



August 29, 2018

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

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

Scrip Code: 532371

Scrip Symbol: TTML

Dear Sir/Madam,

Subject: Intimation of Book Closure pursuant to Regulation 42 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Notice of 23rd Annual General Meeting (“AGM”)

We would like to inform you that:

1. Pursuant to Regulation 42 of the Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 26, 2018 to Friday, September 28, 2018 (both days inclusive) for the purpose of 23rd AGM of the Company:

Symbol	Type of security	Book Closure (both days inclusive)		Record Date	Purpose
		From	To		
TTML	Equity	Wednesday, September 26, 2018	Friday, September 28, 2018	Not Applicable	23 rd AGM

2. Pursuant to Regulation 30 of Listing Regulations, the 23rd AGM of the Company is scheduled to be held on Saturday, September 29, 2018 at 1100 hours at “Rangaswar”, 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai – 400 021.

Please find attached herewith the Annual Report for FY 2017-18 alongwith the Notice of 23rd AGM.

Kindly take the same on your record and display the same on the website of your Stock Exchange.

Thanking you,

Yours truly,

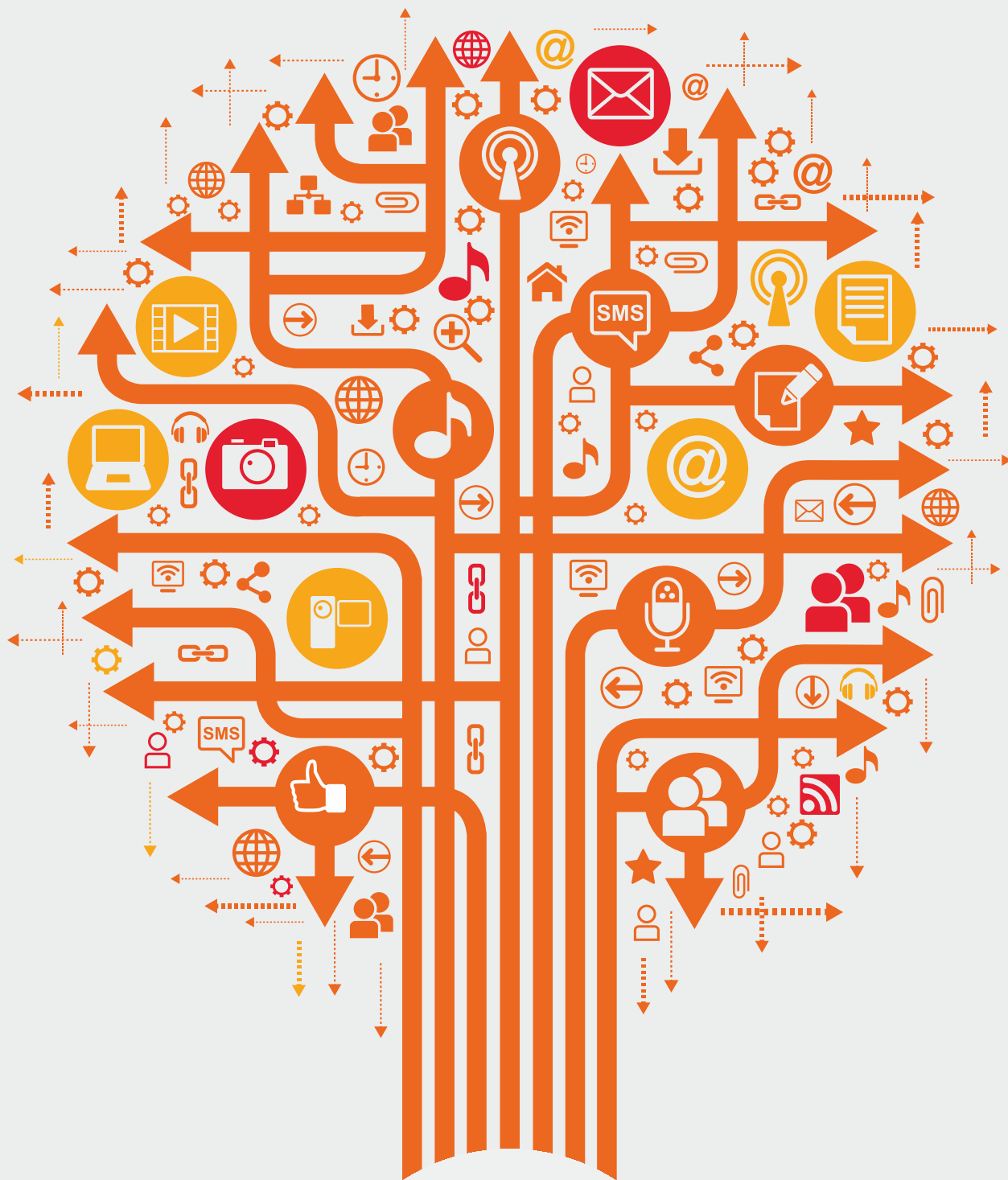
For Tata Teleservices (Maharashtra) Limited

Vrushali Dhamnaskar
Assistant Company Secretary

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

TATA TELESERVICES (MAHARASHTRA) LIMITED

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
CIN: L64200MH1995PLC086354 Website www.tatateleservices.com



ANNUAL REPORT | 2017-2018

TATA TELESERVICES (MAHARASHTRA) LIMITED

Year on Year Performance – Last Ten Years

(Rs. in Crores)

Particulars	2017-18	2016-17**	2015-16**	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Income from Telecommunication	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	1,941.68
Earnings Before Interest, Depreciation, Tax and Amortisation	170.42	712.65	815.78	646.46	614.30	500.63	548.83	1,146.77 *	540.51	593.18
Profit/(Loss) before Extraordinary/ Exceptional Items and Tax	(1,900.37)	(1,397.65)	(358.34)	(615.25)	(560.08)	(658.77)	(517.55)	49.91	(298.00)	(158.39)
Extraordinary/ Exceptional Items	7,941.67	958.82	-	-	-	-	-	-	-	-
Profit/(Loss) after tax ***	(9,841.99)	(2,356.47)	(358.34)	(615.25)	(560.08)	(658.77)	(517.55)	49.90	(298.01)	(159.60)
End of Period Subscribers (Nos. in Thousands)	6,056	8,682	10,702	11,119	10,578	10,534	14,127	16,852	13,000	7,495

* 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	CONTENTS	Page No.
Mr. D. T. Joseph Ms. Hiroo Mirchandani Mr. Govind Sankaranarayanan Mr. N. Srinath (Managing Director) Mr. Kishor A. Chaukar (retired w.e.f. August 1, 2017)	Notice Directors' Report	2 15
COMPANY SECRETARY & COMPLIANCE OFFICER Ms. Vrushali Dhamnaskar Assitant Company Secretary (w.e.f. July 1, 2018) Mr. Kiran Thacker (upto June 30, 2018)	Corporate Governance Report Managements' Discussion and Analysis Report	51 65
STATUTORY AUDITORS Price Waterhouse Chartered Accountants LLP Chartered Accountants 252, Veer Savarkar Marg, Shivaji Park, Dadar (West), Mumbai - 400 028	Auditors' Report Balance Sheet Profit & Loss Account	76 80 81
INVESTOR SERVICES Mr. Hiten Koradia Manager – Secretarial e-mail: investor.relations@tatatel.co.in	Cash Flow Statement Notes forming part of the Financial Statements	83 85
REGISTRAR & SHARE TRANSFER AGENTS 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		

Twenty Third Annual General Meeting of Tata Teleservices (Maharashtra) Limited will be held on Saturday, September 29, 2018 at 1100 hours at "Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai – 400 021

NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of Tata Teleservices (Maharashtra) Limited (the "Company") will be held on **Saturday, September 29, 2018 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, 2018 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Srinath Narasimhan (DIN: 00058133), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. 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 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, 2019, be and is hereby ratified and approved;

RESOLVED FURTHER THAT the Board of Directors (which expression shall be deemed to include any Committee/s 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."

4. Shifting of registered office of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 12 and all other applicable provisions, if any, of the Companies

Act, 2013 (including any amendments or modification hereof) read with the applicable rules thereunder, the Registered Office of the Company be shifted 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;

RESOLVED FURTHER THAT the Board of Directors of the Company (which expression shall be deemed to include any Committee thereof constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to decide the date of shifting the Registered Office of the Company and to do all such acts, deeds and things as may be necessary and incidental to give effect to this Resolution".

5. Issue of Non-Cumulative Redeemable Preference Shares - Series 4 on Preferential Basis

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

"RESOLVED THAT pursuant to the provisions of Sections 42, 55, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder (as amended from time to time), the Articles of Association of the Company and the rules/regulations/guidelines, if any, prescribed by any relevant authorities from time to time, to the extent applicable and subject to such approvals, permissions and sanctions, as may be necessary and subject to such condition(s) and modification(s) as may be prescribed by any of them and as may be agreed to by the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including powers conferred by this Resolution), consent of the Members be and is hereby accorded to the Board to offer, issue and allot upto 200,00,00,000 (Two Hundred Crores) Non-cumulative Redeemable Preference Shares - Series 4 ('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 ('TTS') and/or Tata Sons Limited ('TSL') 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-4:

- 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 TSL and/or Panatone or on redemption of Non-Convertible Debentures issued or to be issued to TTSL and/or TSL and/or Panatone, if so requested by TTSL and/or TSL and/or Panatone, settle any question, doubt or difficulty which may arise in regard to the issue of RPS-4 and to do all such acts, deeds and things as may be necessary and incidental for giving effect to this Resolution."

6. 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 regulations, approval(s), consent(s), permission(s) and sanction(s) as may be necessary, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) for issuing, making offer(s) or invitation(s) to subscribe to listed and/or unlisted, secured and/or 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. 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."

7. Availing/Acceptance of Inter Corporate Deposits/Loans

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (the 'Act') read with Rules framed thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, Articles of Association of the Company and any other rules, regulations/guidelines, if any, prescribed by any statutory authorities from time to time, to the extent applicable and subject to such approvals, permissions and sanctions, as may be necessary and subject to such condition(s) and modification(s) as may be prescribed by any of them and as may be agreed to by the Board, the consent of the Members be and is hereby accorded to the Board to avail/accept Inter Corporate Deposits/Loans upto an aggregate 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 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;

RESOLVED FURTHER THAT the Board be and is hereby authorized to settle any question, doubt or difficulty which may arise in regard to the availing/acceptance of Inter Corporate Deposits/Loans and to do all such acts, deeds and things as may be necessary and incidental for giving effect to this Resolution."

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: August 24, 2018

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 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 herewith.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 26, 2018 to Friday, September 28, 2018 (both days inclusive).
6. 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 & Transfer Agents of the Company at csq-unit@tsrdarashaw.com and/or to the Investor Relations Officer of the Company at investor.relations@tatatel.co.in.
7. Electronic copy of the Annual Report for financial year 2017-18 and the Notice of 23rd 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 2017-18 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.

8. Members may note that the Notice of the AGM of the Company and the Annual Report for financial year 2017-18 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.
9. 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 Share Registrar & Transfer Agents.
10. A route map giving directions to reach the venue of the AGM is given at the end of the Notice.

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

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company/Registrar & 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).

12. **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 by the Companies (Management and Administration) Amendment Rules, 2015 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 Wednesday, September 26, 2018 (0900 hours IST) and ends on Friday,

September 28, 2018 (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., Saturday, September 22, 2018, 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 e-mail evoting@mehta-mehta.com to 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., Saturday, September 22, 2018.
- 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., Saturday, September 22, 2018, 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 right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- L. Ms. Dipti A. Mehta (Membership No. FCS 3667), Partner, Mehta & Mehta, Practicing Company Secretaries, has been appointed for 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 shares of the Company are listed.

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

Item No. 3

The Board of Directors at its meeting held on May 30, 2018, on the recommendation of the Audit Committee, has approved the appointment of M/s. Sanjay Gupta & Associates 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 2018-19 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 (Cost Records and Audit) 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. 3 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. 3 of the Notice.

Item No. 4

The Company's registered office is currently in Voltas Premises, T. B. Kadam Marg, Chinchpokli, Mumbai - 400 033, which is taken on lease from Voltas Ltd. and the agreement has expired. We have been renewing it from time to time. After closure of transaction with Bharti Airtel Ltd. and proposed enterprise business transaction, the premises may not be required and at that time it may be necessary to shift the registered office. If shifting is within Mumbai city, it can be done by way of a board resolution. However, if it is decided to shift the registered office to Turbhe, Navi Mumbai which is a different city (where the Company has its property), it would require shareholders' approval by a special resolution.

The Board may decide to shift its Registered Office 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 situated under the jurisdiction of the Registrar of Companies, Mumbai, subject to approval of shareholders and such other approvals/consents as may be necessary. Pursuant to the provisions of Section 12(5) of the Companies Act, 2013 and applicable Rules thereunder, approval of shareholders is required by a Special Resolution for shifting the registered office outside the local limit of

any city where such office is situated. The proposed change in the registered office will in no way be detrimental to the interest of any Member of the Company, employees or any other person in any manner whatsoever.

The Board is of the opinion that the proposed Resolution at Item No. 4 is in the best interest of the Company and hence, recommends the above resolution for your approval as a Special Resolution. Pursuant to proviso to Section 110(1) of the Companies Act, 2013, the proposed Resolution at Item No. 4 is being transacted at the general meeting and the facility for e-voting, as available in accordance with Section 108 of the Companies Act, 2013 (read with the rules prescribed thereunder) is specified hereinabove.

None of the Directors / Key Managerial Personnel of the Company and/or their relatives are in any way, concerned or interested, financially or otherwise, in the Special Resolution at Item No. 4, except as shareholders of the Company, if any.

Item Nos. 5, 6 and 7

The Board of Directors of the Company has been exploring various fund-raising options in order to augment the resources of the Company. Accordingly, the Board of Directors at its meeting held on August 10, 2018 has approved the proposal to raise an additional amount not exceeding Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only) through issue of Non-cumulative Redeemable Preference Shares - Series 4 ("RPS-4") and/or issue of Non-Convertible Debentures ("NCDs") and/or acceptance/availing of Inter Corporate Deposits ("ICDs")/Loans, 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 all the three Resolutions at Item Nos. 5 to 7 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 4 ("RPS-4") on Preferential basis

The Members are requested to note that in order to meet requirement of additional funds of Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only), the Company may initially accept inter-corporate deposit ("ICD") from the Promoters including Tata Teleservices Limited ("TTSL") and/or Tata Sons Limited ("TSL") and/or Panatone Finvest Limited ("Panatone") and later on if requested by TTSL and/or TSL, and/or Panatone ICD may be converted into RPS-4. Similarly, ICD of Rs.5220,00,00,000 (Rupees Five Thousand Two Hundred Twenty Crores Only) already availed and further ICDs which may be availed from TTSL/TSL/Panatone in terms of approval of Members by way of postal ballot in September and November 2017 and this resolution may also

be converted into Non-cumulative Redeemable Preference Shares, if so requested by TTSL/TSL/Panatone.

It is proposed 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 TTSL and/or TSL 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-4 in the manner provided herein as per the Resolution set out at Item No. 5. of the Notice.

The terms of the issue of RPS-4 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 200,00,00,000 (Two Hundred Crores) RPS-4 of Rs. 100/- (Rupees One Hundred Only) each aggregating upto an amount of Rs. 20000,00,00,000 (Rupees Twenty 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-4 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-4 will be issued for cash at par i.e., Rs.100/- (Rupees One Hundred Only) per RPS-4

Basis on which price has been arrived at	Not applicable since RPS-4 are issued at par
Offer period	As may be determined by the Board
Terms of issue and Rate of Dividend	The RPS-4 shall be issued on preferential basis to TTSL and/or TSL. 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-4 shall be payable on application
Terms, manner and mode of Redemption	Redeemable at the end of 23 months from the date of allotment or such earlier 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 July 27, 2018	
		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	9621447	0.49
2	Non-Institution:		
	Private Corporate Bodies	23489617	1.20
	Directors and Relatives		
	Indian Public	424179393	21.70
	Others (including NRIs)	43964943	2.25
	Sub Total (B)	501255400	25.64
	GRAND TOTAL	195,49,27,727	100.00

The preference shareholding pattern of the Company is as follows:

Sr. No.	Category	Pre-Issue (Redeemable Preference Shares) as on July 31, 2018		Post Issue (RPS-4)	
		No. of Shares held	% of shareholding	No. of Shares held	% of shareholding
A	Promoters' holding				
1	Indian:				
	Individual	-	-	-	-
	Bodies Corporate	20,18,00,000	100.00	220,18,00,000	100.00
	Sub Total	20,18,00,000	100.00	220,18,00,000	100.00
2	Foreign Promoters	-	-	-	-
	Sub Total (A)	20,18,00,000	100.00	220,18,00,000	100.00
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	100.00	220,18,00,000	100.00

The proposed issue of RPS-4 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 Promoters/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 Promoters/ 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. 6 of the Notice. Prior approval of the Audit Committee has been received for the same.

Further, all the related parties i.e., all entities falling under definition of related parties as per Regulation 23 of the Listing Regulations, shall abstain from voting on the Resolution set out at Item No. 6 of the Notice, irrespective of whether the entity is a party to the particular transaction or not.

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

Sr. No.	Name of Company/ Body Corporate	Category (in relation to TTML)	Shareholding in TTSL Percentage (%)		Shareholding in Panatone Percentage (%)	
			Equity	Preference	Equity	Preference
1	Tata Sons Limited	Promoter	70.40	100.00	99.99	100.00

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.

c. Acceptance/availing of Inter Corporate Deposits/Loans

It is proposed 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.

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 the Promoters from whom the ICDs are sought to be availed are related parties as defined under Regulation 23 of the Listing Regulations and hence the ICDs/Loans sought to be availed from them may be material related party transactions.

Further, the ICDs/Loans sought to be availed from the Promoters/Promoter group companies may 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. 7 of the Notice. Prior approval of the Audit Committee has been obtained for the same.

Further, all the related parties i.e., all entities falling under definition of related parties as per Regulation 23 of the Listing Regulations, shall abstain from voting on the Resolution set out at Item No. 7 of the Notice, irrespective of whether the entity is a party to the particular transaction or not.

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

Sr. No.	Name of Company/ Body Corporate	Category (in relation to TTML)	Shareholding in TTSL Percentage (%)		Shareholding in Panatone Percentage (%)	
			Equity	Preference	Equity	Preference
1	Tata Sons Limited	Promoter	70.40	100.00	99.99	100.00

Further, the amount of ICDs/Loans will be within the overall borrowing limits of the Company, as approved by the Members from time to time in accordance with the provisions of Section 180(1)(c) and other relevant provisions of the Companies Act, 2013.

The proposed availing/acceptance of ICDs/Loans is in accordance with the provisions of the Articles of Association of the Company.

The amount of above ICDs/Loans of Rs. 20000,00,00,000 (Rupees Twenty Thousand Crores Only) proposed to be

accepted/availed from Tata Teleservices Limited ("TTSL") and/or Tata Sons Limited ("TSL") along with the existing ICDs/Loans availed out of sanctioned (vide August 2017 and November 2017 postal ballots) limit of Rs. 5220,00,00,000 (Rupees Five Thousand Two Hundred Twenty Crores Only) already availed and further amounts which may be availed from the Promoters/Promoter group companies may be applied towards the subscription for Non-Cumulative Redeemable Preference Shares - Series 4, which may be issued to the Promoters/Promoter group companies in future as may be decided by the Board.

The Board commends the Resolutions as set out at Item Nos. 5 to 7 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 of the Company and TTSL, are in any way concerned or interested, financially or otherwise, in passing of the Resolutions mentioned at Item Nos. 5 to 7 of the Notice.

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: August 24, 2018

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

Vrushali Dhamnaskar
Assistant Company Secretary

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. Srinath Narasimhan	
Date of Birth	July 8, 1962	
Age	55	
Date of Appointment	Appointed first time from February 1, 2011 (Last re-appointed by the Shareholders at the AGM held on July 31, 2017).	
Qualifications	Mechanical Engineering from IIT (Chennai) and a Management Degree from IIM (Kolkata)	
Experience	32 years of experience within the Tata Group and has held positions in Project Management, Sales & Marketing and Management in different Tata companies in the ICT sector	
Terms and conditions of appointment	As per the resolution passed at the AGM of the Shareholders held on July 31, 2017	
Remuneration sought to be paid	No remuneration shall be paid	
Last remuneration drawn during the year 2017-18	Nil	
Number of Board meetings attended during the year	Held	Attended
	7	7
Expertise in specific functional area	High-technology areas such as Process Automation and Control, Information Technology and Telecommunication	
Number of shares held in the Company (including held by the dependents)	Nil	
Directorships held in other companies	• Tata Teleservices Limited • Tata Communications Limited • Honeywell Automation India Limited • Tata Industries Limited • ATC Telecom Infrastructure Private limited • Tata Communications International Pte. Ltd., Singapore • Tata Communications Services (International) Pte. Ltd.	
Memberships / Chairmanships of Statutory Committees across other companies	Audit Committee: • Honeywell Automation India Limited (Member) Nomination and Remuneration Committee: • Tata Communications Limited (Member) • Honeywell Automation India Limited (Chairman) • ATC Telecom Infrastructure Private limited (Member) • Tata Industries Limited (Member) Corporate Social Responsibility Committee: • Tata Teleservices Limited (Member) • Honeywell Automation India Limited (Member)	
Relationship with other Directors	None	

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

Updation of Shareholder Information

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

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

*Self attested copy of the document(s) enclosed

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

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

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

Place:

Date:

Signature of Shareholder

ROUTE MAP



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

DIRECTORS' REPORT

Dear Members,

Your Directors present 23rd 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, 2018 and other accompanying reports, notes and certificates.

COMPANY OVERVIEW

TTML holds two Unified Licences ("UL"), one for Mumbai Metro service area and the other for Maharashtra service area i.e., Rest of Maharashtra and Goa. The Company is an integrated player across:

- Technologies - Wireline, Global System for Mobile ("GSM") and 3G; Code Division Multiple Access ("CDMA") has been discontinued since last quarter of FY2017-18,
- Products - Voice, Data & Other enterprise services (Connectivity and Managed services, Verticals based mobile applications and Cloud services); and
- Customer segments – Retail, Large corporate and Small & Medium Enterprises.
- The Company provides its range of products and services to about 6.1 Million (wireline + wireless) subscribers under the 'Tata DOCOMO' brand. Its network, as of March 2018, consists of about 4,569 Base Transceiver Stations (own) and optical fibre transmission network about 17,000 kms. in Mumbai and Maharashtra service areas.
- The Company proposes to transfer by way of demerger its consumer mobile business (CMB) to Bharti Airtel Limited by way of a Scheme of Arrangement which was approved by your Board on December 19, 2018 (the Scheme) and is currently awaiting various approvals including approval of National Company Law Tribunal (NCLT), your approval, secured and unsecured creditors' approval and approval of Department of Telecommunications (DoT). Further details have been given here-in-below in the Section "Scheme of Arrangement".
- The Company is also exploring the possibility of demerging its Enterprise Business and Retail Wireline and Broad-band business.

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 2017-18 and previous financial year 2016-17 have been prepared as per Ind AS reporting framework.

The financial highlights of the Company for the year ended March 31, 2018 are as follows:

(Rs. in Crores)

Particulars	2017-18	2016-17
Total Revenue	1,904	2,689
Expenditure	1,734	2,049
Earnings before Interest, Depreciation, Tax and Amortisation (EBITDA)	170	640
Finance & Treasury charges including exchange impact (net)	1,538	1,242
Depreciation / Amortisation	533	796
Profit/(Loss) before exceptional items and Tax	(1,900)	(1,398)
Exceptional Items	7,942	959
Profit/(Loss) After Tax	(9,842)	(2,356)

- During the year, the industry's financial performance was significantly affected by competitive low pricing offerings, driven by the new entrant.
- The Company reported total revenue at Rs. 1,904 Crores as compared to Rs. 2,689 Crores in the previous year, decline of about 29.2%.
- The Company reported a 73.4% fall in EBITDA at Rs. 170 Crores as against Rs. 640 Crores in the previous year. EBITDA margin for the year was 9%.
- The Company's loss before exceptional items was Rs. 1,900 Crores as compared to last year's level of Rs. 1,398 Crores, primarily because of fall in revenues during the current financial year.
- Based on assessment of its recoverable value, the Company has recorded an impairment loss of Rs. 7,677 Crores on CMB assets and restructuring costs of Rs. 264 Crores, which have been recognized as exceptional items during the year. The reported net loss for the Company was Rs. 9,842 Crores.

KEY DEVELOPMENTS DURING 2017-18

- The last fiscal had seen several factors in both the environment and strategic direction of the businesses impact its operations.
- The recent consolidation in the industry and the continuing price wars have had a substantial negative impact on the revenues and profitability of the Company.
- During the year, the Company was focusing on containing losses even at the cost of lower revenues and growth in the mobility business. Operations were being scaled down where those were not financially viable.
- There were employee redundancies several times during the year. Voluntary separation schemes were made available to certain employees several times during the year.

- The market speculation on the future of the company had negative impact on the sentiments including of employees and customers which negatively impacted the business.
- Shut down of operations by other operators impacted some of the wholesale revenue streams.
- The proposed Bharti transaction, signed in October 2017, shifted mobility focus back to revenue sustenance and value creation.
- The shutdown of network as wireless operations moved on to an ICR arrangement with Bharti reduced the reach and spread of the network impacting the enterprise business as well.
- Attrition was high at 34% (last year: 27%).

INDUSTRY DEVELOPMENTS

The year saw developments in the telecom sector that significantly impacted the business of each and every operator including intense competition in the industry, announcement of consolidation in the industry, etc.

a. Data Growth

Pursuant to the launch of 4G services during the previous year, the industry witnessed a significant growth in data usage. This surge was driven by the demand for high speed services by the consumers, to which the industry operators responded by aggressively rolling out 4G sites. The pricing of the new operator spurred data consumption volumes as the industry saw shift from data packet pricing to bundled pricing.

b. Intense Competition in the Industry

In September 2016, industry witnessed the entry of a new operator with 4G offering very aggressive introductory prices for voice and data services. This trend was maintained in current year and the industry continued to see aggressive offers from the competition to retain their customers and maintain their market share. Data traffic grew tremendously on the back of free/ low cost services.

c. Industry revenue declining

Industry saw a decline in revenue in the current financial year due to reasons explained above. The industry till FY 2015-16 grew at an average rate of ~12.5% over a period of 3 years, but has declined by an average rate of 13.4% over last two years, on account of heavily discounted products offered by all operators.

d. Financial Stress

Financial performance of industry suffered due to continued decline in ARPU (including effect from reduction of domestic and international IUC charges) and ever growing demand by users for data and voices resulting in requirement of continuing huge investments in network.

This resulted in industry net debt being ~ Rs. 7,800 billion at end of the year (including debt from DoT under 'Deferred Payment Obligation' for Spectrum acquired in Auctions).

The industry registered a marginal increase of ~13 million subscribers (pan India) during the year.



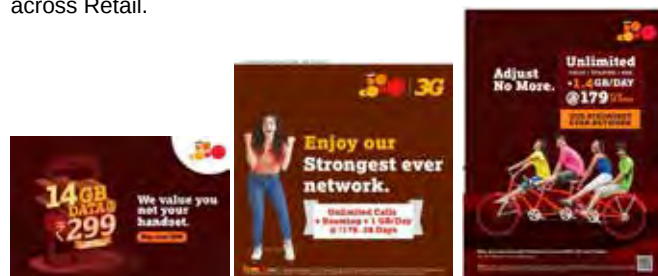
(Source TRAI. The above data pertains to Mumbai and Maharashtra circles only; Q4 FY16 revenue figure normalized basis best estimates.)

The industry moved towards consolidation with multiple announcements of Merger & Acquisition as well as spectrum trading deals during the course of the year, as at least 5 mobile operators chose to exit / consolidate and the mobile services industry is seeming to consolidate among 3 large private operators.

COMPANY'S INITIATIVES

The Company's efforts in mobility business were hampered by non-availability of 4G services. In our sustained efforts towards digitization, the Company rolled out initiatives to drive engagement through its online platforms and protect high-value customers by offering an enhanced digital experience. This was accomplished by mobilizing three levers; a) A revamped My Tata Docomo App Interface, b) Providing real-time and hyper-personalized engagement at key moments of truth, and c) A differential treatment on online platforms. The new App platform led to a unified digital interface and the journeys were made intuitive and relevant based on the insights mined from call center drivers and through click stream behavior.

