified Access Service Licenses ("UASL"). Some of the major contentious items are gains from foreign exchange fluctuation, trade and customer discounts, gain on sale of shares of other company etc. Hon'ble Supreme Court on February 29, 2016, passed an interim order that DoT may continue to raise the demands as per its understanding, however, the same will not be enforced till the final decision in the matter. The DoT has till May 2019 issued AGR demand for license fees for the FY 2006-16 for Rs. 2,085 Crores. In case, the Supreme Court judgment goes against the Company, the Company will have to pay as per the revised demands of DoT.

- **One Time Spectrum Charges ("OTSC")**

  o After the 2G judgment by the Supreme Court in February 2012, the DoT in December 2012 levied one-time spectrum charges ("OTSC") on administratively allocated CDMA spectrum. The Government decisions dated November 8, 2012, December 28, 2012 and March 15, 2013 under which the OTSC was charged, permitted the operators to surrender the CDMA spectrum beyond 2.5 MHz (CDMA) till April 2013 in case the operators did not want to pay OTSC. The Company received a demand note from the DoT towards OTSC of Rs. 290 Crores for retention of CDMA spectrum beyond 2.5 MHz (excess spectrum) with effect from January 1, 2013 till expiry of license. The Company filed a writ petition dated April 4, 2013 before the Mumbai High Court challenging the demand. Subsequently, the Company retained 1.25 MHz (out of excess 2.5 MHz) in Mumbai and surrendered balance 1.25 MHz in August, 2013 and surrendered excess spectrum in Maharashtra in November, 2013 and has paid under protest OTSC of Rs. 120 Crores in respect of spectrum retained in Mumbai. The surrender of the excess spectrum and the payment of OTSC by the Company is without prejudice to rights of the Company.

  o Subsequently, the Mumbai High Court stayed the demand for OTSC on April 9, 2013. The DoT has objected to the jurisdiction of the Mumbai High Court to entertain challenge to OTSC on the ground that TDSAT has exclusive jurisdiction to adjudicate the issues raised in the writ petition. The matter is pending.

- **Electromagnetic Frequency ("EMF") Radiation Penalty**

  o Operators filed first joint industry Petition No. 271 of 2013 dated August 26, 2013 before the TDSAT challenging the DoT circular dated October 11, 2012 on "Scheme of Penalty in case of Violation of Terms and Conditions of License and Related Instructions on the Matter of EMF Radiations" which was applicable retrospectively from May 2010 and prescribed a uniform penalty of Rs. 5 Lakhs for each instance, on the ground that the circular prescribed totally disproportionate penalty for the alleged delay in submission of self-certificates and delay in submission of compliance certificates.

  o So far, TTML has received 16 show cause notices for Rs. 202,09,72,000/- for EMR non-compliance and 11 Demand Notes amounting to Rs. 201,76,55,000/- for EMR non-compliance and 15 Demand Notes amounting to Rs. 3,85,50,000/- for EMR testing fee. The total demands challenged under Petition No. 271 of 2013 was for Rs. 200,80,00,000/- basis delay in submission of self-certificates and compliance certificates and Petition No. 500/2014 for EMR testing fee for Rs. 3,85,50,000/-. Both these petitions have been set aside by TDSAT in favor of TSPs. The DoT has not filed the appeal against these TDSAT orders.

  o Two joint petitions (out of 5) in TDSAT challenging the issue of (i) penalty for missing/improper/absent signages on the cell sites (Petition No. 223 of 2014) and (ii) penalty for sharing operators to submit fresh self-certificate on up-gradation (Petition No. 199 of 2015) are pending adjudication. TDSAT has directed DoT not to take any coercive measures for enforcement of the impugned demand notices/ invocation of bank guarantee in the above two petitions.

- **Wireless Planning Commission (“WPC”) Spectrum Dues**

  WPC raised various demand notes relating to microwave charges, for amount of Rs. 185 Crores which were challenged by the Company. The Company’s contention was that there was discrepancy in the charges imposed by the DoT (for instance, the DoT had charged for carriers which were either surrendered by the Company or not allocated to the Company or already paid for by the Company). The Company filed a petition before the TDSAT challenging the demand notes, post which the DoT issued revised demand of Rs. 121.37 Crores. The revised demand is primarily due to interpretation of definition Adjusted Gross Revenue (“AGR”) adopted by DoT which is at variance with the Company and industry interpretation, charging of compound interest and levy of penalty and interest on penalty on the Company for the period starting from FY 2005-06 to FY 2011-12 for all the circles. The Company’s contention is that pursuant to the order of the TDSAT, the Company would only be liable for simple interest on the microwave charges imposed by the DoT (i.e., no penalty or compound interest could be levied by the DoT). Hon’ble TDSAT deferred the matter until the disposal of Civil Appeal pending before the Hon’ble Supreme Court for a similar case by the Company and other operators.

- **Mumbai Circle TERM Penalty**

  o TTML received demand notices dated February 22, 2011; April 30, 2014; December 7, 2015; January 14, 2016; March 31, 2016 amounting to Rs. 117.72 Crores from Mumbai Circle TERM Cell imposing penalties alleging non-compliance of subscriber verification norms. It was further averred in the demand note that failing the immediate payment of the penalty, the TERM Cell may invoke and encash the bank guarantees furnished by TTML to DoT. It is a license requirement to verify credentials of each acquired customer. The penalty was challenged before the TDSAT and Delhi HC. Delhi High Court, on March 23, 2018 directed DoT that if DoT intends to take any coercive action, it would approach the Delhi High Court first. DoT revised the penalty amount to Rs. 212.79 Crores along with applicable interest, as communicated vide communication dated February 22, 2019. This was challenged in Delhi High Court by way of Clarification Application in WP No. 3000 of 2018. Delhi HC while granting time for addressing the submissions on merits passed an interim order directing DoT to not withhold any process/permission on account of non-payment of dues, which are subject matter of the petition. The matter is adjourned for October 10, 2019. The interim order continues.

  o TTML received additional demand note(s) amounting to Rs. 30.74 Crores from Mumbai and Maharashtra Circle TERM Cell. TTML filed a writ petition before the Mumbai High Court challenging the demand note of Rs. 19.79 Crores and was granted a stay. The balance demand of Rs. 10.95 Crores has been represented to TERM Cell and response is awaited. If the matter is ruled against the Company, the Company may be forced to pay the penalty along with interest.

- **Rollout Obligation GSM and CDMA**

  o DoT had issued Show Cause Notice (“SCN”) alleging default in compliance of first year roll out obligations for GSM service dated June 13, 2016 covering the Company’s circle of Maharashtra. Total Liquidated damages (“LD”) as per SCN dated June 13, 2016 amounts to Rs. 7 Crores for Maharashtra service area. DoT issued a Demand Note (“DN”) on March 15, 2018 for Rs. 7 Crores in respect of TTML circles. TTML challenged the DN dated March 15, 2018 in TDSAT vide Petition No. 51/2018. TDSAT, vide orders dated April 4, 2018, stayed the demand letters and restrained DoT from taking coercive action, including encashment of bank guarantees. The next date of hearing is April 15, 2019.

  o DoT had re-issued SCN dated June 13, 2016 in line with SCN dated June 4, 2007 alleging default in compliance of first year roll out obligations for CDMA services in Mumbai and Maharashtra. There was no LD for 3rd year rollout. Total LD as per SCN dated June 13, 2016 amounts to Rs. 3.70 Crores in respect of TTML circles. DoT had issued a DN on March 15, 2018 for Rs. 3.7 Crores in respect of TTML Circles. TTML challenged the DN dated March 15, 2018 in TDSAT vide Petition No. 52/2018. TDSAT, vide orders dated April 4, 2018, stayed the demands and restrained DoT from taking coercive action, including encashment of bank guarantees.

- **MERC Order on applicability of commercial tariff on Mobile Towers**

  By way of Multiyear Tariff Order dated November 3, 2016 passed by the Maharashtra Electricity Regulatory Commission (“MERC”), the mobile towers were re-categorized and covered under the commercial tariff as against the industrial tariff applicable to the mobile towers under the previous tariff orders. The said Tariff Order dated November 3, 2016 has been challenged by various telecom operators as well as IP1 companies before the Appellate Tribunal for Electricity (“APTEL”), Delhi by way of appeals under section 111 of the Electricity Act and all appeals have been clubbed and heard together. Interim protection has been granted by the APTEL in favour of the appellants including TTML, with a direction that subject to the outcome of the appeals filed by the telecom operators and IP1 companies before it, the appellants shall pay to the Maharashtra State Electricity Distribution Company Ltd. (“MSEDCL”) the tariff in terms of industrial category including all outstanding and the current dues, without prejudice to the rights and contentions of all the parties and there shall be no coercive steps taken by MSEDCL. In view of the above orders, which is still in force, the appellants are not required to make the payment as per the commercial tariff as made applicable by virtue of the aforesaid impugned tariff order dated November 3, 2016. This matter is significant from the point of view of its far reaching implications on telecom operators in general and TTML in particular if the case is decided by APTEL in favour of MERC. The IP vendors have already been paying as per the commercial tariff (as they joined the litigation little later in APTEL), and hence the IP vendors are now seeking an undertaking from the telecom operators that they would pay and settle if the APTEL/ Court decides that the commercial tariff shall apply. The operators (including TTML) have given such undertaking. The final hearing has been in progress before the APTEL and is expected to be concluded in June 2019.

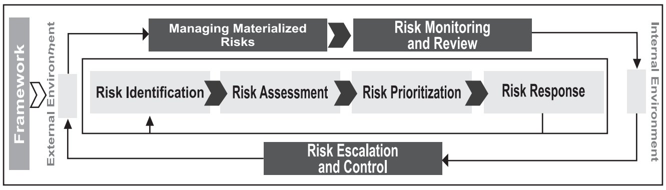
RISKS AND CONCERNS

This section discusses the various aspects of enterprise-wide risks management. It might be noted that the risk related information outlined here is not exhaustive and is for information purpose only.

The Company has formulated a well defined and dynamic enterprise risk management (“ERM”) program. The program is governed by a comprehensive risk management policy, which, amongst others, includes the risk management governance structure and the risk management process.

The Central Risk Office actively monitors the risk management process. Results of the risk management activities are periodically presented to the Risk Steering Committee and Audit Committee of the Board of Directors.

The risk management process enables proactive identification, recording, tracking of risks and monitoring of mitigation plans to respond to changes in business and regulatory environment. The risk management process is embedded in all facets of Company’s work systems, thereby reassuring all stakeholders, customers, investors, employees and partners of the Company’s business sustainability.



The ERM framework aims to realize the following benefits for the organization:

1. Enhance risk management;
2. Facilitate risk-based decision making;
3. Improve governance and accountability;
4. Enhance credibility with key stakeholders such as investors, employees, government, regulators, society etc.;
5. Protect and enrich stakeholder value.

The Company is exposed to several risks such as regulatory risks, technology risks, financing risks and competition risks. An effective and dynamic risk management process enables the Company to manage and mitigate the impact of these risks. The key risks facing the Company include:

1. **Market and Competition Risks**

   FY 2018-19 continued to witness intense competition which resulted in continued prevalence of lower tariffs and margins. This has resulted in significant pressure on the financial position of all operators thereby leading to difficulty in sustenance of operations. This has also led to consolidation and various operators exiting the industry.

   TTML decided to exit from the unprofitable consumer business in October 2017 by demerger of the Consumer Mobile Business into Bharti Airtel Ltd. Imminent entry of new operators in Enterprise segment poses significant risk to Enterprise business. However, the Company has lined up investments and is committed to make further investments to build value in Enterprise business.

The Company may also explore opportunities to strategically restructure these residual business lines at an appropriate time.

The Company has taken necessary measures to ensure confidence of customers by effectively serving in line with their expectations and demands, through a bouquet of innovative solution-driven products and services, partnering with Bharti Airtel for local and national roaming for wireless services, thereby enhancing customer experience.

2. Regulatory Risks

As is evident from the Major Litigation Section hereinabove, telecom industry continues to face plethora of changes and ambiguities in the Regulatory space.
During the FY 2018-19, the Company, like rest of the service providers of the industry, continued to tackle litigation issues in the areas of a) Telecom Policies and Licenses in areas of dual technology, b) allocation of access and microwave spectrum, c) EMF radiation, d) green technology, e) security guidelines, f) EKYC of existing subscriber base, g) Minimum Rollout obligation, h) Rural DEL, i) AGR definition and the decision to charge OTSC within contracted quantum of spectrum, j) CAG audit report observations, k) penalties levied by TERM cell etc. and these issues are now pending before various courts. There are significant financial penalties under challenge and it carries significant regulatory risk, in case the court judgments are not favorable to the Company.

The Company faces the risk of not obtaining the necessary approvals from regulatory, licensing & other statutory agencies in a time bound manner for completion of the demerger transaction for which there is an ongoing and continuous engagement with Regulatory & Statutory bodies to ensure the necessary approvals are obtained.

The Company has a legal and statutory compliance program in place to continuously scan the regulatory environment, identify the changes applicable to the Company's operations and undertake measures to comply with the regulatory requirements. Further, the Policy advocacy team continues to engage with external stakeholders including regulatory bodies to ensure a harmonious relationship with various regulatory agencies.

3. Technological Risks

The technological outlook in the telecom industry has seen swift changes in the recent past. New services offerings such as 4G have been launched by competition and this technology changes have impacted the existing voice and data offerings of the Company.

The legacy architecture and the absence of vendor support and adequate skill sets to cater to maintenance of the infrastructure leads to higher operational costs. To enable the Company to move in synchrony with the changes in technology, significant investments may be required both in spectrum and the network infrastructure.

Overall infrastructure related developments like construction of metro transportation networks, State & National Highways, etc., could involve extensive realignment and digging of roads and thereby possibly impacting our Optical fiber network, which might result in disruption of services / down-time to our customers.

The Company has undertaken proactive monitoring, maintenance and relocation of assets to ensure optimal utilization of resources.

Given that the Company had decided to exit the Consumer Mobile Wireless business, there has been a shrinkage of the existing wireless network on account of microwave transmission links roll back. The number of Base Transmitter Stations (BTS) have been reduced from 12,616 to 370.

The requirements of wireless customers have been addressed by way of arrangements with Bharti Airtel in the form of Intra-circle and National Roaming to ensure parity with the competition in GSM and 3G technology offerings.

To orient the network for Enterprise business, fresh investments have been undertaken during the year and higher capital allocation is planned to further improve the coverage and to augment the capacity to meet the projected growth of Enterprise business.

4. Financing Risks

The Company may be required to invest significantly in capital expenditure of network infrastructure towards sustaining and growing the enterprise business. This may impose additional strain on the existing financial situation of the Company. The Company continues to raise funds, refinance and harmonize repayment obligations to align with projected cash flows.

The Company has experienced difficulties in its borrowing programs in the past and with the current exercise to demerge consumer businesses may continue to affect the ability of the Company to raise additional funds from Banks and Financial Institution. Further, the terms of raising fresh capital may not be in line with past terms and conditions and/or may be subject to such covenants which may be challenging for the Company to adhere to thereby impacting the costs of not only incremental capital but also existing debt adversely.

Given the above and to effectively manage funds and address working capital requirements, fresh infusion of funds have been undertaken by the stake holders (Tata Sons) to clear substantial amount of bank borrowings and reduce the spectrum dues. The Company has drawn a plan to refinance and bring down the debt further by way of consideration from CBU demerger, sale of investments and infusion of funds by stakeholders. Further, there have been series of cost optimization initiatives undertaken to reduce strain on fund requirements.

5. Talent Retention Risks

Given the background of volatile and uncertain times, key talent retention assumes a significant risk. To address this and to improve employee confidence, measures have been put in place to continuously engage with the employees by way of periodic communication of key developments, ongoing rewards and recognition initiatives, etc. To sustain the operations, the risk of employee attrition is addressed by deploying third party resources, where necessary.

Further, the Company has been working to ensure workforce optimization by providing various internal career movements and rolling out voluntary separation options.

6. Brand Risks

The Company has decided to retain the Tata Docomo brand for its Consumer business until the completion of transaction of demerger of CMB Business with Bharti and for a short transition period thereafter. For Enterprise business, transition to the new brand “Tata Tele Business Services” has been completed. For Retail Wireline business, the transition to a new brand “Tata Tele Broadband” has been completed. However, there continues to be an overhang of consumer business brand on Enterprise business, to mitigate this, investments have been lined up for brand building initiatives for Enterprise business.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

An Audit Committee of the Board of Directors has been constituted as per the provisions of Section 177 of the Companies Act, 2013 (the “Act”).

The internal audit for various functions/aspects is conducted by the independent firms, which conduct reviews and evaluation and present their reports to the Audit Committee and the management at regular intervals.

The Internal Auditors’ reports dealing with internal control systems are reviewed by the Audit Committee and appropriate actions are taken, wherever necessary.

OPPORTUNITIES AND THREATS

Opportunities

Digital India Program by the Government of India and focused efforts towards digital initiatives by various enterprises have spawned new opportunities not only for large enterprises but even for small and medium businesses. Since the backbone for digital initiatives resides on the ICT infrastructure, this gives a significant opportunity to the telecom companies to offer various products and solutions.

Investments in Digital Transformation by SMBs and increasing use of heavy applications are driving demand for higher bandwidths combined with secure and robust connectivity.

The Enterprise telecom market continues to shift to a service oriented model. With the introduction of newer and technologically advanced business models such as “Everything as a Service” and increasing complexity of infrastructure, enterprises are now looking to adopt more cost effective and simple way of consuming telecom and IT services thus managed services gaining traction.

Data explosion due to increase usage of digital technologies like Cloud Computing, IoT/M2M are creating immense pressure on the traditional network infrastructure and are there by creating opportunities for SDN deployment.