During the year, we activated the brand Tata Docomo's equity around honesty and transparency to drive relevance and differentiation. The brand strategy was rolled out through major campaigns like 'We value you, not your handset' and 'Nothing to Hide'. In the latter half of the year, the key task was to communicate business continuity and stronger network promise while continuing to highlight superior tariffs in a competitive landscape. Hence, we brought alive the dual promise of network and tariffs through key campaigns like the 'Pan-India 3G Rollout Campaign' across Print, Out of Home, Radio and Digital platforms, and 'Adjust No More' across Retail.



Enterprises have always relied on technology to innovate and improve productivity and so on. But over the last few years, there has been an explosion of disruptive technologies such as mobile apps, social media, IOT and big data. These in turn have created huge new opportunities—and threats—for most enterprises. Not only are Indian consumers more willing to buy goods and services through digital channels, they are also automating activities which were previously manual.

All these different trends essentially lead to digital becoming a top agenda item for most Board discussions. Much of the public conversation about digital transformation has focused on the innovative ways that large consumer-facing companies have used technology to go from traditional marketers to cutting edge. However, it's not just large enterprises that are feeling the pressure to go Digital. Not only are an increased number of small businesses being launched in the technology space, but SMEs across Industries are now incorporating Digital strategies into their otherwise traditional business models. As a result of this, the technology lag that once existed between India and other key technology markets is rapidly closing.

Tata Tele Business Services ("TTBS") remains at the forefront, supporting Large, Small and Medium Enterprises as they go through their Digital transformation.

Over the years, the lines have blurred between telecom and IT services. Customers are increasingly looking for one-stop-shop ICT solutions. In order to meet this expectation, TTBS has moved up the customer value chain and offers both traditional Telecom services and well as solutions which help enable the Digital transformation, customers are seeking. TTBS's portfolio of products and services can be categorized under Enterprise Voice, Enterprise Data and IOT, Cloud & SaaS solutions and include services such as PRI, ILL, SIP, MPLS, Ultra Lola, TFN, A2P SMS, Hosted Voice Solutions, Mobile Device Management, Conferencing, IOT services like Fleet Management, Asset management and School Bus Tracking among others.

During FY2018, TTBS launched an innovative solution called "SmartOffice" which is a complete office-in-a-box solution. Businesses which need to set up a new office or a branch are typically required to procure multiple hardware devices to make their office setup voice and data ready. Once the infrastructure is setup, comes the tedious and complex task of procuring relevant applications to run the office and the operations. The first version of SmartOffice takes care of the customer's voice, data, wifi, security and storage needs. Subsequent versions will include applications and SaaS services making it a truly one-stop-shop solution.

TTBS entered into a strategic partnership with TCS iON to take their portfolio of SaaS application to the SME market. In the first phase, TTBS has launched Document Management System, Live Chat, Digital Survey and a Digital Assessment prep test module for High Schools. In FY2019, TTBS will launch applications such as CRM, F&A and other relevant SaaS modules relevant to SMEs.

As more Enterprises move their Applications to the Cloud, they need private and secure network access to the Cloud Service Provider (CSP) premises. TTBS also launched 'Secure Connect' which is a secure, low-latency VPN connection between the customer's network and the CSP infrastructure.

As TTBS looks to scale its business, process simplification has been a key priority for the organization. Multiple simplification projects such as Zero Agreement, Green Channel for hassle free pick-up and delivery of customer orders, Digital CAF, Click2Buy among others.

Innovation in customer service has always been a priority focus area for TTBS. As part of this initiative, Priority Support Center (PSC) was launched in Hyderabad during April 2017. The PSC is a one-stop shop for all our key customers who contribute significant revenues for Enterprise business. It is managed by an in-house team of experienced professionals who have been specially trained in Wireless & Wireline products, as well as in the service industry best practices. Since the launch of PSC, our Net Promoter Score has seen a constant increase, as customer satisfaction continues to remain our top priority.

TTBS engages with its existing as well as potential customers through multiple channels, across traditional and new age media. The thought leadership platform remains under the 'Do Big' banner where relevant content in the form of whitepapers, articles, case studies, testimonials, product/ technology information & market trends are shared & communicated to business customers via website, apps, webinars, social media platforms, blogs, events and other relevant channels.

This year TTBS received the Marketing Excellence Award for content marketing from World Marketing Congress & CMO Asia.

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.

Thereafter, the Company submitted the application for Scheme of Arrangement with the Stock Exchanges i.e., BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). BSE and NSE vide their respective observation letters dated March 21, 2018 conveyed their no adverse observations/no objection to the Scheme. Subsequently, the Company submitted its Company Scheme Application with National Company Law Tribunal, Mumbai Bench ("NCLT") on April 10, 2018 for seeking its direction to convene meetings of equity shareholders, Secured Creditors and unsecured creditors of the Company to obtain their approval to the Scheme. Meetings have been convened on August 30, 2018 in terms of the order dated May 11, 2018 as modified by order

dated July 13, 2018 of NCLT, Mumbai. Approval of Department of Telecommunications ("DoT") is also required.

NETWORK

During the year, clear emphasis was placed on optimum utilization of assets leading to rollback of sites in non-profitable areas and 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.

In the last seven years through its 'Project Optimus' initiative, the Company has converted around 1,641 sites from Indoor to Outdoor that resulted in Annualized Savings of 5536 MWh of Grid units, 688 KL of diesel, 6516 TCO₂ carbon foot print and Rs. 8.07 Crores of operating costs. This was achieved through conversion of base stations from Indoor BTS to Outdoor through Outdoor Cabinet, Free Cooling units and Natural Cooling Units. The solution was implemented across 24 sites during the current year.

Seamless international roaming services are also provided to the customers supported by tie ups with 270 operators for in-roaming and 287 out-roaming operators globally.

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

The above actions are part of 4 pillars of Safety initiatives comprising:

- Safety Awareness and Communication;
- 4 tier Audit Mechanism;
- Corrective and Preventive Actions ("CAPA");
- Benchmarking and Best Practice sharing, within and outside Tata Group companies.

CHANGE IN AUTHORISED SHARE CAPITAL

During the financial year, the Company increased its Authorised Share Capital from Rs. 5500,00,00,000/- (Rupees Five Thousand Five Hundred Crores Only) divided into 250,00,00,000 (Two Hundred Fifty Crores) Equity shares of Rs. 10/- (Rupees Ten Only) each and 30,00,00,000 (Thirty Crores) Preference Shares

of Rs. 100/- (Rupees One Hundred Only) each by creation of 30,00,00,000 (Thirty Crores) Preference Shares of Rs. 100/- (Rupees One Hundred Only) each TO Rs. 31000,00,00,000 (Rupees Thirty One Thousand Crores Only) divided into 250,00,00,000 (Two Hundred Fifty Crores) Equity shares of Rs. 10/- (Rupees Ten Only) each, 235,00,00,000 (Two Hundred and Thirty Five Crores) Preference Shares of Rs. 100/- (Rupees One Hundred Only) each and 50,00,00,000 (Fifty Crores) Unclassified Shares of Rs. 100/- (Rupees One Hundred Only) each by creation of additional 175,00,00,000 (One Hundred and Seventy Five Crores) Preference Shares of Rs. 100/- (Rupees One Hundred Only) each and 50,00,00,000 (Fifty Crores) Unclassified Shares of Rs. 100/- (Rupees One Hundred Only) each.

CORPORATE STRUCTURE

HOLDING COMPANY

Pursuant to the provisions of the Companies Act, 2013 (the "Act"), Tata Sons Limited is the Holding Company of your Company.

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, 2018, the Board of Directors comprised of 4 (Four) Directors. 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").

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and the Listing Regulations.

RETIREMENT OF DIRECTOR

Mr. Kishor A. Chaukar, Chairman and a Non-Executive Director of the Company, retired from the Board of the Company with effect from August 1, 2017 on attaining the age of 70 years.

The Board placed on record its appreciation for the contributions made by Mr. Chaukar during his tenure.

DIRECTOR RETIRING BY ROTATION

In accordance with the relevant provisions of the Act and in terms of the Articles of Association of the Company, Mr. Srinath Narasimhan retires by rotation at the ensuing 23rd Annual General Meeting ("AGM") of the Company and being eligible offers himself for re-appointment. The Board recommends his re-appointment. The relevant details of Mr. Srinath Narasimhan form part of the Notice convening 23rd AGM.

MEETINGS OF THE BOARD OF DIRECTORS

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

During the financial year, 7 (Seven) Board meetings were held. 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

There are currently 4 (Four) Statutory Committees of the Board, as follows:

- (i) Audit Committee;
- (ii) Corporate Social Responsibility Committee;
- (iii) Nomination and Remuneration Committee;
- (iv) Stakeholders' Relationship Committee.

During the financial 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 financial year, are provided in the Corporate Governance Report, annexed to the Annual Report.

KEY MANAGERIAL PERSONNEL

Mr. Kiran Thacker retired from the post of Company Secretary and Compliance Officer of the Company with effect from close of business hours on June 30, 2018.

Ms. Vrushali Dhamnaskar was appointed as Company Secretary and Key Managerial Personnel of the Company, designated as Assistant Company Secretary and Compliance Officer with effect from July 1, 2018 in place of Mr. Kiran Thacker.

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: 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 form of Whistle Blower Policy for employee Directors and employees to report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy, details of which are provided in the Corporate Governance Report, which forms part of the Annual Report. As a requirement of Tata Code of Conduct, all stake-holders are provided access to Whistle Blower mechanism.

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., www.tatateleservices.com.

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 2017-18.

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 2017-18, within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposit) Rules, 2014.

However, the Company availed Inter Corporate Deposits ("ICD") from Tata Teleservices Limited ("TTSL") amounting to Rs. 3,700 Crores (Rupees Three Thousand Seven Hundred Crores Only) during the financial year 2017-18.

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.

During the financial year 2017-18, 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. Copies of this statement may be obtained by the Members by writing to the Company Secretary of your 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.
- FCU (Free Cooling Units) and NCU (Natural Cooling Unit) deployment and AC (Air Conditioner) switch off - 24 nos.
- Network consolidation – 2- MSC switched off.

- b. The initiative on energy conservation has resulted into reduction of 6913 Million units of energy consumption, carbon foot print reduction of 6516 TCO2 for the financial year 2017-18.

(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	2017 – 18	2016 – 17
Earnings	2.95	1.45
Outgo	107.67	137.69
Capital Goods	38.76	32.07

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.

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

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 2018-19. Members are requested to consider, approve and ratify the remuneration payable to M/s. Sanjay Gupta & Associates for the financial year 2018-19.

Internal Auditors

The Board has appointed Ernst & Young LLP and ANB Solutions Pvt. Ltd. as Internal Auditors of the Company for conducting internal audit of the Company for the first two quarters of the Financial Year 2018-19. The Company is in the process of appointing Internal Auditors for second half of the Financial Year 2018-19.

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, 2018. The Secretarial Audit Report in Form MR-3 is annexed as **Annexure – VI** to this Report.

The observation made by the Secretarial Auditors in its Report and Directors' comments are given as under:

Observation:

As per regulation 33(3)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company was required to submit its Financial Results within forty five days from end of the quarter, however the Company submitted Financial Results for the quarter and half year ended September 30, 2017 to the Stock Exchanges on December 19, 2017.

Directors' Comments

Since the Financial Results for the quarter and half year ended September 30, 2017 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, the Company had paid 1,20,06,500/- without holding of any tax to

National Stock Exchange of India Limited and BSE Limited each, as penalty for delay in submission of the financial results.

AUDITORS' OBSERVATIONS AND DIRECTORS' COMMENTS

The Auditors' Report for the financial year ended March 31, 2018 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 2017-18.

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, 2018, 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, 2018 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.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed report on Management 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 the 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. The Company had also implemented some of the non-discretionary requirements as contained in Part E of Schedule II to the Listing Regulations.

The Company is in compliance with the applicable Secretarial Standards.

ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

D. T. Joseph	N. Srinath
Director	Managing Director
DIN: 01716572	DIN: 00058133

Place: Mumbai
Date: August 24, 2018

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."
- 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."

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;

For and on behalf of the Board of Directors

D. T. Joseph

Director

DIN: 01716572

N. Srinath

Managing Director

DIN: 00058133

Place: Mumbai

Date: August 24, 2018

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

D. T. Joseph

Director

DIN: 01716572

N. Srinath

Managing Director

DIN: 00058133

Place: Mumbai

Date: August 24, 2018

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, Corporate Social Responsibility 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 programmes 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 Braille Book binding and 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. In total, various initiatives of the Company touched the lives of 1,790 individuals.

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 programmes are skill building

and education. In total, 305 volunteering hours were spent on various volunteering initiatives.

Livelihood enhancement: The Company is committed to providing livelihood to youth from socially and economically disadvantaged background, thus enabling economic independence. The Company encourages women employment through its 'SIM Kitting Process' at the warehouses, employing overall 16 women. The Company also provided a platform for NGOs working with people with disabilities to sell their merchandise to our employees to support livelihood.

Focus on Environment: Given the nature of the telecommunication business, the Company focuses on monitoring their carbon footprint, leveraging green energy, and responsible management of waste through various initiatives. The carbon emission (TCO2e) per subscriber was 0.013 in the year 2017-18. The Company has continued with various energy saving measures including Save Energy Day initiative and reduced its electricity & diesel consumption. Approximately 60 kg of e-waste was collected and disposed in an environment friendly manner.

Disaster Relief: This is a focus area at the Tata Group level. Employees from the Company volunteered towards relief work during Gujarat Floods. In addition, the Company and its employees also contribute towards the Tata Relief Fund to support relief operations. 240 Kgs of relief materials were sent to flood effected regions through NGO Goonj.

The weblink to the Company's CSR Policy is <https://www.tatateleservices.com/Downloads/ttml/Policy-on-Corporate-Social.pdf>

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. Govind Sankaranarayanan	Non-Executive Director
3	Mr. N. Srinath	Managing Director

2. 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.

For and on behalf of the Board of Directors

D. T. Joseph
Director
DIN: 01716572

N. Srinath
Managing Director
DIN: 00058133

Place: Mumbai
Date: August 24, 2018

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 2017-18.

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

- Name of the Related Party and nature of Relationship: Tata Teleservices Limited ("TTSL") -Substantial interest in TTML and is Fellow Subsidiary.
- Nature of contracts / arrangements / transactions: Refer Table - A below.
- Duration of the contracts / arrangements / transactions: Refer Table - A below.
- Salient terms of the contracts or arrangements or transactions including the value, if any: Refer Table - A below.
- 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.
- 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, 2015 - March 31, 2018	TTML entered into agreement with all operators including TTSL to provide roaming services to customers. Contract Value: Inter Circle Roaming Expenses – Rs. 37 Crores p.a. (Value for FY 2017-18 Rs. 11 Crores) Inter Circle Roaming Income – Rs. 32 Crores p.a. (Value for FY 2017-18 Rs.10 Crores)
Inter Usage Expenses and Income (Carriage & Termination)	April 1, 2016 - March 31, 2018	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. 337 Crores p.a. (Carriage & Termination Expenses for FY 2017-18 is Rs. 100 Crores & Termination Income for FY 2017-18 is Rs. 19 Crores)
Purchase / Sale of Inventory / Used assets	April 1, 2017 - March 31, 2018	Procurement Contract allows needs based purchase / sale of Inventory/Used assets. Contract Value: Rs. 40 Crores p.a. (Value for FY 2017-18 Rs. 2 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 (Value for FY 2017-18 Rs. 4 Crores)
Telecommunication Services	Open Ended	TTML is a telecom operator. It provides telecommunication services to various entities, including TTSL. Contract Value: NA (Value for FY 2017-18 Rs. 22 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 fibre given to TTSL in Mumbai and Rest of Maharashtra and Goa. Contract Value: NA (Value for FY 2016-17 is 1 Crore)
Other Income (Lease Income & Related Expenses Recovery Turbhe)	April 1, 2016 - March 31, 2018	Lease Income: Based on Independent Valuation, 51,478 Sq. ft. Leased to TTSL for a consideration of Rs. 25.75 Lakhs of rent per month. Recovery of housekeeping & facilities expense: At Actual without Mark-up. Contract Value: Rs. 6.18 Crores for rent (excluding taxes) and reimbursement of housekeeping, electricity and fuel charges etc. at actual. (Value for FY 2017-18 Rs. 13 Crores including reimbursements)
Other Income (Lease Income & Related Expenses Recovery Pune)	August 1, 2014 - July 31, 2016 Addendum From August 1, 2016 to December 31, 2021	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 markup. Contract Value: Rs. 1.89 Crores (excluding taxes) and reimbursement of housekeeping, electricity and fuel charges etc. at actual. (Value for FY 2017-18 Rs. 2 Crores including reimbursements)
Cost Sharing	April 1, 2015 - March 31, 2018	Sharing of common resources is based on “Various Ratios” without Mark-up. Contract Value: Rs. 120 Crores p.a. (Value for FY 2017-18 Rs.55 Crores)

For and on behalf of the Board of Directors

D. T. Joseph

Director

DIN: 01716572

N. Srinath

Managing Director

DIN: 00058133

Place: Mumbai

Date: August 24, 2018

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 2017-18:

Non-Executive Directors	Ratio to median remuneration
Mr. D. T. Joseph	0.90
Ms. Hiroo Mirchandani	0.84
Mr. Govind Sankaranarayanan	0.34
Mr. Kishor A. Chaukar (retired w.e.f. August 1, 2017)	---

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 2017-18:

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	7%
Mr. Kiran Thacker - Company Secretary	5%

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

- c. The percentage increase in the median remuneration of employees in the financial year: 17%.
(Increase on Median remuneration has been taken for on-roll employees as on March 31, 2018)
- d. The number of permanent employees on rolls of Company: 646.
- 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

D. T. Joseph Director DIN: 01716572	N. Srinath Managing Director DIN: 00058133
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Place: Mumbai
Date: August 24, 2018

Annexure – V to the Directors' Report

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2018
[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 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	52
2	Wireless telecommunications activities	612	48

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 Sons Limited Address: Bombay House, 24, Homi Modi Street, Mumbai – 400001	U99999MH1917PLC000478	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, 2017)				No. of Shares held at the end of the year (as on March 31, 2018)				% 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	1233697483	0	1233697483	63.11	1453672327	0	1453672327	74.36	11.26
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)		1233697483	0	1233697483	63.11	1453672327	0	1453672327	74.36	11.26
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	229856926	0	229856926	11.76	0	0	0	0.00	(11.76)
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)		229856926	0	229856926	11.76	0	0	0	0.00	(11.76)
Total Shareholding of Promoters & Promoter Group (A) = (A) (1) + (A) (2)		1463554409	0	1463554409	74.86	1453672327	0	1453672327	74.36	(0.51)
B	Public Shareholding									
1)	Institutions									
a	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b	Banks / FIs	536807	0	536807	0.03	1721198	0	1721198	0.09	0.06
c	Central Govt.	0	0	0	0.00	2266	0	2266	0.00	0.00
d	State Govt.	44199	0	44199	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	370000	0	370000	0.02	0	0	0	0.00	(0.02)
g	FIs	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)	8827091	0	8827091	0.45	7775255	0	7775255	0.40	(0.05)
j-ii	Foreign Bodies	4180	0	4180	0.00	0	0	0	0.00	0.00
j-iii	NRIs									
j-iii-a	Individual shareholding nominal shares upto Rs. 1 Lakh	3303694	33297	3336991	0.17	3335510	33297	3368807	0.17	0.00

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2017)				No. of Shares held at the end of the year (as on March 31, 2018)				% 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	9734551	0	9734551	0.50	8720749	0	8720749	0.45	(0.05)
Sub – total (B) (1)		22820522	33297	22853819	1.17	21596911	33297	21630208	1.11	(0.06)
2)	Non - Institutions									
a	Bodies Corporate									
(i)	Indian	47696262	4078	47700340	2.44	37901031	4078	37905109	1.94	(0.50)
(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	257131392	2869834	260001226	13.30	248466625	2820193	251286818	12.85	(0.45)
(ii)	Individual shareholders having nominal share capital in excess of Rs. 1 Lakh	160764414	11333	160775747	8.22	190379746	11333	190391079	9.74	1.51
c	Others (please specify)									
c.i	Trusts	41053	0	41053	0.00	41053	0	41053	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)		465634254	2885245	468519499	23.97	476789588	2835604	479625192	24.53	0.57
Total Public Shareholding (B) = (B) (1) + (B) (2)		488454776	2918542	491373318	25.14	498386499	2868901	501255400	25.64	0.51
Grand Total (A + B + C)		1952009185	2918542	1954927727	100.00	1952058826	2868901	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, 2017)			Shareholding at the end of the year (as on March 31, 2018)			% 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)	714317891	36.54	26.00	944174817	48.30	26.00	11.76
2	The Tata Power Company Limited *	136602275	6.99	0.00	126720193	6.48	0.00	(0.51)
3	Tata Sons Limited (Promoter)	382759467	19.58	0.00	382759467	19.58	0.00	0.00
4	Panatone Finvest Limited *	17850	0.00	0.00	17850	0.00	0.00	0.00
5	NTT DOCOMO INC. (Another Promoter)	229856926	11.76	0.00	0	0	0.00	(11.76)
	Total	1463554409	74.86	26.00	1453672327	74.36	26.00	(0.51)

* 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, 2017)		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)	714317891	36.54					714317891	36.54
				23.02.2018	Increase	229856926	11.76	944174817	48.30
				31.03.2018	At the end of the year			944174817	48.30
2	The Tata Power Company Limited *	136602275	6.99						
				07.04.2017	Decrease	(1703486)	(0.09)	134898789	6.90
				19.05.2017	Decrease	(2283824)	(0.12)	132614965	6.78
				26.05.2017	Decrease	(3521092)	(0.18)	129093873	6.60
				02.06.2017	Decrease	(1423609)	(0.07)	127670264	6.53
				09.06.2017	Decrease	(690219)	(0.04)	126980045	6.50
				16.06.2017	Decrease	(259852)	(0.01)	126720193	6.48
				31.03.2018	At the end of the year			126720193	6.48
3	Tata Sons Limited (Promoter)	382759467	19.58						
					No change	0	0.00	382759467	19.58
				31.03.2018	At the end of the year			382759467	19.58
4	Panatone Finvest Limited *	17850	0.00					17850	0.00
					No change	0	.00	17850	0.00
				31.03.2018	At the end of the year			17850	0.00
5	NTT DOCOMO INC. (Another Promoter)	229856926	11.76						
				23.02.2018	Decrease	(229856926)	(11.76)	0	(11.76)
				31.03.2018	At the end of the year			0	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 01.04.2017		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	AAATD7768G	The Emerging Markets Small Cap Series Of The DFA Investment Trust Company	4512759	0.23						
					25.08.2017	Purchase of shares	114576	0.01	4627335	0.24
					01.09.2017	Purchase of shares	242629	0.01	4869964	0.25
					12.01.2018	Sale of shares	(172652)	(0.01)	4697312	0.24
					19.01.2018	Sale of shares	(112497)	(0.01)	4584815	0.23
					31.03.2018	At the end of the year			4584815	0.23

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		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
2	AAZPL8375Q	C Loganathan	1893462	0.10						
					13.10.2017	Purchase of shares	360000	0.02	2253462	0.12
					20.10.2017	Purchase of shares	693157	0.04	2946619	0.15
					27.10.2017	Purchase of shares	24843	0.00	2971462	0.15
					23.02.2018	Sale of shares	(28560)	(0.00)	2942902	0.15
					23.02.2018	Purchase of shares	28560	0.00	2971462	0.15
					16.03.2018	Purchase of shares	305016	0.02	3276478	0.17
					16.03.2018	Sale of shares	(305016)	(0.02)	2971462	0.15
					31.03.2018	At the end of the year			2971462	0.15
3	ABZPN5198A	Shaheen Mehamood Shaikh	401000	0.02						
					07.04.2017	Purchase of shares	423099	0.02	824099	0.04
					23.06.2017	Purchase of shares	48000	0.00	872099	0.04
					22.09.2017	Purchase of shares	29000	0.00	901099	0.05
					29.09.2017	Sale of shares	(107000)	(0.01)	794099	0.04
					13.10.2017	Sale of shares	(400000)	(0.02)	394099	0.02
					10.11.2017	Purchase of shares	35000	0.00	429099	0.02
					17.11.2017	Purchase of shares	449800	0.02	878899	0.04
					24.11.2017	Purchase of shares	633169	0.03	1512068	0.08
					01.12.2017	Purchase of shares	120166	0.01	1632234	0.08
					08.12.2017	Purchase of shares	9000	0.00	1641234	0.08
					15.12.2017	Purchase of shares	443428	0.02	2084662	0.11
					22.12.2017	Purchase of shares	409398	0.02	2494060	0.13
					05.01.2018	Purchase of shares	25000	0.00	2519060	0.13
					19.01.2018	Purchase of shares	172700	0.01	2691760	0.14
					26.01.2018	Purchase of shares	10000	0.00	2701760	0.14
					09.02.2018	Purchase of shares	213000	0.01	2914760	0.15
					23.02.2018	Sale of shares	(299903)	(0.02)	2614857	0.13
					02.03.2018	Sale of shares	(18742)	0.00	2596115	0.13
					09.03.2018	Sale of shares	(464088)	(0.02)	2132027	0.11
					16.03.2018	Purchase of shares	344000	0.02	2476027	0.13
					23.03.2018	Purchase of shares	349000	0.02	2825027	0.14
					31.03.2018	At the end of the year			2825027	0.14
4	AACCD1644G	Emerging Markets Core Equity Portfolio (The Portfolio) Of DFA Investment Dimensions Group Inc (DFAIDG)	3418263	0.17						
					22.09.2017	Sale of shares	(312840)	(0.02)	3105423	0.16
					29.09.2017	Sale of shares	(118606)	(0.01)	2986817	0.15
					06.10.2017	Sale of shares	(229278)	(0.01)	2757539	0.14
					13.10.2017	Sale of shares	(178829)	(0.01)	2578710	0.13
					15.12.2017	Sale of shares	(165177)	(0.01)	2413533	0.12
					22.12.2017	Sale of shares	(125405)	(0.01)	2288128	0.12
					16.02.2018	Purchase of shares	221809	0.01	2509937	0.13
					31.03.2018	At the end of the year			2509937	0.13

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		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
5	AAACS6183R	Eco Recycling Limited	1574406	0.08						
					26.05.2017	Purchase of shares	200000	0.01	1774406	0.09
					07.07.2017	Sale of shares	(74406)	(0.00)	1700000	0.09
					14.07.2017	Purchase of shares	50000	0.00	1750000	0.09
					31.07.2017	Sale of shares	(50000)	(0.00)	1700000	0.09
					18.08.2017	Purchase of shares	11081	0.00	1711081	0.09
					01.09.2017	Purchase of shares	13816	0.00	1724897	0.09
					08.09.2017	Purchase of shares	25103	0.00	1750000	0.09
					20.10.2017	Purchase of shares	250000	0.01	2000000	0.10
					27.10.2017	Sale of shares	(100000)	(0.01)	1900000	0.10
					03.11.2017	Sale of shares	(75000)	(0.00)	1825000	0.09
					10.11.2017	Sale of shares	(25000)	(0.00)	1800000	0.09
					17.11.2017	Purchase of shares	100000	0.01	1900000	0.10
					24.11.2017	Purchase of shares	25000	0.00	1925000	0.10
					08.12.2017	Sale of shares	(52305)	(0.00)	1872695	0.10
					15.12.2017	Purchase of shares	50000	0.00	1922695	0.10
					05.01.2018	Purchase of shares	63705	0.00	1986400	0.10
					19.01.2018	Sale of shares	(37399)	(0.00)	1949001	0.10
					26.01.2018	Purchase of shares	78935	0.00	2027936	0.10
					02.02.2018	Purchase of shares	21065	0.00	2049001	0.10
					09.02.2018	Purchase of shares	999	0.00	2050000	0.10
					16.03.2018	Purchase of shares	13600	0.00	2063600	0.11
					23.03.2018	Purchase of shares	25000	0.00	2088600	0.11
					31.03.2018	At the end of the year			2088600	0.11
6	AAACU2414K	Axis Bank Limited	172396	0.01						
					07.04.2017	Purchase of shares	14512	0.00	186908	0.01
					21.04.2017	Sale of shares	(2000)	(0.00)	184908	0.01
					28.04.2017	Sale of shares	(15000)	(0.00)	169908	0.01
					05.05.2017	Sale of shares	(1792)	(0.00)	168116	0.01
					12.05.2017	Purchase of shares	167736	0.01	335852	0.02
					19.05.2017	Sale of shares	(500)	(0.00)	335352	0.02
					26.05.2017	Purchase of shares	8236	0.00	343588	0.02
					02.06.2017	Sale of shares	(8044)	(0.00)	335544	0.02
					09.06.2017	Purchase of shares	27205	0.00	362749	0.02
					16.06.2017	Purchase of shares	10590	0.00	373339	0.02
					23.06.2017	Purchase of shares	13457	0.00	386796	0.02
					30.06.2017	Sale of shares	(13870)	(0.00)	372926	0.02
					07.07.2017	Purchase of shares	346002	0.02	718928	0.04
					14.07.2017	Purchase of shares	1235499	0.06	1954427	0.10
					21.07.2017	Sale of shares	(26300)	(0.00)	1928127	0.10
					24.07.2017	Sale of shares	(14180)	(0.00)	1913947	0.10
					26.07.2017	Sale of shares	(130)	(0.00)	1913817	0.10
					31.07.2017	Purchase of shares	566	0.00	1914383	0.10

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		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
					04.08.2017	Purchase of shares	97049	0.00	2011432	0.10
					04.08.2017	Sale of shares	(566)	(0.00)	2010866	0.10
					11.08.2017	Sale of shares	(74810)	(0.00)	1936056	0.10
					18.08.2017	Purchase of shares	17857	0.00	1953913	0.10
					25.08.2017	Purchase of shares	667558	0.03	2621471	0.13
					01.09.2017	Sale of shares	(594293)	(0.03)	2027178	0.10
					08.09.2017	Purchase of shares	642715	0.03	2669893	0.14
					15.09.2017	Purchase of shares	515715	0.03	3185608	0.16
					22.09.2017	Purchase of shares	500861	0.03	3686469	0.19
					29.09.2017	Sale of shares	(620854)	(0.03)	3065615	0.16
					13.10.2017	Sale of shares	(955698)	(0.05)	2109917	0.11
					20.10.2017	Purchase of shares	184418	0.01	2294335	0.12
					27.10.2017	Sale of shares	(249511)	(0.01)	2044824	0.10
					31.10.2017	Sale of shares	(187109)	(0.01)	1857715	0.10
					03.11.2017	Sale of shares	(78260)	(0.00)	1779455	0.09
					10.11.2017	Purchase of shares	74693	0.00	1854148	0.09
					17.11.2017	Purchase of shares	4800	0.00	1858948	0.10
					01.12.2017	Sale of shares	(1000)	(0.00)	1857948	0.10
					15.12.2017	Purchase of shares	1300	0.00	1859248	0.10
					22.12.2017	Sale of shares	(6400)	(0.00)	1852848	0.09
					29.12.2017	Purchase of shares	192400	0.01	2045248	0.10
					05.01.2018	Purchase of shares	11100	0.00	2056348	0.11
					12.01.2018	Sale of shares	(253546)	(0.01)	1802802	0.09
					19.01.2018	Sale of shares	(260)	(0.00)	1802542	0.09
					26.01.2018	Purchase of shares	311	0.00	1802853	0.09
					26.01.2018	Sale of shares	(42600)	(0.00)	1760253	0.09
					02.02.2018	Sale of shares	(1311)	(0.00)	1758942	0.09
					16.02.2018	Sale of shares	(13103)	(0.00)	1745839	0.09
					16.03.2018	Sale of shares	(6943)	(0.00)	1738896	0.09
					23.03.2018	Sale of shares	(60721)	(0.00)	1678175	0.09
					31.03.2018	At the end of the year			1678175	0.09
7	AABCK5190K	Karvy Stock Broking Ltd.	1418576	0.07						
					07.04.2017	Purchase of shares	6799	0.00	1425375	0.07
					07.04.2017	Sale of shares	(19935)	(0.00)	1405440	0.07
					14.04.2017	Purchase of shares	37012	0.00	1442452	0.07
					14.04.2017	Sale of shares	(26039)	(0.00)	1416413	0.07
					21.04.2017	Purchase of shares	246	0.00	1416659	0.07
					21.04.2017	Sale of shares	(30723)	(0.00)	1385936	0.07
					28.04.2017	Purchase of shares	26980	0.00	1412916	0.07
					28.04.2017	Sale of shares	(23194)	(0.00)	1389722	0.07
					05.05.2017	Purchase of shares	155590	0.01	1545312	0.08
					05.05.2017	Sale of shares	(112198)	(0.01)	1433114	0.07
					12.05.2017	Purchase of shares	13823	0.00	1446937	0.07

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		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
					12.05.2017	Sale of shares	(60177)	(0.00)	1386760	0.07
					19.05.2017	Purchase of shares	120483	0.01	1507243	0.08
					19.05.2017	Sale of shares	(32219)	(0.00)	1475024	0.08
					26.05.2017	Purchase of shares	15	0.00	1475039	0.08
					26.05.2017	Sale of shares	(61359)	(0.00)	1413680	0.07
					02.06.2017	Purchase of shares	27345	0.00	1441025	0.07
					02.06.2017	Sale of shares	(5484)	(0.00)	1435541	0.07
					09.06.2017	Purchase of shares	1544	0.00	1437085	0.07
					09.06.2017	Sale of shares	(38464)	(0.00)	1398621	0.07
					16.06.2017	Purchase of shares	8337	0.00	1406958	0.07
					16.06.2017	Sale of shares	(69890)	(0.00)	1337068	0.07
					23.06.2017	Purchase of shares	8653	0.00	1345721	0.07
					23.06.2017	Sale of shares	(15213)	(0.00)	1330508	0.07
					30.06.2017	Purchase of shares	14748	0.00	1345256	0.07
					30.06.2017	Sale of shares	(13771)	(0.00)	1331485	0.07
					07.07.2017	Purchase of shares	32651	0.00	1364136	0.07
					07.07.2017	Sale of shares	(92348)	(0.00)	1271788	0.07
					14.07.2017	Purchase of shares	206609	0.01	1478397	0.08
					14.07.2017	Sale of shares	(97413)	(0.00)	1380984	0.07
					21.07.2017	Purchase of shares	53117	0.00	1434101	0.07
					21.07.2017	Sale of shares	(19459)	(0.00)	1414642	0.07
					24.07.2017	Purchase of shares	21158	0.00	1435800	0.07
					24.07.2017	Sale of shares	(8500)	(0.00)	1427300	0.07
					26.07.2017	Purchase of shares	30691	0.00	1457991	0.07
					26.07.2017	Sale of shares	(34775)	(0.00)	1423216	0.07
					28.07.2017	Purchase of shares	17540	0.00	1440756	0.07
					28.07.2017	Sale of shares	(56667)	(0.00)	1384089	0.07
					31.07.2017	Purchase of shares	12237	0.00	1396326	0.07
					31.07.2017	Sale of shares	(4622)	(0.00)	1391704	0.07
					04.08.2017	Purchase of shares	17975	0.00	1409679	0.07
					04.08.2017	Sale of shares	(71168)	(0.00)	1338511	0.07
					11.08.2017	Purchase of shares	29710	0.00	1368221	0.07
					11.08.2017	Sale of shares	(10293)	(0.00)	1357928	0.07
					18.08.2017	Purchase of shares	43642	0.00	1401570	0.07
					18.08.2017	Sale of shares	(14515)	(0.00)	1387055	0.07
					25.08.2017	Purchase of shares	38344	0.00	1425399	0.07
					25.08.2017	Sale of shares	(17677)	(0.00)	1407722	0.07
					01.09.2017	Purchase of shares	18268	0.00	1425990	0.07
					01.09.2017	Sale of shares	(42910)	(0.00)	1383080	0.07
					08.09.2017	Purchase of shares	6033	0.00	1389113	0.07
					08.09.2017	Sale of shares	(70161)	(0.00)	1318952	0.07
					15.09.2017	Purchase of shares	6509	0.00	1325461	0.07
					15.09.2017	Sale of shares	(31589)	(0.00)	1293872	0.07
					22.09.2017	Purchase of shares	119600	0.01	1413472	0.07

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		Date	Reason	Purchase of Shares/Decrease in Shareholding		Cumulative Shares during the year	
			No of Shares	% of total Shares of the Company			No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
					22.09.2017	Sale of shares	(7651)	(0.00)	1405821	0.07
					29.09.2017	Purchase of shares	14982	0.00	1420803	0.07
					29.09.2017	Sale of shares	(13671)	(0.00)	1407132	0.07
					06.10.2017	Purchase of shares	43648	0.00	1450780	0.07
					06.10.2017	Sale of shares	(45090)	(0.00)	1405690	0.07
					13.10.2017	Purchase of shares	689363	0.04	2095053	0.11
					13.10.2017	Sale of shares	(102000)	(0.01)	1993053	0.10
					20.10.2017	Purchase of shares	850299	0.04	2843352	0.15
					20.10.2017	Sale of shares	(932320)	(0.05)	1911032	0.10
					27.10.2017	Purchase of shares	140009	0.01	2051041	0.10
					27.10.2017	Sale of shares	(180212)	(0.01)	1870829	0.10
					31.10.2017	Purchase of shares	282583	0.01	2153412	0.11
					31.10.2017	Sale of shares	(31924)	(0.00)	2121488	0.11
					03.11.2017	Purchase of shares	154956	0.01	2276444	0.12
					03.11.2017	Sale of shares	(180898)	(0.01)	2095546	0.11
					10.11.2017	Purchase of shares	442527	0.02	2538073	0.13
					10.11.2017	Sale of shares	(270929)	(0.01)	2267144	0.12
					17.11.2017	Purchase of shares	210197	0.01	2477341	0.13
					17.11.2017	Sale of shares	(440000)	(0.02)	2037341	0.10
					24.11.2017	Purchase of shares	157077	0.01	2194418	0.11
					24.11.2017	Sale of shares	(207308)	(0.01)	1987110	0.10
					01.12.2017	Purchase of shares	70456	0.00	2057566	0.11
					01.12.2017	Sale of shares	(59459)	(0.00)	1998107	0.10
					08.12.2017	Purchase of shares	145900	0.01	2144007	0.11
					08.12.2017	Sale of shares	(40582)	(0.00)	2103425	0.11
					15.12.2017	Sale of shares	(99265)	(0.01)	2004160	0.10
					22.12.2017	Purchase of shares	45305	0.00	2049465	0.10
					22.12.2017	Sale of shares	(7000)	(0.00)	2042465	0.10
					29.12.2017	Purchase of shares	85132	0.00	2127597	0.11
					29.12.2017	Sale of shares	(26710)	(0.00)	2100887	0.11
					30.12.2017	Purchase of shares	113	0.00	2101000	0.11
					05.01.2018	Purchase of shares	27371	0.00	2128371	0.11
					05.01.2018	Sale of shares	(60920)	(0.00)	2067451	0.11
					12.01.2018	Purchase of shares	79050	0.00	2146501	0.11
					12.01.2018	Sale of shares	(68433)	(0.00)	2078068	0.11
					19.01.2018	Purchase of shares	20319	0.00	2098387	0.11
					19.01.2018	Sale of shares	(112097)	(0.01)	1986290	0.10
					26.01.2018	Purchase of shares	14943	0.00	2001233	0.10
					26.01.2018	Sale of shares	(5681)	(0.00)	1995552	0.10
					02.02.2018	Purchase of shares	343942	0.02	2339494	0.12
					02.02.2018	Sale of shares	(691168)	(0.04)	1648326	0.08
					09.02.2018	Purchase of shares	36119	0.00	1684445	0.09
					09.02.2018	Sale of shares	(43265)	(0.00)	1641180	0.08
					16.02.2018	Purchase of shares	453	0.00	1641633	0.08

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		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
					16.02.2018	Sale of shares	(41687)	(0.00)	1599946	0.08
					23.02.2018	Purchase of shares	37929	0.00	1637875	0.08
					23.02.2018	Sale of shares	(5041)	(0.00)	1632834	0.08
					02.03.2018	Purchase of shares	10188	0.00	1643022	0.08
					02.03.2018	Sale of shares	(13424)	(0.00)	1629598	0.08
					09.03.2018	Purchase of shares	10711	0.00	1640309	0.08
					09.03.2018	Sale of shares	(25192)	(0.00)	1615117	0.08
					16.03.2018	Purchase of shares	52547	0.00	1667664	0.09
					16.03.2018	Sale of shares	(73586)	(0.00)	1594078	0.08
					23.03.2018	Purchase of shares	147560	0.01	1741638	0.09
					23.03.2018	Sale of shares	(82805)	(0.00)	1658833	0.08
					30.03.2018	Purchase of shares	17598	0.00	1676431	0.09
					30.03.2018	Sale of shares	(829)	(0.00)	1675602	0.09
					31.03.2018	Purchase of shares	130	0.00	1675732	0.09
					31.03.2018	At the end of the year			1675732	0.09
8	ABIPP2042A	Bhavana Rajesh Parekh	1503774	0.08						
					31.03.2018	At the end of the year			1503774	0.08
9	AAACM6094R	Angel Broking Private Limited	1625879	0.08						
					07.04.2017	Purchase of shares	9397	0.00	1635276	0.08
					07.04.2017	Sale of shares	(224918)	(0.01)	1410358	0.07
					14.04.2017	Purchase of shares	90500	0.00	1500858	0.08
					14.04.2017	Sale of shares	(45369)	(0.00)	1455489	0.07
					21.04.2017	Purchase of shares	1861	0.00	1457350	0.07
					21.04.2017	Sale of shares	(86056)	(0.00)	1371294	0.07
					28.04.2017	Purchase of shares	78573	0.00	1449867	0.07
					28.04.2017	Sale of shares	(137837)	(0.01)	1312030	0.07
					05.05.2017	Purchase of shares	117881	0.01	1429911	0.07
					05.05.2017	Sale of shares	(41230)	(0.00)	1388681	0.07
					12.05.2017	Purchase of shares	194520	0.01	1583201	0.08
					12.05.2017	Sale of shares	(15159)	(0.00)	1568042	0.08
					19.05.2017	Purchase of shares	15599	0.00	1583641	0.08
					19.05.2017	Sale of shares	(78586)	(0.00)	1505055	0.08
					26.05.2017	Purchase of shares	290123	0.01	1795178	0.09
					26.05.2017	Sale of shares	(3703)	(0.00)	1791475	0.09
					02.06.2017	Purchase of shares	72757	0.00	1864232	0.10
					02.06.2017	Sale of shares	(101854)	(0.01)	1762378	0.09
					09.06.2017	Sale of shares	(303037)	(0.02)	1459341	0.07
					16.06.2017	Purchase of shares	101912	0.01	1561253	0.08
					16.06.2017	Sale of shares	(195433)	(0.01)	1365820	0.07
					23.06.2017	Purchase of shares	7008	0.00	1372828	0.07
					23.06.2017	Sale of shares	(118978)	(0.010)	1253850	0.06
					30.06.2017	Purchase of shares	11179	0.00	1265029	0.06

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		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
					30.06.2017	Sale of shares	(94826)	(0.00)	1170203	0.06
					07.07.2017	Purchase of shares	230585	0.01	1400788	0.07
					07.07.2017	Sale of shares	(239027)	(0.01)	1161761	0.06
					14.07.2017	Purchase of shares	69927	0.00	1231688	0.06
					14.07.2017	Sale of shares	(341123)	(0.02)	890565	0.05
					21.07.2017	Purchase of shares	29415	0.00	919980	0.05
					21.07.2017	Sale of shares	(33109)	(0.00)	886871	0.05
					24.07.2017	Purchase of shares	52815	0.00	939686	0.05
					26.07.2017	Purchase of shares	103331	0.01	1043017	0.05
					26.07.2017	Sale of shares	(85131)	(0.00)	957886	0.05
					28.07.2017	Purchase of shares	54490	0.00	1012376	0.05
					28.07.2017	Sale of shares	(142080)	(0.01)	870296	0.04
					31.07.2017	Purchase of shares	30262	0.00	900558	0.05
					31.07.2017	Sale of shares	(3758)	(0.00)	896800	0.05
					04.08.2017	Purchase of shares	418469	0.02	1315269	0.07
					04.08.2017	Sale of shares	(318783)	(0.02)	996486	0.05
					11.08.2017	Purchase of shares	502595	0.03	1499081	0.08
					11.08.2017	Sale of shares	(33112)	(0.00)	1465969	0.07
					18.08.2017	Purchase of shares	250725	0.01	1716694	0.09
					18.08.2017	Sale of shares	(673510)	(0.03)	1043184	0.05
					25.08.2017	Purchase of shares	172147	0.01	1215331	0.06
					25.08.2017	Sale of shares	(30384)	(0.00)	1184947	0.06
					01.09.2017	Purchase of shares	140774	0.01	1325721	0.07
					01.09.2017	Sale of shares	(295618)	(0.02)	1030103	0.05
					08.09.2017	Purchase of shares	63141	0.00	1093244	0.06
					08.09.2017	Sale of shares	(238191)	(0.01)	855053	0.04
					15.09.2017	Purchase of shares	125344	0.01	980397	0.05
					15.09.2017	Sale of shares	(86261)	(0.00)	894136	0.05
					22.09.2017	Purchase of shares	139944	0.01	1034080	0.05
					22.09.2017	Sale of shares	(32947)	(0.00)	1001133	0.05
					29.09.2017	Purchase of shares	173283	0.01	1174416	0.06
					29.09.2017	Sale of shares	(84241)	(0.00)	1090175	0.06
					06.10.2017	Purchase of shares	720335	0.04	1810510	0.09
					06.10.2017	Sale of shares	(67522)	(0.00)	1742988	0.09
					13.10.2017	Purchase of shares	971681	0.05	2714669	0.14
					13.10.2017	Sale of shares	(114576)	(0.01)	2600093	0.13
					20.10.2017	Purchase of shares	40355	0.00	2640448	0.14
					20.10.2017	Sale of shares	(497486)	(0.03)	2142962	0.11
					27.10.2017	Purchase of shares	333690	0.02	2476652	0.13
					27.10.2017	Sale of shares	(64290)	(0.00)	2412362	0.12
					31.10.2017	Purchase of shares	692999	0.04	3105361	0.16
					31.10.2017	Sale of shares	(559767)	(0.03)	2545594	0.13
					03.11.2017	Purchase of shares	341143	0.02	2886737	0.15
					03.11.2017	Sale of shares	(108709)	(0.01)	2778028	0.14

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		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
					10.11.2017	Purchase of shares	834504	0.04	3612532	0.18
					10.11.2017	Sale of shares	(398799)	(0.02)	3213733	0.16
					17.11.2017	Purchase of shares	693647	0.04	3907380	0.20
					17.11.2017	Sale of shares	(711196)	(0.04)	3196184	0.16
					24.11.2017	Purchase of shares	285243	0.01	3481427	0.18
					24.11.2017	Sale of shares	(759542)	(0.04)	2721885	0.14
					01.12.2017	Purchase of shares	204942	0.01	2926827	0.15
					01.12.2017	Sale of shares	(141881)	(0.01)	2784946	0.14
					08.12.2017	Purchase of shares	283526	0.01	3068472	0.16
					08.12.2017	Sale of shares	(318850)	(0.02)	2749622	0.14
					15.12.2017	Purchase of shares	71508	0.00	2821130	0.14
					15.12.2017	Sale of shares	(121976)	(0.01)	2699154	0.14
					22.12.2017	Purchase of shares	73168	0.00	2772322	0.14
					22.12.2017	Sale of shares	(441113)	(0.02)	2331209	0.12
					29.12.2017	Purchase of shares	223097	0.01	2554306	0.13
					29.12.2017	Sale of shares	(256373)	(0.01)	2297933	0.12
					05.01.2018	Purchase of shares	54608	0.00	2352541	0.12
					05.01.2018	Sale of shares	(392912)	(0.02)	1959629	0.10
					12.01.2018	Purchase of shares	67125	0.00	2026754	0.10
					12.01.2018	Sale of shares	(182870)	(0.01)	1843884	0.09
					19.01.2018	Purchase of shares	48544	0.00	1892428	0.10
					19.01.2018	Sale of shares	(366623)	(0.02)	1525805	0.08
					26.01.2018	Purchase of shares	107450	0.01	1633255	0.08
					26.01.2018	Sale of shares	(167019)	(0.01)	1466236	0.08
					02.02.2018	Purchase of shares	355209	0.02	1821445	0.09
					02.02.2018	Sale of shares	(72769)	(0.00)	1748676	0.09
					09.02.2018	Purchase of shares	138734	0.01	1887410	0.10
					09.02.2018	Sale of shares	(41329)	(0.00)	1846081	0.09
					16.02.2018	Purchase of shares	143	0.00	1846224	0.09
					16.02.2018	Sale of shares	(57905)	(0.00)	1788319	0.09
					23.02.2018	Purchase of shares	92750	0.00	1881069	0.10
					23.02.2018	Sale of shares	(49062)	(0.00)	1832007	0.09
					02.03.2018	Purchase of shares	40312	0.00	1872319	0.10
					02.03.2018	Sale of shares	(11821)	(0.00)	1860498	0.10
					09.03.2018	Purchase of shares	18267	0.00	1878765	0.10
					09.03.2018	Sale of shares	(214525)	(0.01)	1664240	0.09
					16.03.2018	Purchase of shares	52459	0.00	1716699	0.09
					16.03.2018	Sale of shares	(108845)	(0.01)	1607854	0.08
					23.03.2018	Purchase of shares	212517	0.01	1820371	0.09
					23.03.2018	Sale of shares	(246100)	(0.01)	1574271	0.08
					30.03.2018	Purchase of shares	44434	0.00	1618705	0.08
					30.03.2018	Sale of shares	(391302)	(0.02)	1227403	0.06
					31.03.2018	Purchase of shares	393	0.00	1227796	0.06
					31.03.2018	At the end of the year			1227796	0.06

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		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
10	AABCI5580K	II And FS Securities Services Limited	1948831	0.10						
					07.04.2017	Purchase of shares	555356	0.03	2504187	0.13
					14.04.2017	Sale of shares	(157046)	(0.01)	2347141	0.12
					21.04.2017	Sale of shares	(2437)	(0.00)	2344704	0.12
					28.04.2017	Purchase of shares	377881	0.02	2722585	0.14
					28.04.2017	Sale of shares	(6155)	(0.00)	2716430	0.14
					05.05.2017	Sale of shares	(87010)	(0.00)	2629420	0.13
					12.05.2017	Purchase of shares	623	0.00	2630043	0.13
					12.05.2017	Sale of shares	(483070)	(0.02)	2146973	0.11
					19.05.2017	Sale of shares	(37309)	(0.00)	2109664	0.11
					26.05.2017	Purchase of shares	68593	0.00	2178257	0.11
					02.06.2017	Purchase of shares	1322	0.00	2179579	0.11
					09.06.2017	Sale of shares	(49490)	(0.00)	2130089	0.11
					16.06.2017	Sale of shares	(128428)	(0.01)	2001661	0.10
					23.06.2017	Purchase of shares	131371	0.01	2133032	0.11
					30.06.2017	Sale of shares	(9343)	(0.00)	2123689	0.11
					07.07.2017	Purchase of shares	25980	0.00	2149669	0.11
					07.07.2017	Sale of shares	(100)	(0.00)	2149569	0.11
					14.07.2017	Sale of shares	(86517)	(0.00)	2063052	0.11
					21.07.2017	Sale of shares	(109422)	(0.01)	1953630	0.10
					24.07.2017	Sale of shares	(300)	(0.00)	1953330	0.10
					26.07.2017	Purchase of shares	1133	0.00	1954463	0.10
					26.07.2017	Sale of shares	(6311)	(0.00)	1948152	0.10
					28.07.2017	Sale of shares	(18079)	(0.00)	1930073	0.10
					31.07.2017	Purchase of shares	736	0.00	1930809	0.10
					04.08.2017	Sale of shares	(84059)	(0.00)	1846750	0.09
					11.08.2017	Purchase of shares	12282	0.00	1859032	0.10
					18.08.2017	Purchase of shares	37907	0.00	1896939	0.10
					25.08.2017	Purchase of shares	17887	0.00	1914826	0.10
					25.08.2017	Sale of shares	(530)	(0.00)	1914296	0.10
					01.09.2017	Purchase of shares	5652	0.00	1919948	0.10
					08.09.2017	Sale of shares	(76046)	(0.00)	1843902	0.09
					15.09.2017	Purchase of shares	40792	0.00	1884694	0.10
					22.09.2017	Purchase of shares	7366	0.00	1892060	0.10
					22.09.2017	Sale of shares	(69295)	(0.00)	1822765	0.09
					29.09.2017	Purchase of shares	85240	0.00	1908005	0.10
					29.09.2017	Sale of shares	(6800)	(0.00)	1901205	0.10
					06.10.2017	Sale of shares	(40848)	(0.00)	1860357	0.10
					13.10.2017	Purchase of shares	19953	0.00	1880310	0.10
					20.10.2017	Purchase of shares	66493	0.00	1946803	0.10
					27.10.2017	Purchase of shares	3590	0.00	1950393	0.10
					27.10.2017	Sale of shares	(2266)	(0.00)	1948127	0.10

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		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
					31.01.2017	Purchase of shares	142801	0.01	2090928	0.11
					03.11.2017	Purchase of shares	3400	0.00	2094328	0.11
					03.11.2017	Sale of shares	(45860)	(0.00)	2048468	0.10
					10.11.2017	Sale of shares	(116546)	(0.01)	1931922	0.10
					17.11.2017	Purchase of shares	255	0.00	1932177	0.10
					17.11.2017	Sale of shares	(143990)	(0.01)	1788187	0.09
					24.11.2017	Purchase of shares	452	0.00	1788639	0.09
					24.11.2017	Sale of shares	(103847)	(0.01)	1684792	0.09
					01.12.2017	Purchase of shares	23014	0.00	1707806	0.09
					01.12.2017	Sale of shares	(22221)	(0.00)	1685585	0.09
					08.12.2017	Purchase of shares	12012	0.00	1697597	0.09
					08.12.2017	Sale of shares	(23466)	(0.00)	1674131	0.09
					15.12.2017	Sale of shares	(15623)	(0.00)	1658508	0.08
					22.12.2017	Sale of shares	(106398)	(0.01)	1552110	0.08
					29.12.2017	Sale of shares	(35000)	(0.00)	1517110	0.08
					30.12.2017	Sale of shares	(4000)	(0.00)	1513110	0.08
					05.01.2018	Sale of shares	(37451)	(0.00)	1475659	0.08
					12.01.2018	Sale of shares	(111178)	(0.01)	1364481	0.07
					19.01.2018	Purchase of shares	5000	0.00	1369481	0.07
					26.01.2018	Sale of shares	(201466)	(0.01)	1168015	0.06
					02.02.2018	Purchase of shares	113	0.00	1168128	0.06
					02.02.2018	Sale of shares	(31933)	(0.00)	1136195	0.06
					09.02.2018	Sale of shares	(11863)	(0.00)	1124332	0.06
					16.02.2018	Purchase of shares	12300	0.00	1136632	0.06
					23.02.2018	Sale of shares	(13741)	(0.00)	1122891	0.06
					02.03.2018	Purchase of shares	9900	0.00	1132791	0.06
					09.03.2018	Purchase of shares	1473	0.00	1134264	0.06
					09.03.2018	Sale of shares	(12592)	(0.00)	1121672	0.06
					16.03.2018	Sale of shares	(3473)	(0.00)	1118199	0.06
					23.03.2018	Purchase of shares	905	0.00	1119104	0.06
					23.03.2018	Sale of shares	(6699)	(0.00)	1112405	0.06
					30.03.2018	Purchase of shares	12505	0.00	1124910	0.06
					30.03.2018	Sale of shares	(2605)	(0.00)	1122305	0.06
					31.03.2018	Sale of shares	(340)	(0.00)	1121965	0.06
					31.03.2018	At the end of the year			1121965	0.06
11	ACUPB0712G	B Subraya Baliga	505252	0.03						
					05.05.2017	Purchase of shares	9748	0.00	515000	0.03
					12.05.2017	Purchase of shares	10000	0.00	525000	0.03
					19.05.2017	Purchase of shares	45000	0.00	570000	0.03
					26.05.2017	Purchase of shares	18000	0.00	588000	0.03
					02.06.2017	Purchase of shares	30000	0.00	618000	0.03
					09.06.2017	Purchase of shares	5000	0.00	623000	0.03
					16.06.2017	Purchase of shares	35000	0.00	658000	0.03