The advanced offerings in terms of 4G and the next generation of 5G has further enabled multiple devices communicating with each other popularly referred to as “Internet of Things”. With the steady increase in the higher bandwidths, IOT will soon be a reality in markets such as electronic appliances and automobiles. Smart office solutions, bundled offers, cloud based services and SAAS offered by the Company would help differentiate the product and service offering in the market.

The increase in data volumes and the availability of new applications and services coupled with the increasing penetration of smart phones, is expected to be a key growth enabler.

Threats

A rapidly changing regulatory and economic environment may be detrimental for realizing the telecom sector's growth potential. Absence of consistency in policies and a level playing field for all operators may hamper the sustenance and growth across the industry.

Entry of new operators and disruptive product and pricing strategies by new and existing operators may lead to tremendous financial strain in the short to medium term.

Legacy voice and data network infrastructure may not be comparable with competition's network infrastructure thereby significantly impacting the product offerings. With all operators rolling out the IP networks to carry both voice and data, the capacity available in the legacy network may not be able to handle the burgeoning voice and data traffic of the customers.

HUMAN RESOURCES ("HR")

The Company continued its approach of centralizing HR Operations and Services to enhance the operational / cost efficiencies and strengthening processes & compliances. All the audits i.e., Internal, Statutory and Internal Financial Controls checks were completed successfully, without any observation / NC.

The Company had a total of 432 employees on its rolls as on March 31, 2019.

QUALITY AND PROCESSES

One of the key focus areas has been to ensure service quality in customer interactions by service design, new service implementation initiatives, communication & content initiatives and quality assurance audits. The outcome of service quality audits is part of the Vendor rewards and penalties in case of all customer facing processes. This year 6 new customer facing processes were added in the overall gambit of service quality audits - considering the impact on customer experience.

The Company adopted eTOM framework in FY'17, as a benchmark to improve the maturity of our existing processes. Post that 187 processes were added in FY'19. These include 47 existing process conversions and 149 process additions. Process recency monitoring framework has also been implemented to ensure latest existing operational process documentation.

Customer obsession needs a strong mindset among every stakeholder across the value chain, which are derived out from various triggers like VOC, NPS drivers, marketing best practices, benchmarking with competition or similar industry with performance expectations with clear identification of Lead/Lag indicators having stringent targets a differentiated customer experience. Keeping this in mind, TTBS has adopted the NPS methodology for assessing the service quality of customer transactions done month on month to capture the improvement opportunity at the customer touch points.

The Company has also been honored by CII with the 'active customer engagement award' as part of the CII Awards for Customer Obsession 2018. Tata Tele Business Services won the award in the services segment amongst large business organizations. The CII Customer Obsession Award recognizes businesses that demonstrate the highest level of commitment towards their customers by following a 'Customer First' approach and by continuously promoting a customer-centric culture across their value chain. The winner is selected after comprehensive analysis of the Company's profile, leadership role and strategic focus on customer centricity, and the rigorous guidelines set by CII to meet customer satisfaction.

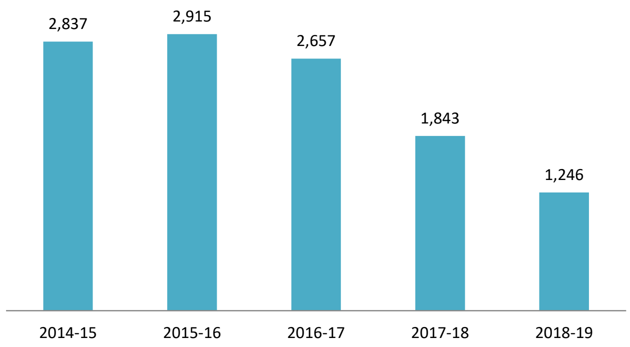
KEY FINANCIAL INFORMATION & OPERATIONAL PERFORMANCE

Revenue from Telecommunications service

As on March 31, 2019, the Company had a total wireless subscriber base of 2.99 Million as compared to previous year level of 6.1 Million.

Subscriber churn coupled with reduced tariffs, as a measure to face the competition, the operating revenue reported a fall of 30.9% during the year. Service revenue for the year ended March 31, 2019 decreased to Rs. 1,246 Crores as against Rs. 1,843 Crores in the previous year. This had an adverse impact on the Company's financials as well.

Telecommunication Service Revenue (Rs. in Crores)



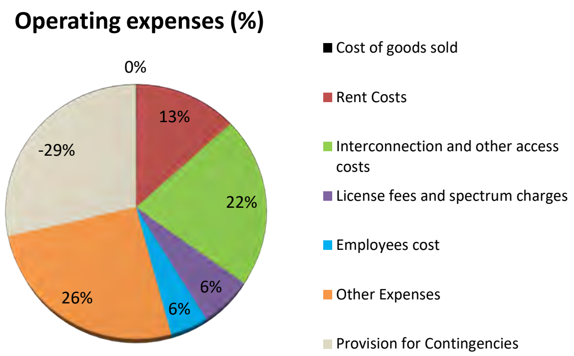
The Company's wireless operation saw an unprecedented tariff aggression since the entry of a new 4G operator in mid FY17. The telecom sector has witnessed continuous and intense price wars leading to an overall decline in market revenue in FY19. This price aggression by all the players to retain their customers and maintain their market share has significantly impacted the customer base and tariffs of the smaller players like TTML and consequently their revenues.

Other Income

Other income during the year stood at Rs. 69 Crores (previous year Rs. 61 Crores) which included income from rendering of services to the tune of Rs. 31 Crores (previous year Rs. 25 Crores).

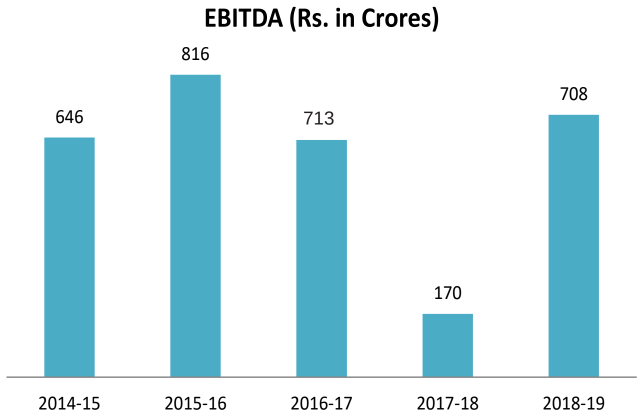
Operating Expenses

Operating expenses including provision for contingencies for the year were recorded at Rs. 608 Crores as against Rs. 1,734 Crores in the previous year. The major components of the total operating expenses are as follows:



Earnings Before Interest, Tax, Depreciation and Amortization ("EBITDA")

The focus during the last few years for the Company has been on optimizing its operations and increasing the asset utilizations. However, in response to the heavy disruption in the market due to progressively low priced offerings, the Company rolled out plans with aggressive tariffs during the year. The Company's EBITDA reported at 54% and increased to Rs. 708 Crores as against Rs. 170 Crores in the previous year.



Net Loss

The declining revenues continue to impact the profitability of the Company. The Company's loss before exceptional items was Rs. 999 Crores as compared to last year level of Rs. 1,900 Crores. The Company reported a net loss of Rs. 668 Crores during the year, after providing for restructuring cost of Rs. 198.24 Crores and impairment reversal of CMB assets of Rs. 529.35 Crores. Net impact of Rs. 331.11 Crores shown under exceptional items is after accounting for the said the restructuring cost and impairment reversal.

Balance Sheet

The Shareholders' Funds was Rs. 14,820 Crores (Negative) as at March 31, 2019 against Rs. 15,159 Crores (Negative) as at March 31, 2018.

Total borrowing for the Company (including long term borrowing, short term borrowing, current maturities of long term borrowing and long term debt payable on demand, acceptance, payables under usance letter of credit, debt components of ICDs and deferred spectrum liability including interest) was Rs. 15,594 Crores (excluding liability component of RPS) as compared to Rs. 14,599 Crores in the previous year.

The Net Block (including tangible as well as intangible assets) as at March 31, 2019 decreased to Rs. 718 Crores as compared to Rs. 847 Crores in the previous year primarily from impairment registered for spectrum. The Company has assets under development and Capital Work in Progress of Rs. 26 Crores.

OUTLOOK

The Company is in the process of transferring by way of demerger its consumer mobile business to Bharti Airtel Limited. On October 12, 2017, the Company announced its plans to merge its consumer mobility business with Bharti Airtel Limited. This transfer will entail a transfer of customers and assets of the Company's consumer mobility business to Bharti Airtel limited.

As per update on approvals provided in the Directors' Report, the demerger of the consumer mobile business by the Company into Bharti Airtel Limited is likely to be completed soon.
The enterprise segment of the telecom business is projected to witness growth in the years to come on the basis of:

1. Wide Optical fiber network of ~132,000 kms. (TTSL+TTML).
2. Strong brand presence across customers in this business with deep customer relationships.
3. Wide range of customized solutions enabling to service as a "A One Stop Shop" for meeting needs of enterprise customers.
4. Robust Channel Partner Ecosystem.

With changing technology and increasing competition, sustaining the growth without substantial incremental investments may be challenging.

The Company may also explore opportunities to strategically restructure these residual business lines at an appropriate time.

The expectations and risks stated in this report are in the opinion of the management and may not necessarily fructify.

INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Teleservices (Maharashtra) Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of **Tata Teleservices (Maharashtra) Limited** ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss (including Other Comprehensive loss), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive loss (comprising of loss and other comprehensive loss), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
1. Accuracy of revenue recorded for telecommunication services given the complexity of the related IT systems (Refer notes 2.3 and 23 to the financial statements) The Company's revenue from telecommunication services is recorded through complex automated (IT) structure wherein the data is processed through multiple systems, which requires periodic reconciliation controls to ensure completeness and accuracy. There is an inherent risk around the accuracy of revenue recorded given the complexity of billing, rating and other relevant support systems and the impact of changing pricing models to revenue recognition (tariff structures, incentive arrangements, discounts, etc.).	Our audit procedures included control testing and substantive procedures covering, in particular: • Understanding and evaluating the relevant IT systems and design of key controls including procedures on testing of IT general controls. • Testing operating effectiveness of key controls over: a) Capturing and recording of revenue transactions; b) Authorization of rate changes and the input of this information to the billing systems; c) Accuracy of calculation of amounts billed to customers; • Testing the end-to-end reconciliation from billing and rating systems to the general ledger. The testing included validating material journals processed between the billing & rating system and general ledger; • Performing tests on the accuracy of customer bill generation on a sample basis and testing of a sample of the credits and discounts applied to customer bills; • Testing cash receipts for a sample of customers back to the customer invoice. Based on the procedures performed above, we did not find any material exceptions in the accuracy of telecommunication services revenue recognized during the year.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>2. Assessment of contingent liabilities and provisions for litigations

(Refer note 21 – “Provisions”, note 31 – “Contingent Liabilities” and note 2.14 on Companies accounting policies with regard to provision and contingent liabilities.)

There are a number of material regulatory and tax cases against the Company. Significant judgement is required in estimating / reassessing the level of provisioning and/or disclosures. The management’s assessment is supported by advice from independent legal/ tax consultants obtained by them.

We considered this as a Key Audit Matter as the eventual outcome of litigations is uncertain and the positions taken by the Management are based on the application of significant judgement and estimation. Any unexpected adverse outcomes could significantly impact the Company’s results and financial position.</td><td>Our procedures included the following:
• Testing design and implementation of key controls surrounding litigation, regulatory and tax procedures and assessment of probable outflow ;
• Discussing with the management and tax and regulatory department heads to understand significant matters under litigation;
• Reading external legal opinions obtained by management, where available;
• Obtaining confirmations, where appropriate, of relevant third party legal representatives and discussing with them certain material litigation;
• Testing that the adjustments arising on account of reassessment in estimates during the year are either due to changes occurred in the circumstances on which estimate was based or as a result of more information or more experience gained during the current year.
• Assessing management’s conclusions through understanding precedents in similar cases;
• For Direct and Indirect tax litigations, involving auditors’ tax experts to understand the current status of tax cases and monitoring changes in the disputes by reading external advice received by the Company;
• Performing detailed procedures on the underlying calculations supporting the provisions recorded and ensuring adequacy of disclosures made.
Based on the above procedures performed, we have not identified any significant exceptions relating to disclosure of contingent liabilities and accounting for provisions for litigations.</td></tr>
<tr><td>3. Appropriateness of classification and measurement of assets and liabilities related to Consumer mobile business (disposal group) as held for sale and accounting for the related restructuring costs

(Refer Note 2.26 for Accounting Policy and notes 1.2, 13, 22 and 30 to the financial statements)

The Company had entered into a Scheme of Arrangement for transfer of its Consumer Mobile Business (CMB) to Bharti Airtel Limited (“Bharti Airtel”). Pending requisite approvals as at March 31, 2019, the Company has classified the assets and liabilities relating to CMB (disposal group) as ‘held for sale’ in accordance with Ind AS 105 – ‘Non-Current Assets Held for Sale and discontinued operations’ in the financial statements.

The application of Ind AS 105 involves significant management judgements in respect of identification of assets and liabilities related to the disposal group and assessment/ re-assessment of fair value of assets and liabilities included in the disposal group as at reporting date.</td><td>Our audit procedures included :
• Understanding the management’s basis of identifying the assets and liabilities related to consumer mobile business.
• Reading the scheme related documents and agreements executed between the company and Bharti Airtel for identification of the assets and liabilities to be transferred to Bharti Airtel.
• Verifying correct identification of the assets and liabilities relating to the disposal group and ensuring accuracy and completeness of the balances to be transferred and their classification as held for sale in the financial statements.
• Assessing/reassessing the carrying values of assets classified as held for sale as the lower of the carrying amount and fair value less cost to sell.
• Evaluating management’s judgement involved in determining the operations of CMB as not a separate Cash Generating Unit.
• Verifying the underlying agreements to assess the appropriateness of restructuring costs recognised by the Company.</td></tr>
</table>

Key audit matter	How our audit addressed the key audit matter
Further, the Company has incurred significant restructuring costs in relation to the proposed transfer of CMB which have been classified as exceptional items in the Statement of Profit and Loss. This has been considered as a key audit matter in view of significance of the amounts and the assessment of the classification and measurement in accordance with Ind AS 105 being complex, non-routine and involving significant management judgements.	• Assessing the appropriateness of the disclosures made in financial statements. Based on the above procedures performed, we noted that the management assessment of classification and measurement of the disposal group as held for sale and the accounting of related restructuring costs, to be appropriate.
4. Assessment of Going Concern as a basis of accounting: (Refer note 1.3 to the financial statements) The Company has incurred losses during the current year and in earlier years. Its net worth is eroded and the current liabilities exceed its current assets as at that March 31, 2019. These may create a doubt regarding the Company's ability to continue as a going concern. However, the financial statements have been prepared on a going concern basis in view of the financial support from the promoter company and the management's plan to generate cash flows through operations and sale of certain assets which would enable the Company to meet its financial obligations as and when they fall due. We considered this to be a key audit matter because management's assessment is largely dependent on the support letter obtained from its Promoter Company.	Our procedures included the following : • Obtained the management assessment of appropriateness of Going Concern basis of accounting. • Discussed with the management on future business and their plans to ensure that the company is able to meet its financial obligations in the foreseeable future. • Read the minutes of board of directors meeting for discussion on future business plans and on liquidating certain assets to ensure availability of liquid funds. • Verified the support letter obtained by the Company from its Promoter indicating that Promoter will take necessary actions to organize for any shortfall in liquidity in Company that may arise to meets its financial obligations and timely repayment of debt during the period of 12 months from the balance sheet date. • Verified the financial ability of the Promoter Company to support the Company from the latest audited financial statements of the Promoter Company. • Verified that the promoter company has supported the Company in the past when the need arose. Based on the above procedures, we noted the management assessment of going concern basis of accounting as appropriate.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report, Corporate Governance Report and Other Information included in Annual Report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows

of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances; Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 43 to the financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016
Chartered Accountants

Nitin Khatri
Partner
Membership No. 110282

Place : Mumbai
Date : May 29, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 14(f) of the Independent Auditors' Report of even date to the members of Tata Teleservices (Maharashtra) Limited on the financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of **Tata Teleservices (Maharashtra) Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016
Chartered Accountants

Nitin Khatri
Partner
Membership No. 110282

Place : Mumbai
Date : May 29, 2019

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Tata Teleservices (Maharashtra) Limited on the financial statements as of and for the year ended March 31, 2019

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b). The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c). The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.

We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 31(vii) to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b). According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income tax, goods and service tax, duty of customs, duties of excise, Sales tax, & cess which have not been deposited on account of any dispute. The particulars of dues of VAT and service-tax as at March 31, 2019, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in crores)#	Period to which the amount relates	Forum where the dispute is pending
Value Added Tax Act	VAT demand including interest and penalty, as applicable	0.11	2007-08	Joint commissioner of sales tax (Appeals), Navi Mumbai
Service Tax under Finance Act, 1994	Service tax demand including interest and penalty, as applicable	252.55	2007-08 to 2013-14	CESTAT-Mumbai
		0.10	2012-13 to 2014-15	Commissioner of Service Tax - Mumbai
		1.50	2014-15	Commissioner CGST-Raigad (Appeals)
		24.69	2008-09 to 2011-12	Commissioner Service tax, Mumbai-II
		2.57	2004-05 to 2009-10	High Court

#net of amount paid under protest.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. As the Company has not paid/ provided for managerial remuneration during the year, the provisions of Clause 3(xi) of the Order are not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016
Chartered Accountants

Nitin Khatri
Partner
Membership No. 110282

Place : Mumbai
Date : May 29, 2019

TATA

BALANCE SHEET AS AT MARCH 31, 2019

Rs. in crores

	Note No.	As At March 31, 2019	As At March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	**675.17**	793.66
Capital work-in-progress		**26.31**	26.59
Intangible assets	3	**42.90**	53.27
Loans and other financial assets	4	**3.56**	21.05
Other non-current assets	5	**336.51**	601.00
Total non-current assets		**1,084.45**	1,495.57
Current assets			
Inventories	6	**-**	0.13
Financial assets			
Investments	7	**608.63**	377.79
Trade receivables	8	**162.51**	157.88
Cash and cash equivalents	9	**171.13**	39.16
Loans and other financial assets	10	**3.74**	16.15
Income tax assets	11	**54.40**	53.06
Other current assets	12	**106.42**	159.27
		1,106.83	803.44
Assets classified as held for sale	13	**2,411.01**	1,081.15
Total current assets		**3,517.84**	1,884.59
Total Assets		**4,602.29**	3,380.16
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	14	**1,954.93**	1,954.93
Other equity	15	**(16,774.76)**	(17,114.08)
Total Equity		**(14,819.83)**	(15,159.15)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	**5,708.33**	7,862.21
Long term provisions	17	**1.86**	124.21
Total non-current Liabilities		**5,710.19**	7,986.42
Current liabilities			
Financial liabilities			
Borrowings	18	**6,931.10**	5,306.44
Trade payables			
- Micro, Small and Medium Enterprises		**1.63**	7.73
- Creditors other than Micro, Small and Medium Enterprises		**195.33**	474.46
Other financial liabilities	19	**3,941.88**	2,462.20
Other current liabilities	20	**326.47**	88.29
Short term provisions	21	**126.81**	890.92
		11,523.22	9,230.04
Liabilities directly associated with assets classified as held for sale	22	**2,188.71**	1,322.85
Total current liabilities		**13,711.93**	10,552.89
Total liabilities		**19,422.12**	18,539.31
Total Equity and liabilities		**4,602.29**	3,380.16

See accompanying notes forming part of the financial statements

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number - 012754N/N500016

Nitin Khatri
Partner
Membership Number: 110282

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Mr. D. T. Joseph
(Director)
(DIN No. 01716572)

Ms. Hiroo Mirchandani
(Director)
(DIN No. 06992518)

Mr. Ankur Verma
(Director)
(DIN No. 07972892)

N. Srinath
(Managing Director)
(DIN No. 00058133)

Kush S. Bhatnagar
(Chief Financial Officer)

Vrushali Dhamnaskar
(Asst. Company Secretary)

Place : Mumbai
Date : May 29, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

Rs. in crores

	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from operations	23	1,277.20	1,868.51
Other income	24	38.38	35.49
Total Income		1,315.58	1,904.00
Expenses			
Cost of goods sold	25	0.63	2.31
Employee benefits expenses	26	64.79	103.00
Provision for contingencies	42	(405.62)	155.82
Operating and other expenses	27	948.02	1,472.45
		607.82	1,733.58
Earning before Interest, Depreciation, Amortization and tax		707.76	170.42
Depreciation and amortisation expenses	3	177.58	532.91
Finance cost	28	1,559.10	1,568.97
Finance income	29	(6.05)	(9.61)
Profit on sale of current investments		(24.16)	(21.53)
Total expenses		2,314.29	3,804.32
Loss before exceptional items and tax		(998.71)	(1,900.32)
Exceptional items	30	(331.11)	7,941.67
Loss before tax		(667.60)	(9,841.99)
Current tax		-	-
Deferred tax		-	-
Tax expense		-	-
Loss after tax		(667.60)	(9,841.99)
Other Comprehensive Income/(Loss)			
Items that may be reclassified to profit and loss			
Effective portion of gains/(loss) on designated portion of hedging instruments in cash flow hedge		(1.61)	-
Gain/ (loss) transferred to Profit and Loss on termination of hedged relationship		-	(67.80)
Items that will not be reclassified to profit and loss			
Remeasurements of defined benefit plans		0.56	1.12
Total other comprehensive income / (loss)		(1.05)	(66.68)
Total comprehensive income / (loss) for the year		(668.65)	(9,908.67)
Earnings per equity share (Face value of Rs. 10 each) (refer note 40)			
Basic (In Rs.)		(3.41)	(50.34)
Diluted (In Rs.)		(3.41)	(50.34)

See accompanying notes forming part of the financial statements

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number - 012754N/N500016

Nitin Khatri
Partner
Membership Number: 110282

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Mr. D. T. Joseph
(Director)
(DIN No. 01716572)

Ms. Hiroo Mirchandani
(Director)
(DIN No. 06992518)

Mr. Ankur Verma
(Director)
(DIN No. 07972892)

N. Srinath
(Managing Director)
(DIN No. 00058133)

Kush S. Bhatnagar
(Chief Financial Officer)

Vrushali Dhamnaskar
(Asst. Company Secretary)

Place : Mumbai
Date : May 29, 2019

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2019 **Rs. in crores**

	Equity Share Capital	Other Equity				Total
		Equity component of compound financial instruments	Reserves & Surplus		Other Reserves	
			Securities premium	Retained earnings	Cash flow hedge reserves	
Balance as on April 1, 2018	**1,954.93**	**1,024.77**	**525.43**	**(18,664.28)**	**-**	**(15,159.15)**
Change in accounting policy (Refer Note 2.3)	-	-	-	(6.08)	-	(6.08)
Restated Balance as on April 1, 2018	**1,954.93**	**1,024.77**	**525.43**	**(18,670.36)**	**-**	**(15,165.23)**
Loss for the year	-	-	-	(667.60)	-	(667.60)
Effective portion of gains/(loss) on designated portion of hedging instruments in cash flow hedge	-	-	-	-	(1.61)	(1.61)
0.1% redeemable preference shares to Tata Teleservices Limited	-	372.61	-	-	-	372.61
0.1% inter-corporate deposits from Tata Teleservices Limited		641.44				641.44
Remeasurements of defined benefit plans	-	-	-	0.56	-	0.56
Balance as on March 31, 2019	**1,954.93**	**2,038.82**	**525.43**	**(19,337.40)**	**(1.61)**	**(14,819.83)**

FOR THE YEAR ENDED MARCH 31, 2018 **Rs. in crores**

	Equity Share Capital	Other Equity				Total
		Equity component of compound financial instruments	Reserves & Surplus		Other Reserves	
			Securities premium	Retained earnings	Cash flow hedge reserves	
Balance as on April 1, 2017	**1,954.93**	**366.42**	**525.43**	**(8,823.41)**	**67.79**	**(5,908.84)**
Loss for the year	-	-	-	(9,841.99)	-	(9,841.99)
Gains/ (loss) arising on changes in fair value of designated portion of hedging instruments reclassified to profit or loss	-	-	-	-	(67.79)	(67.79)
0.1% inter-corporate deposits from Tata Teleservices Limited	-	658.35	-	-	-	658.35
Remeasurements of defined benefit plans	-	-	-	1.12	-	1.12
Balance as on March 31, 2018	**1,954.93**	**1,024.77**	**525.43**	**(18,664.28)**	**-**	**(15,159.15)**

See accompanying notes forming part of the financial statements

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number - 012754N/N500016

Nitin Khatri
Partner
Membership Number: 110282

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Mr. D. T. Joseph
(Director)
(DIN No. 01716572)

Ms. Hiroo Mirchandani
(Director)
(DIN No. 06992518)

Mr. Ankur Verma
(Director)
(DIN No. 07972892)

N. Srinath
(Managing Director)
(DIN No. 00058133)

Kush S. Bhatnagar
(Chief Financial Officer)

Vrushali Dhamnaskar
(Asst. Company Secretary)

Place : Mumbai
Date : May 29, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

		Year ended March 31, 2019	Rs in crores Year ended March 31, 2018
A	**Cash flows from operating activities**		
	Loss before tax	**(667.60)**	(9,841.99)
	Adjustments for :		
	Depreciation and amortisation expense	**177.58**	532.91
	Impairment of Property, plant and equipment, Intangible assets and CWIP	**(529.35)**	7,677.37
	Restructuring cost	**198.24**	264.30
	(Gain)/ loss on property, plant and equipment sold / written off (Net)	**6.33**	(0.53)
	(Gain) / loss on financial assets mandatorily measured at FVTPL	**(3.60)**	(0.08)
	Net (Gain) / loss on sale of investments	**(24.16)**	(21.53)
	Finance Income	**(6.05)**	(9.61)
	Hedge ineffectiveness on cash flow hedges	**-**	(69.41)
	(Gain) / loss on derivatives not designated in hedge accounting relationship	**0.36**	71.74
	Write back of liabilities/ provisions in respect of earlier years	**(34.83)**	(3.11)
	Impairment loss on financial assets	**(0.30)**	36.44
	Provision for contingencies	**(405.62)**	155.82
	Finance cost	**1,559.10**	1,568.97
		270.10	361.28
	Movements in working capital:		
	(Increase) / Decrease in Inventories	**0.13**	1.91
	(Increase) / Decrease in Trade receivables	**29.97**	(12.14)
	(Increase) / Decrease in Other assets	**(423.26)**	15.05
	Increase / (Decrease) in Trade payables	**(587.12)**	224.83
	Increase / (Decrease) in Other liabilities	**(32.90)**	(27.95)
	Increase / (Decrease) in Provisions	**(1.08)**	(0.35)
		(1,014.26)	201.35
	Cash generated from operations	**(744.16)**	562.64
	Net income tax	**(1.34)**	40.80
	Cash generated from operating activities	**(745.50)**	603.44
B	**Cash flow from investing activities**		
	Payments for property, plant and equipment (including capital advances)	**(127.57)**	(78.25)
	Proceeds from disposal of property, plant and equipment	**0.82**	0.83
	Finance Income	**6.05**	9.61
	Payments to acquire current investments	**(5,620.34)**	(5,576.24)
	Proceeds from disposal of current investments	**5,417.25**	5,902.79
	Advance against purchase consideration (Refer Note 1.2)	**222.30**	-
	Cash generated from investing activities	**(101.49)**	258.75

		Year ended March 31, 2019	Year ended March 31, 2018
			Rs in crores
C	**Cash flow from financing activities**		
	Proceeds from Intercorporate Deposits received	**3,644.00**	3,700.00
	Proceeds from long term borrowings	**739.92**	-
	Repayment of long term borrowings	**(3,805.95)**	(6,646.37)
	Proceeds from short term borrowings	**21,247.22**	6,055.37
	Repayment of short term borrowings	**(18,843.64)**	(2,961.93)
	Finance cost paid	**(2,014.20)**	(1,007.10)
	Cash used for financing activities	**967.35**	(860.03)
	Net increase/(decrease) in cash or cash equivalents (A+B+C)	**120.36**	2.15
	Cash and cash equivalents at the beginning of the year	**39.07**	36.92
	Cash and cash equivalents at the end of the year	**159.43**	39.07
		120.36	2.15

Note: Cash flow statement has been prepared under the “Indirect method” as set out in Ind AS 7 on statement of Cash flow as notified under Companies (Accounts) Rules, 2015.

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number - 012754N/N500016

Nitin Khatri
Partner
Membership Number: 110282

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Mr. D. T. Joseph
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Kush S. Bhatnagar
(Chief Financial Officer)

Vrushali Dhamnaskar
(Asst. Company Secretary)

Place : Mumbai
Date : May 29, 2019

Notes forming part of the financial statements

Note 1:

1.1 Background

"Tata Teleservices (Maharashtra) Limited ("the Company" or "TTML"), was incorporated on March 13, 1995. The Company is licensed to provide basic and cellular telecommunication services. The Company presently holds Unified Licenses with Access Service authorization for Mumbai and Maharashtra Licenced Service Area and it also has authorization for ISP Category 'A' – National under the same Unified Licence for provision of telecommunication services. The Company also holds spectrum in 2100 MHz band (3G spectrum) in Maharashtra Licenced Service Area (excluding Mumbai). The Company has obtained 2 blocks of 1.25 MHz each of 800 MHz in Mumbai and Maharashtra circle during the auction conducted in 2015 and 5 MHz spectrum in 1800 MHz band in both Mumbai and Maharashtra Licenced Service Area during the auction held in October, 2016."

1.2 Demerger of Consumer Mobile Business

The Company after taking approval from the Board of Directors had entered into a term sheet on October 12, 2017 with Bharti Airtel Limited (Bharti), setting out broad understanding for transfer by way of Scheme of demerger of its Consumer Mobile Business (CMB) to Bharti, which represents a significant line of business of the Company. In furtherance of the term sheet, the Company filed the Scheme with the National Company Law Tribunal (NCLT), Mumbai bench on April 10, 2018 after taking approval from the concerned stock exchanges, for a demerger of its CMB to Bharti. Further, on July 19, 2018, the Company entered into an Implementation Agreement (IA) with Bharti and has received advance of Rs.222.30 crores and disclosed the same as a liability as at March 31, 2019.

NCLT, vide its order dated December 4, 2018, has sanctioned the Scheme subject to receipt of DOT approval after receipt of which the Company is required to approach NCLT with fixed Appointed Date. DoT issued approval on April 10, 2019 to TTML and Bharti. The approval includes certain conditions some of which have subsequently been stayed/modified by Telecom Disputes Settlement and Appellate Tribunal (TDSAT) vide its order dated May 2, 2019. The Company and Bharti have reported compliance with such conditions to DoT vide letter dated May 22, 2019.

Pending the required approvals, no impact of the proposed Scheme or the IA has been considered in these financial statements, except that Company has made an assessment of assets and liabilities pertaining to CMB (disposal group), which are proposed to be transferred, and recorded it at lower of its carrying amount as at March 31, 2019 and fair value less costs to sell and classified it as 'Assets held for sale'. Considering the significant operational and financial interdependencies of different business units, management continues to identify the Cash Generating Unit (CGU) at the Company level. Accordingly, the disclosure in relation to discontinued operations are not applicable.

1.3 Going concern

The accumulated losses of the Company as of March 31, 2019, have exceeded its paid-up capital and reserves. The Company has incurred net loss for the year ended March 31, 2019 and the Company's current liabilities exceeded its current assets as at that date. The Company is in the process of completion of demerger of its Consumer Mobile Business, consideration of which will be primarily utilised towards reduction of residual debt and other financial obligations. Further, the Company has obtained a support letter from its Promoter indicating that the Promoter will take necessary actions to organize for any shortfall in liquidity during the period of 12 months from the balance sheet date.

Based on the above, the Company is confident of its ability to meet the funds requirement and to continue its business as a going concern and accordingly, the financial statements have been prepared on that basis.

Note 2:

Significant accounting policies

2.1 Basis of preparation of financial statements

These financial statement comply in all material aspects with Indian Accounting Standards (Ind AS)notified under section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015 (as amended)] issued by the Ministry of Corporate Affairs.

These financial statements have been prepared on the historical cost basis, except for certain assets and liabilities which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for

Notes forming part of the financial statements

goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest crores, except when otherwise indicated.

2.2 Significant accounting estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Actual results could differ from these estimates.

i. Impairment assessment of Property, Plant and Equipment

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved. Fair value of CMB assets have been determined based on the estimated purchase consideration (including adjustments pursuant to the implemention agreement) to be received from BAL. Also, Judgement is involved in determining the CGU and impairment testing.

ii. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

iii. Allowance for uncollectible trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience. Additionally, a large number of minor receivables is grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

iv. Contingent Liabilities and provisions

The contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company. The Company evaluates the obligation through Probable, Possible or Remote model ('PPR'). In making the evaluation for PPR, the Company take into consideration the Industry perspective, legal and technical view, availability of documentation/ agreements, interpretation of the matter, independent opinion from professionals (specific matters) etc. which can vary based on subsequent events. The Company provides the liability in the books for probable cases, while possible cases are shown as Contingent Liability. The remote cases are not disclosed in the financial statement. Also refer Note 42 to the financial statements.

v. Defined benefit plans (gratuity benefits)

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

vi. Fair value measurement and valuation

Some of Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and

Notes forming part of the financial statements

liabilities, the Company uses market – observable data to the extent it is available. Where Level 1 inputs are not available, the Company engaged third party qualified valuers to perform the valuation.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 2.16.

vii. Going Concern

The Company prepares the financial statement on a Going Concern basis in view of financial support from promoter company and assuming the cash flows generation from the continuation of operations, outflow for capital expenditure and the repayment obligations of debt and interest for the next twelve months. In calculating the cash flow generation from the business, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of earnings, interest cost and capex outflow to reflect the risks involved. The Company also make certain assumptions regarding the continuation of credit from lenders.

viii. Provision for foreseeable loss on long term contracts

Provision for foreseeable losses on long term contracts is primarily on account of various contracts with IP vendors which became onerous due to closure of IP sites before the agreed lock in period. An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefit expected to be received under it.

ix. Classification and Measurement of Assets Held

The Company had entered into a Scheme of Arrangement for transfer of its Consumer Mobile Business (CMB) to Bharti Airtel Limited (referred to as "Bharti Airtel"). Pending requisite approvals as at March 31, 2019, the Company has classified the assets and liabilities relating to CMB (disposal group) as 'held for sale' in accordance with Ind AS 105 – 'Non-Current Assets Held for Sale and discontinued operations' in the financial statements. The application of Ind AS 105 involves significant management judgements in respect of identification of assets and liabilities related to the disposal group and assessment/ re-assessment of fair value of assets and liabilities included in the disposal group as at reporting date.

2.3 Revenue

Effective April 1, 2018, the Company has adopted Ind AS 115, 'Revenue from Contracts with Customers' basis the cumulative effect method applied retrospectively to the contracts that are not completed as of April 1, 2018 (being date of initial application). Accordingly, the comparative information has not been restated. The effect on adoption of the said standard is insignificant on these financial statements.