Sr. No.	PAN	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2017		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
					23.06.2017	Purchase of shares	26000	0.00	684000	0.03
					07.07.2017	Purchase of shares	10000	0.00	694000	0.04
					21.07.2017	Purchase of shares	16000	0.00	710000	0.04
					26.07.2017	Purchase of shares	10002	0.00	720002	0.04
					11.08.2017	Purchase of shares	20000	0.00	740002	0.04
					22.09.2017	Purchase of shares	10000	0.00	750002	0.04
					27.10.2017	Purchase of shares	200000	0.01	950002	0.05
					10.11.2017	Purchase of shares	149998	0.01	1100000	0.06
					31.03.2018	At the end of the year			1100000	0.06
12	AIAPS3756P	Fateh Singh	401200	0.02						
					08.12.2017	Purchase of shares	199000	0.01	600200	0.03
					19.01.2018	Purchase of shares	99800	0.01	700000	0.04
					26.01.2018	Purchase of shares	101000	0.01	801000	0.04
					02.03.2018	Purchase of shares	75000	0.00	876000	0.04
					09.03.2018	Purchase of shares	25000	0.00	901000	0.05
					16.03.2018	Purchase of shares	100000	0.01	1001000	0.05
					31.03.2018	At the end of the year			1001000	0.05
13	ABTPN9257E	Jincy Narendran	1100000	0.06						
					05.05.2017	Sale of shares	(350000)	(0.02)	750000	0.04
					31.03.2018	At the end of the year			750000	0.04
14	AAAPT8985B	Jayakrishna Taparia	500000	0.03						
					02.06.2017	Sale of shares	(292802)	(0.01)	207198	0.01
					09.06.2017	Sale of shares	(207198)	(0.01)	0	0.00
					31.03.2018	At the end of the year			0	0.00
15	AABPL9618G	Dilipkumar Lakhi	1260979	0.06						
					27.10.2017	Sale of shares	(1028128)	(0.05)	232851	0.01
					03.11.2017	Sale of shares	(72851)	0.00	160000	0.01
					10.11.2017	Sale of shares	(120000)	(0.01)	40000	0.00
					15.12.2017	Sale of shares	(40000)	0.00	0	0.00
					31.03.2018	At the end of the year			0	0.00

(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, 2017)		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
	Datewise 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
	Datewise 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. Govind Sankaranarayanan (Non-Executive Director)				
	At the beginning of the year	0	0.00	0	0.00
	Datewise 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
	Datewise 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. Kiran Thacker (Company Secretary)				
	At the beginning of the year	226	0.00	226	0.00
	Datewise 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	226	0.00	226	0.00
6	Mr. Kush S. Bhatnagar (Chief Financial Officer)				
	At the beginning of the year	0	0.00	0	0.00
	Datewise 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. Kishor A. Chaukar (Non-Executive Director)[@]				
	At the beginning of the year	0	0.00	0	0.00
	Datewise 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 February 9, 2017)	0	0.00	0	0.00

[@] Retired w.e.f. August 1, 2017

V. INDEBTEDNESS :

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

(Rs. in Crores)

		Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year				
(i)	Principal Amount	7,659	7,876	-	15,535
(ii)	Interest due but not paid	-	-	-	-
(iii)	Interest accrued but not due	45	72	-	117
(iv)	Interest accrued but not due-DPL	-	685	-	685
	Total (i+ii+iii)	7,704	8,633	-	16,337
	Change in Indebtedness during the financial year				
	▪ Addition	535	9,576	-	10,111
	▪ Reduction	8,130	1,797	-	9,927
	Net Change	(7,595)	7,779	-	184
	Indebtedness at the end of the financial year				
(i)	Principal Amount	109	15,186	-	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)	109	16,412	-	16,521

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

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

B. Remuneration to other directors:

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of the Directors				Total Amount
		D. T. Joseph (Independent Director)	Hiroo Mirchandani (Independent Director)	Govind Sankaranarayanan (Non-Executive Director)	Kishor A. Chaukar (Non-Executive Director) [@]	
1	Independent Directors					
	a. Fee for attending Board / Committee meetings	7,50,000	7,00,000	0	0	14,50,000
	b. Commission	0	0	0	0	0
	c. Others, please specify	0	0	0	0	0
	Total (1)	7,50,000	7,00,000	0	0	14,50,000
2	Other Non-Executive Directors					
	a. Fee for attending Board / Committee meetings	0	0	2,80,000	1,50,000	4,30,000
	b. Commission	0	0	0	0	0
	c. Others, please specify	0	0	0	0	0
	Total (2)	0	0	2,80,000	1,50,000	4,30,000
	Total (B) = (1+2)	7,50,000	7,00,000	2,80,000	1,50,000	18,80,000
	Total Managerial Remuneration					Nil
	Overall Ceiling as per the Act	Not applicable as only sitting fees paid				

@ Retired w.e.f. August 1, 2017

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)	Mr. Kiran Thacker (Company Secretary)	Total
1	Gross Salary	10,256,013	3,412,530	13,668,543
	a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	b. Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	a. as % of profit			
	b. Others, specify	0	0	0
5	Others, please specify	0	0	0
	Total	10,256,013	3,412,530	13,668,543

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

D. T. Joseph

Director

DIN: 01716572

N. Srinath

Managing Director

DIN: 00058133

Place: Mumbai

Date: August 24, 2018

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tata Teleservices (Maharashtra) Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances 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 officer, 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, 2018, 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, 2018 according to the provisions of:

- The Companies Act, 2013 ('the Act') and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- d) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (during the year under review not applicable to the Company);
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (during the year under review not applicable to the Company);
 - 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;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the year under review not applicable to the Company); and
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (during the year under review not applicable to the Company);
- f) Telecom Regulatory Authority of India Act, 1997;
- g) The Indian Telegraph Act, 1885;
- h) The Indian Wireless Telegraphy Act, 1933;

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

- Secretarial Standards issued by the Institute of Company Secretaries of India for the period from 1st April 2017 to 30th September 2017 and Revised Secretarial Standard from 1st October 2017 to 31st March 2018;
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

As per regulation 33(3)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, unaudited financials for quarter and half year ended 30th September, 2017 has not been submitted to the Stock Exchange within 45 days from the end of September 2017. Accordingly, the Company paid the penalty to both the Stock Exchanges.

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.

All decisions of the Board are carried through unanimously. As per the records provided by the Company, none of the member of the Board dissented on any resolution passed at the meeting at the Board.

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 there was following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.:-

- Pursuant to the provisions of Section 61 and Section 64 of The Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and Article 27 of the Articles of Association, the Company obtained the approval of its members for:
 - increase in the Authorized Share Capital of the Company to Rs. 850,00,000,000 (eight thousand five hundred crores only) divided into 250,00,000,000 (two hundred and fifty crore only) equity shares of Rs. 10/- (Rupees ten only) each and Rs. 60,00,00,000 (Rupees sixty crores only) preference shares. The Memorandum Of Association and Articles of Association of the Company were subsequently altered.
 - Issue of 13 crores of 1% Non Cumulative Redeemable Preference shares of Rs 100 each.

Annexure A

2. The Board of Directors of the Company at its meeting held on October 18, 2017 approved raising of additional funds upto an aggregate amount of Rs. 20,000 Crores (Rupees Twenty Thousand Crores Only) by issue of

- Redeemable Preference Shares to the Promoters on preferential basis; and/or
- Non-Convertible Debentures in one or more tranches; and/or
- Inter Corporate Deposit/Loans and/or Commercial Papers from the Promoters and/or others.

in accordance with the applicable provisions of the Companies Act, 2013 and Listing Regulations, subject to approval of the Members.

3. The Board of Directors of the Company at its meeting held on Tuesday, December 19, 2017, approved a draft scheme of arrangement between Tata Teleservices (Maharashtra) Limited ('Company' or 'Transferor Company') and Bharti Airtel Limited ('BAL' or 'Transferee Company') and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013, subject to approval of regulatory or statutory authorities as may be required.

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

**Dipti Mehta
Partner**

**FCS No. : 3667
CP No. : 3202**

**Place : Mumbai
Date : May 30, 2018**

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.

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

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. 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 and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor 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)**

**Dipti Mehta
Partner**

**FCS No. : 3667
CP No. : 3202**

**Place : Mumbai
Date : May 30, 2018**

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2017-18

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2018.

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 2017-18 ("Year"). The declaration by Managing Director in this respect appears elsewhere in the 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, 2018, 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(1) 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.

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. 7 (Seven) Meetings of the Board of Directors were held during the Year, viz.

May 12, 2017; July 31, 2017; August 8, 2017; October 12, 2017; October 18, 2017; December 19, 2017 and February 2, 2018.

The names and categories of the Directors, their attendance at Board Meetings and Annual General Meeting 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, 2018 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 Directorship(s) (including in the Company)		Committee(s) position (including in the Company)	
				Member	Chairman	Member	Chairman
Mr. D. T. Joseph	01716572	Independent, Non-Executive	-	3	-	3	2
Ms. Hiroo Mirchandani	06992518	Independent, Non-Executive	-	7	-	4	2
Mr. Govind Sankaranarayanan	01951880	Non-Independent, Non-Executive	-	2	-	1	-
Mr. N. Srinath	00058133	Executive	-	5	-	2	-
Mr. Kishor A. Chaukar (retired w.e.f. August 1, 2017)	00033830	Non-Independent, Non-Executive	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Attendance of Directors at Board Meetings and AGM

Name of the Director	Number of Board Meetings during the Year		Attendance at AGM held on July 31, 2017
	Held	Attended	
Mr. D. T. Joseph	7	6	Present
Ms. Hiroo Mirchandani	7	7	Present
Mr. Govind Sankaranarayanan	7	7	Present
Mr. N. Srinath	7	7	Present
Mr. Kishor A. Chaukar (retired w.e.f. August 1, 2017)	7	2	Present

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.tatateservices.com/Downloads/ttml/Details%20of%20Familiarization%20Programmes%20-%20upto%20FY%202017-18.pdf>

AUDIT COMMITTEE

Terms of Reference

The terms of reference of the Audit Committee as on March 31, 2018 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. 6 (Six) meetings of the Audit Committee were held during the Year, viz. May 12, 2017; July 31, 2017; August 8, 2017; October 12, 2017; December 19, 2017 and February 2, 2018. The composition of the Audit Committee as on March 31, 2018 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	6	6
Mr. D. T. Joseph	Independent, Non-Executive	6	6
Mr. Govind Sankaranarayanan	Non-Independent, Non-Executive	6	6

The necessary quorum was present at all the meetings. Chairperson of the Audit Committee was present at the Annual General Meeting held on July 31, 2017.

NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee ("NRC") as on March 31, 2018 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.

1 (One) meeting of the NRC was held during the Year, viz. May 12, 2017. The composition of the NRC as on March 31, 2018 and the details of attendance of each Member at this meeting 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	1	1
Ms. Hiroo Mirchandani	Independent, Non-Executive	1	1
Mr. Govind Sankaranarayanan (appointed as a Member w.e.f. August 1, 2017)	Non-Independent, Non-Executive	-	-
Mr. Kishor A. Chaukar (retired w.e.f. August 1, 2017)	Non-Independent, Non-Executive	1	1

The Chairman of the NRC was present at the Annual General Meeting held on July 31, 2017.

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 are 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	7,50,000
Ms. Hiroo Mirchandani	7,00,000
Mr. Govind Sankaranarayanan	2,80,000
Mr. Kishor A. Chaukar (retired w.e.f. August 1, 2017)	1,50,000

B) Managing Director

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

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, Meetings held and attendance during the Year

The composition of the SRC of the Board is in conformity with Section 178 of the Act and Regulation 20 of the Listing Regulations. During the Year, the Committee met once on March 26, 2018. 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(s) during the Year	
		Held	Attended
Mr. D. T. Joseph (Chairman)	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	3	3	0

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

Name and designation of the Compliance Officer

Mr. Kiran Thacker
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, 2018 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 March 26, 2018. The composition and the details of attendance of each Member at the meeting are given below:

Name of the Member	Category	No. of Meeting(s) during the Year	
		Held	Attended
Mr. D. T. Joseph	Independent, Non-Executive	1	1
Mr. Govind Sankaranarayanan (appointed as a Member w.e.f. August 1, 2017)	Non-Independent, Non-Executive	1	1
Mr. N. Srinath	Executive	1	1
Mr. Kishor A. Chaukar (retired w.e.f. August 1, 2017)	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 12, 2017, 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 22 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
20 th Annual General Meeting	September 22, 2015	1430 hours	"Rangaswar", 4 th Floor, Yashwantrao Chavan Pratishthan
21 st Annual General Meeting	August 26, 2016	1430 hours	Mumbai, Gen. Jagannath Rao Bhosle Marg, Nariman Point,
22 nd Annual General Meeting	July 31, 2017	1100 hours	Mumbai – 400 021

Details of Special Resolution(s) passed in the above referred AGMs are as under:

Particulars of the AGM	Section under which Special Resolution was passed	Purpose
20 th AGM held on September 22, 2015	Section 180(1)(c) and 180(1)(a)	(i) Increasing borrowing powers of the Board of Directors under Section 180(1)(c) of the Companies Act, 2013; and (ii) Increasing the powers of the Board of Directors to create security on properties/assets of the Company under Section 180(1)(a) of the Companies Act, 2013.

POSTAL BALLOT

Special Resolution(s) passed through Postal Ballot

During the Year, the Company sought approvals of Members by way of Special Resolution(s) through Postal Ballot as required pursuant to Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the "Rules") for the following Special Resolutions:

Postal Ballot Notice dated August 3, 2017

1. Increase in the Authorised Share Capital and Alteration of the Capital Clause in the Memorandum of Association of the Company.
2. Issue of 0.1% Non-cumulative Redeemable Preference Shares - Series 2 on Preferential basis.
3. Issue of Non-convertible Debentures on Private placement.
4. Availing/Acceptance of Inter Corporate Deposits / Loans.

Results of the aforesaid Postal Ballot were announced on Wednesday, September 13, 2017. Ms. Dipti A. Mehta, Partner, M/s. Mehta & Mehta, Practicing Company Secretaries, was appointed as Scrutinizer for carrying out the postal ballot process. The above said Special Resolutions were passed by the Members with the requisite majority as per the following details:

Brief Description of Resolution	Voted in favour of the resolution			Voted against the resolution		
	Number of Members voted	Number of Votes cast by them (Shares)	% of total number of valid votes cast	Number of Members voted	Number of Votes cast by them (Shares)	% of total number of valid votes cast
Increase in Authorised Capital of the Company and Alteration of Capital Clause in the Memorandum of Association of the Company	1,130	145,79,08,648	99.43	86	83,62,755	0.57
Issue of 0.1% Non-cumulative Redeemable Preference Shares – Series 2 on Preferential Basis to Tata Teleservices Limited	1,087	146,59,44,033	99.98	121	3,11,933	0.02
Issue of Non-Convertible Debentures on private placement	1,048	36,88,41,274	99.91	150	3,17,575	0.09
Availing/acceptance of Inter Corporate Deposit/Loans	1,077	36,06,88,017	97.70	130	85,00,730	2.30

Postal Ballot Notice dated October 23, 2017

1. Increasing the borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013.
2. Creation of Charge / Mortgage on the properties/assets of the Company under Section 180(1)(a) of the Companies Act, 2013.
3. Increase in the Authorised Share Capital and Alteration of the Capital Clause in the Memorandum of Association of the Company.
4. Issue of Non-cumulative Redeemable Preference Shares - Series 3 on Preferential basis.
5. Issue of Non-convertible Debentures on Private placement.
6. Availing/Acceptance of Inter Corporate Deposits / Loans.

Results of the aforesaid Postal Ballot were announced on Friday, December 1, 2017. Ms. Dipti A. Mehta, Partner, M/s. Mehta & Mehta, Practicing Company Secretaries, was appointed as Scrutinizer for carrying out the postal ballot process. The above said Special Resolutions were passed by the Members with the requisite majority as per the following details:

Brief Description of Resolution	Voted in favour of the resolution			Voted against the resolution		
	Number of Members voted	Number of Votes cast by them (Shares)	% of total number of valid votes cast	Number of Members voted	Number of Votes cast by them (Shares)	% of total number of valid votes cast
Increasing the borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013	1,002	146,47,71,138	99.9872%	95	1,87,908	0.0128%
Creation of Charge / Mortgage on the properties/assets of the Company under Section 180(1)(a) of the Companies Act, 2013	982	146,47,47,837	99.8547%	105	2,13,102	0.1453%
Increase in the Authorised Share Capital and Alteration of the Capital Clause in the Memorandum of Association of the Company	1,008	145,71,55,738	99.4682%	75	77,90,039	0.5318%
Issue of Non-cumulative Redeemable Preference Shares - Series 3 on Preferential basis	983	146,48,04,488	99.9894%	102	1,55,041	0.0106%
Issue of Non-convertible Debentures on Private placement	987	36,77,05,656	99.9622%	90	1,39,186	0.0378%
Availing/Acceptance of Inter Corporate Deposits / Loans	1,010	36,00,39,424	97.8812%	75	77,93,740	2.1188%

Special Resolution(s) proposed to be passed by way of Postal Ballot

Currently, no Special Resolution is proposed to be transacted by way of Postal Ballot.

Procedure for Postal Ballot

In compliance with Sections 108, 110 and other applicable provisions of the Act, read with Rules 20 and 22 of the Rules and Regulation 44 of the Listing Regulations, the Company provides remote electronic voting ("e-voting") facility to all its Members, to enable them to cast their votes electronically. The Company engages the services of National Securities Depository Limited for the purpose of providing e-voting facility to all its Members.

The Members have the option to vote either by Postal Ballot Form or e-voting. The Company dispatches the postal ballot notices and forms (a) through electronic means to all the Members whose e-mail IDs are registered with the Company or Depository Participant(s) and (b) in physical form, with postage prepaid self-addressed business reply envelope, to all other Members at their registered address by the permitted mode. The Company also publishes a notice in the newspaper declaring the details of completion of despatch and other requirements as mandated under the Act and applicable Rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the Scrutinizer on or before the close of voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting.

The Scrutinizer submits his/her report to the Chairman, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman / Authorized Director. The results are also displayed on the website of the Company viz., www.tatateleservices.com, besides being communicated to the Stock Exchanges ("SEs").

MEANS OF COMMUNICATION

- The quarterly, half yearly and annual results are communicated through a Press Release and 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. 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 filing 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 Third Annual General Meeting

Date	September 29, 2018
Day	Saturday
Time	1100 Hours
Venue	"Rangaswar", 4 th 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

The share transfer books and the Members' register will be closed between Wednesday, September 26, 2018 to Friday, September 28, 2018 (both days inclusive) for the purpose of the Twenty third (23rd) Annual General Meeting of the Company.

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 last Financial Year were as follows:

(Amount in Rs.)

Month	BSE		NSE	
	High	Low	High	Low
April 2017	8.30	6.86	8.25	6.85
May 2017	9.45	6.46	9.45	6.50
June 2017	7.45	5.94	7.50	5.90

July 2017	9.45	6.70	10.00	6.70
August 2017	8.15	6.23	8.20	6.25
September 2017	7.15	5.93	7.15	5.90
October 2017	8.63	3.75	8.25	3.70
November 2017	10.99	6.90	10.40	6.75
December 2017	7.60	6.35	7.60	6.25
January 2018	8.01	6.66	7.90	6.80
February 2018	7.25	6.01	7.20	6.10
March 2018	7.04	5.40	6.95	5.45

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, 2017	7.28	29,910.22	7.30	9,237.85
As on March 31, 2018	5.51	32,968.68	5.55	10,113.70
Change (%)	(24.31)	10.23	(23.97)	9.48

Registrar and Share Transfer Agents

The Company has appointed TSR Darashaw 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 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. The transferee is required to furnish the transfer deed, duly completed in all respects, together with the share certificates to TSR at the above said address in order to enable TSR to process the transfer. As regards transfers of dematerialized shares, the same can be effected through the demat accounts of the transferor/s and

transferee/s maintained with recognized Depository Participants. 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 Shareholding

The broad shareholding distribution of the Company as on March 31, 2018 with respect to categories of investors was as follows:

Category of Investors		Percentage of Shareholding	
		As on March 31, 2018	As on March 31, 2017
Promoters and Promoter Group Companies	Indian	74.36 ^{*#}	63.11 ^{*#}
	Foreign	0.00	11.76 [@]
International Investors (FIIs / NRIs / OCBs / Foreign Banks / Foreign Corporate Bodies)		0.40	1.12
Indian Financial Institutions / Banks / Mutual Funds / Insurance Companies / Central & State Government		0.09	0.05
Private Bodies Corporate / Trusts / NBFCs		3.46	2.44
Individuals		21.69	21.52
TOTAL		100.00	100.00

*Tata Teleservices Limited (Promoter Company) has pledged its shareholding equivalent to 26% of the Company's total paid-up share capital to secure the term loans/facilities availed by the Company.

it's the shareholding of Tata Sons Limited (Promoter Company) is locked-in upto September 29, 2018 on allocation of spectrum to the Company pursuant to the Section No. 3.2(x) of the Notice Inviting Applications for Auction of Spectrum No. 1000/06/2016-WF(Auction) dated August 8, 2016 issued by the Department of Telecommunications, Ministry of Communications and amendments thereto.

@ NTT DOCOMO INC. (Another Promoter Company) has transferred its entire shareholding through off-market inter-se transfer to Tata Teleservices Limited.

The broad shareholding distribution of the Company as on March 31, 2018 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	1.96	214,889	60.68
501 to 1000	2.11	60,558	17.10
1001 to 2000	2.93	42,831	12.10
2001 to 3000	1.65	13,116	3.70
3001 to 4000	0.98	5,432	1.53
4001 to 5000	0.96	4,000	1.13
5001 to 10000	2.60	7,136	2.02
10001 and above	86.82	6,148	1.74
Total	100.00	3,54,110	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, 2018, 99.85% 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 2.17(v) 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 38 of the financial statements.

Where we offer services

The Company provides its range of products and services to about 6.1 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 Related Party Transactions, as approved by the Board, is available on the Company's website under the following web link: <https://www.tatateleservices.com/Downloads/ttml/Policy-on-Determination-ofMateriality-for-Disclosures.pdf>

Disclosure on Whistle Blower Policy

The Company has adopted a Whistle Blower Policy which ensures protection and confidentiality to whistle blowers. The Chairman of

the Audit Committee is authorized to receive from whistle blowers the Protected Disclosures under this policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made by whistle blowers in accordance with the policy. No personnel of the Company have been denied access to the Audit Committee.

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.

A certificate obtained from Price Waterhouse Chartered Accountants LLP, Auditors, with respect to compliance with the requirements of Corporate Governance for the Year and the same is annexed to this Report.

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 Company had provided office facilities to the former Non-Executive Chairman of the Company.
- The Company had appointed separate persons to the post of the Chairman and the Managing Director.
- The Internal Auditors report directly to the Audit Committee.

Certification with Respect to Financial Statements

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

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

- Your Company, being a listed Company pursuant to Regulation 33 of the Listing Regulations, was required to submit the Annual Audited Financial Results to the Stock Exchanges for the quarter and year ending March 31, 2016 on or before May

30, 2016 (i.e., sixty days from the end of the financial year). Since the said financial results were under the finalization, the same could not be submitted within the prescribed time. As per the SEBI Circular No. CIR/CFD/CMD/12/2015 dated November 30, 2015 a penalty of Rs. 5000/- per day for non-compliance and if non-compliance continues for more than 15 days, additional fine of 0.1% of Paid-up capital of the Company or Rs. 1 Crore whichever is less shall be imposed by the Stock Exchanges. Accordingly, the Company had paid Rs. 1,01,30,000/- without holding of any tax to National Stock Exchange of India Limited and Rs. 1,14,46,900/- (post deducting TDS amounting to Rs. 2,02,600/-) to BSE Limited, as penalty for delayed submission of financial results.

- Your Company, being a listed Company pursuant to Regulation 33 of the Listing Regulations, was required to submit the Audited Financial Results to the Stock Exchanges for the quarter and half year ending September 30, 2017 on or before November 14, 2017 (i.e., forty five days from the end of the 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.

Auditors' Certificate

The certificate dated June 20, 2018 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, 2018, 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.

N. Srinath
Managing Director
DIN: 00058133

Mumbai
May 30, 2018

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, 2018 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 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 (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

Sharmila Karve
Partner
Membership Number: 043229

Mumbai
June 20, 2018

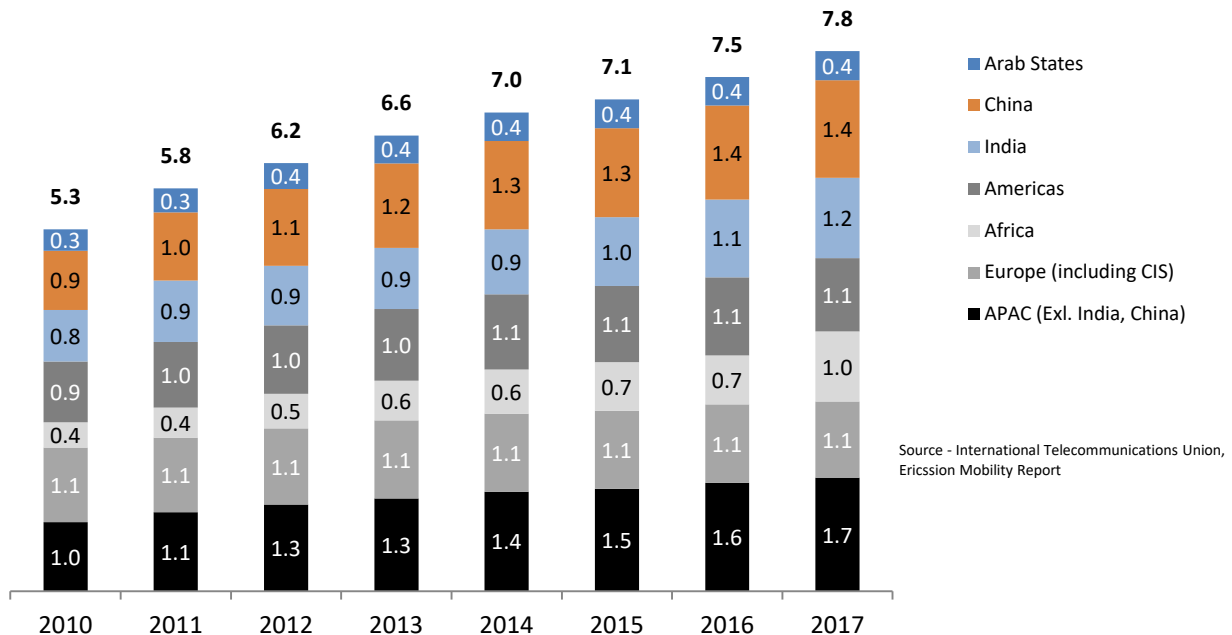
MANAGEMENTS' DISCUSSION AND ANALYSIS REPORT

TELECOM INDUSTRY DEVELOPMENTS

Global Telecom Industry

The mobile industry continues to expand, with a total of 7.8 Billion connections (excluding cellular IoT) at the end of 2017 with unique subscribers crossing 5.0 Billion. 67% of the world's population now has a mobile subscription. The global mobile connections increased by about 5% in the year 2017. Global mobile internet penetration stood at 43% at the end of 2017.

Global Connections (Billion)



While global mobile connections growth remains modest, mobile data traffic grew at an estimated 42% in 2017 to 14 exabytes per month (one exabyte is equivalent to one billion gigabytes) with Middle East, Africa and India having the highest growth. Mobile data traffic has grown about 13-fold over the past 5 year. Mobile data traffic is forecasted to grow at a CAGR of 42% from 2017 to 2023, reaching 110 exabytes per month by 2023.

Smartphones accounted for most of the growth in mobile traffic for 2017. Smartphones (including phablets) represented 59% of total mobile devices and connections, but represented 85% of total mobile traffic. The average smartphones are forecasted to generate 17 GB of traffic per month by 2023, at 34% CAGR increase over the 2017 average of 2.9 GB per month. Mobile video traffic accounted for 55% of total mobile data traffic in 2017, and is expected to rise to 75% in 2023. (Source: Ericsson Mobility Report, GSMA Mobile Economy)

The transition from 2G to 3G or 4G deployment is a global phenomenon. In 2017, 4G represented the largest share of mobile data traffic by network type. It will continue to grow and is estimated to reach 5.5 billion subscriptions by the end of 2023.

On an interesting note, more members of the global population will be using mobile phones (5.5 billion) than bank accounts (5.4 billion), running water (5.3 billion) or landlines (2.9 billion). Strong growth in mobile users, smartphones and Internet of Things ("IoT") connections as well as network speed improvements and mobile video consumption are projected to increase mobile data eight-fold over the next six years. Smartphone data traffic is expected to grow 9 times, accounting for 95% of total mobile data traffic by end of 2023.

Indian Telecom Industry

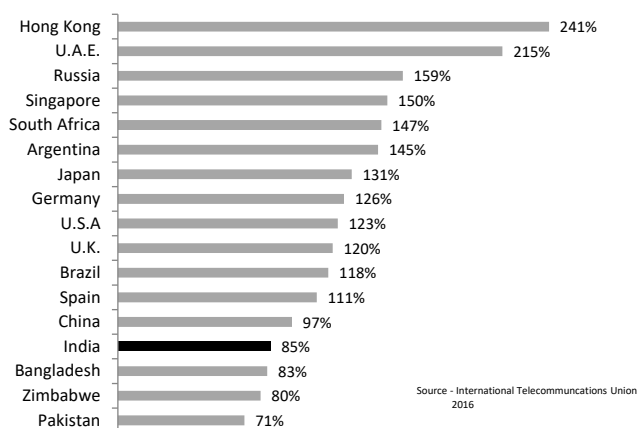
Telecom continues to be an integral part of the infrastructure of the Indian economy. With ~1.2 Billion connections and 981 Million Visitor Location Register ("VLR") subscribers, India continues to be the world's second largest telecommunications' market, next only to China. In 2017, VLR subscribers in India grew by about 2.8% which was below the global growth of connections at 5%.