Revenue is recognised upon transfer of control of promised products or services to customer at the consideration which the Company has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts and process waivers. In cases where the sale is made to an intermediary in a principal capacity, the revenue recorded by the Company is the consideration that is received/receivable from the intermediary. Revenue is recognised as and when each distinct performance obligation is satisfied. The main categories of revenue and the basis of recognition are as follows:

Service revenues

Service revenues mainly pertain to usage, subscription and activation charges for voice, data, messaging and value added services. It also includes revenue from interconnection / roaming charges for usage of the Company's network by other operators for voice, data, messaging and signalling services. The Company recognises revenue from these services as they are provided. Usage charges are recognised based on actual usage. Subscription charges are recognised over the estimated customer relationship period or subscription pack validity period, whichever is lower. Revenues in excess of invoicing are classified as unbilled revenue while invoicing / collection in excess of revenue are classified as deferred revenue / advance from customer. The billing / collection in excess of revenue recognised is presented as deferred revenue in the Balance Sheet whereas unbilled revenue is recognised under other current financial assets. Business services revenue from activation and installation for certain customers, and associated acquisition costs are amortised over the period of agreement/ lock in period since the date of activation of service.

Service revenues also includes revenue from interconnection / roaming charges for usage of the Company's network by other operators for voice, data, messaging services etc. These are recognised upon transfer of control of services being transferred over time.

Notes forming part of the financial statements

In case of revenue from multiple deliverables, the consideration received from customers is allocated to each separate unit of identifiable deliverable based on its relative fair value. In case the relative fair value of different components cannot be determined on a reasonable basis, the total consideration is allocated on a residual value method.

Business services revenue from activation and installation for certain customers, and associated acquisition costs are amortised over the period of agreement/ lock in period since the date of activation of service.

Interest income

The interest income is recognised using the Effective Interest Rate (EIR)method. For further details, refer note on financial instruments.

2.4 Foreign Currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies on initial recognition are recorded at the prevailing exchange rate between the Company's functional currency and the foreign currency on the date of the transaction. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was deteremined. Non monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

2.5 Interconnect revenues and costs (Access charges)

The Telecom Regulatory Authority of India (TRAI) issued Interconnection Usage Charges Regulation 2003 ('IUC regime') effective May 1, 2003 and subsequently amended the same from time to time. Under the IUC regime, with the objective of sharing of call/Short Message Services ('SMS') revenues across different operators involved in origination, transit and termination of every call/SMS, the Company pays interconnection charges (prescribed as rate per minute of call time and per SMS) for all outgoing calls and SMS originating in its network to other operators. The Company receives certain interconnection charges from other operators for all calls and SMS terminating in its network.

Accordingly, interconnect revenues are recognized as those on calls/SMS originating in another telecom operator network and terminating in the Company's network. Interconnect cost is recognized as charges incurred on termination of calls/SMS originating from the Company's network and terminating on the network of other telecom operators. The interconnect revenue and costs are recognized in the financial statement on a gross basis and included in service revenue and access charges in the statement of profit and loss, respectively.

2.6 Revenue sharing fee

Revenue sharing fee is expensed in the statement of profit and loss in the year in which the related revenue from providing Unified License services are recognized.

An additional revenue share towards spectrum charges is computed at the rate specified by the DoT (Department of Telecom) of the Adjusted Gross Revenue ('AGR'), as defined in the License Agreement, earned from the customers. These costs are expensed in the statement of profit and loss in the year in which the related revenues are recognized.

2.7 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax is based on the taxable profit for the year which may differ from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Notes forming part of the financial statements

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.8 Property, Plant & Equipment

Land and buildings held for use in the supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fee and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Gains and losses arising from retirement or disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Buildings constructed on leasehold land are depreciated based on the useful life specified in Schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other cases, buildings constructed on leasehold lands are amortised over the primary lease period of the lands.

The useful lives of the assets are based on technical estimates approved by the Management, and are lower than or same as the useful lives prescribed under schedule II to the Companies Act, 2013 in order to reflect the period over which depreciable assets are expected to be used by the Company.Estimated useful lives of the assets are as follows:

Particulars	**Useful life (in years)** **As per Company**
Plant and Machinery	
- Network Equipment	12
- Air- Conditioning Equipment	6
- Generators	6
- Electrical Equipments	4-6
Building	60
Office Premises	60
Office Equipments	3
Furniture and Fittings	3
Vehicles	5

Notes forming part of the financial statements

2.9 Intangible assets

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

License entry fee and Spectrum fees

The License entry fee/spectrum fees is recognized as an intangible asset and is amortized on straight line basis over the license period of 20 years from the date when it is available for use in the respective circles/spectrum blocks. License entry fee/spectrum fees includes interest on funding of license entry fee/spectrum fees and bank guarantee commission up to the date of spectrum available for use in the respective Circles. Fees paid for migration of the original licenses to the Unified Access Services License (“UASL”) is amortized over the remaining period of the license of 20 years for the respective circles from the date of migration to UASL / payment of the license fees on straight line basis. Fees paid for obtaining in-principle approval to use alternate technology under the existing UASL is recognized as an intangible asset and is amortized from the date of approval over the balance remaining period of the UASL license on straight line basis for the respective circles. Also refer Note 1.2 and Note 13 for transfer of Spectrum relating to Consumer Mobile Business.

Indefeasible Right to Use (‘IRU’) taken for optical fiber and ducts, by the Company are capitalized as intangible assets at the amounts paid for acquiring the right and are amortized on straight line basis, over the period of agreement or 18 years, whichever is lower.

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.10 Impairment of tangible and intangible assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets’s carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset’s fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are seperately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets(cash-generating units). Non- Financial assets that suffered an impairment are reviewed as possible reversal of the impairment at the end of the reporting period.

2.11 Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset, including interest attributable to the funding of license fees/spectrum fees are capitalized as a part of the cost of that asset until such time the assets are substantially ready for their intended use. The accounting treatment of loan arrangement fees has been discussed in Note 2.17 to the financial statements.

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

2.12 Leases

Company as a lessee

Leases of assets under which the lessor effectively retains all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

IRU taken for dark fiber, duct and embedded electronics are treated as finance lease (purchase of intangible assets), where the IRU term substantially covers the estimated economic useful life of the asset and the routes are explicitly identified in the agreement. The cases where the estimated economic useful life does not significantly represent the life of the asset, the IRU

Notes forming part of the financial statements

is treated as operating lease provided the routes are explicitly identified.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

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

Company as a lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

IRU granted for dark fiber, duct and embedded electronics are treated as finance lease (sale of intangible assets), where the IRU term substantially covers the estimated economic useful life of the asset and the routes are explicitly identified in the agreement. The cases where the IRU term does not significantly represent the estimated useful life of the asset, the IRU is treated as operating lease.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

2.13 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a weighted average basis and includes all applicable overheads in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to make the sale.

2.14 Provisions and Contingent Liabilities

A provision is recognized for a present obligation as a result of past event (legal or constructive), it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Asset Retirement Obligation ("ARO") is provided for arrangements where the Company has a binding obligation to restore the said location/premises at the end of the period in a condition similar to inception of the arrangement. The restoration and decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot

Notes forming part of the financial statements

be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.15 Employee benefits

2.15.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense.' Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of termination benefit and when the entity recognises any related restructuring costs.

2.15.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.

Liability for compensated absences is in accordance with the rules of the Company. Short term compensated absences are provided based on estimates. Long term compensated absences are provided based on actuarial valuation obtained at the end of each year as per the Projected Unit Credit Method.

2.16 Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the Company.

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

Notes forming part of the financial statements

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

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

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

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

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

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

2.17 Financial Instruments

i) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option

- Business model test
  The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

- Cash flow characteristics test
  The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
  Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-

Notes forming part of the financial statements

through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

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

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI)

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

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

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

ii) Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Notes forming part of the financial statements

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Redeemable preference shares

The redeemable preference shares issued by the Company is a compound financial instrument and is classified separately as financial liability and equity in accordance with the substance of the contractual arragement and the definitions of a financial liability and an equity instrument. At the date of issue, fair value of the liability component is estimated using the prevailing market interest rate of a similar non-compound instrument. This amount is recognised as liability on an amortised cost basis using the effective interest rate method until extinguished at the instrument's maturity date. The difference between the fair value of the liability component at the date of issue and the issue price is recognised as the other equity.

Loans and borrowings

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

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

iv) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characterstics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit or loss (FVTPL).

v) Hedge accounting

The Company designates its derivatives as hedging instruments, as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in profit or

Notes forming part of the financial statements

loss, and is included in the 'Other income' line item. Amounts previously recognized in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recgonised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

2.18 Segment Reporting

The Company's chief operating decision makers look at the financials of the Company as a whole without segregating into any components for the purpose of allocating resources and assessing performance. Accordingly, the Company has not identified any operating segments to be reported.

2.19 Trade Receivables

Trade Receivables are recognized at fair value less provision for impairment.

2.20 Trade and Other Payables

These amounts represent liabilities for services received from the vendors. Trade and other payables are presented as current unless payment is not due within 12 months after the reporting period. They are recognized at their fair value.

2.21 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (including cash credit) as they are considered an integral part of the Company's cash management.

2.22 Loss per share

Basic loss per share is calculated by dividing the net loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.23 Current vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.24 Measurement of Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)

The Company has elected to present earnings before finance cost, tax, exceptional items and depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense,

Notes forming part of the financial statements

finance cost, finance income, profit on sale of current investments, exceptional item and tax expense.

2.25 Exceptional Items

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the Company for the year, the company makes a disclosure of the nature and amount of such items separately under the head "exceptional items."

2.26 Non-current assets (or disposal group) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probably. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefit, financial assets and contractual right under insurance contract which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increase in fair value less costs to sell of an asset (or disposal group), but not in excess of the cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of a noncurrent asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

2.27 New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing April 1, 2018:

1. Ind AS 115, Revenue from Contracts with Customers

2. Amendment to Ind AS 12, Income Taxes

3. Appendix B, Foreign Currency Transactions and Advance Consideration to Ind AS 21, The Effects of Changes in Foreign Exchange Rates

4. Amendment to Ind AS 28, Investments in Associates and Joint Ventures and Ind AS 112, Disclosure of Interests in Other Entities

The Company had to change its accounting policies and make certain adjustments following the cumulative catch up approach following the adoption of Ind AS 115 (Refer Note 2.3). Most of the other amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly impact current or future periods.

Notes forming part of the financial statements

Note 3 :

(i) Property, plant and equipment

Rs. in crores

PARTICULARS	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK
	As At April 1, 2018	Additions	Deletions	Effect of foreign currency exchange differences	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2019	As at April 1, 2018	For the year	Impairment loss recognised in statement of profit and loss (refer note 30a)	Deletions	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2019	As at March 31, 2019
Freehold Land	0.17	-	-		-	0.17	-	-	-	-	-	-	0.17
Office premises	6.86	-	-		6.86	-	2.48	-	3.51	-	5.99	-	-
Buildings	17.10	-	-		0.47	16.63	3.22	0.23	0.46	-	0.47	3.44	13.19
Plant and Machinery	3,428.13	106.65	16.12	-	249.22	3,269.44	2,652.91	166.35	54.86	16.12	250.37	2,607.63	661.81
Furniture, Fixtures and Office Equipment	112.27	0.01	22.49		5.34	84.45	112.27	0.01	-	22.49	5.34	84.45	-
Vehicles	0.20	-	-	-	-	0.20	0.20	-	-	-	-	0.20	-
Total	**3,564.73**	**106.66**	**38.61**	**-**	**261.89**	**3,370.89**	**2,771.08**	**166.59**	**58.83**	**38.61**	**262.17**	**2,695.72**	**675.17**

(ii) Intangible assets (other than internally generated)

Rs. in crores

PARTICULARS	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK
	As At April 1, 2018	Additions	Deletions	Effect of foreign currency exchange differences	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2019	As at April 1, 2018	For the year	Impairment loss recognised in statement of profit and loss (refer note 30a)	Deletions	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2019	As at March 31, 2019
Licenses and spectrum	-	-	-	-	-	-	-	-		-		-	-
Indefeasible Rights of Use ('IRU')	155.06	0.61	-	-		155.67	101.93	10.87		-	-	112.80	42.87
Computer Software	40.86	0.01	0.01	-	11.32	29.54	40.72	0.12	-	0.01	11.32	29.51	0.03
Total	**195.92**	**0.62**	**0.01**	**-**	**11.32**	**185.21**	**142.65**	**10.99**	**-**	**0.01**	**11.32**	**142.31**	**42.90**

1. Refer to note 16 for information on Property, plant and equipment and intangible assets pledged as security by the Company.

2. Refer to note 31 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes forming part of the financial statements

Note 3 :

(i) Property, plant and equipment

Rs. in crores

PARTICULARS	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK
	As At April 01, 2017	Additions	Deletions	Effect of foreign currency exchange differences	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2018	As at April 1, 2017	For the year	Impairment loss recognised in statement of profit and loss (refer note 30a)	Deletions	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2018	As at March 31, 2018
Freehold Land	0.17	-	-	-	-	0.17	-	-	-	-	-	-	0.17
Office premises	6.86	-	-	-	-	6.86	2.36	0.11	-	-	-	2.47	4.39
Buildings	17.10	-	-	-	-	17.10	2.94	0.28	-	-	-	3.22	13.88
Plant and Machinery	5,236.76	77.42	14.74	-	1,871.31	3,428.13	3,663.17	306.05	510.91	14.55	1,812.67	2,652.91	775.22
Furniture, Fixtures and Office Equipment	121.38	0.04	9.15	-	-	112.27	121.35	0.07	-	9.15	-	112.27	-
Vehicles	0.20	-	-	-	-	0.20	0.20	-	-	-	-	0.20	-
Total	**5,382.47**	**77.46**	**23.89**	**-**	**1,871.31**	**3,564.73**	**3,790.02**	**306.51**	**510.91**	**23.70**	**1,812.67**	**2,771.07**	**793.66**

(ii) Intangible assets (other than internally generated)

Rs. in crores

PARTICULARS	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK
	As At April 01, 2017	Additions	Deletions	Effect of foreign currency exchange differences	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2018	As at April 1, 2017	For the year	Impairment loss recognised in statement of profit and loss (refer note 30a)	Deletions	Assets held for sale (Incl. Other Adjustments) (refer note 1.2)	As at March 31, 2018	As at March 31, 2018
Licenses and spectrum	8,307.65	2,476.66	-	(27.65)	10,756.66	-	2,503.04	215.00	7,155.41	-	9,873.45	-	-
Indefeasible Rights of Use ('IRU')	153.28	1.78	-	-	-	155.06	90.62	11.31	-	-	-	101.93	53.13
Computer Software	40.86	-	-	-	-	40.86	40.63	0.09	-	-	-	40.72	0.14
Total	**8,501.79**	**2,478.44**	**-**	**(27.65)**	**10,756.66**	**195.92**	**2,634.29**	**226.40**	**7,155.41**	**-**	**9,873.45**	**142.65**	**53.27**

License and spectrum held by the Company:
Additions during the year:
During the financial year 2017-18, the Company has capitalised followings in Licenses and spectrum:

- Right to spectrum earmarked - Rs. 2,476.66 crores

1. Refer to note 16 for information on Property, plant and equipment and intangible assets pledged as security by the Company.
2. Refer to note 31 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes forming part of the financial statements

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Note 4 :		
Loans and other financial assets		
Loans		
Premises and other deposits (at amortized cost)		
Unsecured, considered good	**3.20**	21.03
Unsecured and considered doubtful	**10.75**	20.08
Less : Allowance for doubtful deposits	**10.75**	20.08
	3.20	21.03
Others		
Fixed deposits with maturity more than 12 months	**0.36**	0.02
	3.56	21.05

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Note 5 :		
Other non-current assets		
Capital advances	**0.14**	3.87
Prepaid expenses	**18.75**	11.11
Balance with government authorities	**226.30**	-
Amount paid under dispute	**91.32**	586.02
	336.51	601.00
Note 6 :		
Inventories		
(At lower of cost and net realisable value)		
Starter Kits	**-**	0.13
	-	0.13
Note 7 :		
Current Investments - Mutual Fund (measured at fair value through profit and loss)		
Investments in Mutual Fund (Quoted)	**608.63**	377.79
	608.63	377.79

Mutual Fund Name	Units		Fair value	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Axis Liquid Fund - Direct Plan Growth	**-**	103,407	**-**	19.93
Birla Sun Life Cash Plus-Direct Plan Growth	**-**	1,792,845	**-**	50.08
ICICI Prudential Liquid - Growth	**3,962,900**	-	**109.54**	-
SBI Premium Liquid fund	**-**	570,264	**-**	155.36
Tata Liquid Fund Direct Plan - Growth	**1,280,915**	-	**377.16**	-
Tata Money Market Fund - Direct Plan Growth	**-**	556,611	**-**	152.42
HDFC Liquid Fund	**331,479**	-	**121.93**	-
	5,575,294	3,023,127	**608.63**	377.79

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Note 8 :		
Trade Receivables		
Unsecured, considered good	**172.39**	202.06
Doubtful	**50.54**	111.21
Less: Allowance for doubtful trade receivables	**50.54**	111.21
Less: Assets classified as held for sale	**9.88**	44.18
	162.51	157.88

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 18 to 90 days.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

Notes forming part of the financial statements

Ageing of receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Not due	**125.52**	38.68
0-90 days past due	**55.79**	135.62
91-180 days past due	**10.21**	31.12
> 180 days	**31.41**	107.85
Total	**222.93**	313.27

Ageing of expected credit loss allowance

Particulars	As at March 31, 2019	As at March 31, 2018
0-90 days past due	**14.29**	21.62
91-180 days past due	**7.84**	27.45
> 180 days	**28.41**	62.14
Total	**50.54**	111.21

Movement in expected credit loss allowance

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	**111.21**	184.74
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	**(60.67)**	(73.53)
Balance at end of the year	**50.54**	111.21

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Note 9 :		
Cash and cash equivalents		
Cash in hand	**-**	0.12
Cheques on hand	**0.19**	10.27
Balance with banks in		
- Current accounts	**167.74**	13.43
- Cash credit accounts	**3.20**	15.34
	171.13	39.16
Note 10 :		
Loans and other financial assets		
Loans		
Premises and other deposits (at amortized cost)		
Unsecured, considered good	**3.74**	16.03
Unsecured and considered doubtful	**0.77**	1.47
Less : Allowance for doubtful deposits	**0.77**	1.47
	3.74	16.03
Others		
Derivative not designated in hedge accounting relationship		
Foreign exchange forward contracts	**-**	0.12
	-	0.12
	3.74	16.15
Note 11 :		
Income tax assets		
Tax deducted at source	**54.40**	53.06
	54.40	53.06
Note 12 :		
Other current assets		
Advances to employees	**0.02**	0.15
Balance with government authorities	**93.32**	132.44
Prepaid expenses	**11.86**	12.23
Advances to suppliers		
Unsecured, considered good	**1.22**	14.45
Unsecured and considered doubtful	**3.62**	5.04
Less : Allowance for doubtful advances	**3.62**	5.04
	1.22	14.45
	106.42	159.27
Note 13:		
Assets classified as held for sale (refer note 1.2 and note 2.26)		
Property, plant and equipment	**141.66**	58.64
Capital work-in-progress	**1.56**	1.16
Intangible assets	**1,383.92**	883.21
Other non-current assets	**509.45**	0.23
Trade Receivables	**9.88**	44.18
Loans and other financial assets	**7.71**	-
Other current assets	**356.83**	93.73
Total assets classified as held for sale	**2,411.01**	1,081.15

Notes forming part of the financial statements

	As At March 31, 2019		As At March 31, 2018	
	Numbers	**Rs. in crores**	Numbers	Rs. in crores
Note 14 :				
Share Capital				
a) Authorised, issued, subscribed and paid up share capital				
Authorised				
Equity shares of Rs.10/- each with voting rights	**2,500,000,000**	**2,500.00**	2,500,000,000	2,500.00
Preference shares of Rs.100/- each	**2,350,000,000**	**23,500.00**	2,350,000,000	23,500.00
Unclassified Shares of Rs. 100/- each	**500,000,000**	**5,000.00**	500,000,000	5,000.00
	5,350,000,000	**31,000.00**	5,350,000,000	31,000.00
Issued, subscribed and paid up				
Equity shares of Rs.10/- each fully paid-up with voting rights	**1,954,927,727**	**1,954.93**	1,954,927,727	1,954.93
	1,954,927,727	**1,954.93**	1,954,927,727	1,954.93
b) Reconciliation of the number of equity shares outstanding:				
Equity shares outstanding at the beginning of the year	**1,954,927,727**	**1,954.93**	1,954,927,727	1,954.93
Issued during the year	**-**	**-**	-	-
Decrease during the year	**-**	**-**	-	-
Equity shares outstanding at the end of the year	**1,954,927,727**	**1,954.93**	1,954,927,727	1,954.93

c) Terms/rights attached to equity shares:

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

d) Equity shares held by the ultimate holding company/ holding company and its subsidiaries and associates:

Name of the Shareholder	**Relationship**	**As At March 31, 2019**	As At March 31, 2018
Tata Sons Private Limited	Ultimate Holding company (w.e.f. October 31, 2017)	**382,759,467**	382,759,467
Tata Teleservices Limited	Holding company (w.e.f. October 17, 2018)	**944,174,817**	944,174,817
The Tata Power Company Limited	Associate of ultimate holding company	**126,720,193**	126,720,193
Panatone Finvest Limited	Subsidiary of ultimate holding company	**17,850**	17,850
Total		**1,453,672,327**	1,453,672,327

e) Details of equity shares held in the Company by each shareholder holding more than 5% shares

Name of the Shareholder	**As At March 31, 2019**		As At March 31, 2018	
	No of shares held	**% of holding**	No of shares held	% of holding
Tata Teleservices Limited	**944,174,817**	**48.30**	944,174,817	48.30
Tata Sons Private Limited	**382,759,467**	**19.58**	382,759,467	19.58
The Tata Power Company Limited	**126,720,193**	**6.48**	126,720,193	6.48

Notes forming part of the financial statements

f) Reconciliation of the number of 0.1% non cumulative redeemable preference shares outstanding (Compound Financial Instrument):

	As At March 31, 2019		As at March 31, 2018	
	Numbers	**Rs. in crores**	Numbers	Rs. in crores
Preference shares outstanding at the beginning of the year	**201,800,000**	**2,018.00**	201,800,000	2,018.00
Issued during the year	**-**	**-**	-	-
Decrease during the year	**-**	**-**	-	-
Preference shares outstanding at the end of the year	**201,800,000**	**2,018.00**	201,800,000	2,018.00

On October 18, 2016, the Company had issued non cumulative redeemable preference shares (RPS) for a tenure of 23 months to Tata Teleservices Limited (TTSL) on private placement with dividend of 0.1% per annum. On September 18, 2018, the Company extended the term of RPS for a further period of 24 months with an option to the Company to redeem at such earlier date as may be decided by the Board of Directors or Finance Committee of the Company.
Pursuant to Section 47(2) of the Companies Act, 2013, with effect from October 17, 2018, TTSL is entitled to additional voting rights of 26.26% in respect of the RPS, as a result of which the Company became a subsidiary of TTSL.
In the event of liquidation, the Preference Shareholders will carry a preferential right over the holder of equity shares for payment of dividend and for payment of capital, in proportion to their shareholding.

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Note 15 :		
Other equity		
(a) Securities premium	**525.43**	525.43
(b) Cash flow hedge reserve	**(1.61)**	-
(c) Retained earnings	**(19,337.40)**	(18,664.28)
(d) Equity component of compound financial instruments	**2,038.82**	1,024.77
	(16,774.76)	(17,114.08)
(a) Securities Premium		
Balance at beginning of the year	**525.43**	525.43
Balance at end of the year	**525.43**	525.43

(Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013)

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
(b) Cash flow hedge reserve		
Balance at beginning of the year	**-**	67.80
Gains/ (loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges		
Interest rate swaps	**(1.61)**	-
Gains/ (loss) arising on changes in fair value of designated portion of hedging instruments reclassified to profit or loss		
Cross currency interest rate swaps	**-**	3.86
Foreign Currency Non Resident Loans (FCNR) revaluation reversal	**-**	(4.75)
Interest rate swaps		(66.91)
Balance at end of the year	**(1.61)**	-

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated

Notes forming part of the financial statements

under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
(c) Retained earnings		
Balance at beginning of the year	**(18,664.28)**	(8,823.41)
Add: Cumulative effect on opening retained earnings on adoption of Ind AS 115	**(6.08)**	-
Add: Loss for the year	**(667.60)**	(9,841.99)
Add: Other comprehensive income arising from measurement of defined benefit obligation net of income tax	**0.56**	1.12
Balance at end of the year	**(19,337.40)**	(18,664.28)
(d) Equity component of compound financial instruments		
Balance at beginning of the year	**1,024.77**	366.42
0.1% redeemable preference shares to Tata Teleservices Limited	**372.61**	-
0.1% Inter-Corporate deposits from Tata Teleservices Limited	**641.44**	658.35
Balance at end of the year	**2,038.82**	1,024.77

The equity portion of compound financial instruments, is on account of dividend/interest percentage being lower than effective market rate and is recorded in Other equity.

Note 16 :

Non current financial liabilities - Borrowings

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Secured - at amortised cost		
Term Loans - from banks (Gross)	**739.92**	44.35
Less: Current maturities of long term debt	**-**	44.35
	739.92	-
Unsecured - at amortised cost		
(a) Deferred payment liabilities for spectrum	**1,119.36**	4,880.96
Add: Interest accrued but not due on deferred payment liabilities	**109.48**	1,226.36
Less: Current maturities of long term debt	**442.78**	442.78
	786.06	5,664.54
(b) Liability component of Inter-Corporate Deposits	**6,693.92**	3,140.68
Less: Current maturities of long term debt	**3,463.00**	-
	3,230.92	3,140.68
(c) Liability component of redeemable preference shares	**1,737.49**	1,922.23
Less: Current maturities of long term debt	**-**	1,922.23
	1,737.49	-
Less: Liabilities directly associated with assets classified as held for sale	**786.06**	943.01
	5,708.33	7,862.21

Notes :

Long-Term Borrowings - Secured

(a) Term Loans from banks As on March 31, 2019

i) First Pari Pasu Charge on all the fixed and current assets of the Company's enterprise, fixed wireline and broad band division excluding intangible assets and current and future investments in associate and subsidiary company and Joint Ventures of the Company.

ii) Terms of repayment :-

- Loan from bank is repayable in 2 years from the date of drawdown

Notes forming part of the financial statements

iii) Interest rate :-
- Interest on the loan is on floating basis based on overnight MIBOR+an agreed spread, this floating rate has been hedged with IRS at a fixed rate

As on March 31, 2018

i) Stipulated securities for the loans are first pari passu charge on the assets of the Company and one or more of the following as per terms of the arrangements with respective banks:-
- by pledge of shares held by Tata Teleservices Limited in the Company;
- by assignment of the proceeds on sale of network in the event of cancellation of the telecom license;
- by assignment of telecom license;
- by assignment of insurance policies and material project contracts;
- by sponsor support undertaking of Tata Sons Private Limited of Rs 400 crores.

ii) Terms of repayment :-
- Term loans from banks are repayable in 36 quarterly installments by January 2019.

iii) Interest rate :-
- Interest rate for term loan from banks is in the range of 10.20% to 10.25% p.a.

Long-Term Borrowings - Unsecured

(a) Deferred payment liabilities for spectrum (DPL)

As on March 31, 2019

i) Terms of repayment :-
- DPL for spectrum acquired in March 2015 is repayable in 16 annual installments starting from April 2018 out of which 10 installments falling due during April 2021 to April 2030 has been prepaid in April 2018.
- DPL for spectrum acquired in October 2016 is prepaid fully in October 2018.

ii) Interest rate :-
- Interest rate for DPL is 10.00% p.a.

As on March 31, 2018

i) Terms of repayment :-
- DPL for spectrum acquired in March 2015 is repayable in 16 annual installments starting from April 2018.
- DPL for spectrum acquired in October 2016 is repayable in 16 annual installments starting from October 2019.

ii) Interest rate :-
- Interest rate for DPL is 9.30% to 10.00% p.a.

(b) Inter-Corporate Deposit (ICD)

As on March 31, 2019

i) Terms of repayment :-
- ICDs are fully repayable after 2 years from the date of receipt

ii) Interest rate :-
- Interest rate for ICD is 0.1% p.a.

As on March 31, 2018

i) Terms of repayment :-
- ICDs are fully repayable after 2 years from the date of receipt

ii) Interest rate :-
- Interest rate for ICD is 0.1% p.a.

(c) Liability component of redeemable preference shares

On October 18, 2016, the Company had issued non cumulative redeemable preference shares (RPS) for a tenure of 23 months to Tata Teleservices Limited (TTSL) on private placement with dividend of 0.1% per annum. On September 18, 2018, the Company extended the term of RPS for a further period of 24 months with an option to the Company to redeem at such earlier date as may be decided by the Board of Directors or Finance Committee of the Company.

The equity portion of these redeemable preference shares, on account of dividend percentage being lower than effective market rate, is recorded in Other equity.

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
<u>**Note 17 :**</u>		
Long term provisions		
Provision for asset retirement obligation (site restoration cost)	**1.86**	1.71
Provision for foreseeable losses on long term contracts (Refer Note 2.2 (viii) and 43)	**-**	122.50
	1.86	124.21

Notes forming part of the financial statements

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Note 18 :		
Current financial liabilities - Borrowings		
(a) Secured - at amortised cost		
From Banks		
Cash Credit Accounts	**-**	55.07
Vendor financing	**11.83**	9.77
	11.83	64.84
(b) Unsecured - at amortised cost		
From Banks		
Short-Term Loans	**7,614.93**	5,241.60
	7,614.93	5,241.60
Less: Liabilities directly associated with assets classified as held for sale	**695.66**	
	6,931.10	5,306.44

Notes :

Short-Term Borrowings - Secured

As on March 31, 2019

Vendor financing

- Supplier`s Credit is interest free

As on March 31, 2018

Cash Credit Accounts

- Interest rate for cash credit is in the range of bank base rate / MCLR + 0.00% to 2.50% p.a.

Vendor financing

- Interest rate for vendor financing is in the range of 0.70% to 5.65% p.a.

Short-Term Borrowings - Unsecured

As on March 31, 2019

Short-Term Loans - Commercial Papers (CP)

i) Terms of repayment :-
   - Commercial papers are repayable within 26 to 90 days from the date of issue

ii) Interest rate :-
   - Interest rate for commercial papers is in the range of 8.50% to 8.95% p.a.

As on March 31, 2019

Short-Term Loans - Term Loan

i) Terms of repayment :-
   - Loan from bank is repayable after 6 months from the date of drawdown

ii) Interest rate :-
   - Interest rate for loan is 9.10% p.a.

As on March 31, 2018

Short-Term Loans - Commercial Papers (CP)

i) Terms of repayment :-
   - Commercial papers are fully repayable within 277 days from the date of disbursement

ii) Interest rate :-
   - Interest rate for commercial papers is in the range of 7.90% to 7.98% p.a.

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Note 19 :		
Other current financial liabilities		
Derivatives designated in hedge accounting relationships		
Interest Rate Swaps	**1.61**	-
Derivatives not designated in hedge accounting relationships		
Foreign exchange forward contracts	**0.24**	-
Total financial derivatives liabilities	**1.85**	-
Current maturities of long term debt (Refer Note 16)	**3,905.78**	2,409.36
Interest accrued but not due	**7.68**	-
Temporary overdrawn bank balances as per books	**11.70**	0.09
Deposits from customers	**4.69**	21.82
Payables on purchase of fixed assets	**10.18**	30.93
	3,941.88	2,462.20

Notes forming part of the financial statements

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Note 20 :		
Other current liabilities		
Advance from customers	**86.40**	69.07
Advance against purchase consideration (refer Note 1.2)	**222.30**	-
Statutory liabilities	**17.77**	19.22
	326.47	88.29
Note 21 :		
Short term provisions		
Provision for employee benefits		
(i) For compensated absences (Refer Note 34)	**1.94**	3.43
(ii) For gratuity (Refer Note 34)	**1.81**	2.63
Provision for contingencies (Refer Note 42)	**93.00**	846.77
Provision for foreseeable losses on long term contracts (Refer Note 2.2 (viii) and 43)	**30.06**	38.09
	126.81	890.92

Note 22:

Liabilities directly associated with assets classified as held for sale

Liabilities of Consumer Mobile Business classified as held for sale (refer note 1.2, note 2.26 and note 13)

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Non current financial liabilities - borrowings	**786.06**	943.01
Current financial liabilities - borrowings	**695.66**	-
Current financial liabilities - trade payables	**174.73**	252.47
Other current financial liabilities	**3.32**	-
Other current liabilities	**10.66**	26.36
Short term provisions	**518.28**	101.01
Total liabilities directly associated with assets classified as held for sale	**2,188.71**	1,322.85

	Year ended March 31, 2019 Rs. in crores	Year ended March 31, 2018 Rs. in crores
Note 23 :		
Revenue from operations		
Telecommunication services		
Service revenue	**1,245.41**	1,840.23
Sale of traded goods	**0.99**	2.92
	1,246.40	1,843.15
Other operating income		
Income from rendering of services	**19.87**	25.36
Infrastructure sharing	**10.93**	-
	30.80	25.36
	1,277.20	1,868.51

Disaggregation of Revenue

The Company is licensed to provide basic and cellular telecommunication services under Unified License. Further, the Company provide telecommunication services only in the Indian domestic market. Disaggregated Revenue details are as follows:

Revenue from operations	**Year ended March 31, 2019**
Revenue from subscribers	1,185.57
Revenue from operators#	54.58
Other Revenue	37.05
Total Revenue as per Financial Statement	**1,277.20**

Revenue from operators comprises of revenue from Interconnect Usages and Roaming charges (including Intra circle Roaming)

Contracts Assets and Liabilities

A contract asset is recorded when revenue is recognized in advance of the right to bill and receive consideration (i.e., additional services must be performed or a performance obligation must be satisfied in order to bill and receive consideration). The contract asset will decrease as services are billed. When consideration is received in advance of the delivery of services, a contract liability is recorded. Reductions in the contract liability will be recorded as we satisfy the performance obligations.

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Notes forming part of the financial statements

Rs. in crores

Contracts Assets and Liabilities	As at March 31, 2019	As at March 31, 2018
Contract Assets		
Unbilled Debtors classified under trade receivables including Held for Sale (refer note 8 and 13)	**73.19**	70.74
Contract Liabilities		
Advance from Customers/ Deferred Revenue classified under other current liabilities (refer note 20 and 22)	**97.06**	116.98*

* This includes impact of transitioning to Ind AS 115

Revenue recognised in relation to contract liabilities	Year ended March 31, 2019	Year ended March 31, 2018
Revenue recognised during the year that was included in the contract liability balance at the beginning of the year		
100% Revenue recognised that was included in the contract liability balance at the beginning of the period	**102.66***	98.34

* This includes impact of transitioning to Ind AS 115

Performance obligations in respect of long term contracts	As at March 31, 2019
Aggregate amount of transaction value allocated to long term contracts that are partially or fully pending to be fulfilled as at reporting date	**26.89**

Revenue is recognized upon transfer of control of products or services to customers. During the year, the Company has entered into long term contracts aggregating Rs. 14.35 crores pertaining to telecommunciation services. The Company expects that around 40% of the performance obligations pending in respect of these long term contracts will be recognised as revenue during the next reporting period with balance in future reporting periods thereafter.