Mobile services have witnessed an exponential growth, with the boom of e-commerce and mobile payments system being energized by Government's push for Digital India. This trend is

expected to continue, with Indian economy growing at substantially higher rate compared to its peers.

The teledensity in India still lags compared to other major economies of the world. While countries with similar demographic and economic profiles have achieved much higher penetration of mobile services, India has been catching up. India's teledensity of 85% for 2016 has increased significantly from 74% in 2014, compared to Brazil (118% from 139%), China (97% from 92%), Russia (159% from 155%) and Pakistan (71% from 73%), bucking the trend of de growth in some economies (Source: International Telecommunication Union).

Wireless Teledensity in Major Countries



India's teledensity is characterized by a stark difference in the rural and urban areas. As of December 31, 2017, the urban teledensity is ~158% while the rural teledensity is still at 57%. This presents a challenge for the telecom operators – while the network coverage needs to be expanded for more inclusion in rural area, the urban subscribers demand more and more bandwidth with lesser delays over existing networks.

Industry Paradigm is shifted

Post entry of a new 4G operator in FY17, the telecom sector continues to witness intense price wars. This price aggression by all the players to retain their customers and maintain their market share, primarily in form of deep discounted unlimited voice bundled data plans, has significantly affected the industry revenues and financial performance, with industry AGR (Adjusted Gross Revenue) falling by nearly 25.4% (FY18 vs FY17).

The TRAI led regulation changes including

- (i) reduction of domestic 'Interconnect Usage Charge' (IUC) from 14 paisa to 6 paisa per minute (effective October 1, 2017) and
- (ii) 'International mobile termination' settlement charges from 53 paisa to 30 paisa per minute (effective February 1, 2018),

further aggravated the financial stress for the existing industry operators.

Resultantly, at least 5 mobile operators chose to exit / consolidate and the mobile services industry is seeming to consolidate among 3 large private operators. Further key trends are emerging:

- a) multi SIM scenario changing (also reflected in lower VLR growth) and users consolidating their usage to single operator;
- b) subscribers are increasing / upgrading to higher data usage.

Immense Pricing Pressure

Rates continued to fall in FY18. The explosion in voice volumes driven by higher adoption of unlimited bundled plans has led to fall in 'rate per minute (RPM)' (including the impact of reduction in IUC rate). Similarly, the mobile data volume (2G+3G+4G) witnessed robust growth while data rate falling upto 80%, resulting in decline of overall industry ARPU.

Hefty investments needed to build robust data infrastructure

Very aggressive expansion of wireless broadband infrastructure needs heavy investments including Voice over LTE (VoLTE) system. The overall capex spend for the year by top 4 operators was Rs.890 billion, majority of which was utilised for 4G expansion. Large investment in spectrum & equipment is inevitable as Digital India mission gathers momentum and mobile internet penetration improves.

Structural changes in consumption of mobile telephony services

The introduction of deep discounted unlimited voice bundled data plans by most operators during FY18 has led to a seismic shift in the consumption of mobile services. The voice usage per subscriber has risen sharply. Similarly, broadband data usage per broadband data subscriber has seen a meteoric growth. Wireless data adoption in FY18 saw a strong surge with launch of unlimited voice & data bundled plans.

KEY REGULATORY DEVELOPMENTS / LITIGATIONS

e-KYC Based Subscriber Verification:

- DoT has issued detailed instructions on e-KYC based verification on March 23, 2017 and asked the Telecom Service Providers ("TSPs") to complete the exercise by February 6, 2018. However, the Hon'ble Supreme Court has extended the last date for re-verification exercise from February 6, 2018 to March 31, 2018. This has again been extended till further order as the case is being heard in the Apex court on validity of Aadhaar.

- The Company has started re-verification of existing subscribers from September 4, 2017.
- DoT has also allowed eKYC activations for fresh connections; re-verification for out station customers; re-verifying NRI/ Foreign Nationals/Senior Citizens/Physically challenged and customers having registered mobile number linked with their Aadhaar numbers through Interactive Voice Response System ("IVRS") and Web site using OTP send by Unique Identification Authority of India ("UIDAI"). The Company has implemented re-verification through IVRS based OTP and Web Based Process of authentication.
- As per UIDAI, in order to secure the biometrics and contain any fraudulent activities, all devices need to be upgraded to ensure device level encryption by July 31, 2017. The Company has started use of Registered Devices.
- DoT has issued guidelines on September 22, 2017 for re-verification of mobile subscribers through Aadhar based eKYC process in case of roaming subscribers and roaming outstation subscribers.
- Hon'ble Supreme Court on April 26, 2018 said while hearing the case on validity of Aadhaar that it had never ordered linking of SIMs with Aadhaar and it was misinterpretation by the DoT. Accordingly, the Company has pulled back all communications towards Aadhaar based re-verification process till further instructions from the DoT.
- DoT has issued instructions on June 12, 2018 with changes on eKYC CAF and TERM Dump and instructed TSPs to remove Aadhaar Number from CAF and Dumps.
- DoT also instructed TSPs not to capture and store Aadhaar Number or Virtual ID of subscriber in database but only store UIDAI token.
- This is done to ensure that Aadhaar Numbers are not misused and subscriber information is safe guarded.

Amendment to the UAS License/CMTS License issued prior to 2001 & Basic License Agreement(s):

In pursuance with Condition 5.1 of the UAS Agreement, DoT has amended/inserted the conditions related to Mobile Switching Centre (also known as MSC). The amendment is effective from June 23, 2017 and states that the Licensee may deploy any of its equipment anywhere in India subject to the interconnection points being located and operated in the respective service areas for inter operator, inter Service area, NLD & ILD calls and meeting the security conditions as mentioned in the license.

Cyber Swachhta Kendra:

- "Cyber Swachhta Kendra" is a Botnet Cleaning and Malware Analysis Centre ("BCMAC"), operated by the Indian Computer Emergency Response Team ("CERT-IN") as part

of the Government of India's Digital India initiative under the Ministry of Electronics and Information Technology ("MeitY"). Its goal is to create a secure cyber space by detecting botnet infections in India and to notify, enable cleaning and securing systems of end users so as to prevent further infections.

- The responsibility of notification to end user to download anti - virus from Cyber Swachhta Kendra rests with TSP. CERT IN sends the list of IPs with date and time stamp allocated to TSP/ISP and who in turn needs to identify end user and communicate the message given by CERT-IN.
- Earlier, this process was manual now it has been automated and TTML is in compliance to instructions of CERT-IN.

New Telecom Policy ("NTP"):

- DoT has started working on framing of new Telecom Policy ("NTP 2018").
- Secretary (Telecom) has held meetings with Industry bodies.
- Licensing Reforms, Ease of Doing Business, Emergence of Newer Technologies and encouraging manufacturing and R&D are the focus areas of the NTP 2018.
- Draft NTP document has been approved by Telecom Commission and final policy document is awaited.

Resignation from Association of Unified Telecom Service Providers of India ("AUSPI")

- The Company has resigned from AUSPI membership w.e.f. November 30, 2017.
- AUSPI has been closed w.e.f. December 31, 2017.

Restructure of Spectrum Deferred Payment Option from 10 Instalments to 16 Instalments:

- On the recommendations of Inter Ministerial Group ("IMG"), the Government came out with one-time scheme for TSPs to opt for increased number of instalments from 10 to maximum 16 for payment of spectrum under deferred payment option.
- The Company opted for maximum number of 16 instalments for its deferred payment option for 2015 and 2016 auction.
- For 2015 auction, first instalment was due on April 9, 2018 after a moratorium of two years.
- The Company has made payment of Rs. 442.77 Crores towards first instalment and Rs. 2,248.48 Crores as pre-payment of 10 instalments each for Mumbai and Maharashtra spectrum for 2015 auction.

Changes in Spectrum Cap:

- DoT has also announced changes in the spectrum cap holding for TSP. As per the new norms, the overall spectrum cap is revised from the current limit of 25% to 35%.
- The current intra band cap is removed and a cap of 50% on the combined spectrum holding in the sub-1 GHz band (700, 800 & 900 MHz) is applicable.

TRAI Regulations:

In the FY 2017-18, TRAI introduced Regulation/s on:

- The Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service (Fifth Amendment) Regulations, 2017, through this Amendment TRAI has introduced new Network Parameters and revised Financial Disincentives for any contravention. These were published on August 18, 2017.
- The Telecommunication Interconnection Usage Charges (Thirteenth Amendment) Regulations, 2017. Through this Amendment for Mobile to Mobile voice calls, termination charges have been reduced from 14 paisa to 6 paisa effective October 1, 2017. For all other types of calls such as wireline to wireline, wireline to mobile etc., the termination charges would continue to remain ZERO. Revised IUC charges will remain into effect till December 31, 2019. From January 1, 2020 onwards, the IUC charges for all types of domestic calls shall be ZERO. These were published on September 19, 2017.
- The Telecommunication Interconnection Regulations, 2018. As per the regulation interconnection is mandatory and should be made available within 30 days from the receipt of the application from the seeker. These were published on January 1, 2018.
- The Telecommunication Interconnection Usage Charges (Fourteenth Amendment) Regulations, 2018. Through this Regulation International Termination Charges were reduced from Rs. 0.53 to Rs. 0.30 per minute effective February 1, 2018. This was published on January 12, 2018.
- Telecommunication Mobile Number Portability Per Port Transaction Charge and Dipping Charge (Amendment) Regulations, 2018. Through this Regulation TRAI has reduced the per port transaction charges from Rs. 19/- to Rs. 4/-. These were published on January 31, 2018.
- Telecommunication Tariff (Sixty Third Amendment) Order, 2018. Amendments deal with reporting requirements, guiding principles for checking transparency in tariff offers, definition of non-discrimination, adherence to the principle of non-predatory pricing, definition of predatory pricing, relevant market, assessment of significant market power ("SMP") and other related provisions. These were published on February 16, 2018.

- The Standards of Quality of Service of Basic Telephone Service (Wireline) and Cellular Mobile Telephone Service (Sixth Amendment) Regulations, 2018. These regulations would come into force on October 1, 2018. In this regulation, two additional parameters namely, QoS Downlink PDCP SDUs Drop Rate (DL-PDR) and Uplink PDCP SDUs Drop Rate (UL-PDR). These parameters are to be reported as part of QoS Periodic Monthly Report from the quarter starting from October 1, 2018. These were published on July 31, 2018.

TRAI Directions:

In the FY 2017-18, apart from directions in relation to specific service providers, TRAI provided directions and/or amendments, thereto covering:

- Direction to service providers regarding unsolicited bulk SMSs relating to investment in securities market through TRAI has issued guidelines for sending SMSs regarding investment advice. These were published on August 10, 2017.
- Direction to all Access Service Providers regarding online filing of tariff offers. Through this direction, the Authority hereby directs all the Access Service Providers to report to the Authority with effect from the June 30, 2018, through XML API web-service, all the tariffs offered to the consumers, in addition to the existing Tariff Reporting requirements. These were published on May 23, 2018.

TRAI Recommendations:

In the FY 2017-18, TRAI made the recommendations on the following topics, namely:

- Adoption of e-KYC Service UIDAI for Fixed-line, Internet and Broadband Connections. Through this TRAI recommended laying down appropriate format for verification/re-verification of all subscribers availing Internet and Broadband Subscribers. Similar to mobile connections. These were published on May 16, 2017.
- Recommendations on 'Issues related to Closure of Access Services'. These were published on July 31, 2017.
- Recommendations on Cloud Services. These were published by TRAI on August 16, 2017.
- Recommendations on "Spectrum, Roaming and QoS related requirements in Machine-to-Machine ("M2M") Communications. These were published on September 5, 2017.
- Recommendations on 'Introduction of UL (VNO) for Access Service authorization for category B license with districts of a State as a service area'. These were published on September 8, 2017.
- Recommendations on Approach towards Sustainable Telecommunications. These were published by TRAI on October 23, 2017.

- Recommendations on Regulatory framework for Internet Telephony. These were published by TRAI on October 24, 2017.
- Recommendations on Net Neutrality. These were published by TRAI on November 28, 2017.
- Recommendations on "Ease of Doing Telecom Business. These were published by TRAI on November 30, 2017.
- Recommendations on "Network Testing Before Launch of Commercial Services. These were published by TRAI on December 4, 2017.
- Recommendations on In-Flight Connectivity (IFC). These were published by TRAI on January 19, 2018.
- Recommendations on "Next Generation Public Protection and Disaster Relief (PPDR) communication networks". These were published by TRAI on June 4, 2018.
- Recommendations on Making ICT accessible for Persons with Disabilities. These were published by TRAI on July 9, 2018.
- Recommendations on Privacy, Security and Ownership of the Data in the Telecom Sector. These were published by TRAI on July 16, 2018.
- Authority's response to DoT's Back Reference on TRAI Recommendations dated October 24, 2017 on Regulatory Framework for Internet Telephony. These were published by TRAI on July 16, 2018.
- TRAI's Response to DoT reference back on Recommendations on Ease of Doing Telecom Business dated November 30 2017. These were published by TRAI on July 20, 2018.
- Recommendations on Method of allocation of spectrum for Public Mobile Radio Trunking Service (PMRTS) including auction, as a transparent mechanism. These were published by TRAI on July 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. 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. The matter is pending and has been adjourned sine-die.

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 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. Since, 3G ICR is the core issue, the Supreme Court judgment will impact the ICR under UASL and as well as unified license.

Adjusted Gross Revenue ("AGR") Definition:

The DoT issued various demand notices to TTML towards shortfall in license fees for FYs 1999-2000 to 2005-2006 for Rs. 4.70 Crores contesting that the components of the AGR (for e.g., gains from foreign exchange fluctuation, insurance claims in respect of capital assets-insurance claims) 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"). The details of the AGR components which have been challenged in the Supreme Court are detailed in Annexure 1 to Schedule C. The DoT has issued AGR demand for license fees for the FY 2006-11 for Rs. 1,446.87 Crores. Please refer to Part B for details of the notices. In case, the Supreme Court judgment goes against the Company, the Company will have to pay as per the revised demand of DoT.

One Time Spectrum Charges ("OTSC"):

- 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 OTSC in respect of spectrum retained in Mumbai. The Company has paid 4 installments out of 4 amounting to Rs. 120 Crores.

The surrender of the excess spectrum and the payment of OTSC by the Company is without prejudice to rights of the Company.

- 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:

- 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.
- So far, TTML has received 16 show cause notices for Rs. 202.1 Crores and 11 demand notes for Rs. 201.8 Crores. Please refer to Part C for details of the notices. The total demands challenged under Petition No. 271 of 2013 were for Rs. 199 Crores, basis delay in submission of self-certificates and compliance certificates, which have been set aside by TDSAT. The DoT has not filed the appeal against the order.
- Other joint petitions (total of 4) in TDSAT challenging the issue of (i) penalty for missing/improper/absent signages on the cell sites (Petition No. 223 of 2014); (ii) against testing fee (Petition No. 500 of 2014); (iii) penalty for sharing operators to submit fresh self-certificate on up-gradation (Petition No. 199 of 2015); and (iv) penalty to all sharing operators due to non-compliance on EMF exposure (Petition No. 133 of 2015) are pending adjudication. TDSAT has directed DoT not to take any coercive measures for enforcement of the impugned demand notices/invoke of bank guarantee in the above four 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 Adjusted Gross Revenue ("AGR") re-assessment, 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 other operator.

Mumbai Circle TERM Penalty:

- 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 HC first.
- TTML received additional demand note(s) amounting to Rs. 30.74 Crores from Mumbai and Maharashtra Circle TERM Cell. Please refer to Part D for details of the notices. 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 Crore 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:

- 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 August 16, 2018.
- 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.

APTEL issue

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 APTEL 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 agreed to this and some have already issued such undertaking.

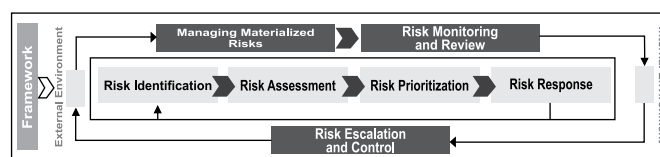
RISKS AND CONCERNS

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 a number of 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

FY17-18 witnessed intense pricing competition which led to lower tariffs and margins. This has resulted in significant pressure on the financial position of the operators thereby leading to difficulty in sustenance of operations. This has led to consolidation among the various operators in the industry.

Given this background, during the FY 2017-18 TTML decided to exit from the business. In October 2017, the Company decided to transfer the Consumer Business by way of demerger into Bharti Airtel Ltd. as per the terms and conditions of the transaction and subject to necessary approvals.

Further, the Company has been exploring various options pertaining to the Enterprise and Retail Wireline business units.

Further, a roadmap has been defined to sustain operations until the completion of the transactions. 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 other operators for local and national roaming for wireless services, thereby enhancing customer experience. Further, additional investments have been planned to improve quality of wireline networks.

2. Regulatory Risks

Telecom industry continues to face plethora of changes from Regulatory point of view. 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.

During the FY 2017-18, the Company continued to tackle litigation issues in various courts 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. have led to litigation 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.

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 these products 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.

Given that the Company decided to transfer the consumer mobile wireless business, the requirement of wireless customers have been addressed by way of arrangements with other operators in the form of Intra circle and national roaming to ensure parity with the competition in GSM and 3G technology offerings.

Further, plans are in place to re-architect the network to make it suitable for Enterprise Grade services as well as grow the network to meet the projected AOP of Enterprise business.

4. Financing Risks

The Company has been severely constrained in its ability to meet its capital expenditure and/or for repayment of debt. The Company has experienced difficulties in its borrowing programs in the past and with the current exercise to sell / merge / demerge consumer & enterprise 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 in order to effectively manage funds and address working capital requirements, the long term loan repayments have been harmonized to align with the projected cash flows by way of infusion of funds by shareholders and through short-term borrowings. 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. In order 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

With the exit of NTT Docomo, the Company needs to exit from Tata Docomo brand. As a part of the brand transition exercise, from Tata Docomo to an alternate brand, the Company has decided to retain the Tata Docomo brand for its Consumer business until the completion of transaction. For Enterprise business, transition to the new brand "Tata Tele Business Services" has been completed. For Retail Wireline business, the transition to new brand "Tata Tele Broadband" has been completed.

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 edge to the telecom companies to offer various products and solutions.

The advanced spectrum offering in terms of 3G & 4G bandwidths has enabled seamless communication which 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 the electronic appliances and the automobile markets.

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 the key growth enabler in the near future.

Threats

An unstable regulatory and economic environment could 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.

Disruptive product and pricing strategies by operators with deep pockets 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, including Statutory & IMS as well as Financial Controls checks were completed successfully, without any observation / NC. Engaging people at workplace remained a priority for HR in Q4.

The Company had a total of 646 employees on its rolls as on March 31, 2018.

QUALITY AND PROCESSES

TTL adopted eTOM framework as a benchmark to improve the maturity of our existing processes. This exercise was spread across three phases and included process universe identification, process documentation & process deployment. A comprehensive process template was developed to capture all pertinent details of a process with focus on enhancing operational efficiency. Process review mechanism is built into the template and the repository is standardized and made accessible across the Company.

The Company closed over 19 projects using the FITT (Framework for Improvement in Tata Teleservices) framework, a tool set developed in-house. Simplification of enterprise business processes for quantum improvement in business metrics was one of the key focus areas. Benchmarking and adoption of best practices, from within and outside the industry have been institutionalized as part of FITT framework.

This year external benchmarking approach was fine tuned in order to make it more structured and to ensure reduced timelines for completion of the study. The approach was applied to a business pain area where the processes to be benchmarked were finalized, target companies for benchmarking were identified within and outside the industry, questionnaire was developed and best practices for adoption were identified in the areas of people, process, and technology for process owners to take action quickly. This year Excellence Webinars @TTL series were introduced, with an objective to make quality tools easily accessible across all levels and locations. The journey on Certification based Competency program on Business Excellence ("BE") continued this year also. The BE competency framework covers all bands of employees from an Executive to Sr. Vice Presidents, with programs defined for each band. The objective is to build an empowered workforce, with the right competencies, tools and techniques to continuously improve their work and business processes in a structured manner. BE competency programs will ensure a positive impact on critical KPIs relating to customer, profitability or growth and also make structured improvement and process management a way of working, thereby bringing the ability to understand, design and manage the interconnected 'systems perspective' in the middle and senior leadership roles. Operational excellence programs for Junior and middle management are 'QUICK' certification and 'QUICK PLUS' certification; Business excellence programs for Senior management relating to TBEM (Tata Business Excellence Model) form a part of the Competency program.

The Company was adjudged one of the Finalists along with Reliance Jio, Indus Towers, Primal health Care and Max Life Insurance in Quality Fables Competition organized by Qimpro in November 2017 under "Adaption to Technology" theme.

KEY FINANCIAL INFORMATION & OPERATIONAL PERFORMANCE

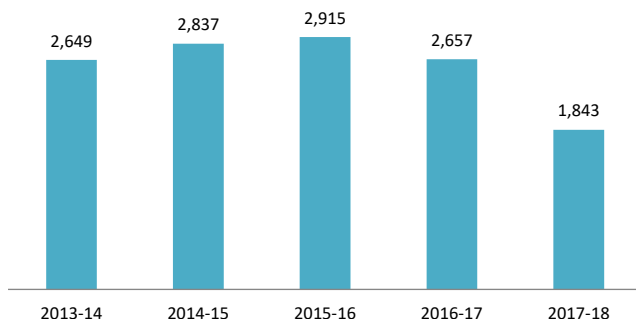
Revenue from Telecommunications service

As on March 31, 2018, the Company had a total wireless subscriber base of 6.1 Million as compared to previous year level

of 7.9 Million. There was a reduction in subscriber base of CDMA technology by about 48% while the subscriber base for GSM reported 29% decline.

Subscriber churn coupled with reduced tariffs, as a measure to face the competition, the operating revenue reported a fall of 31% during the year. Service revenue for the year ended March 31, 2018 decreased to Rs. 1,843 Crores as against Rs. 2,657 Crores in the previous year. This had an adverse impact on the Company's financials as well.

Telecommunication Service Revenue (Rs Crore)



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 FY18. 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.

The Company's wireline operations contributed ~52% of revenue (up from ~36% in FY17), with its robust infrastructure and access fiber to serve the connectivity needs of all businesses acting as hedge against hyper competition in wireless. TTML's wide range of wireline data products acts as 'One Stop Shop' for ICT needs of customers and caters to the connectivity needs of all businesses. Many of TTML's products are industry firsts and have received awards and accolades for innovation besides coverage, services etc. from leading industry forums.

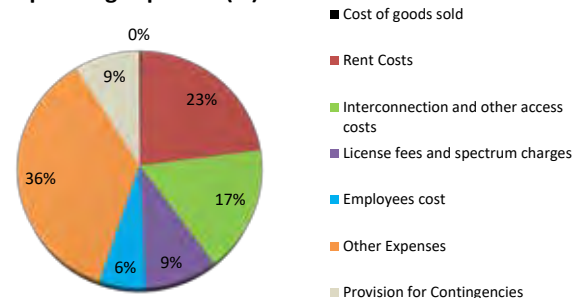
Other Income

Other income during the year stood at Rs. 61 Crores (previous year Rs. 31 Crores) which included income from rendering of services to the tune of Rs. 25 Crores (previous year Rs. 45 Crores).

Operating Expenses

Operating expenses including provision for contingencies for the year were recorded at Rs. 1,734 Crores as against Rs. 2,049 Crores in the previous year. The major components of the total operating expenses are as follows –

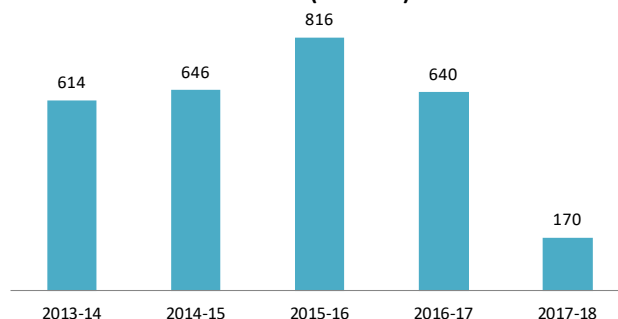
Operating expenses (%)



Earnings Before Interest, Tax, Depreciation and Amortization ("EBITDA")

The focus during the last few years for the Company has been on optimizing its operations and increasing the asset utilizations. 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. Consequently, the Company's EBITDA reported a decline of 73.4% and reduced to Rs. 170 Crores as against Rs. 640 Crores in the previous year. Industry peers too are witnessing similar trends.

EBITDA (Rs Crore)



Net Loss

The declining revenues continue to impact the profitability of the Company. The Company's loss before exceptional items was Rs. 1,900 Crores as compared to last year level of Rs. 1,398 Crores. The Company reported a net loss of Rs. 9,842 Crores during the year after taking a provision of Rs. 7,942 Crores towards impairment loss on CMB assets and restructuring costs.

Balance Sheet

The Shareholders' Funds was Rs. 15,159 Crores (Negative) as at March 31, 2018 against Rs. 5,909 Crores (Negative) as at March 31, 2017.

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. 14,599 (excluding liability component of RPS) Crores as compared to Rs. 14,606 Crores in the previous year.

The Net Block (including tangible as well as intangible assets) as at March 31, 2018 decreased to Rs. 847 Crores as compared to Rs. 7,460 Crores in the previous year primarily from impairment registered for spectrum. The Company has assets under development and Capital Work in Progress of Rs. 27 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.

The demerger of the consumer business by the Company to Bharti Airtel Limited has been approved by the Competition Commission of India. Further, the Board of TTML approved the Scheme of demerger of consumer mobility business into Bharti Airtel Limited on December 19, 2017 and subsequently the Scheme of demerger was filed with the Stock Exchanges i.e., BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). BSE and NSE vide their respective observation letters conveyed their no adverse observations/no objection to the Scheme. Thereafter, the Scheme of demerger has been filed with the National Company Law Tribunal and is in the process of obtaining various approvals including creditors, shareholders, Department of Telecommunications, etc.

The aforementioned demerger of the consumer mobile business of the Company is subject to the risks and concerns related to timely closure of the transaction. The current regulatory and legal regime for such demergers mandates prior approval from various regulatory authorities and stakeholders. Timely receipt of these approvals is essential to completing the transfer of its consumer mobile business to Bharti Airtel Limited.

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. With changing technology and increasing competition, sustaining the growth without substantial incremental investments may be challenging.

The Company is also exploring various options that are available to it pertaining to its enterprise, retail wireline and broadband business.