Discount is offered to subscribers based on the tariff opted by the subscribers. No discount is offered other than plan. Accordingly, discount is part of the contract price. Revenue is recognised net of Discount and which is as per the contract price.

Deferred customer contract acquisition costs

Costs to acquire customer contracts are generally deferred and amortized over the estimated economic life of the contracts, subject to an assessment of the recoverability of such costs. For contracts with an estimated amortization period of less than one year, acquisition costs are expensed immediately. The closing balance of assets recognised from the costs incurred in respect of long term contracts amounts to Rs. 18.78 crores as at March 31, 2019. During the year, in respect of such long term contracts, the company recognised Rs. 6.03 crores as acquisition cost in the Statement of Profit and Loss.

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Note 24 :		
Other income		
Write back of Liabilities / Provisons in respect of earlier years	**34.83**	3.11
Miscellaneous income	**6.64**	34.10
	41.47	37.21
Other gains and losses		
Gain/(loss) on financial assets mandatorily measured at FVTPL	**3.60**	0.08
Gain/ (loss) on property, plant and equipment sold / written off (Net)	**(6.33)**	0.53
Hedge ineffectiveness on cash flow hedges	**-**	69.41
Gain/(loss) on derivatives not designated in hedge accounting relationship	**(0.36)**	(71.74)
	(3.09)	(1.72)
	38.38	35.49
Note 25 :		
Cost of goods sold		
Traded goods - Handsets and accessories:		
Opening stock	**-**	1.10
Add: Purchases	**0.63**	1.21
Less: Closing stock	**-**	-
	0.63	2.31

Notes forming part of the financial statements

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Note 26 :		
Employee benefits expenses		
Salaries and bonus	**58.09**	93.13
Contribution to provident and other funds	**2.36**	3.32
Contribution to gratuity fund (Refer Note 34)	**0.91**	1.09
Staff welfare	**3.43**	5.46
	64.79	103.00
Note 27 :		
Other expenses		
Rent		
Network	**185.68**	387.22
Others	**1.68**	8.00
	187.36	395.22
Interconnection and other access costs	**307.67**	294.11
License fees and spectrum charges	**89.63**	161.46
Other expenses		
Power	**76.99**	215.69
Repairs and maintenance - plant and machinery	**94.95**	100.15
Repairs and maintenance - others	**5.86**	10.40
Customer service and other direct cost	**76.93**	97.14
Collection / credit verification charges	**11.91**	15.68
Travel and conveyance	**3.59**	4.72
Legal and professional fees (Refer Note 32)	**11.63**	10.75
Bad Debts writen off	**51.06**	108.64
Impairment loss on financial assets	**(51.36)**	(72.20)
Insurance	**0.57**	0.90
Advertisement and business promotion expenses	**11.02**	9.10
Sales commission and expenses	**14.01**	40.58
Miscellaneous expenses	**56.20**	80.11
	363.36	621.66
	948.02	1,472.45
Note 28 :		
Finance cost		
Interest expense		
On Term loans	**555.15**	595.35
On Inter-corporate deposits	**557.14**	100.22
On Debentures	**-**	72.01
On Cash credit accounts	**0.59**	14.41
On Acceptances	**-**	2.56
On Deferred payment liabilities	**223.64**	541.84
On Redeemable preference shares	**187.87**	191.91
On Others	**9.56**	1.12
Expenses for loan arrangement, bill discounting and bank charges	**19.79**	47.95
Foreign Exchange loss (net)	**5.36**	1.60
	1,559.10	1,568.97
Note 29 :		
Finance Income		
Interest on income tax refund	**3.85**	6.80
Interest income on security deposits at amortised cost	**2.17**	2.81
Interest income on term deposits with banks	**0.03**	-
	6.05	9.61

Notes forming part of the financial statements

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Note 30 :		
Exceptional items		
Impairment of CMB assets (refer note (a) below)	**(529.35)**	7,677.37
Restructuring cost (refer note (b) below)	**198.24**	264.30
	(331.11)	7,941.67

(a) During the year ended March 31, 2018, due to volatility in the market conditions, the Company had evaluated the recoverable amount of the consumer mobile business (CMB) on the basis of fair value less cost of disposal as per the requirement of Ind AS 36 – 'Impairment of assets' and recorded an impairment loss of Rs. 7,677.37 crores and disclosed the same as an exceptional item. The fair value of CMB was determined using Comparable Companies' Market/ Transaction Multiple (CCM) method. This is level 3 measurement as per the fair value hierarchy set out in Ind AS 113, Fair Value Measurement. As at March 31, 2018, the recoverable amount was Rs. 943.00 Crores. The key inputs under this approach are Enterprise-Value-To-Revenue Multiple of listed comparable companies and available transactions, based on business of the Company and thereafter adjusted the selected multiples based on size, growth, profitability and the circle in which the Company operates.

As at March 31, 2019, the Company has reviewed the recoverable amount of the CMB on the basis of fair value less cost of disposal as per the requirement of Ind AS 105 - 'Non-current assets held for sale' and recorded Rs. 529.35 crores as partial reversal of impairment recorded during the previous year and disclosed the same as an exceptional item for the year ended March 31, 2019. The estimated purchase consideration (including adjustments pursuant to the Implementation Agreement) to be received from BAL has been considered to be the fair value as at March 31, 2019, as the Company believes that this is a better indicator of the fair value of the CMB as at that date under the current circumstances. This is level 3 measurement as per the fair value hierarchy set out in Ind AS 113 - Fair Value Measurement. As at March 31, 2019, the recoverable amount is Rs.1,527.14 Crores.

The above provision for impairment loss on CMB assets has been allocated on a pro-rata basis to Property, Plant and equipment, Capital work in progress and Intangible assets based on their respective carrying values.

(b) During the year ended March 31, 2018, the Company had identified certain contracts that may be impacted by the proposed restructuring and recorded a provision of Rs. 264.30 crores towards an aggregate of amounts that may be due under such contracts. During the current year, the company has made further accrual of Rs.198.24 crores towards restructuring cost. The amount accrued also includes adjustment made on account of settlement of certain contracts. The amount computed is a current estimate considering various factors including the "without prejudice" discussions with the relevant counterparties. The amount is being provisioned strictly without prejudice to the company's legal rights, claims, remedies and contentions available under the contracts and in law. The company does not admit, acknowledge or confirm any liability towards the relevant counterparties and the fact that some amount is being provisioned does not affect or dilute the Company's defence against the relevant counterparties to the contracts, in any way.

		As at March 31, 2019 Rs.in crores	As at March 31, 2018 Rs. in crores
31	**Commitments and contingencies**		
	I) Commitments:		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
	Tangible assets	**22.27**	35.45
	II) Contingent Liabilities:		
i)	Claims against the Company not acknowledged as debt (refer notes below)		
	Telecom regulatory matters*	**1,230.93**	761.61

Notes forming part of the financial statements

		As at March 31, 2019 Rs.in crores	As at March 31, 2018 Rs. in crores
	Others**	**256.42**	248.84
	* Amounts are net of provision for contingencies made aggregating Rs. 233.89 crores (March 31, 2018 - Rs. 639.52 crores)		
	** Amounts are net of provision for contingencies made aggregating Rs. 207.26 crores (March 31, 2018 - Rs. 207.25 crores)		
ii)	Bank guarantees	**29.80**	29.80

Notes:

Contingent liabilities include:

a) Bharat Sanchar Nigam Limited (BSNL) issued demand notices to pay Access Deficit Charge (ADC) aggregating Rs. 166.90 crores, including interest, for the period November 14, 2004 upto February 28, 2006. The demands stated that 'Fixed Wireless' services provided by the Company under the brand name 'WALKY' had mobility features and should be treated as mobile services for the purpose of Interconnect Usage Charges Regulations and ADC was payable on such calls. The Company filed a petition before the Hon'ble Telecom Dispute Settlement Appellate Tribunal (TDSAT) in this regard, wherein the TDSAT disallowed the Company's petition and held that ADC was payable on such calls. Thereafter, the Company filed an appeal before the Hon'ble Supreme Court (SC) who vide order dated April 30, 2008 which confirmed TDSAT judgment and since there were claims and counter-claims between the Company and BSNL, the SC directed that quantification of amounts payable to each other be made by Competent authority. The Company had filed a review petition in SC which was rejected.

The Company thereafter, filed a petition in TDSAT to determine / reconcile amounts payable to each other and TDSAT vide its order dated August 12, 2008 held that BSNL and the Company should exchange relevant information and reconcile the differences. However, on April 15, 2010, TDSAT confirmed BSNL demands for period up to August 25, 2005 and gave BSNL liberty to lodge its claim for a further period up to February 28, 2006. The Company's appeal before SC against the aforesaid TDSAT order dated April 15, 2010 was admitted by the SC vide its order dated July 23, 2010 but no stay has been granted. The SC had asked for details / break up of demands which have been filed. The Company has also filed stay application in the SC. Based on the legal advice available with the Company, the penalty clause invoked by BSNL does not apply and the Company is entitled to seek refund of Rs. 50.73 crores, the excess ADC amount paid to BSNL along with interest. During the year ended March 31, 2017, the Company re-assessed its position on the excess amount paid to BSNL/MTNL of Rs. 53.41 crores and has provided the same as exceptional item in the statement of profit and loss.

Out of the aforesaid Rs. 166.90 crores, the Company has till date provided for amounts aggregating Rs. 111.61 crores (March 31, 2018 - Rs. 111.61 crores). The balance amounts aggregating Rs. 55.29 crores (March 31, 2018 - Rs. 55.29 crores) have been disclosed as Contingent Liability under 'Others'.

The matter was last listed before the Hon'ble Supreme Court on March 30, 2017 and thereafter got adjourned. This shall come up for hearing in due course.

Payments made under dispute till date aggregates Rs. 111.61 crores (March 31, 2018 - Rs. 111.61 crores) in relation to the above.

b) The Company had received a demand letter dated March 17, 2008 from Wireless Planning Commission division (WPC) of Department of Telecommunications (DoT) for Rs. 8.38 crores, being a demand for spectrum charges for the period from April 1, 2005 to February 29, 2008. This demand was subsequently revised to Rs. 184.69 crores by DoT, vide its demand letters dated July 3, 2008, for the period from October 1, 1998 to June 30, 2008 which was further increased to Rs. 266.00 crores vide letter dated February 28, 2009. The amount was again revised to Rs. 259.70 crores vide letter dated November 25, 2009 for the extended period till November 30, 2009. The Company had represented to WPC on various items of differences mentioned in the demand orders, vide letter dated September 24, 2008. Though the Company had received a revised demand of Rs. 111.25 crores from DoT on January 3, 2013, Hon'ble TDSAT vide its order dated August 25, 2010 held that the Company should be given credit for all payments made on producing proof and no penalty should be levied and only simple interest should be charged. The Company has been following up the matter with WPC and had also filed an execution petition before Hon'ble TDSAT on April 27, 2012. TDSAT has asked the Company to file the application as a miscellaneous petition which was filed and has been admitted. The Company has filed its reply to the revised demand note. The demand

Notes forming part of the financial statements

is not in line with TDSAT order mentioned above. The WPC has additionally raised in March 2013, demands for the financials years 2009-10, 2010-11 and 2011-12 aggregating Rs. 11.26 crores. The Company has sought details from WPC on the aforesaid demands. The matter came up for hearing on January 13, 2016 and the Hon'ble TDSAT deferred the demand until the disposal of Civil Appeal pending before the Hon'ble Supreme Court for a similar case by another operator.

The Company in March 2014 paid Rs. 15.47 crores computing the liability with simple interest on the principal amount and without penalty. For remaining demand aggregating to Rs. 58.92 crores (excluding penalty of Rs. 46.98 crores), the Company has till date provided Rs. 7.91 crores (March 31, 2018 - Rs. 7.91 crores) and balance amount of Rs. 51.01 crores (March 31, 2018 - Rs. 51.01 crores) have been disclosed as contingent liability.

c) The definition of Adjusted Gross Revenue (AGR) does not specifically include capital gain from sale of shares/ securities and does not specifically allow exemption for bad debts in computation of License Fees (LF) payable to the Government. The TDSAT had vide its Order dated August 30, 2007, held that income from sale of securities is not related to licensed activity and hence should not attract LF and that bad debts written off, waivers and discounts are actual monies lost by service providers and hence should be deducted from AGR. The DoT had filed an appeal in SC against the aforesaid TDSAT Order.

The Company has considered Rs.154.86 crores, being the LF on profit on sale of investment and bad debts written off during an earlier year. The company has made payment of the same to DoT under protest. Without prejudice to the position that LF is not payable, the Company had made provision of Rs. 154.86 crores.

The SC vide its Order dated October 11, 2011 has set aside the Order passed by TDSAT and has given leave to the licensees to approach TDSAT in case if specific demands have been raised by DoT not in accordance with the License Agreement.

Prior to the aforesaid judgment, the Company had received provisional assessment orders from DoT, against which applications were filed with the TDSAT in line with the aforesaid judgment and further the replies and rejoinders were also filed by DoT and TTML respectively. TDSAT restrained DoT from taking any coercive steps for enforcement of any impugned demands without its permission.

TDSAT commenced final hearing in the matter in May 2014 and pronounced its judgment in April 2015, wherein the impugned demands have been set aside by the Tribunal and it has directed the DoT to rework the license fee payable for the duration which was challenged. DoT has filed an appeal against the TDSAT judgment dated April 23, 2015 in Supreme Court. TTML has filed an appeal against the TDSAT judgment dated April 23, 2015 before the Supreme Court wherein certain line items which have been included as part of AGR by TDSAT are being challenged. The matter had come up for hearing in Hon'ble Supreme Court on February 29, 2016 wherein the Hon'ble Supreme Court has said that DoT could continue to raise the demands as per its understanding, however, the same will not be enforced till its final decision on the matter. The matter was last listed on May 11, 2018 and is on board for hearing.

d) Till date, the Company has received show-cause cum demand/ revised demand notices from DoT for the financial year 2006-07 to 2014-15 aggregating to Rs. 2,014.86 crores. These demands were raised on disallowances of deduction claimed for PSTN related call charges, Non telecom Income, on Notional Income and based on the report of CAG Audit and Special Audit. The Company has responded to the DoT that the amounts added in Adjusted Gross Revenue are part of appeal filed at Hon'ble Supreme Court against the TDSAT order of April 23, 2015. The matter came up for hearing in Hon'ble Supreme Court on February 29, 2016, wherein the Hon'ble Supreme Court has stated that, DoT could continue to raise the demands as per its understanding, however, the same will not be enforced till its final decision.

DoT has raised revised demands contending short payment of license fees and levying Interest, penalty on the shortfall along with interest on penalty aggregating to Rs. 2,014.86 crores.

The Company has submitted the documents required by DoT towards the deduction claim of PSTN related call charges, service tax and sales tax and believes that it has the necessary information to substantiate its claims and therefore is confident that these demands would be withdrawn. As the matter being sub-judice, and considering outflow of resource towards disallowances on account of PSTN Charges and Foreign Exchange Gain being remote in nature, TTML considered Rs.

Notes forming part of the financial statements

927.91 crores (March 31, 2018 Rs. 678.50 crores) as Contingent Liability.

e) A demand for Rs. 290.17 crores for start up spectrum beyond 2.5MHz, being a one time spectrum charges claimed for the period from January 1, 2013 till the date of expiry of the license, was received from the DoT. The Company has filed a writ petition in the Bombay High Court against the demand and obtained a stay order. The Company has undertaken (written to DoT conveying its intent) to surrender 1.25 MHz of CDMA spectrum after retaining 1.25 MHz of spectrum over and above start up spectrum of 2.5 MHz in Mumbai and to surrender the spectrum beyond 2.5 MHz in Maharashtra. Pursuant thereto, the Company has paid under protest all four installments aggregating Rs. 119.58 crores for spectrum retained and also completed the surrender of spectrum in Mumbai and Maharashtra under protest.

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
iii) Disputed income tax demands with respect to tax deducted at source and other matters in appeals before relevant authorities	**-**	-
iv) Disputed service tax demands	**291.34**	288.16
v) Disputed sales tax demands	**0.13**	0.18

vi) With regards to disputes and claims referred to above against the Company, appropriate competent professional advice is available with the Company based on which, favorable outcomes are anticipated and no liability is expected to accrue to the Company.

vii) The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of “Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal” and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees’ Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of “basic wages” of the relevant employees for the purposes of determining contribution to provident fund under the Employees’ Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the Company has made a provision of Rs. 0.01 crore for the year ended March 31, 2019.

32 Payments to auditors (excluding GST*)

	April 1, 2018 to March 31, 2019 Rs. in crores	April 1, 2017 to March 31, 2018 Rs. in crores
i) For audit	**0.68**	0.63
ii) For other audit related services	**0.24**	-
iii) For other non-audit services	**0.18**	0.10
iv) For reimbursement of expenses	**0.11**	0.07
	1.21	0.80

* Invoices raised upto June 30, 2017 are inclusive of Service Tax

33 The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (‘MSMED Act’). The disclosures pursuant to the said MSMED Act are as follows:

	April 1, 2018 to March 31, 2019 Rs. in crores	April 1, 2017 to March 31, 2018 Rs. in crores
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**1.60**	7.46
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	**0.03**	0.27
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year end	**-**	-

Notes forming part of the financial statements

(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	**-**	-
(vii) Further interest remaining due and payable for earlier years	**-**	-
	1.63	7.73

34 The disclosure as required under Ind AS 19 regarding the Employee benefits is as follows:

Employee benefit plans

Defined contribution plans

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 2.29 crores for the year ended March 31, 2019 (Rs. 3.18 crores for the year ended March 31, 2018) for Provident Fund contributions, Rs. 0.06 crore for the year ended March 31, 2019 (Rs. 0.12 crore for the year ended March 31, 2018) for Superannuation Fund contributions and Rs. 0.01 crore for the year ended March 31, 2019 (Rs. 0.02 crore for the year ended March 31, 2018) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plans

a) The Company has defined benefit gratuity plan. Every employee who has completed five years or more gets the gratuity on departure at 15 days salary i.e. last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The Company offers the gratuity under employee benefit schemes to its employees

		Rs. in crores
Particulars	**Year ended March 31, 2019**	Year ended March 31, 2018
Components of employer's expense		
Current service cost	**0.72**	0.84
Interest cost	**0.46**	0.56
Expected return on plan assets	**(0.27)**	(0.31)
Total expense recognised in the Statement of Profit and Loss	**0.91**	1.09
Remeasurement on the defined benefit liability - Actuarial gain	**(0.56)**	(1.12)
Total income recognised in other comprehensive income	**(0.56)**	(1.12)
Total	**0.35**	(0.03)

The current service cost, interest cost and expected return on plan assets for the year are included in the 'Employee benefits expenses' line item in the statement of profit and loss. The remeasurement on the defined benefit liability is included in other comprehensive income.

Actual contribution and benefit payments for the year		
Actual benefit payments	**2.41**	1.87
Actual contributions	**0.50**	0.30
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	**7.38**	8.44
Current service cost	**0.72**	0.84
Interest cost	**0.46**	0.56
Actuarial losses	**(0.48)**	(0.59)
Benefits paid	**(2.41)**	(1.87)
Present value of DBO at the end of the year	**5.67**	7.38

Notes forming part of the financial statements

Rs. in crores

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Change in fair value of assets during the year		
Plan assets at beginning of the year	**4.75**	5.47
Expected return on plan assets	**0.27**	0.31
Actual contributions by the Company	**0.50**	0.30
Actuarial gain	**0.08**	0.54
Benefits paid	**(2.41)**	(1.87)
Plan assets at the end of the year	**3.19**	4.75
Actual return on plan assets	**0.35**	0.85
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	**5.67**	7.38
Fair value of plan assets	**3.19**	4.75
Funded status [Surplus / (Deficit)]	**(2.48)**	(2.63)
Net liability recognised in the Balance Sheet*	**(2.48)**	(2.63)

* Out of net gratuity liability of Rs. 2.48 crores (Rs. 2.63 crores as on March 31, 2018), net gratuity liability of Rs. 0.67 crores (NIL as on March 31, 2018) is Liability directly associated with assets classified as held for sale.

Composition of the plan assets is as follows:		
Others (LIC managed funds)	**3.19**	4.75
Actuarial assumptions		
Expected return on plan assets	**6.70%**	7.10%
Discount rate	**6.70%**	7.10%
Salary escalation	**6.00%**	7.00%
Medical cost inflation		
Mortality tables	**Indian Assured Lives Mortality (2006-08)**	Indian Assured Lives Mortality (2006-08)
Performance percentage considered		
Estimate of amount of contribution in the immediate next year	**1.99**	1.81

The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Experience adjustments **Rs. in crores**

Gratuity	**Year ended March 31, 2019**	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015
Present value of DBO	**5.67**	7.38	8.44	7.55	8.95
Fair value of plan assets	**3.19**	4.75	5.47	4.24	6.23
Funded status [Surplus / (Deficit)]	**(2.48)**	(2.63)	(2.97)	(3.31)	(2.72)
Experience (gain) / loss adjustments on plan liabilities	**(0.34)**	(0.56)	0.27	0.18	-
Experience gain / (loss) adjustments on plan assets	**0.08**	0.54	0.27	0.21	0.10

Notes forming part of the financial statements

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Rs in crores

Particulars	**Change in assumptions**	**Year ended March 31, 2019**	Year ended March 31, 2018
Projected Benefit Obligation on current assumptions		**5.67**	7.38
Delta effect of change in Rate of discounting	+1%	**(0.13)**	(0.22)
	-1%	**0.12**	0.24
Delta effect of change in Rate of salary increase	+1%	**0.12**	0.24
	-1%	**(0.13)**	(0.23)
Delta effect of change in Rate of employee turnover	+1%	**(0.01)**	(0.01)
	-1%	**(0.00)**	0.01

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

b) Compensated absences

The compensated absences cover the Company`s liability for earned leave.

Total compensated absences provision as on March 31, 2019 is Rs. 2.35 crores (Rs. 3.43 crores as on March 31, 2018). Out of which, Rs. 0.41 crores (NIL as on March 31, 2018) is Liability directly associated with assets classified as held for sale. The balance amount of the provision of Rs. 1.94 crores (Rs. 3.43 crores for the year ended March 31, 2018) is presented as short-term provision, since the Company does not have an unconditional right to defer settlement for any of these obligations.

35 Financial Instruments

The significant accounting policies, including the criteria for recoginition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets, financial liability and equity instrument are disclosed in note 2.17 to the financial statements.

(i) Financial Assets & Liabilities (Including Assets & Liabilities associated with Assets held for Sale) **Rs. in crores**

	Fair value as at		**Carrying value as at**	
	March 31, 2019	March 31, 2018	**March 31, 2019**	March 31, 2018
Financial Assets				
(a) Measured at Fair Value through Profit or Loss (FVTPL)				
Mandatorily measured:				
(i) Investments in mutual funds	**608.63**	377.79	**608.63**	377.79
(ii) Derivative financial assets not designated in hedge accounting relationship	**-**	0.12	**-**	0.12
(b) Amortised Cost				
Trade receivables	**172.39**	202.06	**172.39**	202.06
Cash and cash equivalents	**171.13**	39.16	**171.13**	39.16
Other financial assets	**15.01**	37.08	**15.01**	37.08
	967.16	656.21	**967.16**	656.21

Notes forming part of the financial statements

	Fair value as at		Carrying value as at	
	March 31, 2019	March 31, 2018	**March 31, 2019**	March 31, 2018
Financial Liabilities				
(a) Measured at Fair Value through Profit or Loss (FVTPL)				
Derivative financial liabilities not designated in hedge accounting relationship	**1.85**	-	**1.85**	-
(b) Amortised Cost				
Borrowings	**14,121.15**	14,111.65	**14,121.15**	14,111.65
Trade payables	**371.69**	734.66	**371.69**	734.66
Other financial liabilities	**3,943.35**	2,462.20	**3,943.35**	2,462.20
	18,438.04	17,308.51	**18,438.04**	17,308.51

The carrying amounts of trade receivables, trade payables, capital creditors, short-term borrowings and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Fair value hierarchy

The fair value heirarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels.

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

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

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required)

		March 31, 2019	March 31, 2018
Financial Assets FVTPL			
(i) Investments in mutual funds	Level 1	**608.63**	377.79
(ii) Derivative financial assets not designated in hedge accounting relationship	Level 2	**-**	0.12
		608.63	377.91
Financial Liabilities (a) Measured at Fair Value through Profit or Loss (FVTPL)			
Derivative financial liabilities not designated in hedge accounting relationship	Level 2	**1.85**	-
		1.85	-

Assets and Liabilities that are disclosed at Amortised Cost for which Fair values are disclosed are classified as Level 3. If one or more of the significant inputs is not based on observable market data, the respective assets and liabilities are considered under Level 3.

At the end of the reporting year, there are no significant concentrations of credit risk for financial assets and financial liabilities designated at FVTPL. The carrying amount reflected above represents the company's maximum exposure to credit risk of such financial assets and liabilites.

The fair values of the financial assets and financial liabilities included in the level 2 category above have been determined in accordance with generally accepted pricing models based

Notes forming part of the financial statements

on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

(ii) Capital management

The Company manages it's capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as detailed in notes 16, 18 and 19 offset by cash and bank balances and current investments) and total equity of the Company.

The Company is subject to externally imposed capital requirements for its borrowings which is being montiored on regular intervals.

Gearing ratio

The gearing ratio at the end of the reporting year was as follows;

Rs. in crores

Particulars	**As at March 31, 2019**	As at March 31, 2018
Debt *	**18,034.61**	16,522.21
Cash and bank balances (including current investments)	**768.06**	416.86
Net debt	**17,266.55**	16,105.35
Equity**	**(14,819.83)**	(15,159.15)
Net debt to equity ratio	**(1.17)**	(1.06)

*Debt is defined as long-term and short-term borrowings (excluding derivatives and financial guarantee contracts) including current maturities of long term debt and Interest accrued but not due.

** Equity includes all capital and reserves of the Company.

(iii) Financial risk management objectives

Inherent to the nature of the Company's business are a variety of financial risks, namely liquidity risk, market risk and credit risk. Developing policies and processes to assess, monitor, manage and address these risks is the responsibility of the Company's Management. The management oversees this risk management framework in the Company and intervenes as necessary to ensure there exists an appropriate level of safeguards against the key risks. Updates on compliance, exceptions and mitigating action are placed before the Audit Committee periodically. The Company's management works closely to ensure there are appropriate policies and procedures governing the operations of the Company with a view to providing assurance that there is visibility into financial risks and that the business is being run in conformity with the stated risk objectives. Periodic reviews with concerned stakeholders provides an insight into risks to the business associated with currency movements, credit risks, commodity price fluctuations, etc. and necessary deliberations are undertaken to ensure there is an appropriate response to the developments.

The risk management objective of the Company is to hedge risk of change in the foreign currency exchange rates associated with it's direct transactions denominated in foreign currency. Since most of the transactions of the Company are denominated in its functional currency (INR), any foreign exchange fluctuation affects the profitability of the Company and its financial position. Hedging provides stability to the financial performance by estimating the amount of future cash flows and reducing volatility.

The Company follows a consistent policy of mitigating foreign exchange risk by entering into appropriate hedging instruments as considered from time to time. The Company is having a defined risk management policy for exposure in foreign currencies. The Company does not enter into a foreign exchange transaction for speculative purposes.

(iv) Market Risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including:

- Forward foreign exchange contracts to hedge the exchange rate risk arising on the buyer's credit and external commercial borrowings and interest thereon
- Cross currency interest rate swap
- Interest rate swaps to mitigate risk of rising interest rate

There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

Notes forming part of the financial statements

Market risk exposures are measured using sensitivity analysis.

(iv) (a) Foreign Currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters using forward foreign exchange contracts and cross currency interest rate swap contracts.

The Company is having risk management policy which provides the guidelines for managing the currency risk exposure. Accordingly, the Company has obtained forward contracts to cover upto 100% of its underlying liabilities due within next one year. For balance underlying liabilities the Company has obtained forward contracts to cover from 0-50%.

Hedging Activities:

The Company uses foreign exchange forward contracts, cross currency swap, Interest rate swap to manage some of its exposures. The foreign exchange forward contract is not designated as cash flow hedges and entered into periods consistent with foreign currency exposure of the underlying transactions.

The outstanding derivative contracts of the Company in foreign currency at the end of reporting period:

Particulars	Notional amount (USD in Mns)		Fair value Asset/ (Liability) (Cr)	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Forwards contracts	**1.71**	1.50	**(0.24)**	0.12
Total	**1.71**	1.50	**(0.24)**	0.12

The carrying amounts of the Company's foreign currency denominated monetary liabilities at the end of the reporting year.

Currency (In Mns)	Liabilities as at	
	As at March 31, 2019	As at March 31, 2018
USD	**2.23**	2.77
EURO	**(0.05)**	0.06

The outstanding derivative contracts of the Company in foreign currency at the end of the reporting year.

Currency (USD in Mns)	Liabilities as at	
	As at March 31, 2019	As at March 31, 2018
Forward contracts	**1.71**	1.50

The foreign currency exposure that are not hedged by derivative instruments:

Currency (USD in Mns)	Liabilities as at	
	As at March 31, 2019	As at March 31, 2018
Vendor payables	**0.52**	1.27

Currency (EURO in Mns)	Liabilities as at	
	As at March 31, 2019	As at March 31, 2018
Vendor payables	**(0.05)**	0.06

(iv) (a) (i) Foreign Currency sensitivity analysis

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. 5% is the sensitivity rate which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items that are not hedged by derivative instruments and adjusts their translation at the year end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans and vendors. A positive number below indicates increase in profit or equity where the INR strengthens by 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity.

Particulars	Currency USD impact (Rs. in crores)	
	As at March 31, 2019	As at March 31, 2018
Profit / (loss)	**0.77**	0.90

Notes forming part of the financial statements

Particulars	Currency EUR impact (Rs. in crores)	
	As at March 31, 2019	As at March 31, 2018
Profit / (loss)	**(0.0181)**	0.02

(iv) (a) (ii) Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The floating interest rate risk on borrowings is managed by the Company by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with the interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. The Company's exposures to interest rate on financial asset and financial liabilities are detailed in the liquidity risk management section of this note.

The sensitivity analysis below have been determined based on floating rate rupee borrowings, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting year was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 50 basis points higher/lower and all other variables were held constant, the Company's profit/ other comprehensive income for the year ended March 31, 2019 would decrease/increase by Rs. Nil (Rs. 0.50 crores as at March 31, 2018).

(iv) (a) (iii) Interest rate swap contract

Using interest rate swap, the Company agrees to exchange floating interest rate to fixed interest rate in INR on agreed notional principal amounts. Such contracts enable the company to mitigate the interest rate risk on borrowings. Such contracts are settled on a semi-annual basis. Details of the swap are listed below;

	Average contracted fixed interest rate		Notional principal amount (INR in crores)		Fair value assets (liabilities) (INR in crores)	
	As at March 31, 2019	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018	**As at March 31, 2019**	As at March 31, 2018
Term Loan from banks	**9.35%**	-	**742.50**	-	**(1.61)**	-

The net change in value of the hedged items used as the basis for recognizing hedge ineffectiveness for the year ended March 31, 2019 is NIL (for the year ended March 31, 2018: Rs. 2.43 crores). The balance in the cash flow hedge reserve for continuing hedges is Rs. 1.61 Crores as at March 31, 2019 (as at March 31, 2018: Nil). The net hedging gain/ (loss) recognized for the year in other comprehensive income in respect of cash flow hedges is Rs. (1.61) crores (for the year ended March 31, 2018: Rs. (66.90) crores).

(v) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Trade Receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The Company does not hold any collateral or other credit enhancement to cover its credit risk associated with its financial assets. On account of adoption of Ind AS 109, the Company uses provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors. The credit risk on liquid funds and derivative financial instrument is limited because the counterparties are Asset Management Companies (AMCs) / banks with sound credit-ratings assigned by ratings agencies.

(vi) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management, which has established an appropriate liquidity risk management framework for the management of the company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The note below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

At March 31, 2019, the company has undrawn committed borrowing facilities of Rs. 322.28 crores (March 31, 2018 – Rs 214.63 crores).

Notes forming part of the financial statements

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities (including liabilities associated with assets held for sale) as at March 31, 2019;

Rs in crores

Particulars	Carrying amount	Upto 1 year	1-3 year	3-5 year	5+ year	Total contracted cash flows
Financial Liabilities						
Non current financial liabilities						
Borrowings (including interest accrued but not due)	6,494.39	-	6,847.28	-	1,328.34	8,175.62
Current financial liabilities						
Borrowings	7,626.76	7,729.08	-	-	-	7,729.08
Trade payables	371.69	371.69	-	-	-	371.69
Other financial liabilities	3,943.35	4,180.35	-	-	-	4,180.35

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018:

Rs in crores

Particulars	Carrying amount	Upto 1 year	1-3 year	3-5 year	5+ year	Total contracted cash flows
Financial Liabilities						
Non current financial liabilities						
Borrowings (including interest accrued but not due)	8,805.21	-	5,176.38	1,476.38	2,711.77	9,364.53
Current financial liabilities						
Borrowings	5,306.44	5,465.79	-	-	-	5,465.79
Trade payables	734.66	734.66	-	-	-	734.66
Other financial liabilities	2,462.20	2,557.97	-	-	-	2,557.97

The tables above do not include the maturity profile of finance set up cost on account of accounting based on effective interest rate.