The expectations and risks stated in this report are in the opinion of the management and may not necessarily fructify.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TATA TELESERVICES (MAHARASHTRA) LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying financial statements of **Tata Teleservices (Maharashtra) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of loss and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 12, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian 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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to the Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements – Refer Note 32;
- ii. The Company has made provision as at March 31, 2018, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 17 and 22;
- 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, 2018;
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016
Chartered Accountants

Sharmila A. Karve
Partner
Membership No. 043229

Place: Mumbai
Date: May 30, 2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(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, 2018

preparation of reliable financial information, as required under the Act.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

- We have audited the internal financial controls over financial reporting of Tata Teleservices (Maharashtra) Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

- The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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

Auditors' Responsibility

- Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.
- Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures

selected depend on the auditor's 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 over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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

Sharmila A. Karve
Partner

Place: Mumbai
Date: May 30, 2018

Membership No. 043229

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Tata Teleservices (Maharashtra) Limited on the Ind AS financial statements for the year ended March 31, 2018

- 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 statement, 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 with effect from July 1, 2017 and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute. The particulars of dues of income tax and service tax, as at March 31, 2018 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
The Income-tax Act, 1961	Income tax including interest and penalty, as applicable	6.68	2011-12	Commissioner of Income Tax (Appeal)
Service Tax under Finance Act, 1994	Service tax demand including interest and penalty, as applicable	225.43	2007-08 to 2013-14	CESTAT-Mumbai
		1.28	2008-09 to 2011-12	Commissioner of Service Tax (Appeals)-II Mumbai
		8.50	2008-09 to 2011-12	Commissioner Service Tax, Mumbai
		40.42	2011-12 to 2014-15	Commissioner Service Tax, Mumbai-II
		2.58	2004-05 to 2009-10	High Court
		0.16	2007-08 to 2008-09	Joint commissioner of Sales tax (appeals), Navi Mumbai

#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. 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 the directors. 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

Sharmila A. Karve

Partner

Membership No. 043229

Place: Mumbai

Date: May 30, 2018

BALANCE SHEET AS AT MARCH 31, 2018

	Note No.	As at March 31, 2018	As at March 31, 2017 (refer note 40)	Rs. in crores As at April 1, 2016 (refer note 40)
Assets				
Non-current assets				
Property, plant and equipment	3	793.66	1,592.45	1,941.83
Capital work-in-progress		26.59	26.87	47.59
Intangible assets	3	53.27	5,867.50	1,421.32
Intangible assets under development		-	-	2,198.23
Right to spectrum, earmarked pending allotment		-	2,476.66	2,000.47
Loans and other financial assets	4	21.05	28.93	51.60
Income tax assets		-	-	113.81
Other non-current assets	5	601.00	661.18	639.70
Total non-current assets		1,495.57	10,653.59	8,414.55
Current assets				
Inventories	6	0.13	2.04	4.68
Financial assets				
Investments	7	377.79	679.62	592.08
Trade receivables	8	157.88	226.91	289.07
Cash and cash equivalents	9	39.16	37.03	66.99
Loans and other financial assets	10	16.15	14.50	10.80
Income tax assets	11	53.06	93.86	-
Other current assets	12	159.27	198.38	81.90
		803.44	1,252.34	1,045.52
Assets classified as held for sale	13	1,081.15	-	-
Total current assets		1,884.59	1,252.34	1,045.52
Total Assets		3,380.16	11,905.93	9,460.07
Equity and liabilities				
Equity				
Equity Share capital	14	1,954.93	1,954.93	1,954.93
Other equity	15	(17,114.08)	(7,863.77)	(5,941.12)
Total Equity		(15,159.15)	(5,908.84)	(3,986.19)
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	7,862.21	10,662.42	7,526.17
Long term provisions	17	124.21	1.58	0.89
Total non-current liabilities		7,986.42	10,664.00	7,527.06
Current liabilities				
Financial liabilities				
Borrowings	18	5,306.44	4,305.36	3,414.11
Trade payables	19	482.19	521.25	525.72
Other financial liabilities	20	2,462.20	1,531.75	1,286.24
Other current liabilities	21	88.29	109.13	95.90
Short term provisions	22	890.92	683.29	597.23
		9,230.04	7,150.77	5,919.20
"Liabilities directly associated with assets classified as held for sale"	23	1,322.85	-	-
Total current liabilities		10,552.89	7,150.77	5,919.20
Total liabilities		18,539.31	17,814.77	13,446.26
Total Equity and liabilities		3,380.16	11,905.93	9,460.07

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

Sharmila A. Karve

Partner

Membership Number: 043229

For and on behalf of the Board of Directors**Hiroo Mirchandani**

(Director)

(DIN No. 06992518)

D. T. Joseph

(Director)

(DIN No. 01716572)

N. Srinath

(Managing Director)

(DIN No. 00058133)

Kush S. Bhatnagar

(Chief Financial Officer)

Place : Mumbai

Date : May 30, 2018

Kiran Thacker

(Company Secretary)

Place : Mumbai

Date : May 30, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

	Note No.	Year ended March 31, 2018	Rs. in crores Year ended March 31, 2017
Income			
Revenue from operations	24	1,868.51	2,702.91
Other income	25	35.49	(14.41)
Total Income		1,904.00	2,688.50
Expenses			
Cost of goods sold	26	2.31	8.27
Employee benefits expenses	27	103.00	125.90
Provision for contingencies		155.82	32.81
Other expenses	28	1,472.45	1,881.75
		1,733.58	2,048.73
Earning before Interest, Depreciation, Amortization and tax		170.42	639.77
Depreciation and amortisation expenses	3	532.91	795.82
Finance cost	29	1,568.97	1,282.27
Finance income	30	(9.61)	(18.74)
Profit on sale of current investments		(21.53)	(21.93)
Total expenses		3,804.32	4,086.15
Loss before exceptional items and tax		(1,900.32)	(1,397.65)
Exceptional items	31	7,941.67	958.82
Loss before tax		(9,841.99)	(2,356.47)
Current tax		-	-
Deferred tax		-	-
Tax expense		-	-
Loss after tax		(9,841.99)	(2,356.47)
Other Comprehensive Income			
Items that may be reclassified to profit and loss			
Effective portion of gains on designated portion of hedging instruments in cash flow hedge/ (loss) transferred to P&L on termination of hedged relationship		(67.80)	67.79
Items that will not be reclassified to profit and loss			
Remeasurements of defined benefit plans		1.12	(0.39)
Total other comprehensive income / (loss)		(66.68)	67.40
Total comprehensive income / (loss) for the year		(9,908.67)	(2,289.07)
Earnings per equity share (Face value of Rs. 10 each) (refer note 45)			
Basic (In Rs.)		(50.34)	(12.05)
Diluted (In Rs.)		(50.34)	(12.05)

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

Sharmila A. Karve

Partner

Membership Number: 043229

Place : Mumbai

Date : May 30, 2018

For and on behalf of the Board of Directors

Hiroo Mirchandani

(Director)

(DIN No. 06992518)

D. T. Joseph

(Director)

(DIN No. 01716572)

N. Srinath

(Managing Director)

(DIN No. 00058133)

Kush S. Bhatnagar

(Chief Financial Officer)

Place : Mumbai

Date : May 30, 2018

Kiran Thacker

(Company Secretary)

STATEMENT OF CHANGE IN EQUITY

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 Cash flow hedge reserves	
			Securities premium	Retained earnings		
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)
Other comprehensive income/(loss)						-
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 investing company	-	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)	(0.00)	(15,159.15)

FOR THE YEAR ENDED MARCH 31, 2017

Rs. in crores

	Equity Share Capital	Other Equity				Total
		Equity component of compound financial instruments	Reserves & Surplus		Other Reserves Cash flow hedge reserves	
			Securities premium	Retained earnings		
Balance as on April 1, 2016	1,954.93	-	525.43	(6,466.55)	-	(3,986.19)
Loss for the year	-	-	-	(2,356.47)	-	(2,356.47)
Other comprehensive income/(loss)	-	-	-	-	-	-
Gains/ (loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges	-	-	-	-	67.90	67.90
Gains/ (loss) arising on changes in fair value of designated portion of hedging instruments reclassified to profit or loss	-	-	-	-	(0.11)	(0.11)
Issue of 0.1% redeemable preference shares to Investing Company	-	366.42	-	-	-	366.42
Remeasurements of defined benefit plans	-	-	-	(0.39)	-	(0.39)
Balance as on March 31, 2017	1,954.93	366.42	525.43	(8,823.41)	67.79	(5,908.84)

See accompanying notes forming part of the financial statements

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration Number - 012754N/N500016

Sharmila A. Karve

Partner

Membership Number: 043229

Hiroo Mirchandani

(Director)

(DIN No. 06992518)

D. T. Joseph

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N. Srinath

(Managing Director)

(DIN No. 00058133)

Kush S. Bhatnagar

(Chief Financial Officer)

Place : Mumbai

Date : May 30, 2018

Kiran Thacker

(Company Secretary)

Place : Mumbai

Date : May 30, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	Year ended March 31, 2018	Rs in crores Year ended March 31, 2017
A Cash flows from operating activities		
Loss before tax	(9841.99)	(2356.47)
Adjustments for :		
Depreciation and amortisation expense	532.91	795.82
Impairment of Property, plant and equipment, Intangible assets and CWIP	7,677.37	905.41
Restructuring cost	264.30	-
(Gain) / Loss on sale of property, plant and equipment	(0.53)	2.88
(Gain) / Loss on financial assets mandatorily measured at FVTPL	(0.08)	8.28
Net (Gain) / loss on sale of investments	(21.53)	(21.93)
Interest income on security deposits at amortised cost	(2.81)	(3.04)
Hedge ineffectiveness on cash flow hedges	(69.41)	(4.86)
(Gain) / Loss on derivatives not designated in hedge accounting relationship	71.74	66.58
Liabilities no longer required written back	(3.11)	(54.70)
Impairment loss on financial assets	36.44	31.37
Provision for contingencies	155.82	86.22
Finance cost	1,568.97	1282.27
	368.09	737.83
Movements in working capital:		
Decrease in Inventories	1.91	2.64
(Increase) / decrease in Trade receivables	(12.14)	45.95
(Increase) / decrease in Other assets	17.86	(136.26)
Increase in Trade payables	224.83	49.84
Increase / (decrease) in Other liabilities	(27.97)	9.39
Increase / (decrease) in provisions	(0.35)	0.56
Cash generated from operations	572.23	709.95
Net income tax refund	40.80	19.95
Cash generated from operating activities	613.03	729.90
B Cash flow from investing activities		
Payments for property, plant and equipment (including capital advances)	(78.25)	(897.48)
Payments for intangible assets under development and right to spectrum earmarked pending allotment	-	(1,241.42)
Proceeds from disposal of property, plant and equipment	0.83	7.64
Payments to acquire current investments	(5,576.24)	(8,418.44)
Proceeds from disposal of current investments	5,902.79	8,351.88
Cash generated from / (used) for investing activities	249.13	(2197.82)

	Year ended March 31, 2018	Rs in crores Year ended March 31, 2017
C Cash flow from financing activities		
Proceeds from issue of redeemable preference shares	-	2,015.98
Proceeds from Intercompany Deposits received	3,700.00	-
Proceeds from long term borrowings	-	1,280.75
Repayment of long term borrowings	(6,646.37)	(994.16)
Proceeds from short term borrowings	6,055.37	2,725.70
Repayment of short term borrowings	(2,618.32)	(3,175.62)
Finance cost paid	(1,007.10)	(811.61)
Cash (used) for / generated from financing activities	(516.42)	1,041.04
Net increase/(decrease) in cash or cash equivalents (A+B+C)	345.74	(426.89)
Cash and cash equivalents at the beginning of the year	(361.65)	65.23
Cash and cash equivalents at the end of the year	(15.91)	(361.65)
	345.74	(426.89)

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

For and on behalf of the Board of Directors

Sharmila A. Karve
Partner
Membership Number: 043229

Hiroo Mirchandani
(Director)
(DIN No. 06992518)

D. T. Joseph
(Director)
(DIN No. 01716572)

N. Srinath
(Managing Director)
(DIN No. 00058133)

Kush S. Bhatnagar
(Chief Financial Officer)

Kiran Thacker
(Company Secretary)

Place : Mumbai
Date : May 30, 2018

Place : Mumbai
Date : May 30, 2018

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 two Unified Licenses, one for Mumbai Service Area and another for Maharashtra and Goa and provides telecommunication services. The Company also holds 3G spectrum in Maharashtra and Goa circle (excluding Mumbai). The Company has obtained 2 blocks of 1.25 MHz each of 800 MHz in Mumbai and Maharashtra circle. The Company has acquired 5 MHz spectrum in 1800 MHz band in both Mumbai and Maharashtra circles during the auction held in October, 2016.

1.2 Demerger of Consumer Mobile Business

The Company has been in talks with a major Mobile operator to restructure its Consumer Mobile Business (CMB), which represents a significant line of business of the Company, either by way of a sale or other arrangements. In contemplation, the parties have, after approval from their respective Board of Directors, entered into a term sheet setting out broad understanding and guidelines. In furtherance of this understanding, the Company has filed a Scheme of arrangement under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the 'Scheme'), with the National Company Law Tribunal (NCLT), Mumbai bench on April 10, 2018 after taking approval from the concerned stock exchanges, proposing a demerger of its CMB to the transferee.

Pending the required approvals, no impact of the proposed Scheme 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, in line with the broad understanding and guidelines as set out in the term sheet entered into with the transferee, and recorded it at lower of its carrying amount as at March 31, 2018 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, 2018, have exceeded its paid-up capital and reserves. The Company has incurred net loss during the year ended March 31, 2018 and the Company's current liabilities exceeded its current assets as at that date. The Company is in discussion for monetization of certain assets, proceeds of which will be used to meet its financial obligations as and

when they fall due. 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 in Company that may arise to meet its financial obligations and timely repayment of debt during the period of 12 months from the balance sheet date.

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 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

Notes forming part of the financial statements

the next financial year, are described below. Actual results could differ from these estimates.

i. Impairment 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. The Company has recorded impairment loss in the value of assets relating to consumer mobile business based on fair value less cost of disposal. Also, Judgement is involved in determining the CGU and impairment testing. The value is dependent on Enterprise-Value-To-Revenue Multiple of listed comparable companies and available transactions, based on business of Company and thereafter adjusted the selected multiples based on size, growth, profitability and the circle in which Company operates.

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.

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 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 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.

2.3 Revenue

Revenue from telecommunication services is recognised as the service is performed on the basis of actual usage of the Company's network in accordance with contractual obligations and is recorded net of service tax and GST. The amount charged to subscribers for specialised features which entitle them to access the network of the Company and where all other services and products are paid for separately, are recognised as and when such features are activated.

Notes forming part of the financial statements

Unbilled revenues resulting from Unified License services provided from the last billing cycle date to the end of each period are estimated and recorded. Revenues from Unified License services rendered through prepaid cards are recognized based on usage by the customers during the year/period and over the validity period in case of upfront collection.

Income from rendering other operating services are recognised as the services performed.

Revenue is recognised when it is earned and it is probable that economic benefit will flow to the Company.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is recorded using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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 determined. 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.

As per provisions of Ind AS 101, the company has opted to continue the policy followed under Indian GAAP for exchange differences arising from translation of long-term

foreign currency monetary items recognized in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP i.e. March 31, 2016. Accordingly, foreign exchange differences arising on translation / settlement of long-term foreign currency monetary items, in so far as they relate to the acquisition of property, plant & equipment and intangible assets, are added or deducted from the cost of the asset and depreciated over the balance life of the asset.

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

Notes forming part of the financial statements

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. 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

Notes forming part of the financial statements

- Generators	6
- Electrical Equipments	4-6
Building	60
Office Premises	60
Office Equipments	3
Furniture and Fittings	3
Vehicles	5

2.9 Intangible assets

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

License entry fee and Spectrum fees

The License entry fee/spectrum fees 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. Spectrum fees also include exchange differences arising on reporting of the long term foreign currency monetary items (refer note 2.4). 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.

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.

With respect to capitalization of exchange differences arising on reporting/settlement of the long term foreign currency monetary items, refer note 2.4.

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

At the end of each reporting period, tangible and intangible assets which are subject to depreciation or amortization are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, an impairment loss is recognised in profit or loss by reducing the carrying amount of the asset (or cash-generating unit) to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

2.11 Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset, including interest attributable to the funding of license fees/spectrum fees are

Notes forming part of the financial statements

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 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

Notes forming part of the financial statements

restoration and decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.15 Employee benefits

2.15.1 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

Notes forming part of the financial statements

fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

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

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

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

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the

basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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:

Notes forming part of the financial statements

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all 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

Notes forming part of the financial statements

entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

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 arrangement 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 characteristics 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.

Notes forming part of the financial statements

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the 'Other income' line item.

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 recognised 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.

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

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

Notes forming part of the financial statements

and amortization expense, 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 and discontinued operation

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 probable. 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.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

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 March 31, 2018
	As at April 01, 2017	Additions	Deletions	Effect of foreign currency exchange differences	Other Adjustments (assets held for sale) (refer note 1.2)	As at March 31, 2018	For the year	Impairment loss recognised in statement of profit and loss [refer note 33(i)]	Deletions	Other Adjustments (assets held for sale) (refer note 1.2)	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
Buildings	17.10	-	-	-	-	17.10	2.94	0.28	-	-	3.22
Plant and Machinery	5,236.76	77.42	14.74	-	(1,871.31)	3,428.13	3,663.17	306.05	510.91	1,812.67	2,652.91
Furniture, Fixtures and Office Equipment	121.38	0.04	9.15	-	-	112.27	121.35	0.07	-	-	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	23.70	1,812.67	2,771.07
The amount of compensation from insurance companies for items of property, plant and equipment that were destroyed, lost or given up is Nil for the year ended March 31, 2018 (previous year Rs. 0.47 crore).											

(ii) Intangible assets (other than internally generated)

Rs. in crores

PARTICULARS	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK As at March 31, 2018
	As at April 01, 2017	Additions	Deletions	Effect of foreign currency exchange differences	Other Adjustments (assets held for sale) (refer note 1.2)	As at March 31, 2018	For the year	Impairment loss recognised in statement of profit and loss [refer note 33(i)]	Deletions	Other Adjustments (assets held for sale) (refer note 1.2)	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
Computer Software	40.86	-	-	-	-	40.86	40.63	0.09	-	-	40.72
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. 2476.66 crores

1. Refer to note 16 and 18 for information on Property, plant and equipment and intangible assets pledged as security by the Company.
2. Refer to note 32 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 March 31, 2017
	As at April 01, 2016	Additions	Deletions	Effect of foreign currency exchange differences	Other Adjustments	As at March 31, 2017	For the year	Impairment loss recognised in statement of profit and loss	Deletions	Other Adjustments	As at March 31, 2017
Freehold Land	0.17	-	-	-	-	0.17	-	-	-	-	0.17
Office premises	6.86	-	-	-	-	6.86	0.12	-	-	-	2.36
Buildings	17.10	-	-	-	-	17.10	0.28	-	-	-	2.94
Plant and Machinery	5,231.85	83.85	16.13	-	(62.81)	5,236.76	390.94	-	11.44	(27.28)	3,663.17
Furniture, Fixtures and Office Equipment	121.03	0.39	0.04	-	-	121.38	2.05	-	0.03	-	121.35
Vehicles	0.20	-	-	-	-	0.20	-	-	-	-	0.20
Total	5,377.21	84.24	16.17	-	(62.81)	5,382.47	393.39	-	11.47	(27.28)	3,790.02
											1,592.45

The amount of compensation from insurance companies for items of property, plant and equipment that were destroyed, lost or given up is Rs. 0.47 crore for the year ended March 31, 2017 (previous year Rs. Nil).

(ii) Intangible assets (other than internally generated)

Rs. in crores

PARTICULARS	GROSS BLOCK					DEPRECIATION / AMORTISATION					NET BLOCK As at March 31, 2017
	As at April 01, 2016	Additions	Deletions	Effect of foreign currency exchange differences	Other Adjustments	As at March 31, 2017	For the year	Impairment loss recognised in statement of profit and loss	Deletions	Other Adjustments	As at March 31, 2017
Licenses and spectrum	2,527.26	5,770.44	-	(52.86)	62.81	8,307.65	391.77	905.41	-	27.28	2,503.04
Indefeasible Rights of Use ('IRU')	152.47	0.81	-	-	-	153.28	10.59	-	-	-	90.62
Computer Software	40.76	0.10	-	-	-	40.86	0.07	-	-	-	40.63
Total	2,720.49	5,771.35	-	(52.86)	62.81	8,501.79	402.43	905.41	-	27.28	2,634.29
											5,867.50

The amount of borrowing costs capitalised during the year ended March 31, 2017 is Rs. Nil (March 31, 2016: Rs. 381.42 crores). The rate used to determine the amount of borrowing costs eligible for capitalisation was 9.86% which is the effective interest rate of the specific borrowings.

License and spectrum held by the Company:**Additions during the year:**

During the financial year 2016-17, the Company has capitalised followings in Licenses and spectrum:

- 2 blocks of 800 MHz in Mumbai and Maharashtra of carrying value Rs. 3,989.47 crores as at March 31, 2017.- The Company has acquired 5 MHz of 1800 MHz spectrum in Mumbai and Maharashtra each. DoT has allotted 0.6 MHz & 4 MHz spectrum in Mumbai & Maharashtra respectively. The carrying value of the spectrum allotted is Rs. 1,538.90 crores as at March 31, 2017. The balance spectrum has been shown as "Right to spectrum, earmarked pending allotment".
- The Company has paid and capitalised license fee of Rs. 2.30 crores for migration to Unified License (carrying value Rs. 2.25 crores as at March 31, 2017).

1. Refer to note 16 and 18 for information on Property, plant and equipment and intangible assets pledged as security by the Company.
2. Refer to note 32 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes forming part of the financial statements

	As at March 31, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores
Note 4 :		
Loans and other financial assets		
Loans		
Premises and other deposits (at amortized cost)		
Unsecured, considered good	21.03	28.92
Unsecured and considered doubtful	20.08	19.14
Less : Allowance for doubtful deposits	20.08	19.14
	<u>21.03</u>	<u>28.92</u>
Others		
Fixed deposits with original maturity more than 12 months	0.02	0.01
	<u>21.05</u>	<u>28.93</u>

Note 5 :**Other non-current assets**

Capital advances	3.87	1.00
Prepaid expenses	11.11	13.54
Balance with government authorities	-	97.54
Amount paid under dispute	586.02	549.10
	<u>601.00</u>	<u>661.18</u>

Note 6 :**Inventories**

(At lower of cost and net realisable value)

Starter Kits	0.13	0.94
Handsets & accessories	-	1.10
	<u>0.13</u>	<u>2.04</u>

Note 7 :**Current Investments - Mutual Fund (measured at fair value through profit and loss)**

Investments in Mutual Fund (Quoted)	377.79	679.62
	<u>377.79</u>	<u>679.62</u>

Mutual Fund Name	Units		Fair value	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Axis Liquid Fund - Direct Plan Growth	103,407	396,177	19.93	71.44
Birla Sun Life Cash Plus-Direct Plan Growth	1,792,845	5,741,945	50.08	150.04
Kotak Floater Short Term - Direct Plan Growth	-	374,724	-	100.03
SBI Premium Liquid fund	570,264	-	155.36	-
Invesco India Liquid Fund - Direct Plan Growth	-	44,681	-	10.00
Tata Money Market Fund - Direct Plan Growth	556,611	1,358,180	152.42	348.11
	<u>3,023,127</u>	<u>7,915,707</u>	<u>377.79</u>	<u>679.62</u>

	As at March 31, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores
Note 8 :		
Trade Receivables		
Unsecured, considered good	157.88	226.91
Doubtful	111.21	184.74
Less: Allowance for doubtful trade receivables	111.21	184.74
	<u>157.88</u>	<u>226.91</u>

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. For terms and conditions relating to related party receivables, refer note 37.

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.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other

Notes forming part of the financial statements

Ageing of receivables

Particulars	As at March 31, 2018	As at March 31, 2017
Not due	38.68	95.04
0-90 days past due	91.44	57.19
91-180 days past due	31.12	41.59
> 180 days	107.85	217.83
Total	269.09	411.65

Movement in expected credit loss allowance

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Balance at beginning of the year	184.74	175.90
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	35.11	8.84
Provision for doubtful debts reversal due to trade receivables written off	(108.64)	-
Balance at end of the year	111.21	184.74

Note 9 :**Cash and cash equivalents**

	As at March 31, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores
Cash in hand	0.12	0.37
Cheques on hand	10.27	6.57
Balance with banks in		
- Current accounts	13.43	30.08
- Cash credit accounts	15.34	0.01
Total cash and cash equivalents	39.16	37.03

Note 10 :**Loans and other financial assets****Loans**

Premises and other deposits (at amortized cost)		
Unsecured, considered good	16.03	13.50
Unsecured and considered doubtful	1.47	0.47
Less : Allowance for doubtful deposits	1.47	0.47
	16.03	13.50

Others**Derivative designated and effective as hedging instruments carried at fair value**

Cross Currency Interest Rates Swaps	-	1.00
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Derivative not designated in hedge accounting relationship

Foreign exchange forward contracts	0.12	
	0.12	1.00
	16.15	14.50

Note 11 :**Income tax assets**

Tax deducted at source	53.06	93.86
	53.06	93.86

Note 12 :**Other current assets**

Advances to employees	0.15	0.23
Balance with government authorities	132.44	155.85
Prepaid expenses	12.23	19.55
Advances to suppliers		
Unsecured, considered good	14.45	22.75
Unsecured and considered doubtful	5.04	4.32
Less : Allowance for doubtful advances	5.04	4.32
	14.45	22.75
	159.27	198.38

Note 13:**Assets classified as held for sale (refer note 1.2)**

Property, plant and equipment	58.64	-
Capital work-in-progress	1.16	-
Intangible assets	883.21	-
Other non-current assets	0.23	-
Current financial assets	44.18	-
Other current assets	93.73	-
Total assets classified as held for sale	1081.15	-

Notes forming part of the financial statements

	As at March 31, 2018		As at March 31, 2017	
	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	300,000,000	3,000.00
Unclassified Shares of Rs. 100/- each #	500,000,000	5,000.00	-	-
	5,350,000,000	31,000	2,800,000,000	5,500.00

The same has been increased after getting approval from shareholders by passing special resolution by way of postal ballot on November 30, 2017.

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 holding company and its subsidiaries and associates:

Of the above, 1,453,672,327 equity shares are held by Tata Sons Limited (the holding company*) and its subsidiaries and associates as follows:

Name of the Shareholder	Relationship	As at March 31, 2018	As at March 31, 2017
Tata Sons Limited	Holding company	382,759,467	382,759,467
Tata Teleservices Limited	Subsidiary of holding company	944,174,817	944,174,817
The Tata Power Company Limited	Associate of holding company	126,720,193	126,720,193
Panatone Finvest Limited	Subsidiary of holding company	17,850	17,850

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, 2018		As at March 31, 2017	
	No of shares held	% of holding	No of shares held	% of holding
Tata Teleservices Limited	944,174,817	48.30	714,317,891	36.54
Tata Sons Limited	382,759,467	19.58	382,759,467	19.58
NTT Docomo Inc.	-	-	229,856,926	11.76
The Tata Power Company Limited	126,720,193	6.48	136,602,275	6.99

Notes forming part of the financial statements

	As at March 31, 2018		As at March 31, 2017	
	Numbers	Rs. in crores	Numbers	Rs. in crores
f) Reconciliation of the number of preference shares outstanding:				
Preference shares outstanding at the beginning of the year	201,800,000	2,018.00	-	-
Issued during the year			201,800,000	2,018.00
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

During the previous year, the Company had issued non cumulative redeemable preference shares for the tenure of 23 months to Tata Teleservices Limited with dividend of 0.1% per annum. The equity portion of these redeemable preference shares, on account of dividend percentage being lower than effective market rate, is recorded in Other equity.

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, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores		As at March 31, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores
Note 15 :					
Other equity					
(a) Securities premium	525.43	525.43	Cross currency interest rate swaps	3.86	(0.72)
(b) Cash flow hedge reserve	-	67.79	Foreign Currency Non Resident Loans (FCNR) revaluation reversal	(4.75)	4.75
(c) Retained earnings	(18,664.28)	(8,823.41)	Interest rate swaps	(66.91)	(4.13)
(d) Equity component of compound financial instruments	1,024.77	366.42	Balance at end of the year	-	67.80
	(17,114.08)	(7,863.77)			
(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 Act)					
(b) Cash flow hedge reserve					
Balance at beginning of the year	67.80	-	(c) Retained earnings		
Gains/ (loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges			Balance at beginning of the year	(8,823.41)	(6,466.55)
Cross currency interest rate swaps	-	(3.14)	Add: Loss for the year	(9,841.99)	(2,356.47)
Interest rate swaps	-	71.04	Add: Other comprehensive income arising from measurement of defined benefit obligation net of income tax	1.12	(0.39)
Gains/ (loss) arising on changes in fair value of designated portion of hedging instruments reclassified to profit or loss			Balance at end of the year	(18,664.28)	(8,823.41)

Notes forming part of the financial statements

	As at March 31, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores		As at March 31, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores
(d) Equity component of compound financial instruments			Less: Current maturities of long term debt	-	203.80
Balance at beginning of the year	366.42	-	<u>Unsecured - at amortised cost</u>	-	-
Issue of 0.1% redeemable preference shares to Investing Company	-	366.42	(a) Term Loans - from banks (Gross)	-	200.00
0.1% Inter-Corporate deposits from investing company	658.35	-	Less: Current maturities of long term debt	-	200.00
Balance at end of the year	1,024.77	366.42	(b) Non - Convertible Debentures	-	743.46
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.			Less: Long term debt payable on demand	-	100.00
Note 16 :				-	643.46
Non current financial liabilities - Borrowings			(c) Deferred payment liabilities for spectrum	4,880.96	4,880.96
<u>Secured - at amortised cost</u>			(i) Less: Current maturities of long term debt	178.94	-
(a) Term Loans - from banks (Gross)	44.35	2,302.06	(ii) Add: Interest accrued but not due on deferred payment liabilities	962.52	684.52
Less: Current maturities of long term debt	44.35	722.95		5,664.54	5,565.48
Less: Long term debt payable on demand	-	379.24	(d) Liability component of Inter-Corporate Deposits	3,140.68	-
	-	1,199.87	(e) Liability component of redeemable preference shares	1,922.23	1,730.31
(b) Term Loans - from Others (Financial Institutions)	-	1,000.00	Less: Current maturities of long term debt	1,922.23	-
Less: Current maturities of long term debt	-	125.00		-	1,730.31
	-	875.00	Less: Liabilities directly associated with assets classified as held for sale	943.01	-
(c) External Commercial Borrowings (ECB)	-	2,269.05		7,862.21	10,662.42
Less: Long term debt payable on demand	-	1,620.75			
	-	648.30			
(d) Foreign Currency Non Resident Loans (FCNR)	-	203.80			

Notes forming part of the financial statements

Notes :

Long-Term Borrowings - Secured

(a) Term Loans from banks

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 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.