Notes forming part of the financial statements

Note 36

Related party disclosure (in terms of Ind AS - 24)

i) **Details of all related parties and their relationships**

A **Ultimate Holding Company**
Tata Sons Private Limited (w.e.f. October 31, 2017)

B **Holding Company**
Tata Teleservices Limited (w.e.f. October 17, 2018)

C **Entities Having Significant Influence**
NTT Docomo (Upto October 30, 2017)
Tata Sons Private Limited (Upto October 30, 2017)
Tata Teleservices Limited (Upto October 16, 2018)

D **Subsidiaries, associate and joint venture companies of holding company and ultimate holding company with whom the Company had transactions:**

Fellow Subsidiaries
Automotive Stampings and Assemblies Limited
C-Edge Technologies Limited
Ecofirst Services Limited
Maha Online Limited
MMP Mobi Vallet Payment Systems Limited
Nova Integrated Systems Limited
Tata Capital Financial Services Limited
Tata Capital Housing Finance Limited
Tata Communications (America) Inc.
Tata Communications Collaboration Services Private Limited
Tata Communications Payment Solutions Limited
Tata Communications Services (Bermuda) (w.e.f. May 28, 2018)
Tata Communications Transformation Services
Tata Securities Limited
Tata Toyo Radiator Limited
TCS e-Serve International Limited
TRIL Roads Private Limited
TTL Mobile Private Limited (Formerly known as Virgin Mobile India Pvt Limited)
CMC Limited
Ewart Investments Limited
Infiniti Retail Limited
Taj Air Limited
Tata Advanced Systems Limited
Tata Asset Management Limited
Tata Autocomp Systems Limited
Tata Capital Limited
Tata Communication Limited
Tata Consultancy Services Limited

Notes forming part of the financial statements

Tata Consulting Engineers Limited
Tata Housing Development Company Limited
Tata International Limited
Tata Investment Corporation Limited
Tata Petrodyne Limited
Tata Realty and Infrastructure Limited
Tata Sia Airlines Limited
Tata Trustee Company Limited
Tce Consulting Engineers Limited

Associate Of Fellow Subsidiary
Tata Projects Limited
The Associated Building Company

Associate Of Holding / Ultimate Holding Company
Atc Telecom Infrastructure Private Limited (Formerly Known As Viom Networks Limited)
Tata Coffee Limited
Tata Motors Finance Limited
Tata Motors Insurance Broking Advisory Services Limited
Tata power Delhi Distribution Limited
Tata Power Trading Company
Tata Steel International India Limited
Tatanet Services Limited
Tata Business Support Services Limited
Tata Chemicals Limited
STT Global Data Centers India Private Limited (Formerly known as Tata Communications Data Centers Pvt Limited) (w.e.f. May 28, 2018)
Tata Elxsi Limited
Tata Global Beverages Limited
Tata Motors Limited
Tata Steel Limited
The Indian Hotels Company Limited
The Tata Power Company Limited
Titan Company Limited.
Trent Limited.
Voltas Limited
Tata Technologies Limited
Roots Corporation Limited

Joint venture of fellow subsidiary
Sector 113 Gatevida Developers Private Limited (Formerly Known as Lemon Tree Land & Developers Private Limited)
Smart Value Homes (New Project) LLP
Tata AutoComp GY Batteries Private Limited (Formerly known as Tata Autocomp GY Batteries Limited)
Tata Ficosa Automotive Systems Private Limited (Formerly known as Tata Ficosa Automotive Systems Limited)
Tata International Wolverence Brands Limited
Tata Unistore Limited (formerly Tata Industrial Services Limited) (Upto March 27, 2019)

Notes forming part of the financial statements

Joint Venture of Ultimate Holding Company

Tata AIA Life Insurance Company Limited
Tata AIG General Insurance Company Limited
Tata Industries Limited
Tata Sky Limited
Tata Smartfoodz Limited (Formerly Known As Smartfoodz Limited)

E Key Management Personnel

Mr. N.Srinath - Managing Director
Mr. D. T. Joseph - Independent, Non-Executive Director
Ms. Hiroo Mirchandani - Independent, Non-Executive Director
Mr. Govind Sankaranarayanan - Non-Independent, Non-Executive Director (Upto September 27, 2018)
Mr. Ankur Verma - Non-Independent, Non-Executive Director (w.e.f September 29, 2018)
Mr. Kush S. Bhatnagar - Chief Financial Officer
Mr. Kiran Thacker - Company Secretary (upto June 30, 2018)
Ms. Vrushali Dhamnaskar - Asst. Company Secretary (w.e.f July 1, 2018)

Related party disclosure (in terms of Ind AS - 24)

ii) Details of transactions with related parties for the year ended March 31, 2019

Rs in crores

	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Joint Venture Of Fellow Subsidiary	Associate Of Holding / Ultimate Holding Company	Associate Of Fellow Subsidiary	Joint Venture Of Ultimate Holding Company	Key Management Personnel	Total
1) Expenses :									
- Customer service and call centre cost	-	0.02	91.55	-	0.45	-	-	-	92.02
- Advertisement and business promotion expenses	-	-	-	-	-	-	-	-	-
- Network operation cost	-	8.76	53.32	-	413.31	-	-	-	475.39
- Administrative and other expenses	-	(1.40)	7.43	-	(1.06)	-	0.50	-	5.47
- Rent	0.01	5.59	0.28	-	-	-	-	-	5.88
- Interconnect and other access costs	-	58.30	13.51	-	-	-	(0.01)	-	71.80
- Intercircle roaming expenses	-	0.26	-	-	-	-	-	-	0.26
- Directors Sitting fees	-	-	-	-	-	-	-	0.19	0.19
- Managerial Remuneration	-	-	-	-	-	-	-	1.25	1.25
2) Income :									
- Rent income	-	(15.69)	-	-	-	-	-	-	(15.69)
- Interconnect income	-	(1.16)	(14.84)	-	-	-	-	-	(16.00)
- Sale of fixed assets	-	(0.11)	-	-	-	-	-	-	(0.11)
- Intercircle roaming revenue	-	(0.19)	-	-	-	-	-	-	(0.19)
- Rendering telecom services	(0.26)	(19.75)	(62.48)	(0.93)	(11.65)	(0.04)	(5.31)	-	(100.42)
- Other income	-	-	(27.78)	-	(0.01)	-	-	-	(27.79)
3) Reimbursement of expenses									
- Reimbursement of Expenses paid	-	49.24	-	-	-	-	-	-	49.24
- Reimbursement of Expenses Received	-	(28.99)	3.48	-	-	-	-	-	(25.51)
4) Purchase of fixed asset	-	1.06	0.04	-	0.04	-	-	-	1.14
5) Other Transactions									
- Effective Interest expenses on Redeemable preference shares	-	187.87	-	-	-	-	-	-	187.87
6) Loans to/from Related Parties									
- Inter-corporate Deposits received	-	3,644.00	-	-	-	-	-	-	3,644.00
- Interest expenses on Intercorporate Deposits	-	557.14	-	-	-	-	-	-	557.14
7) Outstanding as at :									
Inter Corporate Deposit	-	6,693.92	-	-	-	-	-	-	6,693.92
Reedeemable preference shares	-	1,737.49	-	-	-	-	-	-	1,737.49
Sundry debtors	0.01	32.40	29.39	(0.01)	1.56	-	0.42	-	63.77
Sundry creditors	-	(15.32)	(59.88)	-	(49.17)	-	0.06	-	(124.31)

Notes forming part of the financial statements

Related party disclosure (in terms of Ind AS - 24)

ii) Details of transactions with related parties for the year ended March 31, 2018

Rs in crores

	Holding Company	Entities having significant influence	Fellow Subsidiary	Subsidiaries Of Entities having significant influence	Joint ventures of Fellow Subsidiary	Associates Of Holding Company	Associate of entities having significant influence	Associate of Fellow Subsidiary	Key Management Personnel	Total
1) Expenses :										
- Salary	-	-	-	-	-	-	-	-	-	-
- Customer service and call centre cost	-	10.18	23.66	0.26	-	2.49	-	7.91	-	44.50
- Advertisement and business promotion expenses	-	-	-	-	-	-	-	-	-	-
- Network operation cost	0.01	10.89	(0.05)	-	0.01	2.07	253.27	15.62	-	281.82
- Administrative and other expenses	-	(0.60)	4.54	0.01	-	2.01	-	23.71	-	29.67
- Rent	-	0.84	0.14	-	-	0.24	-	0.05	-	1.27
- Interconnection and other access costs	-	100.07	-	-	-	-	-	26.82	-	126.89
- Inter-circle roaming expenses	-	10.59	-	-	-	-	-	-	-	10.59
- Directors Sitting fees	-	-	-	-	-	-	-	-	0.19	0.19
- Managerial Remuneration	-	-	-	-	-	-	-	-	1.37	1.37
2) Income :										
- Towards Recharge Coupon Vouchers										
- Rent	-	12.81	-	-	-	-	-	-	-	12.81
- Rendering telecom services	0.41	22.15	30.73	-	0.10	18.31	0.01	32.65	-	104.36
- Interconnect income	-	19.25	-	-	-	-	-	14.22	-	33.47
- Sale of traded goods	-	-	-	-	-	-	-	-	-	-
- Sale of fixed assets	-	1.06	-	-	-	-	-	-	-	1.06
- Inter-circle roaming revenue	-	9.62	-	-	-	-	-	-	-	9.62
- Other income	-	-	-	-	-	-	-	25.62	-	25.62
3) Reimbursement of expenses	-	19.02	-	-	-	-	-	-	-	19.02
4) Purchase of fixed asset	-	4.85	-	-	-	0.05	-	-	-	4.90
5) Other Transactions										
Interest expenses on Redeemable preference shares	-	191.91	-	-	-	-	-	-		191.91
6) Loans to/ from related parties										
Inter-corporate Deposits received	-	3,700.00	-	-	-	-	-	-	-	3,700.00
Interest expenses on Inter-corporate Deposits	-	100.22	-	-	-	-	-	-	-	100.22
7) Outstanding as at :										
Sundry debtors	0.15	26.97	4.52	0.03	0.02	1.60	0.00	11.06	-	44.34
Sundry creditors	0.00	68.76	21.09	0.10	0.02	3.85	184.89	21.53	-	300.23
Security deposits taken	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-
Redeemable preference shares		1,922.23								
Inter Corporate deposits	-	3,140.68	-	-	-	-	-	-	-	3,140.68

Notes forming part of the financial statements

37 Net debt reconciliation

Rs. in crores

	As at March 31, 2019	As at March 31, 2018
Borrowings		
Current borrowings	**7,626.76**	5,306.44
Non-current borrowings (including current maturities of long term debt and liabilities directly associated with assets classified as held for sale)	**10,400.17**	11,214.58
Interest accrued but not due	**7.68**	1.19
Total Borrowings	**18,034.61**	16,522.21
Cash and cash equivalents (including temporary overdrawn bank balances)	**159.43**	39.07
Current investments (mutual funds)	**608.63**	377.79
	768.06	416.86
Total Net debt	**17,266.55**	16,105.35

Rs. in crores

	Cash and cash equivalents	Current investments (mutual funds)	Total Borrowings	Total Net Debt
Net debt as at March 31, 2018	**39.07**	**377.79**	**16,522.21**	**16,105.35**
Cash flows	120.36	227.25	2,981.55	2,633.94
Interest expense			1,559.10	1,559.10
Interest paid			(2,014.20)	(2,014.20)
Other non-cash movements				
- Fair value adjustments		3.59	(1,014.05)	(1,017.64)
Net debt as at March 31, 2019	**159.43**	**608.63**	**18,034.61**	**17,266.55**

38 The Company is engaged in providing telecommunication services under Unified License. These, in the context of Ind AS 108 on "Segment reporting", are considered to constitute a single reportable segment. Further, the Company provide telecommunication services only in the Indian domestic market and accordingly secondary segment reporting disclosure are not required.

39 **(a) Operating lease payments recognised in the Statement of Profit and Loss :**

	April 1, 2018 to March 31, 2019 Rs. in crores	April 1, 2017 to March 31, 2018 Rs. in crores
Cell sites and others	**187.37**	395.22

(b) Future Minimum Lease payments under Non-cancellable operating lease :

	As at March 31, 2019 Rs. in crores	As at March 31, 2018 Rs. in crores
Due not later than one year	**55.06**	227.15
Due later than one year and not later than five years	**199.22**	708.18
Due later than five years	**51.76**	378.93

The agreements are executed for a period ranging from 6 months to 15 years with a renewable clause and in many cases also provide for termination at will by either party giving a prior notice period ranging between 30 to 180 days. Escalation ranges from 2% - 3% per annum depending upon the terms of the agreement with each vendor.

Notes forming part of the financial statements

	April 1, 2018 to March 31, 2019	April 1, 2017 to March 31, 2018
40 Earnings per share data		
i) Loss after tax (Rs. in crores)	**(667.60)**	(9,841.99)
ii) Weighted average number of shares outstanding	**1,954,927,727**	1,954,927,727
iii) Nominal value of equity shares (Rs.)	**10.00**	10.00
iv) Basic and Diluted Earnings per Share (Rs.)	**(3.41)**	(50.34)

41 No provision for current income tax is required to be made as, on the basis of the Company's computations, there is no taxable income. The Company also carries forward accumulated losses resulting into tax loss carry forward situation. Since, it is not probable that the company will generate future taxable profits; no deferred tax asset has been recognized on unused tax losses. Accordingly, the Company has restricted recognition of deferred tax asset to the extent of deferred tax liability.

The Company is having temporary differences for unabsorbed depreciation and unabsorbed business losses for which no deferred tax has been recognized. The deferred tax on such temporary difference is Rs. 2,753.00 Crores as at March 31, 2019 (Rs. 2,345.11 crores as at March 31, 2018).

42 The following table sets forth the movement in the provision for contingencies:

Rs. in crores

Description	**As At March 31, 2018**	**Additions/ (Utilisation) during the year**	**As At March 31, 2019 ***
Provision for Contingencies	**846.77**	**(405.62)**	**441.15**
	676.77	*170.00*	*846.77*

* Out of provision for contingencies liability of Rs. 441.15 crores (Rs. 846.77 crores as on March 31, 2018), liability of Rs. 348.15 crores (NIL as on March 31, 2018) has been classified as liabilities directly associated with assets classified as held for sale.

a. Figures pertaining to the previous period have been disclosed in italics.

b. Provision for contingencies is primarily towards the outstanding claims / litigations against the Company. As at March 31, 2019, the Company has evaluated the obligations through Probable, Possible and Remote (PPR) model and reassessed the estimates as a result of more information or experience gained and to reflect the current best estimate, the Company has reversed the provision of Rs. 418.88 crores made in the earlier years towards certain regulatory matters. In making the evaluation for PPR, the Company has taken into consideration the Industry perspective, legal and technical view, availability of documentation/ agreements, recent court judgements, interpretation of the matter, independent opinion from professionals (specific matters) etc.

43 The following table sets forth the movement in the Provision for foreseeable losses on long term contracts:

Rs. in crores

Description	**As At March 31, 2018**	**Additions/ (amortisation) during the year**	**As At March 31, 2019 ***
Provision for foreseeable losses on long term contracts	**261.60**	**(62.49)**	**199.11**
	-	*261.60*	*261.60*

* Out of provision for foreseeable losses on long term contracts liability of Rs. 199.11 crores (Rs. 261.60 crores as on March 31, 2018), liability of Rs. 169.05 crores (101.01 crores as on March 31, 2018) has been classified as liabilities directly associated with assets classified as held for sale.

Figures pertaining to the previous period have been disclosed in italics.

Notes forming part of the financial statements

44 Standards issued but not yet effective

Following are the new standards and amendments to existing standards (as notified by Ministry of Corporate Affairs (MCA) on 30th March, 2019) which are effective for annual period beginning on or after 1st April, 2019. The Company intends to adopt these standards or amendments from the effective date.

Ind AS 116 – Leases:

Ind AS 116 Leases replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting largely unchanged from the existing standard – i.e. lessors continue to classify leases as finance or operating leases.

The effect on the financial statements on transition to Ind AS 116 is being evaluated by the Company.

Amendments to existing Ind AS:

The following amendments to existing standards are not expected to have a significant impact on the Group's financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Company when it will adopt the respective amended standards.

1. Amendment to Ind AS 12 Income Taxes
2. Amendment to Ind AS 19 Employee Benefits
3. Amendment to Ind AS 23 Borrowing Costs
4. Amendment to Ind AS 28 Investments in Associate and Joint Ventures
5. Amendment to Ind AS 103 Business Combinations
6. Amendment to Ind AS 109 Financial Instruments
7. Amendment to Ind AS 111 Joint Arrangements

Signatures to Notes 1 to 44

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number - 012754N/N500016

Nitin Khatri
Partner
Membership Number: 110282

Place : Mumbai
Date : May 29, 2019

For and on behalf of the Board of Directors

Mr. D. T. Joseph
(Director)
(DIN No. 01716572)

Ms. Hiroo Mirchandani
(Director)
(DIN No. 06992518)

Mr. Ankur Verma
(Director)
(DIN No. 07972892)

N. Srinath
(Managing Director)
(DIN No. 00058133)

Kush S. Bhatnagar
(Chief Financial Officer)

Vrushali Dhamnaskar
(Asst. Company Secretary)

Place : Mumbai
Date : May 29, 2019

TATA TELESERVICES (MAHARASHTRA) LIMITED
Corporate Identification Number: L64200MH1995PLC086354
Registered Office: Voltas Premises, T. B. Kadam Marg, Chinchpokli, Mumbai – 400 033
Tel: 91 22 6667 1414 **Fax:** 91 22 6660 5335 **Email:** investor.relations@tatatel.co.in
Website: www.tatateleservices.com

PROXY FORM
MGT-11
(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) of _____________ equity shares of the above named Company, hereby appoint

1. Name :
   Address :
   Email-ID :
   Signature :
   or failing him/her
2. Name :
   Address :
   Email-ID :
   Signature :
   or failing him/her
3. Name :
   Address :
   Email-ID :
   Signature :

as my/our proxy to attend and vote for me/us and on my/our behalf at the Twenty Fourth Annual General Meeting of the Company to be held on Friday, September 20, 2019 at 1100 Hours, at "Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosale Marg, Nariman Point, Mumbai – 400 021 and at any adjournment thereof in respect of the Resolutions as are indicated below:

Ordinary Business	
1	Adoption of Audited Financial Statements of the Company for the financial year ended on March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon
Special Business	
2	Appointment of Mr. Ankur Verma (DIN: 07972892) as a Director of the Company
3	Appointment of Dr. Narendra Damodar Jadhav (DIN:02435444) as a Non-Executive Independent Director of the Company
4	Appointment of Mr. Thambiah Elango (DIN:07973530) as a Director of the Company
5	Re-appointment of Ms. Hiroo Mirchandani (DIN:06992518), as a Non-Executive Independent Director of the Company
6	Approval and Ratification of payment of remuneration to M/s. Sanjay Gupta & Associates, Cost Accountants (Firm Registration No. 000212) for the financial year ending on March 31, 2020
7	Issue of Non-Cumulative Redeemable Preference Shares - Series 5 on Preferential Basis
8	Issue of Non-Convertible Debentures on Private Placement

Signed this __________ day of __________ 2019

Signature of Shareholder ____________________

Signature of Proxy holder (s) __________________

Affix Revenue Stamp of Re. 1

Notes:
(i) The Proxy Form 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.
(ii) The Proxy Form shall be signed by the appointer or his attorney duly authorized in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.
(iii) The Proxy Form is valid only if it is properly stamped and such stamp is cancelled.
(iv) Blank, incomplete or undated Proxy Form shall not be considered valid.
(v) The proxy-holder shall prove his/her identity at the time of attending the Meeting.