As on March 31, 2017

- 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 Limited of Rs 400 crores.
- ii) Terms of repayment :-
 - Term loans from some banks are repayable in 36 quarterly installments by January 2019.
 - Term loan from one bank is repayable in 28 quarterly installments by March 2028.
 - Term loan from one bank is repayable in 4 half yearly installments ending on October 2017.
 - Term loan from one bank is repayable in bullet installment on June 2019.
- iii) Interest rate :-
 - Interest rate for term loan from banks is in the range of 9.20% to 10.75% p.a.

(b) Term loan from Financial Institutions

As on March 31, 2018

During the year Company has repaid all the outstanding term loans availed from the financial institutions

As on March 31, 2017

- 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 financial institutions:-
 - 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.
- ii) Terms of repayment :-
 - One term loan is repayable in 28 quarterly installments ending on March 2026.
 - Term loan from one financial institution is repayable in 4 equal quarterly installments ending on December 2018.
 - Term loan from one financial institution is repayable in 36 quarterly installments by January 2019.
- iii) Interest rate :-
 - Interest rate for term loan is in the range of 10.25% to 10.65% p.a.

(c) External Commercial Borrowings (ECB)

As on March 31, 2018

During the year Company has repaid all the outstanding External commercial borrowings.

As on March 31, 2017

- 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 Limited of Rs 400 crores.
- ii) Terms of repayment :-
 - ECB loans are repayable in 3 annual installments commencing from March 2020

Notes forming part of the financial statements

- iii) Interest rate :-
- Interest rate on ECB is linked to 6 months LIBOR + Spread (Spread not exceeding 4.2% p.a)

(d) Foreign Currency Non Resident Loans (FCNR)**As on March 31, 2018**

During the year Company has repaid all the outstanding Foreign currency Non Resident Loans (FCNR)

As on March 31, 2017

- i) Stipulated securities for the loans are first pari passu charge on the movable assets of the Company and assignment of insurance policies and material project contracts
- ii) Terms of repayment :-
- FCNR loan is fully repayable in December 2017
- iii) Interest rate :-
- Interest rate on FCNR is linked to 3 months LIBOR + Spread of 3.00% p.a.

Long-Term Borrowings - Unsecured**(a) Term Loans from banks****As on March 31, 2018**

During the year Company has repaid all the outstanding Term Loans from banks

As on March 31, 2017

- i) Terms of repayment :-
- One term loan fully repayable in September 2017
 - One term loan fully repayable in March 2018
- ii) Interest rate :-
- Interest rate for long term loan from banks is in the range of 10.00% to 10.25% p.a.

(b) Non - Convertible Debentures (NCDs)**As on March 31, 2018**

During the year Company has repaid all the outstanding Non convertible Debentures

As on March 31, 2017

- i) Terms of repayment :-
- NCDs are fully repaid in January, 2018
- ii) Interest rate :-
- Interest rate for NCDs is 11.30% p.a.

(c) Deferred payment liabilities for spectrum (DPL)**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.

As on March 31, 2017**i) Terms of repayment :-**

- DPL for spectrum acquired in March 2015 is repayable in 10 annual installments starting from April 2018.
- DPL for spectrum acquired in October 2016 is repayable in 10 annual installments starting from October 2019.

ii) Interest rate :-

- Effective interest rate for DPL is 9.30% to 10.00% p.a.

(d) Inter-Corporate Deposit (ICD)**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.

(e) Liability component of redeemable preference shares

In previous year, the Company had issued non cumulative redeemable preference shares for the tenure of 23 months to Tata Teleservices Limited with dividend of 0.1% per annum. The equity portion of these redeemable preference shares, on account of dividend percentage being lower than effective market rate, is recorded in Other equity.

- (f) The Company had not been able to satisfy the financial covenants stated in agreements with lenders of long term borrowings and lenders of External Commercial Borrowings (ECB) which may result in loans aggregating to Rs. 44.35 crores (previous year Rs. 2,099.99 crores) being recalled by the lenders.

	As at March 31, 2018	As at March 31, 2017
	Rs. in crores	Rs. in crores

Note 17 :**Long term provisions****Others**

For asset retirement obligation (site restoration cost)	1.71	1.58
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Notes forming part of the financial statements

	As at March 31, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores
Provision for foreseeable loss on long term contracts [refer note 33(iii) and 48]	122.50	-
	<u>124.21</u>	<u>1.58</u>

Note 18 :**Current financial liabilities - Borrowings****(a) Secured - at amortised cost**

From Banks		
Short-Term Loans	-	1,325.82
Long term debt payable on demand (refer note 16)	-	1,999.99
Cash Credit Accounts	55.07	398.68
Buyers' Credit	-	75.31
Bill discounting	-	66.41
Vendor financing	9.77	17.62
	<u>64.84</u>	<u>3,883.83</u>

(b) Unsecured - at amortised cost

From Banks		
Short-Term Loans	5,241.60	300.00
Long term debt payable on demand (refer note 16)	-	100.00
Buyers' Credit	-	21.53
	<u>5,241.60</u>	<u>421.53</u>
	<u>5,306.44</u>	<u>4,305.36</u>

Notes :**Short-Term Borrowings - Secured****As on March 31, 2018**

Stipulated securities for the loans are first pari passu charge on the movable assets of the Company

Short-Term Loans

- During the year the Company has repaid all the outstanding short term loans

Cash Credit Accounts

- Interest rate for cash credit is in the range of bank base rate / MCLR + 0.00% to 2.50% p.a.

Buyers' Credit

- During the year the Company has repaid all the outstanding buyers credit facility availed

Bill discounting

- During the year the Company has repaid all the outstanding bills discounting facility availed

Vendor financing

- Interest rate for vendor financing is in the range of 0.70% to 5.65% p.a.

As on March 31, 2017

Stipulated securities for the loans are first pari passu charge on the movable assets of the Company

Short-Term Loans

- Interest rate for short term loan is in the range of 8.60% to 10.75% p.a.

Cash Credit Accounts

- Interest rate for cash credit is in the range of bank base rate / MCLR + 0.00% to 2.50% p.a.

Buyers' Credit

- Buyers' credit is linked with LIBOR + Spread as applicable

Bill discounting

- Interest rate for bill discounting is in the range of 7.80% to 8.10% 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, 2018****Short-Term Loans - Commercial Papers (CP)**

- Terms of repayment :-
 - Commercial papers are fully repayable within 277 days from the date of disbursement
- Interest rate :-
 - Interest rate for commercial papers is in the range of 7.90% to 7.98% p.a.

Buyers' Credit

- During the year the Company has repaid all the outstanding buyers credit facility availed

As on March 31, 2017**Short-Term Loans**

- Interest rate for short term loan is in the range of 9.00% to 9.25% p.a.

Buyers' Credit

- Buyers' credit is linked with LIBOR + Spread as applicable

Notes forming part of the financial statements

	As at March 31, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores		As at March 31, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores
Note 19 :					
Trade Payables				38.09	-
Total outstanding dues of Micro, Small and Medium Enterprises	7.73	1.74	Provision for foreseeable loss on long term contracts [refer note 33(iii) and 48]		
Total outstanding dues of creditors other than Micro, Small and Medium Enterprises	474.46	519.51		890.92	683.29
	482.19	521.25			
Trade payables are non interest bearing and settled within normal credit period of 90 days.					
Note 20 :					
Other current financial liabilities			Note 23:		
Interest Rate Swaps designated in hedge accounting relationships	-	9.43	Liabilities directly associated with assets classified as held for sale		
Derivatives not designated in hedge accounting relationships			Liabilities of Consumer Mobile Business classified as held for sale (refer note 1.2 and note 13)		
- Foreign exchange forward contracts	-	83.07	Non current financial liabilities - borrowings	943.01	-
Total financial derivatives liabilities	-	92.50	Current financial liabilities - trade payables	252.47	-
Current maturities of long term debt (refer note 16)	2,145.52	1,251.74	Other current liabilities	26.36	-
Interest accrued but not due	263.84	117.19	Short term provisions	101.01	-
Temporary overdrawn bank balances as per books	0.09	0.11	Total liabilities directly associated with assets classified as held for sale	1322.85	-
Deposits from customers	21.82	55.29			
Payables on purchase of fixed assets	30.93	14.92		Year ended March 31, 2018	Year ended March 31, 2017
	2,462.20	1,531.75		Rs. in crores	Rs. in crores
Note 21 :			Note 24 :		
Other current liabilities			Revenue from operations		
Advance from customers	69.07	98.34	Telecommunication services		
Statutory liabilities	19.22	10.79	Service revenue	1,840.23	2,649.08
	88.29	109.13	Sale of traded goods	2.92	8.34
				1,843.15	2,657.42
Note 22 :			Other operating income		
Short term provisions			Income from rendering of services	25.36	45.00
Provision for employee benefits			Infrastructure sharing	-	0.49
(i) For compensated absences (refer note 36)	3.43	3.55		25.36	45.49
(ii) For gratuity (refer note 36)	2.63	2.97		1,868.51	2,702.91
Provision for contingencies (refer note 47)	846.77	676.77			
			Note 25 :		
			Other income		

Notes forming part of the financial statements

	Year ended March 31, 2018 Rs. in crores	Year ended March 31, 2017 Rs. in crores		Year ended March 31, 2018 Rs. in crores	Year ended March 31, 2017 Rs. in crores
Write back of credit balances in respect of earlier years	3.11	54.70	Interconnection and other access costs	294.11	449.64
Miscellaneous income	34.10	3.77			
	37.21	58.47	License fees and spectrum charges	161.46	254.92
Other gains and losses					
Gain/(loss) on financial assets mandatorily measured at FVTPL	0.08	(8.28)	Power	215.69	216.93
Gain/ (loss) on property, plant and equipment sold / written off (Net)	0.53	(2.88)	Repairs and maintenance - plant and machinery	100.15	123.67
Hedge ineffectiveness on cash flow hedges	69.41	4.86	Repairs and maintenance - others	10.40	16.77
Gain/(loss) on derivatives not designated in hedge accounting relationship	(71.74)	(66.58)	Customer service and other direct cost	97.14	128.66
	(1.72)	(72.88)	Collection / credit verification charges	15.68	23.07
	35.49	(14.41)	Rates and taxes	2.93	12.63
			Travel and conveyance	4.72	8.05
			Legal and professional fees	10.75	22.21
			Bad Debts written off	108.64	-
			Impairment loss on financial assets	(72.20)	31.37
			Insurance	0.90	1.25
			Advertisement and business promotion expenses	9.10	13.69
			Sales commission and expenses	40.58	73.75
			Miscellaneous expenses	77.18	110.13
				1,472.45	1,881.75
Note 26 :					
Cost of goods sold					
Traded goods - Handsets & accessories:					
Opening stock	1.10	3.70			
Add: Purchases	1.21	5.67			
Less: Closing stock	-	1.10			
	2.31	8.27			
Note 27 :			Note 29 :		
Employee benefits expenses			Finance cost		
Salaries and bonus	93.13	113.74	Interest expense		
Contribution to provident and other funds (refer note 36)	3.32	4.21	On Term loans	595.35	663.26
Contribution to gratuity fund (refer note 36)	1.09	0.98	On Inter-corporate deposits	100.22	-
Staff welfare	5.46	6.97	On Debentures	72.01	87.30
	103.00	125.90	On Cash credit accounts	14.41	4.69
			On Acceptances	2.56	5.65
			On Deferred payment liabilities	541.84	403.70
			On Redeemable preference shares	191.91	80.75
			On Others	1.12	(0.10)
Note 28 :			Expenses for loan arrangement, bill discounting and bank charges	47.95	16.89
Other expenses			Foreign exchange loss (net)	1.60	20.13
Rent					
Network	387.22	382.51			
Others	8.00	12.50			
	395.22	395.01			

Notes forming part of the financial statements

	Year ended March 31, 2018 Rs. in crores	Year ended March 31, 2017 Rs. in crores
	1,568.97	1,282.27

Note 30 :**Finance Income**

Interest on income tax refund	6.80	15.70
Interest income on security deposits at amortised cost	2.81	3.04
	9.61	18.74

Note 31 :**Exceptional items**

Impairment of CMB assets [refer note 33(i)]	7,677.37	-
Restructuring cost [refer note 33(iii)]	264.30	-
Additional provision for Access Deficit Charges matter under litigation [refer note 32(a)]	-	53.41
Impairment of spectrum [refer note 33(ii)]	-	905.41
	7,941.67	958.82

As at March 31, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores
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32 Commitments and contingencies**I) Commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

Tangible assets	35.45	27.66
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II) Contingent Liabilities:

i) Claims against the Company not acknowledged as debt (refer notes below)

Telecom regulatory matters*	761.61	1,066.31
Others**	248.84	195.15

* Amounts are net of provision for contingencies made aggregating Rs. 639.52 crores (March 31, 2017 - Rs. 469.48 crores)

** Amounts are net of provision for contingencies made aggregating Rs. 207.25 crores (March 31, 2017 - Rs. 207.29 crores)

ii) Bank guarantees	29.80	29.80
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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 date after which ADC is payable on Net Adjusted Gross Revenue Basis. 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 is payable on such calls. Thereafter, the Company filed an appeal before the Hon'ble Supreme Court (SC) who vide order dated April 30, 2008 confirmed that Walky service of TTML is WLL (M) and ADC was payable 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 has given 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

Notes forming part of the financial statements

date provided for amounts aggregating Rs. 111.61 crores (March 31, 2017 - Rs. 111.61 crores). The balance amounts aggregating Rs. 55.29 crores (March 31, 2017 - Rs. 55.29 crores) have been disclosed as Contingent Liability under 'Others'.

Payments made under dispute till date aggregates Rs 111.61 crores (March 31, 2017 - Rs. 111.61 crores) in relation to the above.

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.

- 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 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 has 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 is not in line with TDSAT order mentioned above. The WPC has additionally raised in March 2013, demands for the financial 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 without penalty and simple interest on the principal amount. For remaining demand aggregating to Rs. 105.90 crores, the Company has till date provided Rs 7.91 crores (March 31, 2017 - Rs. 7.91 crores). Rs. 51.01 crores ((March 31, 2017 - Rs. 99.13 crores) have been disclosed as contingent liability and amount pertaining to penalty of Rs.46.98 crores has been considered as remote.

- 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, as contingent liability and has also 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 thereafter.

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 April 24, 2018 and is on board for hearing.

- d) "Till date, the Company has received show-cause cum demand notice from DoT for the financial year 2006-07, 2007-08, 2008-09, 2009-10 and 2010-11 aggregating to Rs. 1,384.31 crores. These demands include disallowance of PSTN related call charges, additions as per Special audit for the financial year 2006-07, 2007-08 and additions as per

Notes forming part of the financial statements

C&AG audit report of 2016 for the financial year 2006-07, 2007-08, 2008-09 and 2009-10.

The Company has responded to the DoT that the amount added in Adjusted Gross Revenue as per the revised demand letters are part of appeal filed at Hon'ble Supreme Court against the TDSAT order of April 23, 2015. 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.

Further, the Company has submitted the documents required by DoT for the deduction 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.

The matter being sub-judice, and considering disallowances on account of PSTN Charges, Foreign Exchange Gain and penalty being remote in nature, the company has disclosed 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, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores
iii) Disputed income tax demands with respect to tax deducted at source and other matters in appeals before relevant authorities	-	6.68
iv) Disputed service tax demands	288.16	284.32
v) Disputed sales tax demands	0.18	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.

- 33 (i) During the year, due to volatility in the market conditions, the Company has evaluated the recoverable value 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 is 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.

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.

- (ii) The Department of Telecommunications (DoT) conducted auction for spectrum in March 2015 and the Company had successfully bid for 2 blocks of 1.25 MHz of 800MHz spectrum each in Mumbai and Maharashtra circles for Rs. 3,817.28 crores. The Company effected Rs. 600 crores as of March 31, 2015 and an additional Rs. 354.32 crores on April 7, 2015, as upfront payments. The Company exercised the option to pay the balance under the deferred payment option as per the Notice Inviting Applications. The Company received a Letter of Intent, on May 28, 2015 and subsequently in August 26, 2015, the Company received communication for allotment of spectrum in Maharashtra Service Area and in June 03, 2016 for allotment of Mumbai Service Area. Accordingly, the Company has recorded the principal value of Rs. 1,998.54 crores for Maharashtra Service Area and the principal value of spectrum of Rs. 1,818.74 crores for Mumbai Service Area as Intangible assets under fixed assets. The deferred liability payable to DoT (net of said payments) of Rs. 2,862.96 crores has been recorded under long - term borrowings. Further, the Company had capitalised interest of Rs. 100.60 crores on borrowings from banks for upfront payments and interest of Rs. 280.82 crores on deferred payment liability payable to DoT.

During the year ended March 31, 2017, due to volatility in the market conditions, the Company had evaluated the recoverable value of the spectrum acquired in March 2015 on the basis of fair value less cost of disposal as per the requirement of Ind AS 36 and recorded an impairment loss of Rs. 905.41 crores and disclosed the same as an exceptional

Notes forming part of the financial statements

item. The fair value is basis the level 3 hierarchy as per the requirement of Ind AS 113.

- (iii) The Company has identified certain contracts that may be impacted by the proposed restructuring and has recorded a provision of Rs 264.30 Crores towards an aggregate of amounts that may be due under such 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.

	April 1, 2017 to March 31, 2018 Rs. in crores	April 1, 2016 to March 31, 2017 Rs. in crores
34 Payments to auditors (excluding service tax)		
i) For audit	0.63	0.82
ii) For taxation matters	-	0.19
iii) For other services	0.10	0.30
iv) For reimbursement of expenses	0.07	0.05
	0.80	1.36

- 35** The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The information in note 19 is given to the extent the same is available with the Company. The disclosures pursuant to the said MSMED Act are as follows:

	April 1, 2017 to March 31, 2018 Rs. in crores	April 1, 2016 to March 31, 2017 Rs. in crores
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	7.46	1.58
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.27	0.16

	April 1, 2017 to March 31, 2018 Rs. in crores	April 1, 2016 to March 31, 2017 Rs. in crores
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year end	-	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
(vii) Further interest remaining due and payable for earlier years	-	-
	7.73	1.74

36 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 obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The Company recognised Rs. 3.18 crores for the year ended March 31, 2018 (Rs. 3.97 crores for the year ended March 31, 2017) for Provident Fund and Family Pension contributions, Rs. 0.12 crore for the year ended March 31, 2018 (Rs. 0.17 crore for the year ended March 31, 2017) for Superannuation Fund contributions and Rs. 0.02 crore for the year ended March 31, 2018 (Rs. 0.07 crore for the year ended March 31, 2017) 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

Notes forming part of the financial statements

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

Particulars	Year ended March 31, 2018	Rs. in crores Year ended March 31, 2017
Components of employer's expense		
Current service cost	0.84	0.74
Interest cost	0.56	0.57
Expected return on plan assets	(0.31)	(0.32)
Total expense recognised in the Statement of Profit and Loss	1.09	0.99
Remeasurement on the defined benefit liability - Actuarial losses/ (gain)	(1.12)	0.40
Total expense recognised in other comprehensive income	(1.12)	0.40
Total	(0.03)	1.39
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	1.87	1.09
Actual contributions	0.30	1.73
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	8.44	7.55
Current service cost	0.84	0.74
Interest cost	0.56	0.57
Actuarial loss/ (gain)	(0.59)	0.67
Benefits paid	(1.87)	(1.09)
Present value of DBO at the end of the year	7.38	8.44
Change in fair value of assets during the year		
Plan assets at beginning of the year	5.47	4.24
Expected return on plan assets	0.31	0.32

Particulars	Year ended March 31, 2018	Rs. in crores Year ended March 31, 2017
Actual contributions by the Company	0.30	1.73
Actuarial gain	0.54	0.27
Benefits paid	(1.87)	(1.09)
Plan assets at the end of the year	4.75	5.47
Actual return on plan assets	0.85	0.59
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	7.38	8.44
Fair value of plan assets	4.75	5.47
Funded status [Surplus / (Deficit)]	(2.63)	(2.97)
Net liability recognised in the Balance Sheet	(2.63)	(2.97)
Composition of the plan assets is as follows:		
Others (LIC managed funds)	4.75	5.47
Actuarial assumptions		
Expected return on plan assets	7.10%	6.67%
Discount rate	7.10%	6.67%
Salary escalation	7.00%	7.00%
Mortality tables	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Estimate of amount of contribution in the immediate next year	1.81	2.44
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.		

Notes forming part of the financial statements

Experience adjustments

Rs. in crores

Gratuity	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014
Present value of DBO	7.38	8.44	7.55	8.95	8.47
Fair value of plan assets	4.75	5.47	4.24	6.23	6.79
Funded status [Surplus / (Deficit)]	(2.63)	(2.97)	(3.31)	(2.72)	(1.68)
Experience (gain) / loss adjustments on plan liabilities	(0.56)	0.27	0.18	0.00	(1.08)
Experience gain / (loss) adjustments on plan assets	0.54	0.27	0.21	0.10	(0.62)

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, 2018	Year ended March 31, 2017
Projected Benefit Obligation on current assumptions		7.38	8.44
Delta effect of change in Rate of discounting	+1%	(0.22)	(0.22)
	-1%	0.24	0.24
Delta effect of change in Rate of salary increase	+1%	0.24	0.24
	-1%	(0.23)	(0.23)
Delta effect of change in Rate of employee turnover	+1%	(0.01)	(0.02)
	-1%	0.01	0.02

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.

The entire amount of the provision of Rs. 3.43 crores (Rs. 3.55 crores for the year ended March 31, 2017) is presented as short-term provision, since the Company does not have an unconditional right to defer settlement for any of these obligations.

Note 37**Related party disclosure (in terms of Ind AS - 24)****i) Details of all related parties and their relationships****A Holding Company ***

Tata Sons Limited

B Entities having significant influence

Tata Teleservices Limited

Tata Sons Limited (upto February 21, 2018)

NTT Docomo (upto February 21, 2018)

Notes forming part of the financial statements

- C “Subsidiaries, associate and joint venture companies of holding company and entities having significant influence with whom the Company has had transactions”

Fellow Subsidiary

Advinus Therapeutics Limited
 Infiniti Retail Limited
 Taj Air Limited
 Tata AIA Life Insurance Company Limited
 Tata AIG General Insurance Company Limited
 Tata Asset Management Limited
 Tata Autocomp Systems Limited
 Tata Capital Limited
 Tata Consultancy Services Limited
 Tata Consulting Engineers Limited
 Tata Housing Development Company Limited
 Tata Industries Limited
 Tata International Limited
 Tata Investment Corporation Limited
 Tata Petrodyne Limited
 Tata Realty and Infrastructure Limited
 Tata Sky Limited
 Tata Trustee Company Limited
 Tata Internet Services Limited
 Tata Quality Management Services
 Tata Sia Airlines Limited
 Tata Capital Financial Services Limited
 TC Travel and Services Limited
 Automotive Stampings and Assemblies Limited
 C-Edge Technologies Limited
 Maha Online Limited
 Smart Value Homes (New Project) LLP
 Tata Capital Forex Limited (formerly TT Holdings & Services Limited)
 Tata Capital Housing Finance Limited
 Tata Interactive Systems AG
 Tata Securities Limited
 Tata Unistore Limited (formerly Tata Industrial Services Limited)
 TCS e-Serve International Limited
 Tata Industrial Services Limited

Subsidiaries of entities having significant influence

MMP Mobi Vallet Payment Systems Limited
 Virgin Mobile India Pvt Limited

Joint Venture Of Fellow Subsidiary

Tata Toyo Radiator Limited
 Tata Ficosa Automotive Systems Private Limited (Tata Ficosa Automotive Systems Limited)
 Tata AutoComp GY Batteries Private Limited

Associate of Holding Company *

Tata Elxsi Limited
 Tata Motors Limited
 Tata Power Co. Limited
 The Indian Hotels Company Limited
 The Tata Power Company Limited

Notes forming part of the financial statements

Titan Company Limited
Tata Global Beverages Limited
Tata Chemicals Limited
Trent Limited
VOLTAS LIMITED
Tata Business Support Services Limited
Tata Steel Limited

Associate of entities having significant influence *

ATC Telecom Infrastructure Private Limited

Associate of Fellow Subsidiary *

Tata Communication Limited
Tata Enterprises Ag

d Key Management Personnel

Mr. N.Srinath - Managing Director
Mr. Kishor A. Chaukar, Chairman - Non-Independent, Non-Executive Director (Retired w.e.f. August 1, 2017)
Mr. D. T. Joseph - Independent, Non-Executive Director
Ms. Hiroo Mirchandani - Independent, Non-Executive Director
Mr. Govind Sankaranarayanan - Non-Independent, Non-Executive Director

*** w.e.f. February 21, 2018**

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, 2017

Rs in crores

	Entities having significant influence	Subsidiaries of entities having significant influence	Joint ventures of entities having significant influence	Key Management Personnel	Total
1) Expenses :					
- Salary	9.12	-	-	-	9.12
- Customer service and call centre cost	1.08	44.21	-	-	45.29
- Advertisement and business promotion expenses	0.16	-	-	-	0.16
- Network operation cost	15.68	(0.02)	0.00	-	15.66
- Administrative and other expenses	13.05	(1.79)	-	-	11.26
- Rent	-	3.31	-	-	3.31
- Interconnection and other access costs	228.25	0.00	-	-	228.25
- Inter-circle roaming expenses	22.47	-	-	-	22.47
- Directors Sitting fees	-	-	-	0.25	0.25
2) Income :					
- Rent	3.74	-	-	-	3.74
- Rendering telecom services	25.44	42.01	0.16	-	67.61
- Interconnect income	37.26	-	-	-	37.26
- Sale of traded goods	0.43	-	-	-	0.43
- Sale of fixed assets	0.49	(0.00)	-	-	0.49
- Inter-circle roaming revenue	18.24	-	-	-	18.24
- Other income	0.02	-	-	-	0.02
3) Reimbursement of expenses	10.17	-	-	-	10.17
4) Purchase of fixed asset	7.13	0.15	-	-	7.28
5) Other Transactions					
Issue of Redeemable preference shares	2,018.00	-	-	-	2,018.00
Effective Interest expenses on Redeemable preference shares	80.75	-	-	-	80.75
6) Outstanding as at : (Liability Component)					
Sundry debtors	35.52	5.47	(0.01)	-	40.98
Sundry creditors	31.69	15.63	0.01	-	47.33
Security deposits taken	1.73	-	-	-	1.73
Redeemable preference shares	1,730.31	-	-	-	1,730.31

Notes forming part of the financial statements

38 Financial Instruments

The significant accounting policies, including the criteria for recognition, 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, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Financial Assets				
(a) Measured at Fair Value through Profit or Loss (FVTPL)				
Mandatorily measured:				
(i) Investments in mutual funds	377.79	679.62	377.79	679.62
(ii) Derivative financial assets not designated in hedge accounting relationship	0.12	-	0.12	-
(iii) Derivative financial assets designated in hedge accounting relationship	-	1.00	-	1.00
(b) Amortised Cost				
Trade receivables	202.06	226.91	202.06	226.91
Cash and cash equivalents	39.16	37.03	39.16	37.03
Other financial assets	37.08	42.43	37.08	42.43
	656.21	986.99	656.21	986.99
Financial Liabilities				
(a) Measured at Fair Value through Profit or Loss (FVTPL)				
Derivative financial liabilities not designated in hedge accounting relationship	-	83.07	-	83.07
(b) Amortised Cost				
Borrowings	14,111.65	14,967.78	14,111.65	14,967.78
Trade payables	734.66	521.25	734.66	521.25
Other financial liabilities	2,462.20	1,439.25	2,462.20	1,439.25
(c) Derivative financial liabilities designated in hedge accounting relationship	-	9.43	-	9.43
	17,308.51	17,020.78	17,308.51	17,020.78

The fair value hierarchy 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

Notes forming part of the financial statements

38 Financial Instruments (Contd..)

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)

Fair value hierarchy

		March 31, 2018	March 31, 2017
Financial Assets			
FVTPL			
(i) Investments in mutual funds	Level 1	377.79	679.62
(ii) Derivative financial assets not designated in hedge accounting relationship	Level 2	0.12	-
(iii) Derivative financial assets designated in hedge accounting relationship	Level 2	-	1.00
		377.91	680.62
Financial Liabilities			
(a) Measured at Fair Value through Profit or Loss (FVTPL)			
Derivative financial liabilities not designated in hedge accounting relationship	Level 2	-	83.07
(b) Derivative financial liabilities designated in hedge accounting relationship	Level 2	-	9.43
		-	92.50

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 liabilities.

The fair values of the financial assets and financial liabilities included in the level 2 category above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

(ii) Capital management

The Company manages its 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 20 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 monitored on regular intervals.

Notes forming part of the financial statements

Gearing ratio

The gearing ratio at the end of the reporting year was as follows;

Particulars	Rs. in crores	
	As at March 31, 2018 (including held for sale)	As at March 31, 2017
Debt *	16,521.01	16,336.71
Cash and bank balances (including current investments)	416.95	716.65
Net debt	16,104.06	15,620.06
Equity**	(15,159.15)	(5,908.84)
Net debt to equity ratio	(1.06)	(2.64)

*Debt is defined as long-term and short-term borrowings (excluding derivatives and financial guarantee contracts) including current maturities of long term debt, liabilities directly associated with assets classified as held for sale 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.

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.

Notes forming part of the financial statements

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, 2018 (including held for sale)	As at March 31, 2017	As at March 31, 2018 (including held for sale)	As at March 31, 2017
Forwards contracts	1.50	186.09	0.12	(83.07)
Total	1.50	186.09	0.12	(83.07)

Interest rate swap and cross currency swap measured at fair value through OCI are designated as hedging instrument in cash flow hedges.

Using Interest rate swap contracts, the Company agrees to exchange floating rate of interest rate in USD to fixed rate in USD on agreed principal amounts. Such contracts enable the Company to mitigate the interest rate risk. Such Contracts are settled on semi-annual basis. Details are listed below:

Interest rate swaps - hedged	Notional amount (USD in Mns)		Fair value Asset/(Liability) (Cr)	
	As at March 31, 2018 (including held for sale)	As at March 31, 2017	As at March 31, 2018 (including held for sale)	As at March 31, 2017
External commercial borrowings (ECB)	-	350.00	-	(9.43)

Cross currency swap	Notional amount (USD in Mns)		Fair value Asset/(Liability) (Cr)	
	As at March 31, 2018 (including held for sale)	As at March 31, 2017	As at March 31, 2018 (including held for sale)	As at March 31, 2017
Foreign Currency Non-Resident loans (FCNR)	-	31.43	-	1.00

The net change in value of the hedged items used as the basis for recognizing hedge ineffectiveness for the period is Rs. 2.93 crores (for the year ended March 31, 2017: Rs. 4.86 crores). The balance in the cash flow hedge reserve for continuing hedges is Nil as at March 31, 2018 due to settlement of derivative contracts during the current financial year (as at March 31, 2017: Rs. 67.80 crores.) The net hedging gain/(loss) recognized for the year in other comprehensive income in respect of cash flow hedges is Rs. (67.80) crores (for the year ended March 31, 2017: Rs. 67.80 crores).

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	
	March 31, 2018 (including held for sale)	March 31, 2017
USD	2.77	400.26
EURO	0.06	0.05

The outstanding derivative contracts of the Company in foreign currency at the end of the reporting year.

Currency (USD in Mns)	Liabilities as at	
	March 31, 2018 (including held for sale)	March 31, 2017
Forward contracts	1.50	186.09
Interest rate swaps	-	350.00
Cross currency interest rate swap	-	31.43

The foreign currency exposure that are not hedged by derivative instruments:

Notes forming part of the financial statements

Currency (USD in Mns)	Liabilities as at	
	March 31, 2018 (including held for sale)	March 31, 2017
Vendor payables	1.27	1.17
Buyers' credit	-	0.45
External commercial borrowings	-	231.74

Currency (EURO in Mns)	Liabilities as at	
	March 31, 2018 (including held for sale)	March 31, 2017
Vendor payables	0.06	0.05

(iv) (a) (i) Foreign Currency sensitivity analysis

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. 5% is the sensitivity rate which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items 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, 2018 (including held for sale)	As at March 31, 2017
(Profit) / loss	0.90	16.29
Equity	-	-
Capitalisation in Property, plant and equipment and Intangible assets	-	113.45

	Average contracted fixed interest rate		Notional principal amount (USD in Mns)		Fair value assets (liabilities) (Rs in crores)	
	As at March 31, 2018 (including held for sale)	As at March 31, 2017	As at March 31, 2018 (including held for sale)	As at March 31, 2017	As at March 31, 2018 (including held for sale)	As at March 31, 2017
External commercial borrowings	-	1.67%	-	350.00	-	(12.56)

Particulars	Currency EUR impact (Rs. in crores)	
	As at March 31, 2018 (including held for sale)	As at March 31, 2017
(Profit) / loss	0.02	0.02
Equity	-	-

(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 foreign currency 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 has 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, 2018 would decrease/increase by Rs. 0.50 crore (Rs. 25.78 crores as at March 31, 2017).

(iv) (a) (iii) Interest rate swap contract

Using interest rate swap, the Company agrees to exchange floating interest rate in USD to fixed interest rate in USD on agreed notional principal amounts. Such contracts enable the company to mitigate the interest rate risk on foreign currency borrowings. Such contracts are settled on a semi-annual basis. Details of the swap are listed below;

Notes forming part of the financial statements

The net change in value of the hedged items used as the basis for recognizing hedge ineffectiveness for the period is Rs. 2.43 crores (for the year ended March 31, 2017: Rs. 4.13 crores). The balance in the cash flow hedge reserve for continuing hedges is Nil as at March 31, 2018 due to settlement of derivative contracts during the current financial year (as at March 31, 2017: Rs. 66.90 crores). The net hedging gain/(loss) recognized for the year in other comprehensive income in respect of cash flow hedges is Rs. (66.90) crores (for the year ended March 31, 2017: 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. (Refer Note 8)

(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.

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, 2018;

Particulars	Carrying amount	Upto 1 year	1-3 year	3-5 year	5+ year	Rs in crores
						Total contracted cash flows
Financial Liabilities						
Non current financial liabilities						
Borrowings (including interest accrued but not due)	9,364.53		5,176.38	1,476.38	2,711.77	9,364.53
Current financial liabilities						
Borrowings	5,465.79	5,465.79	-	-	-	5,465.79
Trade payables	734.66	734.66	-	-	-	734.66
Other financial liabilities	2,557.97	2,557.97	-	-	-	2,557.97

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2017;

Particulars	Carrying amount	Upto 1 year	1-3 year	3-5 year	5+ year	Rs in crores
						Total contracted cash flows
Financial Liabilities						
Non current financial liabilities						

Notes forming part of the financial statements

The table below provides details regarding the contractual maturities of financial liabilities (including liabilities associated with assets held for sale) 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
Borrowings (including interest accrued but not due)	10,981.96	-	4,725.85	2,682.62	3,573.49	10,981.96
Current financial liabilities						
Borrowings	4,305.36	4,305.36	-	-	-	4,305.36
Trade payables	521.25	521.25	-	-	-	521.25
Other financial liabilities	1,439.25	1,439.25	-	-	-	1,439.25

The tables above do not include the maturity profile of finance set up cost on account of accounting based on effective interest rate.

The Company has access to financing facilities, of which Rs. 214.63 crores were unused at the end of March 31, 2018 (as at March 31, 2017: Rs. 1,733.08 crores; as at March 31, 2016: Rs. 513.70 crores). The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

39 Net debt reconciliation

	As at March 31, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores
Borrowings		
Current borrowings (excluding cash credit)	5,251.37	3,906.68
Non-current borrowings (including current maturities of long term debt and liabilities directly associated with assets classified as held for sale)	10,950.74	11,914.17
Interest accrued but not due	263.84	117.19
Total Borrowings	16,465.95	15,938.04
Cash and cash equivalents (including cash credit)	(15.91)	(361.65)
Current investments (mutual funds)	377.79	679.62
	361.88	317.97
Total Net debt	16,104.07	15,620.07

	Rs. in crores			
	Cash and bank balance (including cash credit)	Current investments (mutual funds)	Total Borrowings	Total Net Debt
Total Borrowings as at March 31, 2017	(361.65)	679.62	15,938.04	15,620.07
Cash flows	345.74	(305.02)	490.68	449.96
Foreign exchange adjustments / Settlement of forward Contracts			134.90	134.90
Interest expense			1,568.97	1,568.97
Interest paid			(1,007.10)	(1,007.10)
Other non-cash movements				-
- Fair value adjustments		3.19	(659.54)	(662.73)
Net debt as at March 31, 2018	(15.91)	377.79	16,465.95	16,104.07

Notes forming part of the financial statements

40 Reclassification / restatement

The Company has made certain changes, including corrections to the presentation as compared to earlier years as they believe that these changes provide a reliable and more relevant information of the business of the Company. Further, the Company has assessed the impact of such changes on its financial statements for the year ended March 31, 2017. Had these corrections been reflected in the above mentioned financial statements, the impact would have been as follows:

Balance sheet:

Rs. in crores

Particulars	Note No	As at March 31, 2016			As at March 31, 2017			Net impact	Reference Note
		As Originally Reported	Reclassification / restatement	As reclassified/ restated	As Originally Reported	Reclassification / restatement	As reclassified/ restated		
Non-current financial liabilities - Borrowings	16	7,245.35	280.82	7,526.17	9,977.90	684.52	10,662.42	No impact on total non-current liabilities	i(a)
Other non-current financial liabilities		280.82	(280.82)	-	684.52	(684.52)	-		
Trade Payables	19	608.11	(82.39)	525.72	584.64	(63.39)	521.25	No impact on total current liabilities	i(c), ii
Short-term provisions	22	546.37	50.86	597.23	632.19	51.10	683.29	No impact on total liabilities	i(b), ii
Non current - Loans and other financial assets	4	577.56	(525.96)	51.60	559.87	(530.94)	28.93	No impact on total non-current assets	iii
Other non-current asset	5	113.74	525.96	639.70	130.24	530.94	661.18		
Trade receivables	8	290.88	(1.81)	289.07	231.30	(4.38)	226.91	Net impact on total assets - Rs. 4.39 crores	iv
Other Current Liabilities	21	97.71	(1.81)	95.90	113.51	(4.38)	109.13	Net impact on total liabilities - Rs. 4.39 crores	iv
Other current financial liabilities	20	1,252.34	33.90	1,286.24	1,516.83	14.92	1,531.75	No impact on total liabilities	i'(c)
Long term provisions	17	3.26	(2.37)	0.89	4.21	(2.63)	1.58	No impact on total liabilities	i(b)

i. Pursuant to the Guidance note on Division II - IndAS Schedule III to the Companies Act, 2013 issued in July, 2017 by the Institute of Chartered Accountants of India, the Company has made the following reclassification:

- Interest accrued on deferred payment liabilities previously presented under other non-current financial liabilities amounting to Rs. 684.52 crores as at March 31, 2017 (Rs. 280.82 crores as at March 31, 2016) have been reclassified under the head non-current financial borrowings and there is no impact on total non-current liabilities.
- Liability for compensated absences included in "Long term provisions" amounting to Rs. 2.63 crores as at

March 31, 2017 (Rs. 2.37 crores as at March 31, 2016) is now reclassified to "Short term provisions" since right to defer the employee's leave is not available with the Company unconditionally and there is no impact on total liabilities.

- Capital creditors previously included under "Trade payables" amounting to Rs. 14.92 crores as at March 31, 2017 (Rs. 33.90 crores as at March 31, 2016) have been reclassified to "Other current financial liabilities" and there is no impact on total current liabilities.
- Provision made for contingency in relation to ongoing litigations are provision made under Ind AS 37 and is not in the nature of financial liabilities. Accordingly, such provision

Notes forming part of the financial statements

previously included under trade payable amounting to Rs. 48.43 crores as at March 31, 2017 (Rs. 48.50 crores as at March 31, 2016) have been reclassified under the head "Short-term provisions" and there is no impact on total current liabilities.

- iii. Amount paid under protests in respect of certain ongoing litigations previously presented under other non-current financial asset amounting to Rs. 530.94 crores as at March 31, 2017 (Rs. 525.96 crores as at March 31, 2016) is in the nature of non-financial assets. Accordingly, such amount has been reclassified under "Other non-current asset" and there is no impact on total non-current assets.
- iv. Exit charges liability previously included under "Income received in advance" under "Other current liabilities" amounting to Rs. 4.39 crores as at March 31, 2017 (Rs. 1.81 crores as at March 31, 2016) have been reclassified against corresponding amount of Exit charges receivable included under "Trade receivables".
- v. The other related disclosures have been updated in the relevant notes.

41 Disclosure on Specified Bank Notes

The disclosure requirements relating to holdings as well as dealings in Specified Bank Notes (SBN) were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these financial statements for the year ended March 31, 2018.

Note on SBN given in the audited financial statements for the year ended March 31, 2017 has been reproduced below.

"The Central Government vide its notification no S.O. 3407(E) dated November 8, 2016, declared that Specified Bank Notes (SBN) shall cease to be legal tender with effect from November 9, 2016. However, subsequently, the Central Government vide its notification no S.O. 3544(E) dated November 24, 2016, allowed telecom companies to accept Specified Bank Notes towards prepaid mobile top-up to a limit of Rs 500 per top-up from November 25, 2016 to December 15, 2016. Further, on March 30, 2017, the Ministry of Corporate Affairs has issued notification no G.S.R 308(E) dated March 30, 2017 amending the provisions of the Companies Act, 2013 and mandating every company to provide details of Specified Bank Notes held / transacted during the period of November 8, 2016 to December 30, 2016. This section makes disclosures pursuant to such requirement.

Rs. in crores

	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016 *	0.43	0.03	0.46
(+) Permitted receipts **	0.26	10.20	10.46
(+) Non permitted receipts	1.12	-	1.12
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks ***	1.81	9.99	11.80
Closing cash in hand as on December 30, 2016	-	0.24	0.24

*This amount reflects the sum of all "cash in hand" as recorded in the books of the Company based on the information received from Company owned and Franchisee stores. The Company had, as a measure of good governance practice and to ensure due diligence, as a one-time measure, mandated its employees to record and report the cash denomination for the closing balance on November 8, 2016. The Company is in the process of reconciling the data so collected with bank records for the same period. The Company had also issued strict instructions to employees to not accept any Specified Bank Notes with immediate effect.

** This amount reflects the sum of all cash received by the Company in the Specified Bank Notes of Rs. 500 between the period of November 25, 2016 and December 15, 2016. The Central Government had, vide its Notification dated November 24, 2016, allowed use of currency notes of denomination of Rs. 500 towards payment for prepaid mobile top-up, up to a limit of Rs. 500 per top-up for the period between midnight of November 24, 2016 and up to and including December 15, 2016. Accordingly, the permitted receipts of the Specified Bank Notes represent the amounts received pursuant to such permitted transactions. This amount is as per information provided to the Company by the banks. The Company had issued specific instructions for maintaining a record of, and tracking the collection of such Specified Bank Notes. The Company is in the process of verifying and reconciling to the extent possible this information.

*** This reflects the information received from the banks of the Company, based on the request made by the Company for the purposes of complying with the provisions of the Companies Act, 2013. The figures set out herein reflect the Specified Bank Notes and other notes of other denominations as received by the specified banks at the branch from the cash management agencies contracted by the banks for collecting the cash from the Company's stores on behalf of the banks. As a matter of company-wide business practice, the cash management agencies appointed by banks, collect, on a daily basis, the cash from the stores of the Company on behalf of the banks. The cash management agencies provide a manually generated receipt to the stores of the cash and the denomination collected by them from the stores. The amounts reflected herein may not reflect the amounts stated

Notes forming part of the financial statements

in such receipts issued by the cash management agencies to the Company's representatives at the stores. The Company is in the process of reconciling this information against such manually generated receipts.

We have identified discrepancies in the cash denominations in (a) the closing balance maintained by the Company on November 8, 2016, as well as the cash received and generated by the Company between November 8, 2016 to December 30, 2016 and (b) the amounts shown as received by the banks at their branches as reflected in above table. While the total amount of cash has been reconciled, the discrepancies remain in the denominations of such bank notes. Accordingly, we have initiated an exercise, and an external agency is being appointed, to investigate the matter, identify the discrepancies, and validate and reconcile the differences. Given that the Company has over 193 stores across Mumbai and Maharashtra circles and the records are maintained physically, the Company had no pre-existing systems to track these, the reconciliation exercise has not been fully completed and is expected to be completed by the end of the next quarter.

42 Standards issued but not yet effective

- (i) In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115, 'Revenue from Contracts with Customers.' This will replace Ind AS 18 which covers contracts for goods and services and Ind AS 11 which covers construction contracts. Ind AS 115, Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard replaces Ind AS 18 Revenue and Ind AS 11 Construction contracts and related appendices.

A new five-step process must be applied before revenue can be recognised:

- i. Identify contracts with customers
- ii. Identify the separate performance obligation
- iii. Determine the transaction price of the contract
- iv. Allocate the transaction price to each of the separate performance obligations, and
- v. Recognise the revenue as each performance obligation is satisfied.

The new standard is mandatory for financial years commencing on or after 1 April 2018 and early application is not permitted. The standard permits either a full retrospective

or a modified retrospective approach for the adoption.

We have established an implementation team to implement the standard update related to the recognition of revenue from contracts with customers. We are currently evaluating the existing revenue contracts to determine revenue recognition under the new standard. Additionally, we are in the process of identifying and implementing changes to our processes to meet the standard's updated reporting and disclosure requirements, as well as evaluating the internal control changes, if any, during the implementation and continued application of the new standard.

- (ii) The MCA has notified Appendix B to Ind AS 21, Foreign currency transactions and advance consideration. The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

For a single payment or receipt, the date of the transaction should be the date on which the entity initially recognises the non-monetary asset or liability arising from the advance consideration (the prepayment or deferred income/contract liability). If there are multiple payments or receipts for one item, date of transaction should be determined as above for each payment or receipt. The appendix can be applied:

- retrospectively for each period presented applying Ind AS 8;
- prospectively to items in scope of the appendix that are initially recognized
- on or after the beginning of the reporting period in which the appendix is first applied (i.e. 1 April 2018 for entities with March year-end); or
- from the beginning of a prior period reporting presented as comparative information (i.e. 1 April 2017 for entities with March year-end).

Management has assessed the effects of applying the appendix to its foreign currency transactions for which consideration is received in advance. The effect on the financial statements is being evaluated by the Company.

The Company intends to adopt the amendments prospectively to items in scope of the appendix that are initially recognised on or after the beginning of the reporting period in which the appendix is first applied (i.e. from 1 April 2018).

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Notes forming part of the financial statements

43 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.

44 (a) Operating lease payments recognised in the Statement of Profit and Loss :

	April 1, 2017 to March 31, 2018 Rs. in crores	April 1, 2016 to March 31, 2017 Rs. in crores
Cell sites and others	395.22	395.01

(b) Future Minimum Lease payments under Non-cancellable operating lease :

	As at March 31, 2018 Rs. in crores	As at March 31, 2017 Rs. in crores
Due not later than one year	227.15	314.85
Due later than one year and not later than five years	708.18	913.22
Due later than five years	378.93	517.30

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.

45 Earnings per share data	April 1, 2017 to March 31, 2018 (9,841.99)	April 1, 2016 to March 31, 2017 (2,356.47)
i) Loss after tax (Rs. in crores)		
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.)	(50.34)	(12.05)

46 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. 2,345.11 Crores as at March 31, 2018 (Rs. 1,922.23 crores as at March 31, 2017).

47 The following table sets forth the movement in the provision for contingencies:

	Rs. in crores			
Description	As at April 1, 2017	Additions during the year	Amounts utilised / reversed	As at March 31, 2018
Provision for Contingencies	676.77 (590.58)	170.00 (86.19)	- -	846.77 (676.77)

a. Figures pertaining to the previous year have been disclosed in brackets.

b. Provision for contingencies are primarily towards the outstanding claims / litigations against the Company relating to Department of Telecommunication (DoT) and other parties.

Notes forming part of the financial statements

48 The following table sets forth the movement in the Provision for foreseeable losses on long term contracts:

Rs. in crores

Description	As at April 1, 2017	Additions during the year	Liabilities directly associated with assets classified as held for sale	As at March 31, 2018
Provision for foreseeable losses on long term contracts	-	261.60	(101.01)	160.59
	-	-	-	-

49 The Company had issued Non Convertible Debentures ("NCD") aggregating to Rs. 750 crores during the financial year 2015-16 repayable over the specified period. As per section 71(4) of the Companies Act 2013, a debenture redemption reserve ('DRR') is to be created out of the profits of each year until such debentures are redeemed. During the year ended March 31, 2017, the Company had incurred losses of Rs. 2,356.47 crores, hence the Company had not created debenture redemption reserve.

Further, as per Companies (Share Capital and Debentures) Rules 2014, wherein in terms of Clause 18(7)(c) of the rules, it will be necessary for the Company to create a fund before 30th April of each financial year, which shall not be less than 15% of the debentures maturing during the respective financial year ending on 31st March, by way of one or more methods i.e. through deposits with scheduled banks /investments in specified securities or bonds as indicated in the Clause 18(7)(c). Since, no debenture is due for redemption during financial year 2017-18, hence the same is not applicable.

During the current year, the Company has foreclosed and repaid entire amount of Non Convertible Debentures.

Signatures to Notes '1' to '49'

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants

Firm Registration Number - 012754N/N500016

For and on behalf of the Board of Directors

Sharmila A. Karve

Partner

Membership Number: 043229

Hiroo Mirchandani

(Director)

(DIN No. 06992518)

D. T. Joseph

(Director)

(DIN No. 01716572)

N. Srinath

(Managing Director)

(DIN No. 00058133)

Kush S. Bhatnagar

(Chief Financial Officer)

Kiran Thacker

(Company Secretary)

Place : Mumbai

Date : May 30, 2018

Place : Mumbai

Date : May 30, 2018

**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 _____ 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 Third Annual General Meeting of the Company to be held on Saturday, September 29, 2018 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, 2018, together with the Reports of the Board of Directors and the Auditors thereon
2	Appointment of Director in place of Mr. Srinath Narasimhan (DIN: 00058133), who retires by rotation and being eligible, offers himself for re-appointment.
Special Business	
3	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, 2019.
4	Shifting of Registered Office of the Company
5	Issue of Non-Cumulative Redeemable Preference Shares - Series 4 on Preferential Basis
6	Issue of Non-Convertible Debentures on Private Placement
7	Availing/Acceptance of Inter Corporate Deposits/Loans

Signed this _____ day of _____ 2018

Signature of Shareholder _____

Signature of Proxy holder (s) _____

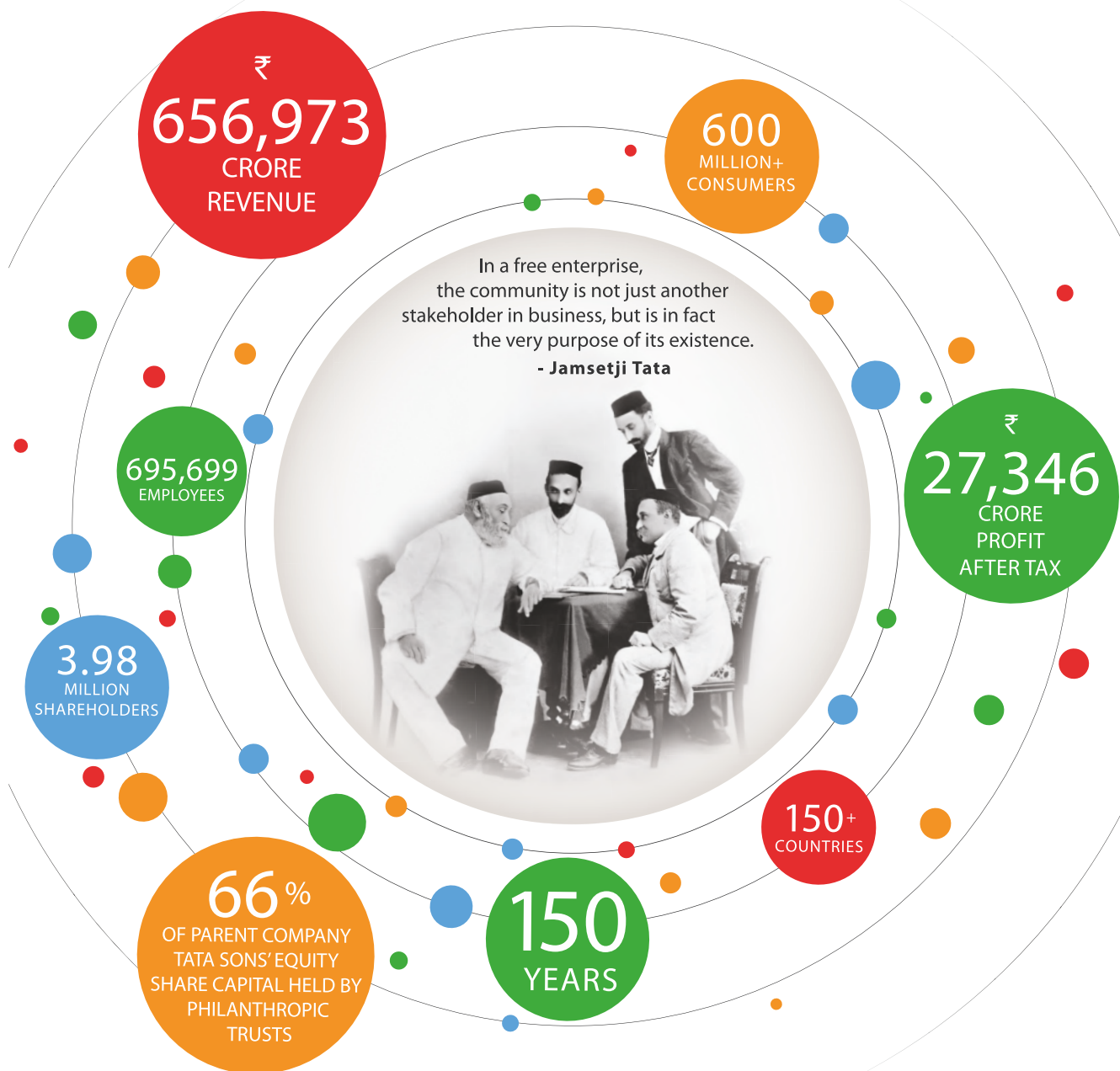
Affix Revenue Stamp of Re. 1

Notes:

- (i) This 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) This 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) This 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.

LEADERSHIP WITH TRUST

SINCE 1868



The figures are aggregated for Tata companies for the financial year ended 31.03.2017.

From pioneering businesses, to pioneering welfare practices,
to pioneering national institutions,
the Tata Group remains committed to improving the lives of communities
we serve globally, based on leadership with trust.



Picture (left to right): The four partners - Jamsetji Tata, Founder of the Tata Group; R. D. Tata, father of J. R. D. Tata;
Sir Ratan Tata, younger son of the Founder; and Sir Dorabji Tata, elder son of the Founder.

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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

ATTENDANCE SLIP

TWENTY THIRD ANNUAL GENERAL MEETING ON SATURDAY, SEPTEMBER 29, 2018 AT 1100 HOURS

at "Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg,
Nariman Point, Mumbai – 400 021

(To be presented at the entrance of the Auditorium)

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I certify that I am a registered Member / proxy for the registered Member of the Company as on the cut-off date. I hereby record my presence at the TWENTY THIRD ANNUAL GENERAL MEETING of the Company at "Rangaswar", 4th Floor, Yashwantrao Chavan Pratishthan Mumbai, Gen. Jagannathrao Bhosle Marg, Nariman Point, Mumbai – 400 021 on Saturday, September 29, 2018 at 1100 hours.

Member's Folio / DP ID-Client ID No.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Notes:

1. Only Member / Proxy / Authorised Representative can attend the Meeting.
2. Member / Proxy / Authorised Representative should bring his/her copy of the Annual Report for reference at the Meeting.

Particulars for voting through Electronic means

EVEN (Remote e-Voting Event Number)	User ID	Password / PIN

Notes:

1. For Members opting to vote through electronic means ("e-voting"), instead of voting at the Annual General Meeting, e-voting facility is available at the weblink: <https://www.evoting.NSDL.com>. Particulars for e-voting are given above.
2. Please refer to the instructions printed under the Notes to the Notice of the Twenty Third Annual General Meeting. The e-voting period starts from **Wednesday, September 26, 2018 (0900 hours IST) and ends on Friday, September 28, 2018 (1700 hours IST)**. The e-voting module shall be disabled by NSDL for voting thereafter.